PANGBOURNE COLLEGE LIMITED

England & Wales · Charity number 309096

Details

Other names	DEVITT AND MOORE NAUTICAL COLLEGE LIMITED, PANGBOURNE COLLEGE
Status	Registered
Legal form	Charitable company
Company number	00260104
Registered	1963-02-20
Register	View on the Charity Commission register

Contact

Address	Pangbourne College Pangbourne Hill Pangbourne Reading RG8 8LA
Phone	01189842101
Website	www.pangbourne.com

Activities

Objects: TO ADVANCE EDUCATION FOR THE PUBLIC BENEFIT, INCLUDING (BUT NOT LIMITED TO) THE PROVISION AND MAINTENANCE AT THE PREMISES KNOWN AS PANGBOURNE COLLEGE, PANGBOURNE, BERKSHIRE OR ELSEWHERE OF A BOARDING AND/OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF CHILDREN OR YOUNG PERSONS OF EITHER SEX OR BOTH SEXES.

Activities: To advance education for the public benefit including (but not limited to) the provision and maintenance at the premises known as Pangbourne college, Pangbourne, Berkshire or elsewhere of a boarding and/or day school or schools for the education of children or young persons of either sex or both sexes.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space
- **What:** Education/training
- **Who:** Children/young People

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Geography

- West Berkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£13,963,572	£13,169,860	£14,613,465	135
2023-08-31	£13,267,372	£12,718,637	£13,819,753	130
2022-08-31	£12,324,917	£11,576,098	£13,271,018	132
2021-08-31	£11,057,934	£9,936,832	£12,522,199	126
2020-08-31	£10,858,153	£9,994,917	£11,401,097	128

Trustees

Name	Role	Appointed
Patrick Roberts	Chair	2017-06-20
David Mullins		2019-11-28
Desmond Devitt		2019-06-18
Emma Cleugh		2022-12-08
MR A BOND		
Mark Bodeker		2021-11-29
Perena Shryane		2022-03-17
Rachael Cox		2024-12-06
Rhidian Llewellyn		2015-11-27
Rohan Batra		2021-11-30
Sally Rossiter		2015-11-27
Tarka Duhalde		2022-03-17

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Linked charities

- OLD PANGBOURNIAN SCHOLARSHIP FUND (309096-1)
- ANDERSON PRIZE FUND (309096-10)
- HARRY SYKES MEMORIAL TRUST (309096-11)
- BOOTH SCHOLARSHIP FUND (309096-2)
- SCRUTTON SCHOLARSHIP FUND (309096-3)
- BATES RIFLE RANGE FUND (309096-4)
- CAMPBELL AND CURT SCHOLARSHIP FUND (309096-5)
- HUNT BURSARY FUND (309096-6)
- DEVITT CADETSHIP FUND (309096-7)
- KING GEORGE'S FUND BURSARY ACCOUNT (309096-8)
- VERA MCMASTER BURSARY FUND (309096-9)

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PANGBOURNE COLLEGE LIMITED

England & Wales - Charity number 309096

Accounts

Registered number: 00260104
Charity number: 309096

PANGBOURNE COLLEGE LIMITED

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

PANGBOURNE COLLEGE LIMITED

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PANGBOURNE COLLEGE LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2024

Governors

Mr R Batra[1]
Rev M Bodeker[1]
Rev A Bond[1,2]
Mrs T Brooks[3]
Mrs C Butterworth[1]
Mrs E Cleugh[2]
Mr D Devitt[3]
Miss T Duhalde[1]
Mr R Llewellyn[3]
Mr D Mullins[1]
Mr P Roberts MBE[1,2]
Mrs S Rossiter[3,4]
Mrs P Shryane[1]

[1] Members of the Finance & General Purposes Committee
[2] Members of the Property & Sustainability Committee
[3] Members of the Education & Welfare Committee
[4] Members of the Health & Safety Committee

The governors are also the charity trustees and directors of Pangbourne College.

Officers

Head	Mr T J C Garnier (Resigned 31 August 2024)
	Mr O Knight (Appointed 1 September 2024)
Deputy Head Character & Routines	Mrs S Greenwood (Resigned 31 August 2024)
Deputy Head (Academic)	Mr M Seccombe
Deputy Head (Pastoral)	Mr M Skidmore
Deputy Head (Co-Curricular)	Mr R Follett
Bursar and Company Secretary	Mr J N Walne

Company registered number

00260104

Charity registered number

309096

Registered office

Pangbourne
Reading
Berkshire
RG8 8LA

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2024

Independent auditor	Crowe U.K. LLP R+ Building, 2 Blagrave Street Reading Berkshire RG1 1AZ
Bankers	National Westminster Bank Plc Abbey Gardens 4 Abbey Street Reading Berkshire RG1 3BA
Insurance Brokers	Marsh Merlin House Commerce Park Brunel Road Theale Reading RG7 4BY

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

CONSTITUTION AND OBJECTS

Pangbourne College ("the College") was founded in 1917, originally as the Nautical College, Pangbourne, under which name it operated until 1969. It is constituted as a company limited by guarantee registered in England, No. 0260104, and is registered with the Charity Commission under Charity No. 309096. The College is governed by its Memorandum of Association and Articles of Association most recently revised on 20 March 2007.

The College's Objects and principal activity, as set out by the Memorandum of Association, is to advance education for the public benefit, including (but not limited to) the provision and maintenance at the premises known as Pangbourne College, Pangbourne, Berkshire or elsewhere of a boarding and/or day school or schools for the education of children or young persons of either sex or both sexes.

In furtherance of these Objects, the College seeks to provide subsidised education via bursaries for deserving students whose parents could not otherwise afford the cost of educational fees. Within these objects, the charitable company also has to maintain its heritage endowment, the College, with its Grade 2 listed buildings and The Falklands Islands Memorial Chapel, a national memorial site.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

Within these objects, Pangbourne College's aim is to provide a first class independent education, both through strong academic tuition and through developing wider sporting, artistic and social skills in all its pupils. Additionally, there is an emphasis on values and leadership, and at various stages during their time at the school all pupils participate in the Duke of Edinburgh's Award Scheme, the Combined Cadet Force and are given training in leadership skills. The intention is to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

Pangbourne is ambitious for every student, within and outside of the classroom, and aims for them to leave the College having developed the following characteristics, also known as the Flag Values:

- Integrity: being honest, reliable and delivering on promises.
- Initiative: confidently choosing to take the lead and create change.
- Industry: dedication to hard work and striving to meet expectations.
- Kindness: showing compassion and consideration for others regardless of their background.
- Moral Courage: having the strength of character to take action in difficult circumstances.
- Resilience: the ability to keep going and pick oneself up in the face of setbacks.
- Respect: to admire others as a result of their abilities, qualities or achievements; to have due regard for someone's feelings, wishes or rights.
- Selflessness: extending a helping hand to others.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Principal activities

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18.

GOVERNANCE AND MANAGEMENT

Board of Governors

The College Governors, executive officers and principal address of the charitable company are as listed on page 1 and 2. Particulars of the charitable company's professional advisers are given on page 2.

Recruitment and training of Governors

The Board of Governors is self-appointing. New members of the Board are elected on the basis of their professional qualities, experience, personal competence and local availability.

New Governors are inducted into the workings of the charitable company and its school, including Board Policy and Procedures. Governor and Trustee training is offered to all new members and is provided by a number of professional sources such as AGBIS. Governors are appointed initially for a five year term of office. At the expiry of this period Governors can offer themselves for re-election to the Board.

Organisational management and remuneration

The Pangbourne College Governors, as the trustees of the charity and directors of the company are legally responsible for the overall management and control of Pangbourne College, and meet as a Board three times a year. The work of governance and financial supervision is carried out by members of the Finance and General Purposes Committee (F&GP), who meet before each meeting of the College Governing Board and on extra occasions when necessary such as to approve the budgets and finalise the audited accounts and annual report for approval by the Board. The F&GP works under the chairmanship of a member of the College Governors. The other principal permanent committees are the Property & Sustainability Committee, the Education & Welfare Committee and the Health & Safety Committee, each being chaired by a Board member and meet on a termly basis and more often should the need arise. Other committees are formed on an ad hoc basis for specific purposes such as an Appeal. Members of all Board committees are listed on page 1.

The day to day management of the school is delegated to the College's Headmaster supported by the Senior Management Team. At 31 August 2024 these were:

Mr J N Walne - Bursar
Mrs S Greenwood - Deputy Head Character & Routines
Mr M Seccombe - Deputy Head Academic
Mr M Skidmore - Deputy Head Pastoral
Mr R Follett - Deputy Head Co-Curricular

The Head, Deputy Head Character & Routines, Deputy Head Academic and the Bursar attend meetings of the various committees.

The Head, Senior Management Team and Governors together form the College's Key Management Personnel.

The Board of Governors are responsible for setting the pay and remuneration of the College's key management personnel. When considering remuneration, the Board aims to recruit and retain talented people, sustain the high-performance culture within the College and recognise the contributions of the personnel. The underlying principle when setting pay is that the amount paid should reflect the market for comparable jobs in comparable organisations, the performance of the organisation and the skills and contribution of the individual. Independent remuneration reviews are commissioned from time to time for the Head and Bursar, the most recent completed in July 2015 by Affinity Independent Schools Consultancy LLP.

Group structure and relationships

The charitable company has a wholly owned non-charitable subsidiary, Pangbourne College Enterprises Limited, whose activities and trading performance are discussed below.

Pangbourne College actively supports the attainment of the highest standards in the Independent Schools sector as its Head is a member of The Headmasters' and Headmistress' Conference. We also cooperate with many local organisations in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the College.

The College also benefits from the generosity of a thriving network of Old Pangbournians whose close support we greatly appreciate and gladly acknowledge.

AUDITORS
So far as each of the Governors is aware at the time the report is approved:-

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information (s. 234ZA (2)).

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting

STRATEGIC REPORT

VISION

Our vision is to provide an academic education alongside an ethos of adventure; supporting our young people to acquire the knowledge, skills and character to become kind, confident and articulate adults ready to leave a positive mark on a changing world.

MISSION

Pangbourne College exists to educate young people to be a force for good in an imperfect world. Our mission is to be a caring community of learners in which pupils from all backgrounds can flourish.

We enable pupils to succeed academically and to develop character through commitment to a curriculum that provides challenge and adventure. We equip our pupils with the values, knowledge, skills and confidence needed to grasp opportunities and make a positive difference to the world. We seek to increase the diversity and quality of our pupil body through the provision of transformational bursaries.

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

The College's 5 year Development Strategy for the academic years 2024/25 to 2029/30 encompasses all aspects of College life, from our campus development, through to communication and technology.

EDUCATION STRATEGY
1. Academic Rigour, not Academic Selection, to help every individual realise their ambition.
2. Exploration & Adventure, increasing self-awareness and promoting resilience.
3. Community, a supportive ecosystem with exceptional pastoral care.
4. Leadership and personal growth.

BUSINESS STRATEGY
1. Forward thinking, economical business planning to balance resources with needs, maximising efficiencies and further improving profitability.
2. Reduce dependence on fee income through generating incremental income via commercial activities, asset management, fundraising and sponsorship.

SUSTAINABLE CAMPUS
1. A considered plan of capital investment, serving the educational needs and increasing the value of the College's natural assets.
2. Ensure resources are maintained and used effectively to meet pupil needs.
3. Sustainable environment: seeking to reduce waste, reduce carbon emissions, increase carbon offsetting and put sustainability at the core of both development and redevelopment projects.

COLLEGE COMMUNITY
1. Attract Pangbournians with a spirit of adventure ready to thrive at the College and beyond.
2. Attract and retain brilliant staff, developing talent through training, coaching and mentoring, build a motivated, ambitious community that recognises excellence.
3. Develop exceptional communications, facilitating a connected, happy community.

INNOVATION
1. Working with industry leaders, deliver a forward-thinking technology strategy to aid excellence in teaching and learning.
2. Maintain reliable, agile systems to aid virtual interoperability across the College, both secure and flexible to support the College's changing needs.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

100% of A level/BTEC pupils achieved A* – E (& equivalent), with 61% achieving A*- B (& equivalent) grades. 89% of GCSE pupils achieved 9-4 grades, with 21.5% achieving 9-7 grades.

In terms of outdoor pursuits, 14 Gold, 22 Silver and 126 Bronze Duke of Edinburgh's Awards were completed by Pangbourne pupils. The Combined Cadet Force at Pangbourne College had 240 Cadets split between three sections, Army, Royal Navy and Royal Marines. The Royal Navy offering has been front and centre in terms of focus during the year. Staff have achieved the following qualifications: X2 Powerboat Level 2, X2 BCA Foundation Safety Rescue, X2 BCA Paddlesports Instructors, X1 RYA Level 1&2 Dinghy/Sailing, and X1 Exercise Coordinating Officer. The College came second place at the annual Summer Camp at Longmoor, taking the largest number of cadets for the week-long event.

A number of significant improvements were made to the College's facilities during the year. One of the Boarding Houses (Port Jackson) was refurbished, including new ablutions and redecorated rooms and corridors. The roofs and windows were repaired on the Performing Arts Hall and one of the Boarding Houses (Harbinger). The Chemistry department was internally refurbished and repairs made to the external surfaces.

Once again, students from the College travelled to Uganda over the summer break to support projects at Nabugabo Community Learning Centre.

Grant making policy

Pangbourne College Governors' policy, in line with that of other independent schools, is to make awards on the basis of an individual's educational potential. Awards and bursaries (not including untested allowances for staff) totalling £1,264,630 *(2023: £1,279,260)* (8.9% of gross fees receivable) were made from unrestricted funds where the policy is towards academic excellence and also to relieve hardship where the pupil's education and future prospects would otherwise be at risk.

Public benefit

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

The Trustees continued to take seriously the requirement to have regard to the published guidance on public benefit as per s.17 (5) of the Charities Act.

The College awards a substantial number of bursaries (means-tested) and scholarships (based on merit) each year. The policies in respect of these are available on the College's website. In the last year, the College provided means-tested support for pupils whose parents could not afford the fees worth £970,000 *(2023: £965,315),* or 6.8% of gross fee income. Six *(2023: eight)* pupils received support worth at least 100% of fees, including one via HMC Projects to students from Central and Eastern Europe, and two via the Royal National Children's Springboard Foundation. Additionally, £180,414 *(2023: £212,402)* was given in discounts to children of parents serving in the Armed Forces. Some of these families also received CEA funding from the Ministry of Defence worth a further £312,912 *(2023: £300,780)*.

Beyond the considerable public benefit of providing a high-quality education (known as the Pangbourne Experience) to the pupils of the College, which equips them with good academic qualifications and a sense of responsibility and service to others, the College also provided wider benefits to children and young people who are not pupils.

A number of local state schools, prep schools and youth organisations receive support from the College and our employees. Local school children attend events run by the College such as the annual Piano Festival, orchestral fun days, DT challenge days, hockey tournaments and outdoor learning classes.

The College donated £3,745 to nine local projects that applied for grants from the Community Fund.

The following programmes were achieved during the year:

- The College is a partner with the Whitley Excellence Cluster, which comprises 10 South Reading schools and aims to empower children to access non-formal learning and enrichment activities. Over the course of the academic year we invited numerous schools and children to attend various opportunities to help expand their learning experience and engage with our pupils and other local primary schools. Activities throughout the year included: Forensic Science days, Maths Challenge, Orchestral Fun Day, DT workshops, Cross Country Event and Football Tournament.
- The College has a longstanding partnership through the CCF with Denefield School, with their pupils joining Pangbourne College for weekly activities and field days.
- 6 members of staff are governors of local schools in both the independent and the maintained sector.
- Six football teams have continued to use the floodlit all-weather astro-turf pitch.Other local clubs use the College's sports hall and cricket pitches.

The College maintains and acts as steward to the Falkland Islands Memorial Chapel, the national war memorial for those killed in the Falklands War. Normal wear and tear is funded and carried out by the College. Major repairs and refurbishment, while being funded by the Chapel Trust, are planned and organised by the College's Estate's Bursar and his staff. The College staff and pupils also host the annual memorial service and lunch in June for over 600 families and veterans.

Pangbourne Choral Society is made up of members of the local community. They meet weekly in the Falkland Islands Memorial Chapel and hold a number of fund-raising concerts throughout the year.

Prior to the General Election, the College hosted a hustings in the Falkland Islands Memorial Chapel for all candidates for the local constituency. The event was held on 12 June 2024 and attended by over 300 members of the local community.

Action Medical Research held a fund-raising cycle ride using the College's facilities. Sue Ryder held a fund-raising Starlight Hike.

Volunteers

Old Pangbournians helped generously with activities such as the Careers Fair. The Pangbourne Parents' Association also organised a number of events in support of the College. The Trustees would like to take this opportunity to say how much their continuing and valuable support for the charity's work is appreciated.

FINANCIAL REVIEW

Results for the Year

The Governors of the College report a pre-depreciation surplus of £1,183k *(2023: £939k)*. This year Pangbourne College averaged 459 *(2023: 464)* pupils. The pupil:teacher ratio was 7.3 *(2023: 7.2)*

The College achieves its liquidity objectives by the careful management of working capital and regular forecasting of short and long term cash requirements. The College's cost base predominantly comprises staff costs and therefore the impact of commodity price risk is modest although there is exposure to increases in utility and related building operational costs. The College's exposure to credit risk is mitigated by fees being due at the beginning of each term.

Interest rate risk exposure is managed by the consideration of fixing interest rates on a proportion of the loan portfolio within parameters that are agreed and regularly reviewed by the Finance and General Purposes Committee.

Reserves Policy

The College's policy is to seek to generate a surplus of income over expenditure that enables the College to continue its programme of refurbishment and development whilst securing the long-term viability of the College.

At the balance sheet date unrestricted funds stood at £14,347,790 *(2023: £13,607,559)*. After deducting the carrying value of tangible fixed assets held for the charity's own use, adjusted for borrowing there were free reserves of £2,950,930 *(2023: £2,020,940)* (as defined by the Charity Commissioners). As part of the Development Plan currently in progress, the College is producing a Master Plan for the campus which will determine the priorities for future capital projects.

The Governors policy is to require cash of £2.5m to be ring-fenced in a separate bank account and outside of cash available for the day to day working capital. This cash reserve is sufficient to cover three month's running costs or two years' worth of bank loan repayments.

Fundraising

All fundraising is aimed at providing a high quality educational experience for the boys and girls who are pupils at the College, and making the experience available to more young people. Our wider community includes current and former pupils, parents, staff and friends of the College.

Our good relationship with our community is critical to the success of our charity, and we believe in establishing positive long-term relationships based on trust, goodwill and our shared interests. Any fundraising approaches are therefore personal and targeted, focused only on existing members of the College community.

We do not use third parties to help with our fundraising, nor do we participate in public mass mailings, door to door fundraising, or telephone campaigns. All data shared with us is protected in compliance with the GDPR, and we never share personal information with third parties for the purposes of marketing. All literature and emails sent to our community members have clear messaging about who and how to contact us if they wish to change how we communicate with them.

Pangbourne College is registered with the Fundraising Regulator, and we follow the regulator's Code of Practice. This sets out the standards that members are expected to follow when raising money, including taking all reasonable steps to protect vulnerable people from persistent approaches, unreasonable intrusion or undue pressure.

The fundraising team at Pangbourne College consists of the newly appointed Head of Development and Alumni Relations Officer. Other senior leaders within the College, including the Head, Bursar and Governors, play a role in raising and managing funds. Occasionally other alumni and parents act as fundraising volunteers, in which case they are trained, monitored and sign a data protection and confidentiality agreement.

During the year, our charity received no complaints requiring action by the Fundraising Regulator.

FUTURE PLANS

Mr Oliver Knight assumed the role of Head for the start of the 2024/25 academic year and introduced the College's 5 year Development Strategy

As part of this strategy and in response to market changes and to aid a thriving business operation, the Chair of the Board of Governors and the Head have recently announced the launch of Campus 2030. This is a Phased development plan for Campus 2030:

Phase	Element	Timeframe
1	Boarding and pastoral model enhancement	11/24 – 09/26
2	STEM & Innovation Centre	09/25 – 08/29
3	Performing Arts and Sports	09/26 – 08/30

The initial phase aims to enhance the community experience through consolidation of senior boarding accommodation and to move to a truly co-educational model.

Students are at the heart of Pangbourne and academic rigour is key to their future success. The Governors and staff remain fully committed to ensuring that academic standards are the highest possible, whilst being comfortable with maintaining a broadly unselective admissions policy. The latter is best described as 'discerning', in that a place will not be offered unless all parties are confident that the College can meet the individual pupil's needs.

RISK MANAGEMENT

Pangbourne College Board of Governors is responsible for the management of the risks faced by the College. Detailed considerations of risk are delegated to the Finance and General Purposes Committee, who are assisted by the Senior Management Team. Risks are identified, assessed and controls are established throughout the year. A formal review of the charitable company's risk management processes is undertaken on an annual basis. The College has started to conduct an in depth review of the risk register and how it is used in order to produce a more rigorous risk management process.

The key controls used by the charitable company include:-

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable

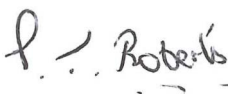
Through the risk management processes established for the College, Pangbourne College Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Principal risks and uncertainties

The Governing Body is satisfied that for all major risks identified for the group appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable, but not absolute assurance that major risks have been managed. The principal risks and uncertainties are assessed as:

- Education
  - o Decline in academic or co-curricular results and reputation. This risk is mitigated through effective monitoring of standards of teaching, coaching and pastoral care and by managing entry standards through admissions policy and process.
  - o Failure to adapt education to meet requirements of our parents & pupils (current & future). The College is conducting a study to identify strategic priorities (size, shape (boarding/day mix, class sizes), core curriculum, facility requirements) to ensure an appropriate surplus can be achieved and to inform creation of site masterplan.
- Financial Risk
  - o Imposition of VAT on fees from January 2025 impacting affordability.
  - o Loss of business rates relief and increased National Insurance contributions from April 2025 increasing costs.
  - o The principal concern is a lack of operational income. Amongst others, the College is intending to increase applications through effective marketing, increase conversion rates of enquiry to application to acceptance, improve pupil retention and reduce the level of discounts.
  - o Similarly the College is looking to control costs with clearly defined strategic priorities.
- Poor or deteriorating facilities. The College will commission the production of a masterplan to identify best use of site to meet requirements and prioritise development
- Failure to comply with regulations/breach statutory requirement. The principal risk is a current or historic safeguarding failure leading to a loss of reputation. This risk is managed by a balanced approach of controls and training. A culture of safeguarding is embedded throughout the College and detailed safeguarding and child protection policies are in place. There is regular training and the College has the required and trained designated safeguarding lead. An annual review of safeguarding is undertaken by the Board.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Pangbourne College Limited, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:



Mr P Roberts MBE

Date: 19 May 2025

STATEMENT OF GOVERNORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2024

The Governors (who are also the directors of the Company for the purposes of company law) are responsible for preparing the Governors' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Governors to prepare financial statements for each financial year. Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED

Opinion

We have audited the financial statements of Pangbourne College Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2024 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Company balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 August 2024 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditor's report thereon. The Governors are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Governors' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' report including the Strategic report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Governors' responsibilities statement, the Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102) and the Charities Act. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the group and charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and charitable company for fraud. The laws and regulations we considered in this context were The Education (Independent School Standards) Regulations 2014, Safeguarding, Health and Safety, GDPR and Food standards. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

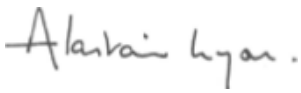
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED (CONTINUED)

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Alastair Lyon (Senior statutory auditor)
for and on behalf of
Crowe U.K. LLP
Statutory Auditor
R+ Building,
2 Blagrave Street
Reading
Berkshire
RG1 1AZ

Date: 19 May 2025

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	*Total funds 2023 £*
Income from:					
Donations and legacies	4	**13,769**	**65,377**	**79,146**	*8,545*
Charitable activities:					
Fees receivable	5	**12,813,386**	**-**	**12,813,386**	*12,233,447*
Ancillary trading income	6	**487,730**	**-**	**487,730**	*492,961*
Other trading activities:					
Trading income	12	**302,640**	**-**	**302,640**	*282,511*
Rents and lettings		**82,863**	**-**	**82,863**	*124,908*
Investments:					
Interest received		**77,935**	**-**	**77,935**	*-*
Other income		**119,872**	**-**	**119,872**	*125,000*
Total income		**13,898,195**	**65,377**	**13,963,572**	*13,267,372*
Expenditure on:					
Raising funds:					
Trading expenditure	12	**202,012**	**-**	**202,012**	*211,586*
Finance costs		**122,822**	**-**	**122,822**	*181,648*
Charitable activities:	7				
Teaching costs		**6,394,712**	**-**	**6,394,712**	*6,012,146*
Welfare costs		**2,004,339**	**-**	**2,004,339**	*1,976,550*
Premises costs		**2,203,099**	**-**	**2,203,099**	*2,419,499*
Support costs		**2,230,980**	**11,896**	**2,242,876**	*1,917,208*
Total expenditure		**13,157,964**	**11,896**	**13,169,860**	*12,718,637*
Net movement in funds		**740,231**	**53,481**	**793,712**	*548,735*
Reconciliation of funds:					
Total funds brought forward		**13,610,059**	**209,694**	**13,817,253**	*13,268,518*
Net movement in funds		**740,231**	**53,481**	**793,712**	*548,735*
Total funds carried forward		**14,350,290**	**263,175**	**14,613,465**	*13,817,253*

PANGBOURNE COLLEGE LIMITED
REGISTERED NUMBER: 00260104

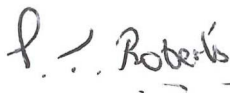
CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2024

	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	11		**12,799,915**		*13,189,456*
			12,799,915		*13,189,456*
Current assets					
Stocks		**243,771**		*219,317*	
Debtors	13	**310,251**		*218,672*	
Cash at bank and in hand		**8,059,349**		*5,159,957*	
		8,613,371		*5,597,946*	
Creditors: amounts falling due within one year	14	**(4,348,504)**		*(3,380,337)*	
Net current assets			**4,264,867**		*2,217,609*
Total assets less current liabilities			**17,064,782**		*15,407,065*
Creditors: amounts falling due after more than one year	15		**(2,448,950)**		*(1,577,923)*
Net assets excluding pension liability			**14,615,832**		*13,829,142*
Defined benefit pension scheme liability	25		**(2,367)**		*(9,389)*
Total net assets			**14,613,465**		*13,819,753*
Charity funds					
Restricted funds	19		**263,175**		*209,694*
Unrestricted funds					
General funds	19	**14,347,790**		*13,607,559*	
Share capital	19	**2,500**		*2,500*	
Total unrestricted funds	19		**14,350,290**		*13,610,059*
Total funds			**14,613,465**		*13,819,753*

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors on 19 May 2025 and signed on their behalf by:



Mr P Roberts MBE

The notes on pages 22 to 44 form part of these financial statements.

PANGBOURNE COLLEGE LIMITED
REGISTERED NUMBER: 00260104

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2024

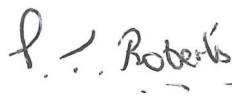
	Note		2024 £		*2023 £*
Fixed assets					
Tangible assets	11		**12,799,915**		*13,189,456*
Investments	12		**3**		*3*
			12,799,918		*13,189,459*
Current assets					
Debtors	13	**446,419**		*460,386*	
Cash at bank and in hand		**8,017,267**		*5,024,919*	
		8,463,686		*5,485,305*	
Creditors: amounts falling due within one year	14	**(4,308,970)**		*(3,334,491)*	
Net current assets			**4,154,716**		*2,150,814*
Total assets less current liabilities			**16,954,634**		*15,340,273*
Creditors: amounts falling due after more than one year	15		**(2,448,950)**		*(1,577,923)*
Net assets excluding pension liability			**14,505,684**		*13,762,350*
Defined benefit pension scheme liability	25		**(2,367)**		*(9,389)*
Total net assets			**14,503,317**		*13,752,961*
Charity funds					
Restricted funds	19		**263,175**		*209,694*
Unrestricted funds					
General funds	19	**14,237,642**		*13,540,767*	
Share capital	19	**2,500**		*2,500*	
Total unrestricted funds	19		**14,240,142**		*13,543,267*
Total funds			**14,503,317**		*13,752,961*

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

The Company's net movement in funds for the year was £750,356 *(2023 - £490,810)*.

The Governors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Governors on 19 May 2025 and signed on their behalf by:



Mr P Roberts MBE
Governor

The notes on pages 22 to 44 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2024

	Note	2024 £	2023 £
Cash flows from operating activities			
Net cash used in operating activities	21	**1,077,513**	*1,381,232*
Cash flows from investing activities			
Purchase of tangible fixed assets		**-**	*(400,162)*
Net cash provided by/(used in) investing activities		**-**	**(400,162)**
Cash flows from financing activities			
Repayments of borrowing		**(199,782)**	*(210,095)*
Interest paid		**(94,511)**	*(80,173)*
Advance fees received net of fees returned		**2,278,311**	*9,730*
Discounts allocated		**6,307**	*6,083*
Advance fees utilised		**(168,446)**	*(210,838)*
Net cash provided by/(used in) financing activities		**1,821,879**	**(485,293)**
Change in cash and cash equivalents in the year		**2,899,392**	**495,777**
Cash and cash equivalents at the beginning of the year		**5,159,957**	*4,664,180*
Cash and cash equivalents at the end of the year	22	**8,059,349**	*5,159,957*

The notes on pages 22 to 44 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

1. General information

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. The incorporated charity (registered number 0260104 and charity number 309096), is incorporated and domiciled in the UK. The address of the registered office is Pangbourne College, Pangbourne, Berkshire, RG8 8LA.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pangbourne College Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Company and its subsidiary undertaking, Pangbourne College Enterprises Limited. The results of the subsidiary are consolidated on a line by line basis.

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements. The net incoming resources of the College (excluding Enterprises) were £750,356 *(2023: £490,810)*.

2.2 Going concern

The introduction of VAT from January 2025 is expected to impact the whole independent school sector, but the charity currently holds significant cash balances with no significant commitments to capital projects. Cash flow modelling with sensitivity analysis indicates that the cash reserves are adequate to meet the charity's obligations as they fall due.

Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on the going concern basis.

2. Accounting policies (continued)

2.3 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Fees

Fee income represents the invoiced amount of College fees receivable after deducting allowances, scholarships and other remissions granted by the College. Adjustments have been made to defer invoiced fees relating to the Autumn term, which commences in the next financial period to ensure that no income relating to the next financial year is included in these financial statements. Any payments received relating to this term have been treated as fees in advance under creditors.

Donations and legacies

Donations and legacies received for the general purposes of the College are credited to 'unrestricted funds'. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Income from legacies is accrued where a pecuniary legacy is notified by the year end and where a residuary legacy has entitlement, the amount can be reliably quantified (usually via estate accounts) and it is considered probable it will be received.

Advanced fees

Amounts received under the College's Advanced Fees Scheme contracts, for education not yet utilised to settle school fees, are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2. Accounting policies (continued)

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Buildings	-	2%	straight line
Motor vehicles	-	33%	straight line
Fixtures and fittings	-	25%	straight line
Boats	-	33%	straight line

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as ‘Gains/(Losses) on investments’ in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2. Accounting policies (continued)

2.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

2.12 Parents' deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August have been included within current liabilities.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Pensions

Full-time and part-time teaching staff employed under a contract of service were eligible to contribute to the Teachers' Pension Scheme (TPS). The College was in this scheme until 31 December 2021 when it transferred to a group personal pension plan with Royal London Mutual Insurance Society Limited. See note 25 for more information.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the statement of financial activities.

The College contributed until 30 September 2013 to the Pensions Trust Growth Plan Pension Scheme for certain of its employees. This was in most respects a money purchase arrangement, but did include certain guaranteed benefit elements. The Plan was a multi-employer scheme. It is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable. The School makes deficit contribution payments to the Scheme and, in accordance with FRS 102 these payments have been measured at fair value and included as a liability on the balance sheet.

The College also operates a defined contribution auto enrolment arrangement and a defined contribution enhanced pension scheme for non-teaching staff.

Pension costs charged in the SOFA represent contributions payable by the College in that year.

2. Accounting policies (continued)

2.15 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Governors in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Governors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

In the application of the charity's accounting policies, which are described in note 2, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Governors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Donations	13,769	65,377	**79,146**

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Total funds 2023 £*
Donations	*3,255*	*5,290*	*8,545*

5. Fees receivable

	2024 £	*2023 £*
Gross fees	**14,350,519**	*13,714,051*
Less total bursaries, grants and allowances	**(1,537,133)**	*(1,480,604)*
	12,813,386	*12,233,447*

All fees receivable are unrestricted in both years.

6. Ancillary trading income

	2024 £	*2023* *£*
Insurance commission	**865**	*1,055*
Registration fees	**24,216**	*23,515*
Special learning	**78,090**	*124,709*
Fees in lieu	**71,529**	*21,393*
Exams	**257**	*6,343*
Music	**79,417**	*67,678*
Trips	**167,002**	*117,084*
Bus income	**66,354**	*124,973*
Miscellaneous	**-**	*6,211*
	487,730	*492,961*

The total ancillary trading income is unrestricted in both years.

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Teaching costs	6,394,712	-	**6,394,712**
Welfare costs	2,004,339	-	**2,004,339**
Premises costs	2,203,099	-	**2,203,099**
Support costs	2,230,980	11,896	**2,242,876**
	12,833,130	11,896	**12,845,026**

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Total 2023 £*
Teaching costs	*6,012,146*	*-*	*6,012,146*
Welfare costs	*1,976,550*	*-*	*1,976,550*
Premises costs	*2,419,499*	*-*	*2,419,499*
Support costs	*1,912,758*	*4,450*	*1,917,208*
	12,320,953	*4,450*	*12,325,403*

7. Analysis of expenditure on charitable activities (continued)

Summary by expenditure type

	Staff costs 2024 £	Depreciation 2024 £	Other costs 2024 £	Total 2024 £
Teaching costs	5,459,957	220,467	714,288	**6,394,712**
Welfare costs	665,068	72,480	1,266,791	**2,004,339**
Premises costs	315,471	37,573	1,850,055	**2,203,099**
Support costs	1,257,719	59,021	926,136	**2,242,876**
	7,698,215	389,541	4,757,270	**12,845,026**

Included within support costs are governance costs of £25,839 (2023: £28,802). Governance costs comprise the cost of running the charity including external audits, Governors' legal advice and constitutional and statutory compliance costs.

	Staff costs 2023 £	*Depreciation 2023 £*	*Other costs 2023 £*	*Total 2023 £*
Teaching costs	*5,109,447*	*220,467*	*682,232*	*6,012,146*
Welfare costs	*665,109*	*72,480*	*1,238,961*	*1,976,550*
Premises costs	*343,061*	*37,573*	*2,038,865*	*2,419,499*
Support costs	*872,201*	*59,021*	*985,986*	*1,917,208*
	6,989,818	*389,541*	*4,946,044*	*12,325,403*

8. Net income

	2024 £	*2023 £*
This is stated after charging:		
Depreciation	**389,541**	*389,541*
Auditors' remuneration - Parent	**20,965**	*18,930*
Auditors' remuneration - Subsidiary	**3,285**	*2,965*
Auditors remuneration - non audit services	**2,165**	*2,730*
Operating lease rentals	**177,539**	*190,549*
	593,495	*604,715*

9. Staff costs

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Wages and salaries	**5,884,799**	*5,342,495*	**5,815,126**	*5,278,142*
Social security costs	**589,447**	*532,874*	**589,447**	*532,874*
Contribution to defined contribution pension schemes	**1,300,160**	*1,185,727*	**1,293,642**	*1,178,802*
	7,774,406	*7,061,096*	**7,698,215**	*6,989,818*

Group staff costs above include £76,191 *(2023: £71,278)* of staff costs in relation to Pangbourne College Enterprises Limited.

During the year ex-gratia payments totalling £30,926 *(2023: £15,112)* were made.

The average number of persons employed by the Company during the year was as follows:

	Group 2024 No.	*Group 2023 No.*	Company 2024 No.	*Company 2023 No.*
Teaching	**74**	*73*	**74**	*73*
Premises	**7**	*8*	**7**	*8*
Support and welfare	**54**	*49*	**52**	*47*
	135	*130*	**133**	*128*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	*Group 2023 No.*
In the band £60,001 - £70,000	**10**	*1*
In the band £70,001 - £80,000	**1**	*-*
In the band £90,001 - £100,000	**1**	*1*
In the band £140,001 - £150,000	**1**	*-*
In the band £160,001 - £170,000	**-**	*1*

The key management personnel of the college are the Governors and the Officers as identified in the Legal and Administrative information on page 1. In the year ended 31 August 2024 they received aggregate remuneration (including employers' national insurance and pension contributions) of £747,153 *(2023: £791,084)*.

10. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits *(2023 - £NIL)*.

During the year ended 31 August 2024, travel expenses totalling £1,403 were reimbursed or paid directly to 2 Governors *(2023 - £1,734 to 3 Governors)*. £1,589 *(2023: £6,907)* was spent on Governor meetings. Insurance costs also include trustee indemnity insurance.

11. Tangible fixed assets

Group and Company

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Other fixed assets £	Total £
Cost or valuation					
At 1 September 2023	**19,353,602**	**46,717**	**2,466,177**	**378,250**	**22,244,746**
At 31 August 2024	**19,353,602**	**46,717**	**2,466,177**	**378,250**	**22,244,746**
Depreciation					
At 1 September 2023	**6,219,341**	**46,717**	**2,410,982**	**378,250**	**9,055,290**
Charge for the year	**371,819**	**-**	**17,722**	**-**	**389,541**
At 31 August 2024	**6,591,160**	**46,717**	**2,428,704**	**378,250**	**9,444,831**
Net book value					
At 31 August 2024	**12,762,442**	**-**	**37,473**	**-**	**12,799,915**
At 31 August 2023	*13,134,261*	*-*	*55,195*	*-*	*13,189,456*

The Governors consider the market value of freehold property to be substantially more than the net book value should the assets be sold for any use other than for educational purposes. This is due to the increase in values of the property market generally.

12. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 September 2023	**3**
At 31 August 2024	**3**

Principal subsidiaries

The following were subsidiary undertakings of the Company:

Names	Company number	Registered office or principal place of business	Principal activity	Class of shares	Holding	Included in consolidation
Pangbourne College Enterprises Limited	01582185	Pangbourne College, Pangbourne, Reading, Berks, RG8 8LA.	Non-educational activities of the College	Ordinary	100%	Yes
Pangbourne International Limited	12241579	Pangbourne College, Pangbourne, Reading, Berks, RG8 8LA	Dormant	Ordinary	100%	Yes

The financial results of the subsidiaries for the year were:

Names	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Pangbourne College Enterprises Limited	**302,640**	**259,284**	**43,356**	**110,153**
Pangbourne International Limited	**-**	**-**	**13,500**	**100**

Administrative expenses include a management charge paid to the College of £13,500 *(2023: £13,000)* which is eliminated on consolidation, and the donation under Gift Aid of £43,772 (2023: £nil) is to the College and is also eliminated on consolidation.

13. Debtors

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Due within one year				
Trade debtors	**294,413**	*213,633*	**188,822**	*209,933*
Amounts owed by group undertakings	**-**	*-*	**241,759**	*245,417*
Other debtors	**2,875**	*5,039*	**2,875**	*5,036*
Prepayments and accrued income	**12,963**	*-*	**12,963**	*-*
	310,251	*218,672*	**446,419**	*460,386*

14. Creditors: Amounts falling due within one year

		Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Bank loans		**212,246**	*198,960*	**212,246**	*198,960*
Trade creditors		**691,723**	*656,450*	**676,411**	*622,558*
Other taxation and social security		**212,287**	*190,325*	**201,794**	*188,576*
Other creditors		**250,294**	*200,086*	**250,295**	*200,086*
Acceptance deposits		**741,940**	*787,119*	**741,940**	*787,119*
Accruals		**309,578**	*358,386*	**295,848**	*348,181*
Fees in advance		**722,160**	*812,812*	**722,160**	*812,812*
		3,140,228	*3,204,138*	**3,100,694**	*3,158,292*
Deferred income - Advanced fees	16	**1,208,276**	*176,199*	**1,208,276**	*176,199*
		4,348,504	*3,380,337*	**4,308,970**	*3,334,491*

The bank borrowing is secured by a fixed legal charge over the property of the charity and a floating charge over the other assets.

15. Creditors: Amounts falling due after more than one year

		Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Bank loans		**1,190,809**	*1,403,877*	**1,190,809**	*1,403,877*
Deferred income - Advanced fees	16	**1,258,141**	*174,046*	**1,258,141**	*174,046*
		2,448,950	*1,577,923*	**2,448,950**	*1,577,923*

Included within the above are amounts falling due as follows:

	Group 2024 £	*Group 2023 £*	Company 2024 £	*Company 2023 £*
Between one and two years				
Bank loans	**225,826**	*210,621*	**225,826**	*210,621*
Between two and five years				
Bank loans	**767,926**	*716,220*	**767,926**	*716,220*
Over five years				
Bank loans	**197,057**	*477,036*	**197,057**	*477,036*

The loan was first drawn down in September 2006 and is repayable in monthly instalments over 20 years starting in February 2010.

The interest rate applied to the loan is equivalent to 1% per annum above the bank base rate.

16. Deferred income - Advanced fees

Amounts may be paid to the college up to the equivalent of 7 years' tuition fees in advance. The money may be returned subject to specific conditions stated within the scheme literature.

Assuming pupils will remain at the college advance fees will be applied:

	2024 £	*2023* *£*
Within 1 year	**1,208,276**	*176,199*
Within 1 - 2 years	**695,943**	*55,120*
Within 2 - 5 years	**562,198**	*118,926*
	2,466,417	*350,245*

The balance represents the accrued liability under the contracts. The movements during the year are detailed as follows:

	2024 £	*2023* *£*
At 1 September 2023	**350,245**	*545,270*
Increase		
Advance fees received	**2,278,311**	*9,730*
Discounts allocated	**6,307**	*6,083*
	2,284,618	*15,813*
Decrease		
Advance fees utilised	**(168,446)**	*(210,838)*
	2,466,417	*350,245*

17. Share capital

	2024 £	*2023* *£*
Authorised, issued and fully paid		
50,000 shares of 5p each	**2,500**	*2,500*
	2,500	*2,500*

18. Financial instruments

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Financial assets				
Financial assets measured at amortised cost	**8,369,600**	*5,378,629*	**8,463,686**	*5,485,308*

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Financial liabilities				
Financial liabilities measured at amortised cost	**3,396,590**	*3,604,878*	**3,367,549**	*3,560,781*

Financial assets held at amortised cost are trade debtors, other debtors, intercompany debtors, cash at bank, trade creditors, bank loans, acceptance deposits, other creditors and accruals.

Financial liabilities held at amortised cost are trade creditors, bank loans, acceptance deposits, other creditors and accruals.

The income, expense, gains and losses in respect of financial instruments are summarised below:

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Total interest expense for financial liabilities held at amortised cost	**94,511**	*80,173*	**94,511**	*80,173*

19. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Balance at 31 August 2024 £
Unrestricted funds				
General Funds	**13,540,765**	**13,595,555**	**(12,898,680)**	**14,237,640**
Share capital	**2,500**	**-**	**-**	**2,500**
Reserves - Trading subsidiary	**66,794**	**302,640**	**(259,284)**	**110,150**
	13,610,059	**13,898,195**	**(13,157,964)**	**14,350,290**
Restricted funds				
Boat House Fund	**149,142**	**4,938**	**-**	**154,080**
Other restricted funds	**22,515**	**55,210**	**(5,151)**	**72,574**
Centenary Appeal	**38,037**	**5,229**	**(6,745)**	**36,521**
	209,694	**65,377**	**(11,896)**	**263,175**
Total of funds	**13,819,753**	**13,963,572**	**(13,169,860)**	**14,613,465**

Restricted funds relate to income given in support of the Boat House refurbishment and its facilities, and for the Centenary Appeal. The Centenary Appeal donations will be used to support organisations, community work and educational projects that benefit young people in the Reading areas. Centenary charity funds will also support the Nabugabo partnership project in Uganda.

19. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2022 £	*Income* £	*Expenditure* £	*Balance at 31 August 2023* £
Unrestricted funds				
General Funds	*13,050,795*	*12,992,571*	*(12,502,601)*	*13,540,765*
Share capital	*2,500*	*-*	*-*	*2,500*
Reserves - Trading subsidiary	*8,869*	*282,511*	*(224,586)*	*66,794*
	13,062,164	*13,275,082*	*(12,727,187)*	*13,610,059*
Restricted funds				
Boat House Fund	*149,112*	*30*	*-*	*149,142*
Other restricted funds	*22,515*	*-*	*-*	*22,515*
Centenary Appeal	*37,227*	*5,260*	*(4,450)*	*38,037*
	208,854	*5,290*	*(4,450)*	*209,694*
Total of funds	*13,271,018*	*13,280,372*	*(12,731,637)*	*13,819,753*

20. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	12,799,915	-	**12,799,915**
Current assets	8,350,196	263,175	**8,613,371**
Creditors due within one year	(4,318,504)	-	**(4,318,504)**
Creditors due in more than one year	(2,478,950)	-	**(2,478,950)**
Provisions for liabilities and charges	(2,367)	-	**(2,367)**
Total	14,350,290	263,175	**14,613,465**

Analysis of net assets between funds - prior period

	Unrestricted funds 2023 £	*Restricted funds 2023 £*	*Total funds 2023 £*
Tangible fixed assets	*13,189,456*	*-*	*13,189,456*
Current assets	*5,388,252*	*209,694*	*5,597,946*
Creditors due within one year	*(3,380,337)*	*-*	*(3,380,337)*
Creditors due in more than one year	*(1,577,923)*	*-*	*(1,577,923)*
Provisions for liabilities and charges	*(9,389)*	*-*	*(9,389)*
Total	*13,610,059*	*209,694*	*13,819,753*

21. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	*Group 2023 £*
Net income for the period (as per Statement of Financial Activities)	**793,712**	*548,735*
Adjustments for:		
Depreciation charges	**389,541**	*389,541*
Increase in stocks	**(24,454)**	*(30,783)*
(Increase)/decrease in debtors	**(91,577)**	*70,402*
(Decrease)/increase in creditors	**(77,198)**	*329,464*
Interest paid	**94,511**	*80,173*
(Decrease) in pension liability	**(7,022)**	*(6,300)*
Net cash provided by operating activities	**1,077,513**	*1,381,232*

22. Analysis of cash and cash equivalents

	Group 2024 £	*Group 2023 £*
Cash in hand	**8,059,349**	*5,159,957*
Total cash and cash equivalents	**8,059,349**	*5,159,957*

23. Analysis of changes in net debt

	At 1 September 2023 £	Cash flows £	At 31 August 2024 £
Cash at bank and in hand	**5,159,957**	**2,899,392**	**8,059,349**
Debt due within 1 year	**(198,960)**	**(13,286)**	**(212,246)**
Debt due after 1 year	**(1,403,877)**	**213,068**	**(1,190,809)**
	3,557,120	**3,099,174**	**6,656,294**

24. Capital commitments

There were no capital commitments at the year end *(2023: £Nil)*.

Other commitments at the end of last year included a minibus with a total commitment of £94,876.

25. Pension commitments

Teaching staff

The College left the TPS Scheme on 31 December 2021 and all teaching staff joined a group personal pension plan with the Royal London Mutual Insurance Society Limited on this date. The default rate for new members is 5% for employees and 17.1% for employers. Employee rates can be as low as 5% and as high as 100%. Employer rates can be reduced to a minimum of 8%, with the difference taken as additional salary.

The pension charge for the year includes employer contributions payable to Royal London Mutual Insurance Society Limited of £916,778 *(2023: £830,289)* and at the year-end £89,132 *(2023: £78,178)* was accrued in respect of contributions to this scheme. There are no deficit contributions for this Scheme.

Up until the 31 December 2021 the College participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £Nil *(2023: £Nil)* and at the year-end £Nil *(2023 - £nil)* was accrued in respect of contributions to this scheme.

Non-teaching staff

Until 30th September 2013, all non-teaching staff could participate in a multi-employer defined benefits pension scheme, the Pensions Trust Growth Plan Pension Scheme ("the Scheme"). The Scheme closed to new contributions on 30th September 2013, and from that date onwards, non-teaching staff were offered membership of a defined contribution scheme, the Pension Trust Growth Plan Series 4 ("the Enhanced Scheme")."

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefits payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

25. Pension commitments (continued)

A full actuarial valuation of the scheme was carried out at 30 September 2023. The final results of which have not yet been shared to the participating employers. The most recent available valuation was 30 September 2023. The market value of the Plan's assets at the valuation date was £800.3 million and the Plan's Technical Provisions (i.e. past service liabilities) were £831.9 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £31.6 million. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional deficit contributions of £3.3m per annum from 1 April 2022 to 30 September 2025, payable monthly. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Scheme Liabilities. In accordance with FRS102 a liability representing the present value of future commitments relating to the deficit funding is recognised in the accounts.

During the year the College paid deficit contributions of £7,395 *(2023: £6,779)*, which reduced the pension scheme deficit liability recognised in the accounts. The present value at 31 August 2023 of future commitments relating to the deficit contributions has been calculated as £3,056 *(2023: £9,389)*. The unwinding of the discount factor, and the impact of changes to assumptions and amendments to contributions has resulted in a £374 credit to the SOFA and has been included in pension costs for the year.

Pangbourne College Limited has been advised by the Plan Trustee that, in the event that it was to withdraw its membership of the Plan, it had an estimated contingent liability of £78,631 at 30 September 2023. This debt will not crystallise while Pangbourne College Limited continues to have one or more active members in the scheme.

The amount of the above potential debt depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of Pangbourne College Limited, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of the debt can therefore be volatile over time.

The College operates a defined contribution auto enrolment scheme ("the AE Scheme") with Pensions Trust. The employer contribution rate is 10% *(2023: 10%)* and the employee contribution rate is 3%. Employers' contributions totalling £62,526 *(2023: £54,148)* were payable to this fund during the year. Contributions totalling £6,735 *(2023: £8,897)* were unpaid at the year end and are included in creditors.

In addition, the College offers all non-teaching staff the opportunity to join an Enhanced Scheme with the Pensions Trust, which has an employer contribution rate of 15% *(2023: 15%)* and an employee contribution rate of 5%. Contributions payable by the company in the year were £313,987 *(2023: £288,779)*. Contributions totalling £28,503 *(2023: £23,955)* were unpaid at the year end and are included in creditors.

26. Operating lease commitments

At 31 August 2024 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	*Group 2023 £*	**Company 2024 £**	*Company 2023 £*
Not later than 1 year	**121,661**	*91,727*	**121,661**	*91,727*
Later than 1 year and not later than 5 years	**245,414**	*195,553*	**245,414**	*195,553*
	367,075	*287,280*	**367,075**	*287,280*

27. Related party transactions

During the year the school instructed Thrings Solicitors, of which Rev A Bond, a Governor, is a consultant, for legal work. Total fees charged in the year were £Nil *(2023: £4,197)*. At the balance sheet date the amount of £nil *(2023: £Nil) w*as outstanding.

Close members of the Key Management Personnel's family (noted on page 1) are paid a total salary of £116,110 (2023: £183,581). The wife of one of the Governor’s also has her salary included within this total. All close relatives who are, or have been, employed by the School have a standard contract of employment and their salaries are determined as part of a full staff salary review which is approved by the Governors.

PANGBOURNE COLLEGE LIMITED

England & Wales - Charity number 309096

Accounts

REGISTERED COMPANY NUMBER: 0260104
REGISTERED CHARITY NUMBER: 309096

PANGBOURNE COLLEGE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

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PANGBOURNE COLLEGE LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2023

The Pangbourne College Governors, being also the directors of the charitable company, present their annual report together with the financial statements of the charitable company for the year ended 31 August 2023 and confirm that they comply with the requirements of the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

DIRECTORS' REPORT

STATUS AND ADMINISTRATION

Pangbourne College Limited is a charitable company having share capital, incorporated on 4 November 1931 and registered as a charity on 20 February 1963.

The charitable company was established under a Memorandum of Association which determines the objects and powers of the charitable company and is governed under its Articles of Association.

DIRECTORS AND THEIR INTERESTS

The directors of the charitable company who served during the year, unless otherwise stated, were as follows:-

Mr R Batra (1)
Rev M Bodeker (1)
Rev A Bond (1,2)
Mrs T Brooks (3)
Mrs C Butterworth (1)
Mrs E Cleugh (2) (appointed 8/12/22)
Mr P Derham (3) (resigned 30/08/2023)
Mr D Devitt (3)
Miss T Duhalde (1)
Mr R Llewellyn (3)
Mr D Mullins (1)
Mr P Roberts MBE (1,2)
Mrs S Rossiter (3,4)
Mrs P Shryane (1)

(1) Members of the Finance & General Purposes Committee
(2) Members of the Property & Sustainability Committee

(3) Members of the Education & Welfare Committee
(4) Members of the Health & Safety Committee

The directors are also the charity trustees and governors of Pangbourne College.

OFFICERS

Head	Mr T J C Garnier
Senior Deputy	Mrs S Greenwood
Deputy Head (Academic)	Mr M Seccombe
Deputy Head (Pastoral)	Mr R Bancroft
Deputy Head (Co-Curricular)	Mr R Follett
Bursar and Company Secretary	Mr J N Walne

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Pangbourne College
Pangbourne
Berkshire
RG8 8LA

ADVISERS

Bankers	National Westminster Bank Plc Corporate Business Centre Abbey Gardens 4 Abbey Street Reading Berkshire RG1 3BA
Auditors	Crowe U.K. LLP Aquis House 49-51 Blagrave Street Reading Berkshire RG1 1PL
Insurance Brokers	Marsh Merlin House Commerce Park Brunel Road Theale Reading RG7 4BY

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT OF THE COLLEGE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2023

CONSTITUTION AND OBJECTS

Pangbourne College ("the College") was founded in 1917, originally as the Nautical College, Pangbourne, under which name it operated until 1969. It is constituted as a company limited by guarantee registered in England, No. 0260104, and is registered with the Charity Commission under Charity No. 309096. The College is governed by its Memorandum of Association and Articles of Association most recently revised on 20 March 2007.

The College's Objects and principal activity, as set out by the Memorandum of Association, is to advance education for the public benefit, including (but not limited to) the provision and maintenance at the premises known as Pangbourne College, Pangbourne, Berkshire or elsewhere of a boarding and/or day school or schools for the education of children or young persons of either sex or both sexes.

In furtherance of these Objects, the College seeks to provide subsidised education via bursaries for deserving students whose parents could not otherwise afford the cost of educational fees. Within these objects, the charitable company also has to maintain its heritage endowment, the College, with its Grade 2 listed buildings and The Falklands Islands Memorial Chapel, a national memorial site.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

Within these objects, Pangbourne College's aim is to provide a first class independent education, both through strong academic tuition and through developing wider sporting, artistic and social skills in all its pupils. Additionally, there is an emphasis on values and leadership, and at various stages during their time at the school all pupils participate in the Duke of Edinburgh's Award Scheme, the Combined Cadet Force and are given training in leadership skills. The intention is to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Principal activities

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. This year (2022-2023) Pangbourne College averaged 464 *(2022: 457)* pupils.

GOVERNANCE AND MANAGEMENT

Board of Governors

The College Governors, executive officers and principal address of the charitable company are as listed on page 1 and 2. Particulars of the charitable company's professional advisers are given on page 2.

Recruitment and training of Governors

The Board of Governors is self-appointing. New members of the Board are elected on the basis of their professional qualities, experience, personal competence and local availability.

New Governors are inducted into the workings of the charitable company and its school, including Board Policy and Procedures. Governor and Trustee training is offered to all new members and is provided by a number of professional sources such as AGBIS. Governors are appointed initially for a five year term of office. At the expiry of this period Governors can offer themselves for re-election to the Board

Organisational management and remuneration

The Pangbourne College Governors, as the trustees of the charity and directors of the company are legally responsible for the overall management and control of Pangbourne College, and meet as a Board three times a year. The work of governance and financial supervision is carried out by members of the Finance and General Purposes Committee (F&GP), who meet before each meeting of the College Governing Board and on extra occasions when necessary such as to approve the budgets and finalise the audited accounts and annual report for approval by the Board. The F&GP works under the chairmanship of a member of the College Governors. The other principal permanent committees are the Property & Sustainability Committee, the Education & Welfare Committee and the Health & Safety Committee, each being chaired by a Board member and meet on a termly basis and more often should the need arise. Other committees are formed on an ad hoc basis for specific purposes such as an Appeal. Members of all Board committees are listed on page 1.

The day to day management of the school is delegated to the College's Headmaster supported by the Senior Management Team. At 31 August 2023 these were:

Mr J N Walne - Bursar
Mr R Bancroft - Senior Deputy Head and Deputy Head Pastoral
Mrs S Greenwood - Deputy Head Character & Routines
Mr M Seccombe - Deputy Head Academic
Mr R Follett - Deputy Head Co-Curricular

The Head, Senior Deputy Head,Deputy Head Academic and the Bursar attend meetings of the various committees.

The Head, Senior Management Team and Governors together form the College's Key Management Personnel.

The Board of Governors are responsible for setting the pay and remuneration of the College's key management personnel. When considering remuneration, the Board aims to recruit and retain talented people, sustain the high-performance culture within the College and recognise the contributions of the personnel. The underlying principle when setting pay is that the amount paid should reflect the market for comparable jobs in comparable organisations, the performance of the organisation and the skills and contribution of the individual. Independent remuneration reviews are commissioned from time to time for the Head and Bursar, the most recent completed in July 2015 by Affinity Independent Schools Consultancy LLP.

Group structure and relationships

The charitable company has a wholly owned non-charitable subsidiary, Pangbourne College Enterprises Limited, whose activities and trading performance are discussed below.

Pangbourne College actively supports the attainment of the highest standards in the Independent Schools sector as its Head is a member of The Headmasters' and Headmistress' Conference. We also cooperate with many local organisations in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the College.

The College also benefits from the generosity of a thriving network of Old Pangbournians whose close support we greatly appreciate and gladly acknowledge.

AUDITORS
So far as each of the Governors is aware at the time the report is approved:-

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information (s. 234ZA (2)).

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting

STRATEGIC REPORT

MISSION STATEMENT

Our mission is to be a caring community of learners in which pupils from all backgrounds can flourish.

We enable pupils to succeed academically and to develop character through commitment to a curriculum that provides challenge and adventure. We equip our pupils with the values, knowledge, skills and confidence needed to grasp opportunities and make a positive difference to the world. We seek to increase the diversity and quality of our pupil body through the provision of transformational bursaries.

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

A development plan covering the period 2018-2023 was published in September 2018. The plan sets out what will be done to move towards fulfilment of the College's vision to become the best small coeducational boarding and day school in the UK. Over these five years the College's goals were to:

- Grow the school to no more than 500 pupils whilst retaining our focus on the individual, our excellent pastoral care and our nurturing community.
- Continue to improve the quality of teaching and learning to help each pupil achieve their full potential.
- Offer a curriculum which is innovative and inspirational, providing our pupils with a range of opportunities both inside and outside the classroom and developing skills they can take with them for life.
- Continue to invest in our built environment, ensuring that educational, co-curricular and boarding facilities of high quality are available to all pupils.

During 2022/23 the Board of Governors and senior staff started work on creating a new development plan for the next 10 years, which will be finalised and published during 2023/24.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

In 2023, the grade boundaries were brought back in line with those of 2019 and, as widely experienced, this had an impact on the grades achieved by our pupils.

The results of the outgoing Upper Sixth (Year 13) meant that more than two thirds secured their first choice university course. Students have gone on to courses which are suitable for them, ranging from highly specialised, vocational courses to more traditional academic degrees at top-end institutions such as Durham, Exeter, Nottingham and Manchester. At A Level, 16% of grades were A*-A and 76% of grades were A*-C. At BTEC, 57% were either Distinction* or Distinction grades and 93% secured a Merit or higher.

At GCSE, 31% of grades were 9-7 and the overall pass rate remained the same as the previous year at 93.5%.

ACHIEVEMENTS AND PERFORMANCE (continued)

The Governors remain resolute that the College will continue to select pupils on character and aptitude for an education at Pangbourne College, rather than purely on academic ability. These results demonstrate the Headmaster's intent to increase the College's academic rigour. Given the broad range of academic abilities within the School, these were extremely pleasing results.

In terms of outdoor pursuits, 16 Gold, 27 Silver and 58 Bronze Duke of Edinburgh's Awards were completed by Pangbourne pupils. The Combined Cadet Force at Pangbourne College had 240 Cadets split between three sections, Army, Royal Navy and Royal Marines. The Royal Navy offering has been front and centre in terms of focus during the year. Staff have achieved the following qualifications: X2 Powerboat Level 2, X2 BCA Foundation Safety Rescue, X2 BCA Paddlesports Instructors, X1 RYA Level 1&2 Dinghy/Sailing, and X1 Exercise Coordinating Officer. The College came second place at the annual Summer Camp at Longmoor, taking the largest number of cadets for the week-long event. There are multiple trips planned for the coming year, including an Adventurous Training Camp in Capel Curig and static line parachuting. An external grant has been approved for a converted container to be sited at Burghfield Sailing Club to contain all of the Kayaking and Sailing equipment.

A number of significant improvements were made to the College's facilities during the year. Improvements continued to the roads on campus, the Mess Hall was refurbished, windows were replaced in several buildings, the area outside the new cafe was landscaped, and work has begun to refurbish one of the Boarding Houses (Port Jackson), including new ablutions and redecorated rooms and corridors.

Grant making policy

Pangbourne College Governors' policy, in line with that of other independent schools, is to make awards on the basis of an individual's educational potential. Awards and bursaries (not including untested allowances for staff) totalling £1,279,260 (*2022: £1,323,019)* (9.3% of gross fees receivable) were made from unrestricted funds where the policy is towards academic excellence and also to relieve hardship where the pupil's education and future prospects would otherwise be at risk.

Public benefit

The Trustees continued to take seriously the requirement to have regard to the published guidance on public benefit as per s.17 (5) of the Charities Act.

The College awards a substantial number of bursaries (means-tested) and scholarships (based on merit) each year. The policies in respect of these are available on the College's website. In the last year, the College provided means-tested support for pupils whose parents could not afford the fees worth £965,315 (2022: £932,908), or 7.0% of gross fee income. Eight (2022: 6) pupils received support worth at least 100% of fees, including 2 via HMC Projects to students from Central and Eastern Europe, and 2 via the Royal National Children's Springboard Foundation. Additionally, £212,402 (2022: £229,652) was given in discounts to children of parents serving in the Armed Forces. Some of these families also received CEA funding from the Ministry of Defence worth a further £300,780 (2022: £258,951).

Beyond the considerable public benefit of providing a high-quality education (known as the Pangbourne Experience) to the pupils of the College, which equips them with good academic qualifications and a sense of responsibility and service to others, the College also provided wider benefits to children and young people who are not pupils.

A number of local state schools, prep schools and youth organisations receive support from the College and our employees. Local school children attend events run by the College such as the annual Piano Festival, orchestral fun days, DT challenge days, hockey tournaments and outdoor learning classes.

ACHIEVEMENTS AND PERFORMANCE (continued)

The following programmes were achieved during the year:

- The College is a partner with the Whitley Excellence Cluster, which comprises 10 South Reading schools and aims to empower children to access non-formal learning and enrichment activities. An orienteering course was provided to all schools within the group as part of the annual activity day.
- The College has a longstanding partnership through the CCCF with Denefield School, with their pupils joining Pangbourne College for weekly activities and field days.
- 6 members of staff are governors of local schools in both the independent and the maintained sector.
- Local football teams have continued to use the floodlit all-weather astro-turf pitch.

The College donated £2,500 to support projects at Nabugabo Community Learning Centre in Uganda, and £3,028 in total to nine local projects that applied for grants from the Community Fund.

The College maintains and acts as steward to the Falkland Islands Memorial Chapel, the national war memorial for those killed in the Falklands War. Normal wear and tear is funded and carried out by the College. Major repairs and refurbishment, while being funded by the Chapel Trust, are planned and organised by the College's Estate's Bursar and his staff.

Volunteers

Old Pangbournians helped generously with activities such as the Careers Fair. The Pangbourne Parents' Association also organised a number of events in support of the College. The Trustees would like to take this opportunity to say how much their continuing and valuable support for the charity's work is appreciated.

FINANCIAL REVIEW

Results for the Year

The Governors of the College report a pre-depreciation surplus of £939k (2022: £1,164k).

The College achieves its liquidity objectives by the careful management of working capital and regular forecasting of short and long term cash requirements. The College's cost base predominantly comprises staff costs and therefore the impact of commodity price risk is modest although there is exposure to increases in utility and related building operational costs. The College's exposure to credit risk is mitigated by fees being due at the beginning of each term.

Interest rate risk exposure is managed by the consideration of fixing interest rates on a proportion of the loan portfolio within parameters that are agreed and regularly reviewed by the Finance and General Purposes Committee.

Reserves Policy

The College's policy is to seek to generate a surplus of income over expenditure that enables the College to continue its programme of refurbishment and development whilst securing the long-term viability of the College.

At the balance sheet date unrestricted funds stood at £13,607,559 *(2022: £*13,059,664*)*. After deducting the carrying value of tangible fixed assets held for the charity's own use, adjusted for borrowing there were free reserves of £2,020,940 (*2022: 1,693,761*) (as defined by the Charity Commissioners). As part of the Development Plan currently in progress, the College is producing a Master Plan for the campus which will determine the priorities for future capital projects.

The Governors policy is to require cash of £2.5m to be ring-fenced in a separate bank account and outside of cash available for the day to day working capital. This cash reserve is sufficient to cover three month's running costs or two years' worth of bank loan repayments.

FINANCIAL REVIEW (continued)

Fundraising

All fundraising is aimed at providing a high quality educational experience for the boys and girls who are pupils at the College, and making the experience available to more young people. Our wider community includes current and former pupils, parents, staff and friends of the College.

Our good relationship with our community is critical to the success of our charity, and we believe in establishing positive long-term relationships based on trust, goodwill and our shared interests. Any fundraising approaches are therefore personal and targeted, focused only on existing members of the College community.

We do not use third parties to help with our fundraising, nor do we participate in public mass mailings, door to door fundraising, or telephone campaigns. All data shared with us is protected in compliance with the GDPR, and we never share personal information with third parties for the purposes of marketing. All literature and emails sent to our community members has clear messaging about who and how to contact us if they wish to change how we communicate with them.

Pangbourne College is registered with the Fundraising Regulator, and we follow the regulator's Code of Practice. This sets out the standards that members are expected to follow when raising money, including taking all reasonable steps to protect vulnerable people from persistent approaches, unreasonable intrusion or undue pressure.

The fundraising team at Pangbourne College consists of the newly appointed Head of Development and Alumni Relations Officer. Other senior leaders within the College, including the Head, Bursar and Governors, play a role in raising and managing funds. Occasionally other alumni and parents act as fundraising volunteers, in which case they are trained, monitored and sign a data protection and confidentiality agreement.

During the year, our charity received no complaints requiring action by the Fundraising Regulator.

FUTURE PLANS

Mr Thomas Garnier has announced his intention to stand down as Head after 19 years of loyal service to the College. From a strong field, the Governors have appointed Mr Oliver Knight, currently Head of the Ark Academy Acton, to take over as the new Head for the start of the 2024/25 academic year.

The Governors and staff remain fully committed to ensuring that academic standards are the highest possible, whilst being comfortable with maintaining a broadly unselective admissions policy. The latter is best described as 'discerning', in that a place will not be offered unless all parties are confident that the College can meet the individual pupil's needs.

RISK MANAGEMENT

Pangbourne College Board of Governors is responsible for the management of the risks faced by the College. Detailed considerations of risk are delegated to the Finance and General Purposes Committee, who are assisted by the Senior Management Team. Risks are identified, assessed and controls are established throughout the year. A formal review of the charitable company's risk management processes is undertaken on an annual basis. The College has started to conduct an in depth review of the risk register and how it is used in order to produce a more rigorous risk management process.

The key controls used by the charitable company include:-

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable

RISK MANAGEMENT (continued)

Through the risk management processes established for the College, Pangbourne College Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Principal risks and uncertainties

The Governing Body is satisfied that for all major risks identified for the group appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable, but not absolute assurance that major risks have been managed. The principal risks and uncertainties are assessed as:

- Education
    - Decline in academic or co-curricular results and reputation. This risk is mitigated through effective monitoring of standards of teaching, coaching and pastoral care and by managing entry standards through admissions policy and process.
    - Failure to adapt education to meet requirements of our parents & pupils (current & future). The College is conducting a study to identify strategic priorities (size, shape (boarding/day mix, class sizes), core curriculum, facility requirements) to ensure an appropriate surplus can be achieved and to inform creation of site masterplan.
- Financial Risk
    - Imposition of VAT on fees and loss of business rates relief.
    - The principal concern is a lack of operational income. Amongst others, the College is intending to increase applications through effective marketing, increase conversion rates of enquiry to application to acceptance, improve pupil retention and reduce the level of discounts.
    - Similarly the College is looking to control costs with clearly defined strategic priorities.
- Poor or deteriorating facilities. The College will commission the production of a masterplan to identify best use of site to meet requirements and prioritise development
- Failure to comply with regulations/breach statutory requirement. The principal risk is a current or historic safeguarding failure leading to a loss of reputation. This risk is managed by a balanced approach of controls and training. A culture of safeguarding is embedded throughout the College and detailed safeguarding and child protection policies are in place. There is regular training and the College has the required and trained designated safeguarding lead. An annual review of safeguarding is undertaken by the Board.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Pangbourne College Limited on 1ST DECEMBER 2023 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

P. Roberts

.....

Patrick Roberts
Governor

PANGBOURNE COLLEGE LIMITED
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2023

Statement of Governors' responsibilities

The Governors (who are also directors of Pangbourne College Limited for the purposes of company law) are responsible for preparing the Annual Report of the College Governors (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED

We have audited the Group and Parent company financial statements of Pangbourne College Limited for the year ended 31 August 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Charitable Company's affairs as at 31 August 2023 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governor's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Governors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Governors' Annual Report, which includes the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Governors' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement set out on page 10, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group's or the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102) and the Charities Act. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

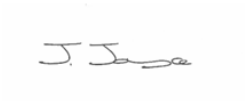
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the group and charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and charitable company for fraud. The laws and regulations we considered in this context were The Education (Independent School Standards) Regulations 2014, Safeguarding, Health and Safety, GDPR and Food standards. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce
Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrave Street
Reading
RG1 1PL

5 December 2023

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Notes	Unrestricted Funds	Restricted Funds	Total 2023 £	*Total 2022 £*
INCOME AND ENDOWMENTS FROM:					
Income from Charitable Activities					
School fees receivable	5	**12,233,447**	**-**	**12,233,447**	*11,350,594*
Ancillary trading income	6	**492,961**	**-**	**492,961**	*529,246*
Other Trading Activities					
Trading income	4	**282,511**	**-**	**282,511**	*255,364*
Rents and lettings		**124,908**	**-**	**124,908**	*140,224*
Donations and grants		**3,255**	**5,290**	**8,545**	*142,407*
Other Income		**125,000**	**-**	**125,000**	*-*
Total income		**13,262,082**	**5,290**	**13,267,372**	*12,417,835*
EXPENDITURE ON:					
Expenditure on Charitable Activities					
Teaching costs		**6,012,146**	**-**	**6,012,146**	*5,672,361*
Welfare costs		**1,976,550**	**-**	**1,976,550**	*1,799,403*
Premises costs		**2,419,499**	**-**	**2,419,499**	*1,836,865*
Support costs		**1,912,758**	**4,450**	**1,917,208**	*1,923,979*
		12,320,953	**4,450**	**12,325,403**	*11,232,608*
Expenditure on Raising Funds					
Trading expenditure	4	**211,586**	**-**	**211,586**	*219,318*
Finance costs		**181,648**	**-**	**181,648**	*217,090*
Total expenditure	7	**12,714,187**	**4,450**	**12,718,637**	*11,669,016*
Net income	8	**547,895**	**840**	**548,735**	*748,819*
Balances brought forward At 31 August 2022		*13,059,664*	*208,854*	*13,268,518*	*12,519,699*
Balances carried forward At 31 August 2023		**13,607,559**	**209,694**	**13,817,253**	*13,268,518*

All activities are continuing.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED BALANCE SHEET
31 AUGUST 2023
COMPANY NUMBER 0260104

	Notes	College 2023 £	College 2022 £	Group 2023 £	Group 2022 £
FIXED ASSETS					
Tangible fixed assets	10	**13,189,456**	*13,178,835*	**13,189,456**	*13,178,835*
CURRENT ASSETS					
Stock		**-**	*13,741*	**219,317**	*188,534*
Debtors	11	**460,389**	*539,843*	**218,672**	*289,074*
Cash at bank and in hand		**5,024,919**	*4,541,623*	**5,159,957**	*4,664,180*
		5,485,308	*5,095,207*	**5,597,946**	*5,141,788*
CREDITORS: Amounts falling due within one year	12	**(3,334,491)**	*(3,046,845)*	**(3,380,337)**	*(3,084,559)*
NET CURRENT ASSETS		**2,150,817**	*2,048,362*	**2,217,609**	*2,057,229*
TOTAL ASSETS LESS CURRENT LIABILITIES		**15,340,273**	*15,227,197*	**15,407,065**	*15,236,064*
CREDITORS: Amounts falling due after more than one year	13	**(1,577,923)**	*(1,949,357)*	**(1,577,923)**	*(1,949,357)*
Pension Scheme Deficit	18	**(9,389)**	*(15,689)*	**(9,389)**	*(15,689)*
NET ASSETS		**13,752,961**	*13,262,151*	**13,819,753**	*13,271,018*
CAPITAL AND RESERVES					
Share capital	17	**2,500**	*2,500*	**2,500**	*2,500*
Restricted funds	22	**209,694**	*208,854*	**209,694**	*208,854*
General funds		**13,540,767**	*13,050,797*	**13,607,559**	*13,059,664*
SHAREHOLDERS' FUNDS	23	**13,752,961**	*13,262,151*	**13,819,753**	*13,271,018*

The surplus for the financial year dealt within the financial statements of the parent charity was £490,810 *(2022: £721,278)*.

Authorised and Approved for issue by the Board on 1 December 2023 and signed on their behalf by -

P. J. Roberts

.....

P Roberts
Governor

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2023

		2023 £	2022 £
Cash flows from operating activities			
Net movement in funds		**548,735**	*748,819*
Depreciation		**389,541**	*415,007*
Decrease in debtors		**70,402**	*34,848*
Increase/(decrease) in creditors		**329,464**	*(133,580)*
(Increase) in stocks		**(30,783)**	*(7,891)*
(Profit)/loss on disposal of fixed assets		**-**	*52,498*
(Decrease) in pension liability		**(6,300)**	*(74,531)*
Interest paid		**80,173**	*28,500*
Cash provided by operating activities		**1,381,232**	*1,063,670*
Cash flows from investing activities			
Purchase of tangible fixed assets		**(400,162)**	*(147,204)*
Cash (used in) investing activities		**(400,162)**	*(147,204)*
Cash flows from financing activities			
Decrease in borrowing		**(210,095)**	*(222,397)*
Interest paid		**(80,173)**	*(28,500)*
Cash (used in) financing activities		**(290,268)**	*(250,897)*
Cash flows from advance fee scheme			
Advance fees received net of fees returned		**9,730**	*483,115*
Discounts allocated		**6,083**	*4,841*
Advance fees utilised		**(210,838)**	*(244,495)*
Cash (used in)/provided by advance fees		**(195,025)**	*243,461*
Change in cash and cash equivalents in the year	24	**495,777**	*909,030*
Cash and cash equivalents at the beginning of the year		**4,664,180**	*3,755,150*
Total cash and cash equivalents at the end of the year		**5,159,957**	*4,664,180*
Cash at bank and in hand		**5,159,957**	*4,664,180*

The notes on pages 18 to 33 form part of these financial statements

1. COMPANY INFORMATION

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. The incorporated charity (registered number 0260104 and charity number 309096), is incorporated and domiciled in the UK. The address of the registered office is Pangbourne College, Pangbourne, Berkshire, RG8 8LA.

2. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pangbourne College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern

Demand for school places remains strong, with our highest ever numbers enrolled for the academic year 2022/23 and numbers for 2023/24 expected to be even higher again. The charity currently holds significant cash balances with no significant commitments to capital projects. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

c) Consolidation

The consolidated financial statements incorporate the financial statements of Pangbourne College Enterprises Limited, the charitable company's trading subsidiary. No separate statement of financial activities is present for the College as permitted by Section 408 of the Companies Act 2006. The net incoming resources of the College (excluding Enterprises) were £490,810 *(2022: £721,278)*.

d) Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

General funds (retained income) are unrestricted funds that are available for use at the discretion of the Governors in furtherance of the general objectives of the charitable company and have not been designated for other purposes.

Designated funds are funds set aside by the Governors out of unrestricted general funds for specific future purposes or projects.

e) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the college is considered probable.

2. ACCOUNTING POLICIES (continued)

f) Fees

Fee income represents the invoiced amount of College fees receivable after deducting allowances, scholarships and other remissions granted by the College. Adjustments have been made to defer invoiced fees relating to the Autumn term, which commences in the next financial period to ensure that no income relating to the next financial year is included in these financial statements. Any payments received relating to this term have been treated as fees in advance under creditors.

g) Donations and legacies

Donations and legacies received for the general purposes of the College are credited to 'unrestricted funds'. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Income from legacies is accrued where a pecuniary legacy is notified by the year end and where a residuary legacy has entitlement, the amount can be reliably quantified (usually via estate accounts) and it is considered probable it will be received.

h) Advanced fees

Amounts received under the College's Advanced Fees Scheme contracts, for education not yet utilised to settle school fees, are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

i) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Expenditure is summarised under functional headings on a direct cost basis. The irrecoverable amount of VAT is included with the item of expense to which it relates.

j) Stocks

Stocks are valued at the lower of cost and net realisable value.

k) Tangible Fixed Assets

College buildings are recorded at their historical cost to the College. Depreciation is provided on all tangible assets, except freehold land in order to write-off their cost less residual value over their estimated useful lives at the following annual rates:-

Buildings	-	2% straight line
Furniture, fixtures and fittings	-	25% straight line
Motor vehicles	-	33% straight line
Boats	-	33% straight line

Items costing less than £5,000 are written off as an expense as acquired.

l) Pension Schemes

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, defined benefit scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and skills. The College was in this scheme until 31 December 2021 when it transferred to a group personal pension plan with Royal London Mutual Insurance Society Limited See note 18 for more information.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the statement of financial activities.

2. ACCOUNTING POLICIES (continued)

The College contributed until 30 September 2013 to the Pensions Trust Growth Plan Pension Scheme for certain of its employees. This was in most respects a money purchase arrangement, but did include certain guaranteed benefit elements. The Plan was a multi-employer scheme. It is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable. The School makes deficit contribution payments to the Scheme and, in accordance with FRS 102 these payments have been measured at fair value and included as a liability on the balance sheet.

The College also operates a defined contribution auto enrolment arrangement and a defined contribution enhanced pension scheme for non-teaching staff.

Pension costs charged in the SOFA represent contributions payable by the College in that year.

m) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

n) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment

o) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

p) Parents' deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August have been included within current liabilities.

q) Lease commitments

Lease commitments are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

r) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 21 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and taxation and social security.

3. Significant judgements and estimates

In the application of the charity's accounting policies, which are described in note 2, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Governors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. TRADING INCOME AND EXPENDITURE

Pangbourne College Enterprises Limited is a 100% subsidiary of Pangbourne College Limited (Company Number: 01582185). Its registered office is as per Note 1. The company was established to carry out the non educational activities associated with the College. The trading results extracted from its audited accounts were:-

	2023	*2022*
	£	*£*
Turnover	**282,511**	*255,364*
Cost of sales	**(189,511)**	*(208,554)*
Gross profit/(loss)	**93,000**	*45,271*
Administrative expenses	**(32,540)**	*(16,934)*
Operating profit/(loss)	**60,460**	*29,876*
Interest payable and similar charges	**(2,535)**	*(2,330)*
Profit/(Loss) on activities before taxation	**57,925**	*27,546*
Taxation	**-**	*-*
Profit/(Loss) after tax	**57,925**	*27,546*
Retained earnings at the beginning of the year	**8,869**	*(18,677)*
Profit/(Loss) for the financial year	**57,925**	*27,546*
Gift aid donation payment for prior year	**-**	*-*
Retained earnings at the end of the year	**66,794**	*8,869*

The aggregate amount of share capital and reserves of Pangbourne College Enterprises Limited at 31 August 2023 was £66,797 (*2022 £8,872).*

Administrative expenses include a management charge paid to the College of £13,000 (*2022: £8,500)* which is eliminated on consolidation, and the donation under Gift Aid of £Nil (*2022: £nil)* is to the College and is also eliminated on consolidation.

5. FEES RECEIVABLE

	2023 £	*2022 £*
Fees receivable consist of:		
Gross fees (including advance fees utilised of £210,838 (*2022: £244,495*)	**13,714,051**	*12,877,776*
Less total bursaries, grants and allowances	**(1,480,604)**	*(1,527,182)*
	12,233,447	*11,350,594*

6. ANCILLARY TRADING INCOME

	2023 £	*2022 £*
Insurance commission	**1,055**	*2,982*
Registration fees	**23,515**	*40,523*
Special learning	**124,709**	*93,015*
Fees in lieu	**21,393**	*73,148*
Exams	**6,343**	*58,291*
Music	**67,678**	*89,748*
Trips	**117,084**	*78,621*
Bus income	**124,973**	*92,918*
Miscellaneous	**6,211**	*-*
	492,961	*529,246*

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depre-ciation £	Total 2023 £	*Total 2022 £*
Charitable activities					
Teaching costs	**5,109,447**	**682,232**	**220,467**	**6,012,146**	*5,672,361*
Welfare costs	**665,109**	**1,238,961**	**72,480**	**1,976,550**	*1,799,403*
Premises costs	**343,061**	**2,038,865**	**37,573**	**2,419,499**	*1,836,865*
Support costs	**872,201**	**985,986**	**59,021**	**1,917,208**	*1,923,979*
	6,989,818	**4,946,044**	**389,541**	**12,325,403**	*11,232,608*
Cost of generating funds					
Trading expenditure	**71,278**	**140,308**	**-**	**211,586**	*219,318*
Finance costs	**-**	**181,648**	**-**	**181,648**	*217,090*
	71,278	**321,956**	**-**	**393,234**	*436,408*
Total	**7,061,096**	**5,268,000**	**389,541**	**12,718,637**	*11,669,016*

Included within support costs are governance costs of £28,802 *(2022: £34,199)*. Governance costs comprise the cost of running the charity including external audits, Governors' legal advice and constitutional and statutory compliance costs.

7. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

2022 Comparative figures

	Staff Costs £	*Other* £	*Depre-ciation* £	*Total 2022* £	*Total 2021* £
Charitable activities					
Teaching costs	*4,820,248*	*625,855*	*226,258*	*5,672,361*	*5,173,761*
Welfare costs	*646,049*	*1,080,571*	*72,783*	*1,799,403*	*1,472,099*
Premises costs	*350,011*	*1,445,247*	*41,607*	*1,836,865*	*1,311,630*
Support costs	*878,173*	*971,447*	*74,359*	*1,923,979*	*1,692,736*
	6,694,481	*4,123,120*	*415,007*	*11,232,608*	*9,650,226*
Cost of generating funds					
Trading expenditure	*64,269*	*155,049*	*-*	*219,318*	*184,484*
Finance costs	*-*	*217,090*	*-*	*217,090*	*102,122*
	64,269	*372,139*	*-*	*436,408*	*286,606*
Total	*6,758,750*	*4,495,259*	*415,007*	*11,669,016*	*9,936,832*

8. NET INCOME

	2023 £	*2022* £
This is stated after charging:		
Depreciation	**389,541**	*415,007*
Auditors' remuneration – (Parent)	**18,930**	*16,750*
Auditors' remuneration – (Subsidiary)	**2,965**	*2,625*
Auditors' remuneration – non audit services	**2,730**	*2,905*
Operating lease rentals	**190,549**	*185,983*

9. STAFF COSTS

	2023 £	*2022* £
Salaries and wages	**5,349,420**	*5,204,658*
Social security costs	**532,874**	*521,473*
Pension costs	**1,178,802**	*1,032,619*
	7,061,096	*6,758,750*

The average number of employees during the year (including Pangbourne College Enterprises Limited) were:

	2023 No.	*2022* No.
Teaching	**73**	*73*
Premises	**8**	*8*
Support and welfare	**49**	*51*
	130	*132*

9. STAFF COSTS (continued)

The number of employees whose emoluments (excluding pension contributions) exceeded £60,000 during the year were as follows:

	2023	*2022*
	£	*£*
£60,001 - £70,000	**1**	*1*
£90,001 - £100,000	**1**	*-*
£100,001 - £110,000	**-**	*1*
£160,001 - £170,000	**1**	*1*

The number of higher paid employees who accrued benefits under a defined benefit pension scheme were as follows:

2	*2*

The Governors received no remuneration or other benefits for the year. 3 governors (*2022: 2*) were reimbursed travelling expenses of £1,734 (*2022: £1,752).* £6,907 (*2022: £1,255)* was spent on Governor meetings. Insurance costs also include trustee indemnity insurance.

The key management personnel of the college are the Governors and the Officers as identified in the Legal and Administrative Information on page 1. In the year ended 31 August 2023 they received aggregate remuneration (including employers' national insurance and pension contributions) of £791,084 (*2022: £769,516*).

During the year ex-gratia payments totalling £15,112 *(2022: £19,039)* were made.

10. TANGIBLE ASSETS

Charitable company and group

	Freehold property	**Furniture & equipment**	**Motor vehicles**	**Boats**	**Total**
	£	**£**	**£**	**£**	**£**
COST					
At 1 September 2022	18,953,440	2,466,177	46,717	378,250	**21,844,584**
Additions	400,162	-	-	-	**400,162**
Disposals	-	-	-	-	**-**
At 31 August 2023	19,353,602	2,466,177	46,717	378,250	**22,244,746**
DEPRECIATION					
At 1 Sept 2022	5,847,522	2,393,260	46,717	378,250	**8,665,749**
Charge for the year	371,819	17,722	-	-	**389,541**
Disposals	-	-	-	-	**-**
At 31 August 2023	6,219,341	2,410,982	46,717	378,250	**9,055,290**
NET BOOK VALUE					
At 31 August 2023	**£13,134,261**	**£ 55,195**	**£ -**	**£ -**	**£13,189,456**
At 31 August 2022	*£13,105,918*	*£ 72,917*	*£ -*	*£ -*	*£13,178,835*

Included within freehold property is the historic cost of land not depreciated of £16,937 (*2022: £16,937).*

10. TANGIBLE ASSETS (continued)

The Governors consider the market value of freehold property to be substantially more than the net book value should the assets be sold for any use other than for educational purposes. This is due to the increase in values of the property market generally.

11. DEBTORS

	College		Group	
	2023	*2022*	**2023**	*2022*
	£	*£*	**£**	*£*
Trade debtors	**209,933**	*209,919*	**213,633**	*209,919*
Pangbourne College Enterprises Limited	**245,417**	*251,344*	**-**	*-*
Other debtors	**5,039**	*77,816*	**5,039**	*78,391*
Prepayments and accrued income	**-**	*764*	**-**	*764*
	460,389	*539,843*	**218,672**	*289,074*

12. CREDITORS: Amounts falling due within one year

	College		Group	
	2023	*2022*	**2023**	*2022*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**198,960**	*212,909*	**198,960**	*212,909*
Trade creditors	**622,558**	*600,591*	**656,450**	*630,414*
Taxation and social security	**188,576**	*157,677*	**190,325**	*157,677*
Other creditors	**200,086**	*93,705*	**200,086**	*93,705*
Acceptance deposits	**787,119**	*784,740*	**787,119**	*784,740*
Fees in advance	**812,812**	*828,468*	**812,812**	*828,468*
Accruals	**348,181**	*172,819*	**358,386**	*180,710*
	3,158,292	*2,850,909*	**3,204,138**	*2,888,623*
Deferred income- Advanced fees (see note 15)	**176,199**	*195,936*	**176,199**	*195,936*
	3,334,491	*3,046,845*	**3,380,337**	*3,084,559*

The bank borrowing is secured by a fixed legal charge over the property of the charity and a floating charge over the other assets.

13. CREDITORS: Amounts falling due after more than one year

	College		Group	
	2023	*2022*	**2023**	*2022*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**1,403,877**	*1,600,023*	**1,403,877**	*1,600,023*
Deferred income- Advanced fees (see note 15)	**174,046**	*349,334*	**174,046**	*349,334*
	1,577,923	*1,949,357*	**1,577,923**	*1,949,357*

14. BANK LOAN

The bank loan is repayable as follows:

	2023 £	2022 £
Within one year	**198,960**	*212,909*
Between one and two years	**210,621**	*218,822*
Between two and five years	**716,220**	*693,627*
Over five years	**477,036**	*687,574*
	1,602,837	*1,812,932*

The loan was first drawn down in September 2006 and is repayable in monthly instalments over 20 years starting in February 2010.

The interest rate applied to the loan is equivalent to 1% per annum above the bank base rate.

15. ADVANCE FEES

Amounts may be paid to the college up to the equivalent of 7 years' tuition fees in advance. The money may be returned subject to specific conditions stated within the scheme literature. Assuming pupils will remain at the college advance fees will be applied:-

	2023 £	2022 £
Within 1 year	**176,199**	*195,936*
Within 1-2 years	**55,120**	*146,502*
Within 2-5 years	**118,926**	*202,832*
	350,245	*545,270*

The balance represents the accrued liability under the contracts. The movements during the year are detailed as follows:-

	2023 £	2022 £
At 1 September 2022	**545,270**	*301,809*
Increase		
Advance fees received net of fees returned	**9,730**	*483,115*
Discounts allocated	**6,083**	*4,841*
	15,813	*487,956*
Decrease		
Advance fees utilised	**(210,838)**	*(244,495)*
At 31 August 2023	**350,245**	*545,270*

16. CAPITAL COMMITMENTS

There were no capital commitment at the year end 2023: £Nil (*2022: £Nil).*

Other commitments include a minibus that was ordered before the year end with a total commitment of £94,876 (*2022: £Nil).*

17. SHARE CAPITAL

	2023	*2022*
	£	*£*
Authorised, Issued and fully paid up		
50,000 shares of 5p each	**2,500**	*2,500*

18. PENSIONS

Teaching staff

The College left the TPS Scheme on 31 December 2021 and all teaching staff joined a group personal pension plan with the Royal London Mutual Insurance Society Limited on this date. The default rate for new members is 8% for employees and 17.1% for employers. Employee rates can be as low as 5% and as high as 100%. Employer rates can be reduced to a minimum of 8%, with the difference taken as additional salary.

The pension charge for the year includes employer contributions payable to Royal London Mutual Insurance Society Limited of £830,289 (*2022: £528,174*) and at the year-end £78,178 (*2022: £384)* was accrued in respect of contributions to this scheme. There are no deficit contributions for this Scheme.

Up until the 31 December 2021 the College participated in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £Nil (*2022: £262,607*) and at the year-end £Nil (*2022 - £nil*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report, which was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

The valuation confirmed that the employer contribution rate for the TPS would increase from 23.6% to 28.6% from 1 April 2024. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

18. PENSIONS (continued)

Non-teaching staff

Until 30th September 2013, all non-teaching staff could participate in a multi-employer defined benefits pension scheme, the Pensions Trust Growth Plan Pension Scheme ("the Scheme"). The Scheme closed to new contributions on 30th September 2013, and from that date onwards, non-teaching staff were offered membership of a defined contribution scheme, the Pension Trust Growth Plan Series 4 ("the Enhanced Scheme")."

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefits payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

A full actuarial valuation of the scheme was carried out at 30 September 2020. The market value of the Plan's assets at the valuation date was £800.3 million and the Plan's Technical Provisions (i.e. past service liabilities) were £831.9 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £31.6 million. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional deficit contributions of £3.3m per annum from 1 April 2022 to 30 September 2025, payable monthly. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Scheme Liabilities. In accordance with FRS102 a liability representing the present value of future commitments relating to the deficit funding is recognised in the accounts. During the year the College paid deficit contributions of £6,779 *(2022: £21,508)*, which reduced the pension scheme deficit liability recognised in the accounts. The present value at 31 August 2023 of future commitments relating to the deficit contributions has been calculated as £9,389 *(2022: £15,689)*. The unwinding of the discount factor, and the impact of changes to assumptions and amendments to contributions has resulted in a £1,193 credit to the SOFA and has been included in pension costs for the year.

Pangbourne College Limited has been advised by the Plan Trustee that, in the event that it was to withdraw its membership of the Plan, it had an estimated contingent liability of £106,502 at 30 September 2022. This debt will not crystallise while Pangbourne College Limited continues to have one or more active members in the scheme.

The amount of the above potential debt depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of Pangbourne College Limited, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of the debt can therefore be volatile over time.

18. PENSIONS (Continued)

The College operates a defined contribution auto enrolment scheme ("the AE Scheme") with Pensions Trust. The employer contribution rate is 10% *(2022: 10%)* and the employee contribution rate is 3%. Employers' contributions totalling £54,148 *(2022: £53,753)* were payable to this fund during the year. Contributions totalling £ 8,897 *(2022: £573)* were unpaid at the year end and are included in creditors.

In addition, the College offers all non-teaching staff the opportunity to join an Enhanced Scheme with the Pensions Trust, which has an employer contribution rate of 15% *(2022: 15%)* and an employee contribution rate of 5%. Contributions payable by the company in the year were £288,779 *(2022: £241,108)*. Contributions totalling £23,955 *(2022: £30)* were unpaid at the year end and are included in creditors.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2023 the College had future minimum lease payments under non-cancellable operating leases as follows:-

	2023	*2022*
	£	*£*
Equipment and machinery		
Amounts due in less than a year	**91,727**	*112,358*
Amounts due in the second to fifth year	**195,553**	*236,873*
	287,280	*349,231*

20. RELATED PARTY TRANSACTIONS

During the year the school instructed Thrings Solicitors, of which Rev A Bond, a Governor, is a consultant, for legal work. Total fees charged in the year were £4,197 *(2022: £14,342)*. At the balance sheet date the amount of £nil (2022: £3,930) was outstanding.

During last year the school also instructed Brockhurst and Marlston House, of which Ms Rossiter, a Governor, is a teacher, to provide lifeguard training. Total fees charged in the year were £nil *(2022: £720)*. At the balance sheet date the amount of £nil (2022: £nil) was outstanding.

Close members of the Key Management Personnel's family (noted on page 1) are paid a total salary of £183,581 (2022: £178,117). The wife of one of the Governor's also has her salary included within this total. All close relatives who are, or have been, employed by the School have a standard contract of employment and their salaries are determined as part of a full staff salary review which is approved by the Governors.

21. FINANCIAL INSTRUMENTS

Financial instruments held at amortised cost are trade debtors, other debtors, intercompany debtors, cash at bank, trade creditors, bank loans, acceptance deposits, other creditors and accruals.

	2023	*2022*
	£	*£*
GROUP		
Financial assets measured at amortised cost	**5,378,629**	*4,952,490*
Financial liabilities measured at amortised cost	**3,604,878**	*3,502,501*
COLLEGE		
Financial assets measured at amortised cost	**5,485,308**	*5,080,702*
Financial liabilities measured at amortised cost	**3,560,781**	*3,464,787*

The income, expense, gains and losses in respect of financial instruments are summarised below:

	2023	*2022*
	£	*£*
GROUP AND COLLEGE		
Total interest expense for financial liabilities held at amortised cost	**80,173**	*28,500*

22. RESTRICTED FUNDS- COLLEGE & GROUP

The funds of the charity include restricted funds comprising the following unexpended balances of donations held for specific purposes:

2023	*Balance at 1 September 2022* £	Incoming resources £	Resources expended £	**Balance at 31 August 2023 £**
Boat House fund	*149,112*	30	-	**149,142**
Other restricted funds	*22,515*	-	-	**22,515**
Centenary Appeal	*37,227*	5,260	(4,450)	**38,037**
	208,854	5,290	(4,450)	**209,694**

Restricted funds relate to income given in support of the Boat House refurbishment and its facilities, and for the Centenary Appeal. The Centenary Appeal donations will be used to support organisations, community work and educational projects that benefit young people in the Reading areas. Centenary charity funds will also support the Nabugabo partnership project in Uganda.

2022	*Balance at 1 September 2021* £	*Incoming resources* £	*Resources expended* £	*Balance at 31 August 2022 £*
Boat House fund	*135,282*	*13,830*	*-*	*149,112*
Other restricted funds	*3,899*	*121,458*	*(102,842)*	*22,515*
Centenary Appeal	*42,227*	*-*	*(5,000)*	*37,227*
	181,408	*135,288*	*(107,842)*	*208,854*

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP – 2023	**Unrestricted funds £**	**Restricted funds £**	**Total £**
Tangible fixed assets	**13,189,456**	**-**	**13,189,456**
Net current assets	**2,007,915**	**209,694**	**2,217,609**
Long Term liabilities (including pension scheme deficit)	**(1,587,312)**	**-**	**(1,587,312)**
	13,610,059	**209,694**	**13,819,753**

GROUP – 2022	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*13,178,835*	*-*	*13,178,835*
Net current assets	*1,848,375*	*208,854*	*2,057,229*
Long Term liabilities (including pension scheme deficit)	*(1,965,046)*	*-*	*(1,965,046)*
	13,062,164	*208,854*	*13,271,018*

ANALYSIS OF NET ASSETS BETWEEN FUNDS

COLLEGE - 2023	**Unrestricted funds £**	**Restricted funds £**	**Total £**
Tangible fixed assets	**13,189,456**	**-**	**13,189,456**
Net current assets	**1,941,123**	**209,694**	**2,150,817**
Long Term liabilities (including pension scheme deficit)	**(1,587,312)**	**-**	**(1,587,312)**
	13,543,267	**209,694**	**13,752,961**

COLLEGE - 2022	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*13,178,835*	*-*	*13,178,835*
Net current assets	*1,839,508*	*208,854*	*2,048,362*
Long Term liabilities (including pension scheme deficit)	*(1,965,046)*	*-*	*(1,965,046)*
	13,053,297	*208,854*	*13,262,151*

24 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2023 £	*2022* *£*
Increase in cash in the year	**495,777**	*909,030*
Fees on account	**195,025**	*(243,461)*
Loan repayments	**210,095**	*222,397*
Change in net funds	**900,897**	*887,966*
Net debt at 1 August	**2,305,978**	*1,418,012*
NET FUNDS AT 31 AUGUST	**£ 3,206,875**	*£ 2,305,978*

ANALYSIS OF CHANGE IN NET FUNDS

	Net funds as at 1 September 2022 *£*	**Cash Change** £	**Net funds as at 31 August 2023** **£**
Cash at bank and in hand	*4,664,180*	495,777	**5,159,957**
Fees on account	*(545,270)*	195,025	**(350,245)**
Loans	*(1,812,932)*	210,095	**(1,602,837)**
	£ 2,305,978	£ 900,897	**£ 3,206,875**

25 2022 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	*Restricted Funds*	*Total 2022* £
INCOME AND ENDOWMENTS FROM:			
Income from Charitable Activities			
School fees receivable	*11,350,594*	*-*	*11,350,594*
Ancillary trading income	*529,246*	*-*	*529,246*
Other Trading Activities			
Trading income	*255,364*	*-*	*255,364*
Rents and lettings	*140,224*	*-*	*140,224*
Donations and grants			
Other	*7,119*	*135,288*	*142,407*
Coronavirus Job Retention Scheme government grant	*-*	*-*	*-*
Total income	*12,282,547*	*135,288*	*12,417,835*
EXPENDITURE ON:			
Expenditure on Charitable Activities			
Teaching costs	*5,672,361*	*-*	*5,672,361*
Welfare costs	*1,799,403*	*-*	*1,799,403*
Premises costs	*1,735,365*	*101,500*	*1,836,865*
Support costs	*1,917,637*	*6,342*	*1,923,979*
	11,124,766	*107,842*	*11,232,608*
Expenditure on Raising Funds			
Trading expenditure	*219,318*	*-*	*219,318*
Finance costs	*217,090*	*-*	*217,090*
Total expenditure	*11,561,174*	*107,842*	*11,669,016*
Net income	*721,373*	*27,446*	*748,819*
Balances brought forward At 31 August 2021	*12,338,291*	*181,408*	*12,519,699*
Balances carried forward At 31 August 2022	*13,059,664*	*208,854*	*13,268,518*

PANGBOURNE COLLEGE LIMITED

England & Wales - Charity number 309096

Accounts

REGISTERED COMPANY NUMBER: 0260104
REGISTERED CHARITY NUMBER: 309096

PANGBOURNE COLLEGE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

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PANGBOURNE COLLEGE LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2022

The Pangbourne College Governors, being also the directors of the charitable company, present their annual report together with the financial statements of the charitable company for the year ended 31 August 2022 and confirm that they comply with the requirements of the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

DIRECTORS' REPORT

STATUS AND ADMINISTRATION

Pangbourne College Limited is a charitable company having share capital, incorporated on 4 November 1931 and registered as a charity on 20 February 1963.

The charitable company was established under a Memorandum of Association which determines the objects and powers of the charitable company and is governed under its Articles of Association.

DIRECTORS AND THEIR INTERESTS

The directors of the charitable company who served during the year, unless otherwise stated, were as follows:-

Mr R Batra [1] (appointed 30/11/21)
Rev M Bodeker [1] (appointed 30/11/21)
Rev A Bond [1,2]
Mrs T Brooks [3]
Mrs C Butterworth [1]
Mr P Derham [3]
Mr D Devitt [3]
Miss T Duhalde [1] (appointed 24/06/22)

Mr R Llewellyn [3]
Mr D Mullins [1]
Dr M Oppenheimer [4] (resigned 30/11/2021)
Mr P Roberts MBE [1,2]
Mrs S Rossiter [3,4]
Mrs P Shryane [1] (appointed 30/11/21)
Mrs R Tear [4]) (resigned 02/07/2022)

[1] Members of the Finance & General Purposes Committee
[2] Members of the Property & Sustainability Committee

[3] Members of the Education & Welfare Committee
[4] Members of the Health & Safety Committee

The directors are also the charity trustees and governors of Pangbourne College.

OFFICERS

Headmaster	Mr T J C Garnier
Senior Deputy	Mrs S Greenwood (appointed to the role 01/11/22)
Deputy Head (Academic)	Mr M Seccombe (appointed to the role 01/09/21)
Deputy Head (Pastoral)	Mr R Bancroft (appointed to the role 01/09/21)
Deputy Head (Co-Curricular)	Mr R Follett (appointed to the role 01/09/21)
Bursar and Company Secretary	Mr JN Walne

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Pangbourne College
Pangbourne
Berkshire
RG8 8LA

ADVISERS

Bankers	National Westminster Bank Plc Corporate Business Centre Abbey Gardens 4 Abbey Street Reading Berkshire RG1 3BA
Auditors	Crowe U.K. LLP Aquis House 49-51 Blagrave Street Reading Berkshire RG1 1PL
Insurance Brokers	Marsh Merlin House Commerce Park Brunel Road Theale Reading RG7 4BY

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT OF THE COLLEGE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2022

CONSTITUTION AND OBJECTS

Pangbourne College ("the College") was founded in 1917, originally as the Nautical College, Pangbourne, under which name it operated until 1969. It is constituted as a company limited by guarantee registered in England, No. 0260104, and is registered with the Charity Commission under Charity No. 309096. The College is governed by its Memorandum of Association and Articles of Association most recently revised on 20 March 2007.

The College's Objects and principal activity, as set out by the Memorandum of Association, is to advance education for the public benefit, including (but not limited to) the provision and maintenance at the premises known as Pangbourne College, Pangbourne, Berkshire or elsewhere of a boarding and/or day school or schools for the education of children or young persons of either sex or both sexes.

In furtherance of these Objects, the College seeks to provide subsidised education via bursaries for deserving students whose parents could not otherwise afford the cost of educational fees. Within these objects, the charitable company also has to maintain its heritage endowment, the College, with its Grade 2 listed buildings and The Falklands Islands Memorial Chapel, a national memorial site.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

Within these objects, Pangbourne College's aim is to provide a first class independent education, both through strong academic tuition and through developing wider sporting, artistic and social skills in all its pupils. Additionally, there is an emphasis on values and leadership, and at various stages during their time at the school all pupils participate in the Duke of Edinburgh's Award Scheme, the Combined Cadet Force and are given training in leadership skills. The intention is to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Principal activities

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. This year (2021-2022) Pangbourne College averaged 457 *(2021: 455)* pupils.

GOVERNANCE AND MANAGEMENT

Board of Governors

The College Governors, executive officers and principal address of the charitable company are as listed on page 1 and 2. Particulars of the charitable company's professional advisers are given on page 2.

Recruitment and training of Governors

The Board of Governors is self-appointing. New members of the Board are elected on the basis of their professional qualities, experience, personal competence and local availability.

New Governors are inducted into the workings of the charitable company and its school, including Board Policy and Procedures. Governor and Trustee training is offered to all new members and is provided by a number of professional sources such as AGBIS. Governors are appointed initially for a five year term of office. At the expiry of this period Governors can offer themselves for re-election to the Board.

Organisational management and remuneration

The Pangbourne College Governors, as the trustees of the charity and directors of the company are legally responsible for the overall management and control of Pangbourne College, and meet as a Board three times a year. The work of governance and financial supervision is carried out by members of the Finance and General Purposes Committee (F&GP), who meet before each meeting of the College Governing Board and on extra occasions when necessary such as to approve the budgets and finalise the audited accounts and annual report for approval by the Board. The F&GP works under the chairmanship of a member of the College Governors. The other principal permanent committees are the Property & Sustainability Committee, the Education & Welfare Committee and the Health & Safety Committee, each being chaired by a Board member and meet on a termly basis and more often should the need arise. Other committees are formed on an ad hoc basis for specific purposes such as an Appeal. Members of all Board committees are listed on page 1.

The day to day management of the school is delegated to the College's Headmaster supported by the Senior Management Team. At 31 August 2022 these were:

Mr JN Walne – Bursar
Mr R Bancroft – Senior Deputy Head and Deputy Head Pastoral
Mrs S Greenwood – Deputy Head Character & Routines
Mr M Seccombe - Deputy Head Academic
Mr R Follett – Deputy Head Co-Curricular

The Headmaster, Senior Deputy Head,Deputy Head Academic and the Bursar attend meetings of the various committees.

The Headmaster, Senior Management Team and Governors together form the College's Key Management Personnel.

The Board of Governors are responsible for setting the pay and remuneration of the College's key management personnel. When considering remuneration, the Board aims to recruit and retain talented people, sustain the high-performance culture within the College and recognise the contributions of the personnel. The underlying principle when setting pay is that the amount paid should reflect the market for comparable jobs in comparable organisations, the performance of the organisation and the skills and contribution of the individual. Independent remuneration reviews are commissioned from time to time for the Headmaster and Bursar, the most recent completed in July 2015 by Affinity Independent Schools Consultancy LLP.

Group structure and relationships

The charitable company has a wholly owned non-charitable subsidiary, Pangbourne College Enterprises Limited, whose activities and trading performance are discussed below.

Pangbourne College actively supports the attainment of the highest standards in the Independent Schools sector as its Headmaster is a member of The Headmasters' and Headmistress' Conference. We also cooperate with many local organisations in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the College.

The College also benefits from the generosity of a thriving network of Old Pangbournians whose close support we greatly appreciate and gladly acknowledge.

AUDITORS
So far as each of the Governors is aware at the time the report is approved:-

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information (s. 234ZA (2)).

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting

STRATEGIC REPORT

MISSION STATEMENT

Our mission is to be a caring community of learners in which pupils from all backgrounds can flourish.

We enable pupils to succeed academically and to develop character through commitment to a curriculum that provides challenge and adventure. We equip our pupils with the values, knowledge, skills and confidence needed to grasp opportunities and make a positive difference to the world. We seek to increase the diversity and quality of our pupil body through the provision of transformational bursaries.

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

A development plan covering the period 2018-2023 was published in September 2018. The plan sets out what will be done to move towards fulfilment of the College's vision to become the best small coeducational boarding and day school in the UK. Over these five years the College's goals are to:

- Grow the school to no more than 500 pupils whilst retaining our focus on the individual, our excellent pastoral care and our nurturing community.
- Continue to improve the quality of teaching and learning to help each pupil achieve their full potential.
- Offer a curriculum which is innovative and inspirational, providing our pupils with a range of opportunities both inside and outside the classroom and developing skills they can take with them for life.
- Continue to invest in our built environment, ensuring that educational, co-curricular and boarding facilities of high quality are available to all pupils.

During 2021/22 the Board of Governors and senior staff started work on creating a new development plan for the next 10 years, which will be finalised and published during 2022/23.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The return to in-person teaching and public examinations meant that a degree of normality has been restored to academic life at the College although the legacy of the pandemic continued to require amendments throughout 2021-22.

At A Level, the percentage of grades awarded as A*- A was 23%, and A* - C was 79%. In BTECs the percentage of grades awarded as Distinction* - Distinction was 87%. The vast majority of the cohort will be progressing to their firm-choice universities which Durham, St Andrews, Exeter and Bath.

At GCSE, the percentage of grades awarded as 9 - 7 was 46.8% (our best ever). and the overall pass rate (grade 4 or higher) was 93.5%.

ACHIEVEMENTS AND PERFORMANCE (continued)

The Governors remain resolute that the College will continue to select pupils on character and aptitude for an education at Pangbourne College, rather than purely on academic ability. These results demonstrate the Headmaster's intent to increase the College's academic rigour. Given the broad range of academic abilities within the School, these were extremely pleasing results.

In terms of outdoor pursuits, 16 Gold, 21 Silver and 41 Bronze Duke of Edinburgh's Awards were completed by Pangbourne pupils. The Combined Cadet Force at Pangbourne College had 120 Cadets split between three sections, Army, Royal Navy and Royal Marines. The Year 10's which are classed as recruits undertook the basic syllabus for each of their relevant sections. The year 11 continued with their syllabus and also started to take on more responsibilities and leadership roles within the CCF. The Upper and Lower 6 finished the Cadet Forces Instructional techniques cadre which allowed them to start delivering lessons to the year 10 cadets. Investment in new equipment such as Kayaks and archery tag has enhanced the weekly activities and field days. Pupils attended 3 CCF camps during the year and in addition entered the Pringle competition and the Military Skills competition. A new Bushcraft Award has been introduced for Year 7 and a Watersports week is planned to be introduced for Year 8 to expand the adventure curriculum across all year groups.

A number of significant improvements were made to the College's facilities during the year. A new cafe facility was created which is located in the building formerly occupied by the School Shop, the school gym was extended and improved, the roads on campus were enlarged and the car park improved.

Grant making policy

Pangbourne College Governors' policy, in line with that of other independent schools, is to make awards on the basis of an individual's educational potential. Awards and bursaries (not including untested allowances for staff) totalling £1,323,019 (*2021: £1,411,279)* (10.3% of gross fees receivable) were made from unrestricted funds where the policy is towards academic excellence and also to relieve hardship where the pupil's education and future prospects would otherwise be at risk.

Public benefit

The Trustees continued to take seriously the requirement to have regard to the published guidance on public benefit as per s.17 (5) of the Charities Act.

The College awards a substantial number of bursaries (means-tested) and scholarships (based on merit) each year. The policies in respect of these are available on the College's website. In the last year, the College provided means-tested support for pupils whose parents could not afford the fees worth £932,908 (2021: £960,184), or 7.2% of gross fee income. Six (2021: 6) pupils received support worth at least 100% of fees, including 2 via HMC Projects to students from Central and Eastern Europe, and 2 via the Royal National Children's Springboard Foundation. Additionally, £229,652 (2021: £136,192) was given in discounts to children of parents serving in the Armed Forces. Some of these families also received CEA funding from the Ministry of Defence worth a further £258,951 (2021: £266,652).

Beyond the considerable public benefit of providing a high-quality education (known as the Pangbourne Experience) to the pupils of the College, which equips them with good academic qualifications and a sense of responsibility and service to others, the College also provided wider benefits to children and young people who are not pupils.

A number of local state schools, prep schools and youth organisations receive support from the College and our employees. Local school children attend events run by the College such as the annual Piano Festival, orchestral fun days, DT challenge days, hockey tournaments and outdoor learning classes.

ACHIEVEMENTS AND PERFORMANCE (continued)

The following programmes were achieved during the year:

- The College is a partner with the Whitley Excellence Cluster, which comprises 10 South Reading schools and aims to empower children to access non-formal learning and enrichment activities. An orienteering course was provided to all schools within the group as part of the annual activity day.
- The College has a longstanding partnership through the CCCF with Denefield School, with their pupils joining Pangbourne College for weekly activities and field days.
- 6 members of staff are governors of local schools in both the independent and the maintained sector.
- Local football teams have once again started to use the newly refurbished floodlit all-weather astro-turf pitch.

The College donated £13,000 to support projects at Nabugabo Community Learning Centre in Uganda, which funded the creation of a new examination hall.

The College maintains and acts as steward to the Falkland Islands Memorial Chapel, the national war memorial for those killed in the Falklands War. Normal wear and tear is funded and carried out by the College. Major repairs and refurbishment, while being funded by the Chapel Trust, are planned and organised by the College's Estate's Bursar and his staff. A memorial service was held on 12 June 2022 to commemorate the 40th anniversary of the end of the Falklands War.

Volunteers

Old Pangbournians helped generously with activities such as the Careers Fair. The Pangbourne Parents' Association also organised a number of events in support of the College. The Trustees would like to take this opportunity to say how much their continuing and valuable support for the charity's work is appreciated.

FINANCIAL REVIEW

Results for the Year

The Governors of the College report a pre-depreciation surplus of £1,164k (2021: £1,610k).

The College achieves its liquidity objectives by the careful management of working capital and regular forecasting of short and long term cash requirements. The College's cost base predominantly comprises staff costs and therefore the impact of commodity price risk is modest although there is exposure to increases in utility and related building operational costs. The College's exposure to credit risk is mitigated by fees being due at the beginning of each term.

Interest rate risk exposure is managed by the consideration of fixing interest rates on a proportion of the loan portfolio within parameters that are agreed and regularly reviewed by the Finance and General Purposes Committee.

Reserves Policy

The College's policy is to seek to generate a surplus of income over expenditure that enables the College to continue its programme of refurbishment and development whilst securing the long-term viability of the College.

At the balance sheet date unrestricted funds stood at £13,059,664 *(2021: £*12,338,291*)*. After deducting the carrying value of tangible fixed assets held for the charity's own use, adjusted for borrowing there were free reserves of £1,693,761 (*2021: 874,484*) (as defined by the Charity Commissioners). As part of the Development Plan currently in progress, the College is producing a Master Plan for the campus which will determine the priorities for future capital projects.

The Governors policy is to require cash of £2.5m to be ring-fenced in a separate bank account and outside of cash available for the day to day working capital. This cash reserve is sufficient to cover three month's running costs or two years' worth of bank loan repayments.

FINANCIAL REVIEW (continued)

Fundraising

All fundraising is aimed at providing a high quality educational experience for the boys and girls who are pupils at the College, and making the experience available to more young people. Our wider community includes current and former pupils, parents, staff and friends of the College.

Our good relationship with our community is critical to the success of our charity, and we believe in establishing positive long-term relationships based on trust, goodwill and our shared interests. Any fundraising approaches are therefore personal and targeted, focused only on existing members of the College community.

We do not use third parties to help with our fundraising, nor do we participate in public mass mailings, door to door fundraising, or telephone campaigns. All data shared with us is protected in compliance with the GDPR, and we never share personal information with third parties for the purposes of marketing. All literature and emails sent to our community members has clear messaging about who and how to contact us if they wish to change how we communicate with them.

Pangbourne College is registered with the Fundraising Regulator, and we follow the regulator's Code of Practice. This sets out the standards that members are expected to follow when raising money, including taking all reasonable steps to protect vulnerable people from persistent approaches, unreasonable intrusion or undue pressure.

The fundraising team at Pangbourne College is very small, consisting of just one Development and Alumni Manager. Other senior leaders within the College, including the Headmaster, Bursar and Governors, play a role in raising and managing funds. Occasionally other alumni and parents act as fundraising volunteers, in which case they are trained, monitored and sign a data protection and confidentiality agreement.

During the year, our charity received no complaints requiring action by the Fundraising Regulator.

FUTURE PLANS

As already described, the College is engaged on a Development Plan which covers the period 2018 to 2023, and have already embarked on the first steps to create the next 5-year Development Plan. The intention is to launch this plan in the Lent term 2023.

The Governors and staff remain fully committed to ensuring that academic standards are the highest possible, whilst being comfortable with maintaining a broadly unselective admissions policy. The latter is best described as 'discerning', in that a place will not be offered unless all parties are confident that the College can meet the individual pupil's needs.

RISK MANAGEMENT

Pangbourne College Board of Governors is responsible for the management of the risks faced by the College. Detailed considerations of risk are delegated to the Finance and General Purposes Committee, who are assisted by the Senior Management Team. Risks are identified, assessed and controls are established throughout the year. A formal review of the charitable company's risk management processes is undertaken on an annual basis. The College has started to conduct an in depth review of the risk register and how it is used in order to produce a more rigorous risk management process.

The key controls used by the charitable company include:-

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

RISK MANAGEMENT (continued)

Through the risk management processes established for the College, Pangbourne College Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Principal risks and uncertainties

The Governing Body is satisfied that for all major risks identified for the group appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable, but not absolute assurance that major risks have been managed. The principal risks and uncertainties are assessed as:

- Financial Risk – the principal concern is an adverse change in the economic or regulatory conditions, which reduced the affordability of fees and results in a reduction in pupil numbers. This risk has been highlighted by the impact of COVID-19. The College mitigates this risk by a regular review of its forecasts and level of reserves. Pupil recruitment and retention is reported at the Finance and General Purposes Committee and is a major part of the Headmaster's report to the Board.
- Education and Welfare Risk – the principal risk is a current or historic safeguarding failure leading to a loss of reputation. This risk is managed by a balanced approach of controls and training. A culture of safeguarding is embedded throughout the College and detailed safeguarding and child protection policies are in place. There is regular training and the College has the required and trained designated safeguarding lead. An annual review of safeguarding is undertaken by the Board.

The Governing Body is undertaking a review of its risk management procedures and intends to delegate greater scrutiny to the various committees.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Pangbourne College Limited on 8 December 2022 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

P. J. Roberts

.....

Patrick Roberts
Governor

PANGBOURNE COLLEGE LIMITED
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2022

Statement of Governors' responsibilities

The Governors (who are also directors of Pangbourne College Limited for the purposes of company law) are responsible for preparing the Annual Report of the College Governors (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED

We have audited the Group and Parent company financial statements of Pangbourne College Limited for the year ended 31 August 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Charitable Company's affairs as at 31 August 2022 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governor's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Governors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Governors' Annual Report, which includes the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Governors' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement set out on page 10, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group's or the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102) and the Charities Act. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

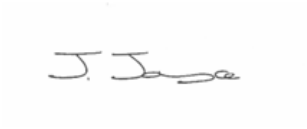
In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the group and charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and charitable company for fraud. The laws and regulations we considered in this context were The Education (Independent School Standards) Regulations 2014, Safeguarding, Health and Safety, GDPR and Food standards. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of certain non fee income streams, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and certain non fee income streams, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Janette Joyce
Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrave Street
Reading
RG1 1PL

9 December 2022

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted Funds	Restricted Funds	Total 2022 £	*Total 2021 £*
INCOME AND ENDOWMENTS FROM:					
Income from Charitable Activities					
School fees receivable	5	**11,350,594**	**-**	**11,350,594**	*10,276,769*
Ancillary trading income	6	**436,328**	**-**	**436,328**	*322,612*
Other Trading Activities					
Trading income	4	**255,364**	**-**	**255,364**	*173,996*
Rents and lettings		**140,224**	**-**	**140,224**	*74,289*
Donations and grants					
Other		**7,119**	**135,288**	**142,407**	*98,646*
Coronavirus Job Retention Scheme government grant		**-**	**-**	**-**	*111,622*
Total income		**12,189,629**	**135,288**	**12,324,917**	*11,057,934*
EXPENDITURE ON:					
Expenditure on Charitable Activities					
Teaching costs		**5,672,361**	**-**	**5,672,361**	*5,173,761*
Welfare costs		**1,799,403**	**-**	**1,799,403**	*1,472,099*
Premises costs		**1,735,365**	**101,500**	**1,836,865**	*1,311,630*
Support costs		**1,824,719**	**6,342**	**1,831,061**	*1,692,736*
		11,031,848	**107,842**	**11,139,690**	*9,650,226*
Expenditure on Raising Funds					
Trading expenditure	4	**219,318**	**-**	**219,318**	*184,484*
Finance costs		**217,090**	**-**	**217,090**	*102,122*
Total expenditure	7	**11,468,256**	**107,842**	**11,576,098**	*9,936,832*
Net income	8	**721,373**	**27,446**	**748,819**	*1,121,102*
Balances brought forward At 31 August 2021		*12,338,291*	*181,408*	*12,519,699*	*11,398,597*
Balances carried forward At 31 August 2022		**13,059,664**	**208,854**	**13,268,518**	*12,519,699*

All activities are continuing.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED BALANCE SHEET
31 AUGUST 2022
COMPANY NUMBER 0260104

	Notes	College 2022 £	College *2021* £	Group 2022 £	Group *2021* £
FIXED ASSETS					
Tangible fixed assets	10	**13,178,835**	*13,499,136*	**13,178,835**	*13,499,136*
CURRENT ASSETS					
Stock		**13,741**	*13,742*	**188,534**	*180,643*
Debtors	11	**539,843**	*537,190*	**289,074**	*323,922*
Cash at bank and in hand		**4,541,623**	*3,689,760*	**4,664,180**	*3,755,150*
		5,095,207	*4,240,692*	**5,141,788**	*4,259,715*
CREDITORS: Amounts falling due within one year	12	**(3,046,845)**	*(3,195,219)*	**(3,084,559)**	*(3,232,916)*
NET CURRENT ASSETS		**2,048,362**	*1,045,473*	**2,057,229**	*1,026,799*
TOTAL ASSETS LESS CURRENT LIABILITIES		**15,227,197**	*14,544,609*	**15,236,064**	*14,525,935*
CREDITORS: Amounts falling due after more than one year	13	**(1,949,357)**	*(1,913,516)*	**(1,949,357)**	*(1,913,516)*
Pension Scheme Deficit	18	**(15,689)**	*(90,220)*	**(15,689)**	*(90,220)*
NET ASSETS		**13,262,151**	*12,540,873*	**13,271,018**	*12,522,199*
CAPITAL AND RESERVES					
Share capital	17	**2,500**	*2,500*	**2,500**	*2,500*
Restricted funds	22	**208,854**	*181,408*	**208,854**	*181,408*
General funds		**13,050,797**	*12,356,965*	**13,059,664**	*12,338,291*
SHAREHOLDERS' FUNDS	23	**13,262,151**	*12,540,873*	**13,271,018**	*12,522,199*

The profit for the financial year dealt within the financial statements of the parent company was £721,278 *(2021: £1,137,087)*.

Authorised and Approved for issue by the Board on 8 December 2022 and signed on their behalf by:-

P. Roberts
.....
P Roberts
Governor

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2022

		2022 £	*2021 £*
Cash flows from operating activities			
Net movement in funds		**748,819**	*1,121,102*
Depreciation		**415,007**	*488,500*
Decrease/ (increase) in debtors		**34,848**	*(38,027)*
(Decrease)/increase in creditors		**(133,580)**	*414,422*
(Increase)/ decrease in stocks		**(7,891)**	*13,601*
(Profit)/loss on disposal of fixed assets		**52,498**	-
(Decrease) in pension liability		**(74,531)**	*(25,688)*
Interest paid		**28,500**	*20,330*
Cash provided by/ (used in) operating activities		**1,063,670**	*1,994,240*
Cash flows from investing activities			
Purchase of tangible fixed assets		**(147,204)**	*(432,233)*
Cash (used in) investing activities		**(147,204)**	*(432,233)*
Cash flows from financing activities			
Decrease in borrowing		**(222,397)**	*(185,968)*
Interest paid		**(28,500)**	*(20,330)*
Cash (used in) by financing activities		**(250,897)**	*(206,298)*
Cash flows from advance fee scheme			
Advance fees received		**483,115**	*247,198*
Discounts allocated		**4,841**	*6,516*
Advance fees utilised		**(244,495)**	*(289,679)*
Cash provided by/(used in) advance fees		**243,461**	*(35,965)*
Change in cash and cash equivalents in the year	24	**909,030**	*1,319,744*
Cash and cash equivalents at the beginning of the year		**3,755,150**	*2,435,406*
Total cash and cash equivalents at the end of the year		**4,664,180**	*3,755,150*
Cash at bank and in hand		**4,664,180**	*3,755,150*

The notes on pages 18 to 33 form part of these financial statements

1. COMPANY INFORMATION

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. The incorporated charity (registered number 0260104 and charity number 309096), is incorporated and domiciled in the UK. The address of the registered office is Pangbourne College, Pangbourne, Berkshire, RG8 8LA.

2. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pangbourne College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern

Demand for school places remains strong, with our highest ever numbers enrolled for the academic year 2022/23 and numbers for 2023/24 expected to be even higher again. The charity currently holds significant cash balances with no significant commitments to capital projects. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

c) Consolidation

The consolidated financial statements incorporate the financial statements of Pangbourne College Enterprises Limited, the charitable company's trading subsidiary. No separate statement of financial activities is present for the College as permitted by Section 408 of the Companies Act 2006. The net incoming resources of the College (excluding Enterprises) were £721,278 *(2021: £1,137,087)*.

d) Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

General funds (retained income) are unrestricted funds that are available for use at the discretion of the Governors in furtherance of the general objectives of the charitable company and have not been designated for other purposes.

Designated funds are funds set aside by the Governors out of unrestricted general funds for specific future purposes or projects.

e) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the college is considered probable.

Coronavirus Job Retention Grant (CJRS)

Grants are accounted for under the performance model as permitted by the Charity SORP. CJRS grant income is therefore recognised on a straight line basis over the furlough period for each relevant employee.

2. ACCOUNTING POLICIES (continued)

f) Fees

Fee income represents the invoiced amount of College fees receivable after deducting allowances, scholarships and other remissions granted by the College. Adjustments have been made to defer invoiced fees relating to the Autumn term, which commences in the next financial period to ensure that no income relating to the next financial year is included in these financial statements. Any payments received relating to this term have been treated as fees in advance under creditors.

g) Donations and legacies

Donations and legacies received for the general purposes of the College are credited to 'unrestricted funds'. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Income from legacies is accrued where a pecuniary legacy is notified by the year end and where a residuary legacy has entitlement, the amount can be reliably quantified (usually via estate accounts) and it is considered probable it will be received.

h) Advanced fees

Amounts received under the College's Advanced Fees Scheme contracts, for education not yet utilised to settle school fees, are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

i) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Expenditure is summarised under functional headings on a direct cost basis. The irrecoverable amount of VAT is included with the item of expense to which it relates.

j) Stocks

Stocks are valued at the lower of cost and net realisable value.

k) Tangible Fixed Assets

College buildings are recorded at their historical cost to the College. Depreciation is provided on all tangible assets, except freehold land in order to write-off their cost less residual value over their estimated useful lives at the following annual rates:-

Buildings	-	2% straight line
Furniture, fixtures and fittings	-	25% straight line
Motor vehicles	-	33% straight line
Boats	-	33% straight line

Items costing less than £5,000 are written off as an expense as acquired.

l) Pension Schemes

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, defined benefit scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and skills. The College was in this scheme until 31 December 2021 when it transferred to a group personal pension plan with Royal London Mutual Insurance Society Limited See note 18 for more information.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the statement of financial activities.

2. ACCOUNTING POLICIES (continued)

The College contributed until 30 September 2013 to the Pensions Trust Growth Plan Pension Scheme for certain of its employees. This was in most respects a money purchase arrangement, but did include certain guaranteed benefit elements. The Plan was a multi-employer scheme. It is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable. The School makes deficit contribution payments to the Scheme and, in accordance with FRS 102 these payments have been measured at fair value and included as a liability on the balance sheet.

The College also operates a defined contribution auto enrolment arrangement and a defined contribution enhanced pension scheme for non-teaching staff.

Pension costs charged in the SOFA represent contributions payable by the College in that year.

m) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

n) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment

o) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

p) Parents' deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August have been included within current liabilities.

q) Lease commitments

Lease commitments are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

r) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 21 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and taxation and social security.

3. Significant judgements and estimates

In the application of the charity's accounting policies, which are described in note 2, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Governors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. TRADING INCOME AND EXPENDITURE

Pangbourne College Enterprises Limited is a 100% subsidiary of Pangbourne College Limited (Company Number: 01582185). Its registered office is as per Note 1. The company was established to carry out the non educational activities associated with the College. The trading results extracted from its audited accounts were:-

	2022	*2021*
	£	*£*
Turnover	**255,364**	*173,996*
Cost of sales	**(208,554)**	*(175,983)*
Gross profit/(loss)	**45,271**	*(1,987)*
Administrative expenses	**(16,934)**	*(12,660)*
Operating profit/(loss)	**29,876**	*(14,647)*
Interest payable and similar charges	**(2,330)**	*(1,341)*
Profit/(Loss) on activities before taxation	**27,546**	*(15,988)*
Taxation	**-**	*-*
(Loss) after tax	**27,546**	*(15,988)*
Retained earnings at the beginning of the year	**(18,677)**	*(2,689)*
Profit/(Loss) for the financial year	**27,546**	*(15,988)*
Gift aid donation payment for prior year	**-**	*-*
Retained earnings at the end of the year	**8,869**	*(18,677)*

The aggregate amount of share capital and reserves of Pangbourne College Enterprises Limited at 31 August 2022 was £8,872 (*2021 £18,674 liabilities).*

Administrative expenses include a management charge paid to the College of £8,500 (*2021: £5,500)* which is eliminated on consolidation, and the donation under Gift Aid of £nil (*2021: £nil)* is to the College and is also eliminated on consolidation.

5. FEES RECEIVABLE

	2022 £	*2021 £*
Fees receivable consist of:		
Gross fees (including advance fees utilised of £244,495 (*2021: £289,679*)	**12,877,776**	*12,600,652*
Less total bursaries, grants and allowances	**(1,527,182)**	*(2,323,883)*
	11,350,594	*10,276,769*

6. ANCILLARY TRADING INCOME

	2022 £	*2021 £*
Insurance commission	**2,982**	*2,539*
Registration fees	**40,523**	*27,044*
Special learning	**93,015**	*96,761*
Fees in lieu	**73,148**	*38,560*
Exams	**58,291**	*45,373*
Music	**89,748**	*84,628*
Forfeited deposit	**-**	*19,200*
Trips	**78,621**	-
Miscellaneous income	**-**	*8,507*
	436,328	*322,612*

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depre-ciation £	**Total 2022 £**	*Total 2021 £*
Charitable activities					
Teaching costs	4,820,248	625,855	226,258	**5,672,361**	*5,173,761*
Welfare costs	646,049	1,080,571	72,783	**1,799,403**	*1,472,099*
Premises costs	350,011	1,445,247	41,607	**1,836,865**	*1,311,630*
Support costs	821,755	934,947	74,359	**1,831,061**	*1,692,736*
	6,638,063	4,086,620	415,007	**11,139,690**	*9,650,226*
Cost of generating funds					
Trading expenditure	64,269	155,049	-	**219,318**	*184,484*
Finance costs	-	217,090	-	**217,090**	*102,122*
	64,269	372,139	-	**436,408**	*286,606*
Total	**6,702,332**	**4,458,759**	**415,007**	**11,576,098**	*9,936,832*

Included within support costs are governance costs of £34,199 *(2021: £19,651)*. Governance costs comprise the cost of running the charity including external audits, Governors' legal advice and constitutional and statutory compliance costs.

7. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

2021 Comparative figures

	Staff Costs £	*Other* £	*Depre-ciation* £	*Total 2021* £	*Total 2020* £
Charitable activities					
Teaching costs	*4,518,331*	*383,063*	*272,367*	*5,173,761*	*5,534,630*
Welfare costs	*605,889*	*788,713*	*77,497*	*1,472,099*	*1,309,064*
Premises costs	*299,939*	*956,842*	*54,849*	*1,311,630*	*1,254,810*
Support costs	*786,044*	*822,905*	*83,787*	*1,692,736*	*1,663,412*
	6,210,203	*2,951,523*	*488,500*	*9,650,226*	*9,761,916*
Cost of generating funds					
Trading expenditure	*56,424*	*128,060*	*-*	*184,484*	*137,189*
Finance costs	*-*	*102,122*	*-*	*102,122*	*95,812*
	56,424	*230,182*	*-*	*286,606*	*233,001*
Total	*6,266,627*	*3,181,705*	*488,500*	*9,936,832*	*9,994,917*

8. NET INCOME

	2022 £	*2021* £
This is stated after charging/(crediting):		
Depreciation	**415,007**	*488,500*
Auditors remuneration – (Parent)	**16,750**	*14,950*
Auditors remuneration – (Subsidiary)	**2,625**	*2,350*
Auditors remuneration – non audit services	**2,905**	*3,160*
Operating lease rentals	**185,983**	*197,246*

9. STAFF COSTS

	2022 £	*2021* £
Salaries and wages	**5,148,240**	*4,846,171*
Social security costs	**521,473**	*474,500*
Pension costs	**1,032,619**	*945,956*
	6,702,332	*6,266,627*

The average number of employees during the year (including Pangbourne College Enterprises Limited) were:

	2022 No.	*2021* No.
Teaching	**73**	*71*
Premises	**8**	*8*
Support and welfare	**51**	*47*
	132	*126*

9. STAFF COSTS (continued)

The number of employees whose emoluments (excluding pension contributions) exceeded £60,000 during the year were as follows:

£60,001 - £70,000	**1**	*4*
£100,001 - £110,000	**1**	*1*
£150,001 - £160,000	**-**	*1*
£160,001 - £170,000	**1**	*-*

The bandings numbers have reduced this year due salary exchange being introduced in relation to pensions on the 1st January 2022.

The number of higher paid employees who accrued benefits under a defined benefit pension scheme were as follows:

2	*5*

The Governors received no remuneration or other benefits for the year. 2 governors (*2021: 1*) were reimbursed travelling expenses of £1,752 (*2021: £41).* £1,255 (*2021: £147)* was spent on Governor meetings. Insurance costs also include trustee indemnity insurance.

The key management personnel of the college are the Governors and the Officers as identified in the Legal and Administrative Information on page 1. In the year ended 31 August 2022 they received aggregate remuneration (including employers' national insurance and pension contributions) of £769,516(*2021: £637,900*).

During the year ex-gratia payments totalling £19,039 *(2021: £21,110)* were made.

10. TANGIBLE ASSETS

Charitable company and group

	Freehold property	Assets under cons-truction	Furniture & equipment	Motor vehicles	Boats	Total
	£		£	£	£	£
COST						
At 1 September 2021	*18,806,236*	*52,498*	*2,466,177*	*46,717*	*378,250*	**21,749,878**
Additions	147,204	-	-	-	-	**147,204**
Disposals	-	(52,498)	-	-	-	**(52,498)**
At 31 August 2022	18,953,440	-	2,466,177	46,717	378,250	**21,844,584**
DEPRECIATION						
At 1 Sept 2021	*5,478,646*	-	*2,353,660*	*46,717*	*371,719*	**8,250,742**
Charge for the year	368,876	-	39,600	-	6,531	**415,007**
Disposals	-	-	-	-	-	**-**
At 31 August 2022	5,847,522	-	2,393,260	-	378,250	**8,665,749**
NET BOOK VALUE						
At 31 August 2022	**£13,105,918**	**£ -**	**£ 72,917**	**£ -**	**£ -**	**£13,178,835**
At 31 August 2021	*£13,327,590*	*£ 52,498*	*£ 112,517*	*£ -*	*£ 6,531*	*£13,499,136*

Included within freehold property is the historic cost of land not depreciated of £16,937 (*2021: £16,937).*

10. TANGIBLE ASSETS (continued)

The Governors consider the market value of freehold property to be substantially more than the net book value should the assets be sold for any use other than for educational purposes. This is due to the increase in values of the property market generally.

11. DEBTORS

	College		Group	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Trade debtors	**209,919**	*314,228*	**209,919**	*317,723*
Pangbourne College Enterprises Limited	**251,344**	*208,656*	**-**	*-*
Other debtors	**77,816**	*11,941*	**78,391**	*3,834*
Prepayments and accrued income	**764**	*2,365*	**764**	*2,365*
	539,843	*537,190*	**289,074**	*323,922*

12. CREDITORS: Amounts falling due within one year

	College		Group	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**212,909**	*222,789*	**212,909**	*222,789*
Trade creditors	**600,591**	*404,989*	**630,414**	*431,815*
Taxation and social security	**157,677**	*137,204*	**157,677**	*137,204*
Other creditors	**93,705**	*46,306*	**93,705**	*46,306*
Acceptance deposits	**784,740**	*760,532*	**784,740**	*760,532*
Fees in advance	**828,468**	*1,106,362*	**828,468**	*1,106,362*
Accruals	**172,819**	*316,204*	**180,710**	*327,075*
	2,850,909	*2,994,386*	**2,888,623**	*3,032,083*
Deferred income- Advanced fees (see note 15)	**195,936**	*200,833*	**195,936**	*200,833*
	3,046,845	*3,195,219*	**3,084,559**	*3,232,916*

The bank borrowing is secured by a fixed legal charge over the property of the charity and a floating charge over the other assets.

13. CREDITORS: Amounts falling due after more than one year

	College		Group	
	2022	*2021*	**2022**	*2021*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**1,600,023**	*1,812,540*	**1,600,023**	*1,812,540*
Deferred income- Advanced fees (see note 15)	**349,334**	*100,976*	**349,334**	*100,976*
	1,949,357	*1,913,516*	**1,949,357**	*1,913,516*

14. BANK LOAN

The bank loan is repayable as follows:

	2022 £	2021 £
Within one year	**212,909**	*222,789*
Between one and two years	**218,822**	*225,250*
Between two and five years	**693,627**	*690,787*
Over five years	**687,574**	*896,503*
	1,812,932	*2,035,329*

The loan was first drawn down in September 2006 and is repayable in monthly instalments over 20 years starting in February 2010.

The interest rate applied to the loan is equivalent to 1% per annum above the bank base rate.

15. ADVANCE FEES

Amounts may be paid to the college up to the equivalent of 7 years' tuition fees in advance. The money may be returned subject to specific conditions stated within the scheme literature. Assuming pupils will remain at the college advance fees will be applied:-

	2022 £	2021 £
Within 1 year	**195,936**	*200,833*
Within 1-2 years	**146,502**	*64,520*
Within 2-5 years	**202,832**	*36,456*
	545,270	*301,809*

The balance represents the accrued liability under the contracts. The movements during the year are detailed as follows:-

	2022 £	2021 £
At 1 September 2021	**301,809**	*337,774*
Increase		
Advance fees received	**483,115**	*247,198*
Discounts allocated	**4,841**	*6,516*
	487,956	*253,714*
Decrease		
Advance fees utilised	**(244,495)**	*(289,679)*
At 31 August 2022	**545,270**	*301,809*

16. CAPITAL COMMITMENTS

There were no capital commitments at the year end (*2021: £Nil).*

17. SHARE CAPITAL

	2022	*2021*
	£	£
Authorised, Issued and fully paid up		
50,000 shares of 5p each	**2,500**	*2,500*

18. PENSIONS

Teaching staff

The College left the TPS Scheme on 31 December 2021 and all teaching staff joined a group personal pension plan with the Royal London Mutual Insurance Society Limited on this date. The default rate for new members is 8% for employees and 17.1% for employers. Employee rates can be as low as 5% and as high as 100%. Employer rates can be reduced to a minimum of 8%, with the difference taken as additional salary.

The pension charge for the year includes contributions payables to Royal London Mutual Insurance Society Limited of £528,174 (*2021: £nil*) and at the year-end £384 (*2021: £nil*) was accrued in respect of contributions to this scheme.

Up until the 31 December 2021 the College participated iin the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £262,607 (*2021: £721,867*) and at the year-end £nil (*2021 - £nil*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

18. PENSIONS (continued)

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following a public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations. The 2016 cost control valuations have since been completed in January 2022, and the results indicated that there would be no changes to benefits or member contributions required. The results of the cost cap valuation are not used to set the employer contribution rate, and HM Treasury has confirmed that any changes to the employer contribution rate resulting from the 2020 valuations will take effect in April 2024.

Until the 2020 valuation is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Non-teaching staff

Until 30th September 2013, all non-teaching staff could participate in a multi-employer defined benefits pension scheme, the Pensions Trust Growth Plan Pension Scheme ("the Scheme"). The Scheme closed to new contributions on 30th September 2013, and from that date onwards, non-teaching staff were offered membership of a defined contribution scheme, the Pension Trust Growth Plan Series 4 ("the Enhanced Scheme")."

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefits payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions. If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

A full actuarial valuation of the scheme was carried out at 30 September 2020. The market value of the Plan's assets at the valuation date was £799 million and the Plan's Technical Provisions (i.e. past service liabilities) were £832 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £33 million. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional deficit contributions of £3.3m per annum from 1 April 2022 to 30 September 2025, payable monthly. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Scheme Liabilities. In accordance with FRS102 a liability representing the present value of future commitments relating to the deficit funding is recognised in the accounts. During the year the College paid deficit contributions of £21,508 *(2021: £25,248)*, which reduced the pension Scheme deficit liability recognised in the accounts. The present value at 31 August 2022 of future commitments relating to the deficit contributions has been calculated as £15,689 *(2021: £91,100)*. The unwinding of the discount factor, and the impact of changes to assumptions and amendments to contributions has resulted in a £53,023 movement to the SOFA, and has been included in pension costs for the year.

18. PENSIONS (Continued)

Pangbourne College Limited has been advised by the Plan Trustee that, in the event that it was to withdraw its membership of the Plan, it had an estimated contingent liability of £300,840 at 30 September 2020. This debt will not crystallise while Pangbourne College Limited continues to have one or more active members in the scheme.

The amount of the above potential debt depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of Pangbourne College Limited, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of the debt can therefore be volatile over time.

The College operates a defined contribution auto enrolment scheme ("the AE Scheme") with Pensions Trust. The employer contribution rate is 10% *(2021: 10%)* and the employee contribution rate is 3%. Employers' contributions totalling £53,753 *(2021: £44,463)* were payable to this fund during the year. Contributions totalling £573 *(2021: £401)* were unpaid at the year end and are included in creditors.

In addition, the College offers all non-teaching staff the opportunity to join an Enhanced Scheme with the Pensions Trust, which has an employer contribution rate of 15% *(2021: 15%)* and an employee contribution rate of 5%. Contributions payable by the company in the year were £241,108 *(2021: £175,731)*. Contributions totalling £30 *(2021: £262)* were unpaid at the year end and are included in creditors.

Finally, there were contributions payable to personal pension schemes of £nil *(2021:£3,895).* Contributions totalling £nil (*2021: £nil)* were outstanding at the year end.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2022 the College had future minimum lease payments under non-cancellable operating leases as follows:-

	2022	*2021*
	£	*£*
Equipment and machinery		
Amounts due in less than a year	**112,358**	*183,911*
Amounts due in the second to fifth year	**236,873**	*88,639*
	349,231	*272,550*

20. RELATED PARTY TRANSACTIONS

During the year the school instructed Thrings Solicitors, of which Rev A Bond, a Governor is a consultant, for legal work. Total fees charged in the year were £14,342 *(2021: £26,509)*. At the balance sheet date the amount of £3,930 (2021: £1,170) was outstanding.

During the year the school also instructed Brockhurst and Marlston House, of which Ms Rossiter, a Governor is a lifeguard trainer. Total fees charged in the year were £720 *(2021: £nil)*. At the balance sheet date the amount of £nil (2021: £nil) was outstanding.

Close members of the Key Management Personnel's family (noted on page 1) are paid a total salary of £178,117 (2021: £132,200). The wife of one of the Governor's also has her salary included within this total. All close relatives who are or have been employed by the School have a standard contract of employment and their salaries are determined as part of a full staff salary review which is approved by the Governors.

21. FINANCIAL INSTRUMENTS

Financial instruments held at amortised cost are trade debtors, other debtors, intercompany debtors, cash at bank, trade creditors, bank loans, acceptance deposits, other creditors and accruals.

	2022	*2021*
	£	*£*
GROUP		
Financial assets measured at amortised cost	**4,952,490**	*4,076,707*
Financial liabilities measured at amortised cost	**3,502,501**	*3,601,057*
COLLEGE		
Financial assets measured at amortised cost	**5,080,702**	*4,224,585*
Financial liabilities measured at amortised cost	**3,464,787**	*3,563,360*

The income, expense, gains and losses in respect of financial instruments are summarised below:

	2022	*2021*
	£	*£*
GROUP AND COLLEGE		
Total interest expense for financial liabilities held at amortised cost	**42,311**	*26,367*

22. RESTRICTED FUNDS- COLLEGE & GROUP

The funds of the charity include restricted funds comprising the following unexpended balances of donations held for specific purposes:

	Balance at 1 September 2021	Incoming resources	Resources expended	**Balance at 31 August 2022**
2022	£	£	£	**£**
Boat House fund	135,282	13,830	-	**149,112**
Other restricted funds	3,899	121,458	(102,842)	**22,515**
Centenary Appeal	42,227	-	(5,000)	**37,227**
	181,408	135,288	(107,842)	**208,854**

Restricted funds relate to income given in support of the Boat House refurbishment and its facilities, and for the Centenary Appeal. The Centenary Appeal donations will be used to support organisations, community work and educational projects that benefit young people in the Reading areas. Centenary charity funds will also support the Nabugabo partnership project in Uganda.

	Balance at 1 September 2020	*Incoming resources*	*Resources expended*	*Balance at 31 August 2021*
2021	*£*	*£*	*£*	*£*
Boat House fund	*135,282*	*-*	*-*	*135,282*
Other restricted funds	*1,868*	*2,031*	*-*	*3,899*
Centenary Appeal	*43,614*	*-*	*(1,387)*	*42,227*
	180,764	*2,031*	*(1,387)*	*181,408*

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP – 2022	**Unrestricted funds £**	**Restricted funds £**	**Total £**
Tangible fixed assets	**13,178,835**	**-**	**13,178,835**
Net current assets	**1,848,375**	**208,854**	**2,057,229**
Long Term liabilities (including pension scheme deficit)	**(1,965,046)**	**-**	**(1,965,046)**
	13,062,164	**208,854**	**13,271,018**

GROUP – 2021	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*13,499,136*	*-*	*13,499,136*
Net current assets	*845,391*	*181,408*	*1,026,799*
Long Term liabilities (including pension scheme deficit)	*(2,003,736)*	*-*	*(2,003,736)*
	12,340,791	*181,408*	*12,522,199*

ANALYSIS OF NET ASSETS BETWEEN FUNDS

COLLEGE - 2022	**Unrestricted funds £**	**Restricted funds £**	**Total £**
Tangible fixed assets	**13,178,835**	**-**	**13,178,835**
Net current assets	**1,839,508**	**208,854**	**2,048,362**
Long Term liabilities (including pension scheme deficit)	**(1,965,046)**	**-**	**(1,965,046)**
	13,053,297	**208,854**	**13,262,151**

COLLEGE - 2021	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*13,499,136*	*-*	*13,499,136*
Net current assets	*864,065*	*181,408*	*1,045,473*
Long Term liabilities (including pension scheme deficit)	*(2,003,736)*	*-*	*(2,003,736)*
	12,359,465	*181,408*	*12,540,873*

24 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS

	2022 £	*2021* *£*
Increase/(decrease) in cash in the year	**909,030**	*1,319,744*
Fees on account	**(243,461)**	*35,965*
Loan repayments	**222,397**	*185,968*
Change in net funds	**887,966**	*1,541,677*
Net debt at 1 August	**1,418,012**	*(123,665)*
NET FUNDS AT 31 AUGUST	**£ 2,305,978**	*£ 1,418,012*

ANALYSIS OF CHANGE IN NET FUNDS

	Net funds as at 1 September 2021 *£*	**Cash Change** £	**Net funds as at 31 August 2022** **£**
Cash at bank and in hand	*3,755,150*	909,030	**4,664,180**
Fees on account	*(301,809)*	(243,461)	**(545,270)**
Loans	*(2,035,329)*	222,397	**(1,812,932)**
	£ 1,418,012	£ 887,966	**£ 2,305,978**

25 2021 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	*Restricted Funds*	*Total 2021* £
INCOME AND ENDOWMENTS FROM:			
Income from Charitable Activities			
School fees receivable	*10,276,769*	*-*	*10,276,769*
Ancillary trading income	*322,612*	*-*	*322,612*
Other Trading Activities			
Trading income	*173,996*	*-*	*173,996*
Rents and lettings	*74,289*	*-*	*74,289*
Profit on sale of fixed assets	*-*	*-*	*-*
Donations and legacies			
Other	*96,615*	*2,031*	*98,646*
Coronavirus Job Retention Scheme government grant	*111,622*	*-*	*111,622*
Total income	*11,055,903*	*2,031*	*11,057,934*
EXPENDITURE ON:			
Expenditure on Charitable Activities			
Teaching costs	*5,173,761*	*-*	*5,173,761*
Welfare costs	*1,472,099*	*-*	*1,472,099*
Premises costs	*1,311,630*	*-*	*1,311,630*
Support costs	*1,691,349*	*1,387*	*1,692,736*
	9,648,839	*1,387*	*9,650,226*
Expenditure on Raising Funds			
Trading expenditure	*184,484*	*-*	*184,484*
Finance costs	*102,122*	*-*	*102,122*
Total expenditure	*9,935,445*	*1,387*	*9,936,832*
Net income and movement in funds	*1,120,458*	*644*	*1,121,102*
Balances brought forward At 31 August 2020	*11,217,833*	*180,764*	*11,398,597*
Balances carried forward At 31 August 2021	*12,338,291*	*181,408*	*12,519,699*

PANGBOURNE COLLEGE LIMITED

England & Wales - Charity number 309096

Accounts

REGISTERED COMPANY NUMBER: 0260104
REGISTERED CHARITY NUMBER: 309096

PANGBOURNE COLLEGE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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PANGBOURNE COLLEGE LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2021

The Pangbourne College Governors, being also the directors of the charitable company, present their annual report together with the financial statements of the charitable company for the year ended 31 August 2021 and confirm that they comply with the requirements of the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

DIRECTORS' REPORT

STATUS AND ADMINISTRATION

Pangbourne College Limited is a charitable company having share capital, incorporated on 4 November 1931 and registered as a charity on 20 February 1963.

The charitable company was established under a Memorandum of Association which determines the objects and powers of the charitable company and is governed under its Articles of Association.

DIRECTORS AND THEIR INTERESTS

The directors of the charitable company who served during the year, unless otherwise stated, were as follows:-

Rev A Bond [1,2,3]
Mrs T Brooks [4] (appointed 21/06/2021)
Mrs C Butterworth [1]
Mr P Derham [4] (appointed 21/06/2021)
Mr D Devitt [3]
Mrs J Digby [3] (resigned 18/03/2021)
Rear Admiral R Lane-Nott [1,2,3,4] (resigned 20/11/2020)
Mr R Llewellyn [4]
Mr D Mullins [1,2]
Dr M Oppenheimer [4]
Mr P Roberts MBE [1,2]
Mrs S Rossiter [4]
Mrs R Tear [4]

(1) Members of the Finance and General Purposes Committee
(2) Members of the Property Committee
(3) Members of the External Relations Committee
(4) Members of the Education & Welfare Committee
(5) Members of the Health & Safety Committee

The directors are also the charity trustees and governors of Pangbourne College.

OFFICERS

Headmaster	Mr T J C Garnier
Deputy Head (Academic)	Mrs S Greenwood
Deputy Head (Pastoral)	Mrs C Bond
Deputy Head (Co-Curricular)	Mr R Bancroft
Bursar and Company Secretary	Mr JN Walne
Director of Development	Miss K Hartshorn (left 31 December 2020)

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Pangbourne College
Pangbourne
Berkshire
RG8 8LA

ADVISERS

Bankers	National Westminster Bank Plc Corporate Business Centre Abbey Gardens 4 Abbey Street Reading Berkshire RG1 3BA
Auditors	Crowe U.K. LLP Aquis House 49-51 Blagrave Street Reading Berkshire RG1 1PL
Insurance Brokers	Marsh Merlin House Commerce Park Brunel Road Theale Reading RG7 4BY

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT OF THE COLLEGE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2021

CONSTITUTION AND OBJECTS

Pangbourne College ("the College") was founded in 1917, originally as the Nautical College, Pangbourne, under which name it operated until 1969. It is constituted as a company limited by guarantee registered in England, No. 0260104, and is registered with the Charity Commission under Charity No. 309096. The College is governed by its Memorandum of Association and Articles of Association most recently revised on 20 March 2007.

The College's Objects and principal activity, as set out by the Memorandum of Association, is to advance education for the public benefit, including (but not limited to) the provision and maintenance at the premises known as Pangbourne College, Pangbourne, Berkshire or elsewhere of a boarding and/or day school or schools for the education of children or young persons of either sex or both sexes.

In furtherance of these Objects, the College seeks to provide subsidised education via bursaries for deserving students whose parents could not otherwise afford the cost of educational fees. Within these objects, the charitable company also has to maintain its heritage endowment, the College, with its Grade 2 listed buildings and The Falklands Islands Memorial Chapel, a national memorial site.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

Within these objects, Pangbourne College's aim is to provide a first class independent education, both through strong academic tuition and through developing wider sporting, artistic and social skills in all its pupils. Additionally, there is an emphasis on values and leadership, and at various stages during their time at the school all pupils participate in the Duke of Edinburgh's Award Scheme, the Combined Cadet Force and are given training in leadership skills. The intention is to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Principal activities

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. This year (2020-2021) Pangbourne College averaged 455 *(2020: 451)* pupils.

GOVERNANCE AND MANAGEMENT

Board of Governors

The College Governors, executive officers and principal address of the charitable company are as listed on page 1 and 2. Particulars of the charitable company's professional advisers are given on page 2.

Recruitment and training of Governors

The Board of Governors is self-appointing. New members of the Board are elected on the basis of their professional qualities, experience, personal competence and local availability.

New Governors are inducted into the workings of the charitable company and its school, including Board Policy and Procedures. Governor and Trustee training is offered to all new members and is provided by a number of professional sources such as AGBIS. Governors are appointed initially for a five year term of office. At the expiry of this period Governors can offer themselves for re-election to the Board.

Organisational management and remuneration

The Pangbourne College Governors, as the trustees of the charity and directors of the company are legally responsible for the overall management and control of Pangbourne College, and meet as a Board three times a year. The work of governance and financial supervision is carried out by members of the Finance and General Purposes Committee (F&GP), who meet before each meeting of the College Governing Board and on extra occasions when necessary such as to approve the budgets and finalise the audited accounts and annual report for approval by the Board. The F&GP works under the chairmanship of a member of the College Governors. The other principal permanent committees are the Property Committee, External Relations Committee and Education & Welfare Committee, each being chaired by a Board member and meet on a termly basis and more often should the need arise. Other committees are formed on an ad hoc basis for specific purposes such as an Appeal. Members of all Board committees are listed on page 1.

The day to day management of the school is delegated to the College's Headmaster supported by the Senior Management Team. At 31 August 2021 these were:

Mr JN Walne – Bursar
Mr R Bancroft – Senior Deputy Head and Deputy Head Co-Curricular
Mrs S Greenwood – Senior Deputy Head and Deputy Head Academic
Mrs C Bond – Deputy Head Pastoral
Miss K Hartshorn – Director of Development (left 31 December 2020)

The Headmaster, Senior Deputy Head,Deputy Head Academic and the Bursar attend meetings of the various committees.

The Headmaster, Senior Management Team and Governors together form the College's Key Management Personnel.

The Board of Governors are responsible for setting the pay and remuneration of the College's key management personnel. When considering remuneration, the Board aims to recruit and retain talented people, sustain the high-performance culture within the College and recognise the contributions of the personnel. The underlying principle when setting pay is that the amount paid should reflect the market for comparable jobs in comparable organisations, the performance of the organisation and the skills and contribution of the individual. Independent remuneration reviews are commissioned from time to time for the Headmaster and Bursar, the most recent completed in July 2015 by Affinity Independent Schools Consultancy LLP.

Group structure and relationships

The charitable company has a wholly owned non-charitable subsidiary, Pangbourne College Enterprises Limited, whose activities and trading performance are discussed below.

Pangbourne College actively supports the attainment of the highest standards in the Independent Schools sector as its Headmaster is a member of The Headmasters' and Headmistress' Conference. We also cooperate with many local organisations in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the College.

The College also benefits from the generosity of a thriving network of Old Pangbournians whose close support we greatly appreciate and gladly acknowledge.

AUDITORS

So far as each of the Governors is aware at the time the report is approved:-

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information (s. 234ZA (2)).

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting

STRATEGIC REPORT

MISSION STATEMENT

The College's mission is to provide a first class all round education for boys and girls. Underlying this is a passion for fulfilling potential by inspiring learning and equipping individuals with confidence, values and skills for the future, so that they can make a positive contribution to the world.

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

A development plan covering the period 2018-2023 was published in September 2018. The plan sets out what will be done to move towards fulfilment of the College's vision to become the best small coeducational boarding and day school in the UK. Over these five years the College's goals are to:

- Grow the school to no more than 500 pupils whilst retaining our focus on the individual, our excellent pastoral care and our nurturing community.
- Continue to improve the quality of teaching and learning to help each pupil achieve their full potential.
- Offer a curriculum which is innovative and inspirational, providing our pupils with a range of opportunities both inside and outside the classroom and developing skills they can take with them for life.
- Continue to invest in our built environment, ensuring that educational, co-curricular and boarding facilities of high quality are available to all pupils.

During 2021/22 the Board of Governors and senior staff will be creating a new development plan for the next 10 years.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The impact of COVID-19 continued to overshadow the year, with another closure of the College for most of the Lent term. The Government decided to cancel exams for the second year running and use Teacher Assessed Grades instead. The College gathered evidence from a broad range of assessments, including teacher-set examinations. The academic management team also carried out a rigorous moderation process before submission. The College was very pleased that the exam boards did not alter the grades which had been submitted to them and our A Level, BTEC and GCSE results days in August saw our students being justly rewarded for their hard work over the last two difficult years.

At A Level, the percentage of grades calculated as A*- A was 45% which is evidence of the wealth of talented students in the year's Upper Sixth. The vast majority of the cohort will be progressing to their firm-choice universities which include Cambridge and other Russell Group universities including Durham, Edinburgh, Exeter and Bath.

At GCSE, results overall were almost as good as last year, reflecting a cohort with a strong top end but one which overall was not quite as strong. The overall pass rate (grade 4 or higher) was 96.7% and the average number of passes per candidate was 8.79.

ACHIEVEMENTS AND PERFORMANCE (continued)

The Governors remain resolute that the College will continue to select pupils on character and aptitude for an education at Pangbourne College, rather than purely on academic ability. These results demonstrate the Headmaster's intent to increase the College's academic rigour. Given the broad range of academic abilities within the School, these were extremely pleasing results.

In terms of outdoor pursuits, 13 Gold, 34 Silver and 122 Bronze Duke of Edinburgh's Awards were completed by Pangbourne pupils. 'The Combined Cadet Force at Pangbourne College had 120 Cadets split between three sections, Army, Royal Navy and Royal Marines. The Year 10's which are classed as recruits undertook the basic syllabus for each of their relevant sections. The year 11 continued with their syllabus and also started to take on more responsibilities and leadership roles within the CCF. The Upper and Lower 6 finished the Cadet Forces Instructional techniques cadre which allowed them to start delivering lessons to the year 10 cadets. Unfortunately due to the restrictions in place the CCF did not participate in any field days of camps away during 2020/21.'

A number of significant improvements were made to the College's facilities during the year. The new astro carpet replacement was completed over the summer, as was the creation of a new resilient fibre network around the College. A large area opposite the College's main building was cleared as preparation for the creation of a cafe facility which will be located in the building currently occupied by the School Shop.

Grant making policy

Pangbourne College Governors' policy, in line with that of other independent schools, is to make awards on the basis of an individual's educational potential. Awards and bursaries (not including untested allowances for staff, nor covid discount for school closure) totalling £1,411,279 *(2020: £1,326,682)* (11.1% of gross fees receivable) were made from unrestricted funds where the policy is towards academic excellence and also to relieve hardship where the pupil's education and future prospects would otherwise be at risk.

Public benefit

The Trustees continued to take seriously the requirement to have regard to the published guidance on public benefit as per s.17 (5) of the Charities Act.

The College awards a substantial number of bursaries (means-tested) and scholarships (based on merit) each year. The policies in respect of these are available on the College's website. In the last year, the College provided means-tested support for pupils whose parents could not afford the fees worth £960,184 (2020: £994,772), or 7.6% of gross fee income. Six (2020: 5) pupils received support worth at least 100% of fees, including 2 via HMC Projects to students from Central and Eastern Europe, and 1 via the Royal National Children's Springboard Foundation. Additionally, £136,192 (2020: £151,811) was given in discounts to children of parents serving in the Armed Forces. Some of these families also received CEA funding from the Ministry of Defence worth a further £266,652 (2020: £292,762).

Beyond the considerable public benefit of providing a high-quality education (known as the Pangbourne Experience) to the pupils of the College, which equips them with good academic qualifications and a sense of responsibility and service to others, the College also provided wider benefits to children and young people who are not pupils.

A number of local state schools, prep schools and youth organisations receive support from the College and our employees. In a normal year, local school children attend leadership days run on the College's ropes course, the annual Piano Festival, orchestral fun days, DT challenge days, hockey tournaments and outdoor learning classes. Sadly the impact of the pandemic has greatly restricted access to the campus by external groups.

ACHIEVEMENTS AND PERFORMANCE (continued)

Whilst the pandemic made it difficult for any physical visit to take place, the following was achieved during the year:

- The College continued it's local partnership with Brookfield SEN School in Tilehurst.
- The College is a partner with the Whitley Excellence Cluster, which comprises 10 South Reading schools and aims to provide extracurricular activities to pupils.
- 6 members of staff are governors of local schools in both the independent and the maintained sector.

Fourteen Chromebooks were donated to Basildon Primary School.With the easing of restrictions, local football teams have once again started to use the newly refurbished floodlit all-weather astro-turf pitch.

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The College maintains and acts as steward to the Falkland Islands Memorial Chapel, the national war memorial for those killed in the Falklands War. Normal wear and tear is funded and carried out by the College. Major repairs and refurbishment, while being funded by the Chapel Trust, are planned and organised by the College's Estate's Bursar and his staff. Due to covid restrictions, the Chapel remained closed to the public during the year. However, a virtual memorial service was streamed on Sunday 13 June 2021. Plans are now in place for the service on 12 June 2022 to commemorate the 40th anniversary of the end of the Falklands War. In preparation for this significant event, the Chapel Trustees have agreed to a programme of refurbishment to the exterior to the Chapel and this will be overseen by the Estates Bursar.

Volunteers

Old Pangbournians helped generously with activities such as the Careers Fair. The Pangbourne Parents' Association also organised a number of events in support of the College. The Trustees would like to take this opportunity to say how much their continuing and valuable support for the charity's work is appreciated.

FINANCIAL REVIEW

Results for the Year

The Governors of the College report a pre-depreciation surplus of £1,610k (2020: £1,349k).

As the majority of boarding pupils were unable to return for most of the Lent term, nor could co-curricular activities be offered, the Governors directed that the fees for the closure period of the Lent Term should again be set at 75% of the day fee for all pupils. This meant another year with a significant reduction in forecasted income. However, by exerting a tight control on expenditure the impact of reduction in income was mitigated.

The College achieves its liquidity objectives by the careful management of working capital and regular forecasting of short and long term cash requirements. The College's cost base predominantly comprises staff costs and therefore the impact of commodity price risk is modest although there is exposure to increases in utility and related building operational costs. The College's exposure to credit risk is mitigated by fees being due at the beginning of each term.

Interest rate risk exposure is managed by the consideration of fixing interest rates on a proportion of the loan portfolio within parameters that are agreed and regularly reviewed by the Finance and General Purposes Committee.

Reserves Policy

The College's policy is to seek to generate a surplus of income over expenditure that enables the College to continue its programme of refurbishment and development whilst securing the long term viability of the College.

At the balance sheet date unrestricted funds stood at £12,338,291 *(2020:* £11,217,833*)*. After deducting the carrying value of tangible fixed assets held for the charity's own use, adjusted for borrowing there were free reserves of £874,484 (*2020: no free reserves*) (as defined by the Charity Commissioners).

The Governors policy is to require cash of £2.5m to be ring-fenced in a separate bank account and outside of cash available for the day to day working capital. This cash reserve is sufficient to cover three month's running costs or two years' worth of bank loan repayments.

FINANCIAL REVIEW (continued)

Fundraising

All fundraising is aimed at providing a high quality educational experience for the boys and girls who are pupils at the College, and making the experience available to more young people. Our wider community includes current and former pupils, parents, staff and friends of the College.

Our good relationship with our community is critical to the success of our charity, and we believe in establishing positive long-term relationships based on trust, goodwill and our shared interests. Any fundraising approaches are therefore personal and targeted, focused only on existing members of the College community.

We do not use third parties to help with our fundraising, nor do we participate in public mass mailings, door to door fundraising, or telephone campaigns. All data shared with us is protected in compliance with the GDPR, and we never share personal information with third parties for the purposes of marketing. All literature and emails sent to our community members has clear messaging about who and how to contact us if they wish to change how we communicate with them.

Pangbourne College is registered with the Fundraising Regulator, and we follow the regulator's Code of Practice. This sets out the standards that members are expected to follow when raising money, including taking all reasonable steps to protect vulnerable people from persistent approaches, unreasonable intrusion or undue pressure.

The fundraising team at Pangbourne College is very small, consisting of a Director of Development supported by one member of staff until 31 December 2020, and now just one Development and Alumni Manager. Other senior leaders within the College, including the Headmaster, Bursar and Governors, play a role in raising and managing funds. Occasionally other alumni and parents act as fundraising volunteers, in which case they are trained, monitored and sign a data protection and confidentiality agreement.

During the year, our charity received no complaints requiring action by the Fundraising Regulator.

FUTURE PLANS

As already described, the College is engaged on a Development Plan which covers the period 2018 to 2023, and have already embarked on the first steps to create the next 5-year Development Plan. The intention is to bring forward the launch of this plan to 2022.

The Governors and staff remain fully committed to ensuring that academic standards are the highest possible, whilst being comfortable with maintaining a broadly unselective admissions policy. The latter is best described as 'discerning', in that a place will not be offered unless all parties are confident that the College can meet the individual pupil's needs.

RISK MANAGEMENT

Pangbourne College Board of Governors is responsible for the management of the risks faced by the College. Detailed considerations of risk are delegated to the Finance and General Purposes Committee, who are assisted by the Senior Management Team. Risks are identified, assessed and controls are established throughout the year. A formal review of the charitable company's risk management processes is undertaken on an annual basis. The College has started to conduct an in depth review of the risk register and how it is used in order to produce a more rigorous risk management process.

The key controls used by the charitable company include:-

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

RISK MANAGEMENT (continued)

Through the risk management processes established for the College, Pangbourne College Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Principal risks and uncertainties

The Governing Body is satisfied that for all major risks identified for the group appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable, but not absolute assurance that major risks have been managed. The principal risks and uncertainties are assessed as:

- Financial Risk – the principal concern is an adverse change in the economic or regulatory conditions, which reduced the affordability of fees and results in a reduction in pupil numbers. This risk has been highlighted by the impact of COVID-19. The College mitigates this risk by a regular review of its forecasts and level of reserves. Pupil recruitment and retention is reported at the Finance and General Purposes Committee and is a major part of the Headmaster's report to the Board. In order to reduce the risk of future rises in employer contribution rates and to control costs, the Board, after consultation, formally gave notice of its decision to withdraw from the Teachers' Pension Scheme from 1 January 2022.

- Education and Welfare Risk – the principal risk is a current or historic safeguarding failure leading to a loss of reputation. This risk is managed by a balanced approach of controls and training. A culture of safeguarding is embedded throughout the College and detailed safeguarding and child protection policies are in place. There is regular training and the College has the required and trained designated safeguarding lead. An annual review of safeguarding is undertaken by the Board.

The Governing Body is undertaking a review of its risk management procedures and intends to delegate greater scrutiny to the various committees.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Pangbourne College Limited on 30 November 2021 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

P. Roberts
.....
Patrick Roberts
Governor

Statement of Governors' responsibilities

The Governors (who are also directors of Pangbourne College Limited for the purposes of company law) are responsible for preparing the Annual Report of the College Governors (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED

We have audited the Group and Parent company financial statements of Pangbourne College Limited for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Charitable Company's affairs as at 31 August 2020 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Governor's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Governors with respect to going concern are described in the relevant sections of this report.

Other information

The Governors are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Governors' Annual Report, which includes the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Governors' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement set out on page 10, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group's or the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going

concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the group and charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, taxation legislation, together with the Charities SORP (FRS 102) and the Charities Act. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the group and charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the group and charitable company for fraud. The laws and regulations we considered in this context were The Education (Independent School Standards) Regulations 2014, Safeguarding, Health and Safety, GDPR and Food standards. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of non fee income, and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management, and the Finance and General Purposes Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, Independent Schools Inspectorate and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

Use of report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Janette Joyce
Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrave Street
Reading
RG1 1PL

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021

	Notes	Unrestricted Funds	Restricted Funds	Total 2021 £	*Total 2020 £*
INCOME AND ENDOWMENTS FROM:					
Income from Charitable Activities					
School fees receivable	5	**10,276,769**	**-**	**10,276,769**	*9,752,920*
Ancillary trading income	6	**322,612**	**-**	**322,612**	*415,941*
Other Trading Activities					
Trading income	4	**173,996**	**-**	**173,996**	*116,078*
Rents and lettings		**74,289**	**-**	**74,289**	*68,736*
Profit on sale of fixed assets		**-**	**-**	**-**	*13,921*
Donations and grants					
Other		**96,615**	**2,031**	**98,646**	*103,727*
Coronavirus Job Retention Scheme government grant		**111,622**	**-**	**111,622**	*386,830*
Total income		**11,055,903**	**2,031**	**11,057,934**	*10,858,153*
EXPENDITURE ON:					
Expenditure on Charitable Activities					
Teaching costs		**5,173,761**	**-**	**5,173,761**	*5,534,630*
Welfare costs		**1,472,099**	**-**	**1,472,099**	*1,309,064*
Premises costs		**1,311,630**	**-**	**1,311,630**	*1,254,810*
Support costs		**1,691,349**	**1,387**	**1,692,736**	*1,663,412*
		9,648,839	**1,387**	**9,650,226**	*9,761,916*
Expenditure on Raising Funds					
Trading expenditure	4	**184,484**	**-**	**184,484**	*137,189*
Finance costs		**102,122**	**-**	**102,122**	*95,812*
Total expenditure	7	**9,935,445**	**1,387**	**9,936,832**	*9,994,917*
Net income	8	**1,120,458**	**644**	**1,121,102**	*863,236*
Balances brought forward At 31 August 2020		*11,217,833*	*180,764*	*11,398,597*	*10,535,361*
Balances carried forward At 31 August 2021		**12,338,291**	**181,408**	**12,519,699**	*11,398,597*

All activities are continuing.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED BALANCE SHEET
31 AUGUST 2021
COMPANY NUMBER 0260104

	Notes	College 2021 £	College 2020 £	Group 2021 £	Group 2020 £
FIXED ASSETS					
Tangible fixed assets	10	**13,499,136**	*13,555,403*	**13,499,136**	*13,555,403*
CURRENT ASSETS					
Stock		**13,742**	*16,235*	**180,643**	*194,244*
Debtors	11	**537,190**	*486,147*	**323,922**	*285,895*
Cash at bank and in hand		**3,689,760**	*2,369,303*	**3,755,150**	*2,435,406*
		4,240,692	*2,871,685*	**4,259,715**	*2,915,545*
CREDITORS: Amounts falling due within one year	12	**(3,195,219)**	*(2,768,535)*	**(3,232,916)**	*(2,815,084)*
NET CURRENT ASSETS/(LIABILITIES)		**1,045,473**	*103,150*	**1,026,799**	*100,461*
TOTAL ASSETS LESS CURRENT LIABILITIES		**14,544,609**	*13,658,553*	**14,525,935**	*13,655,864*
CREDITORS: Amounts falling due after more than one year	13	**(1,913,516)**	*(2,138,859)*	**(1,913,516)**	*(2,138,859)*
Pension Scheme Deficit	18	**(90,220)**	*(115,908)*	**(90,220)**	*(115,908)*
NET ASSETS		**12,540,873**	*11,403,786*	**12,522,199**	*11,401,097*
CAPITAL AND RESERVES					
Share capital	17	**2,500**	*2,500*	**2,500**	*2,500*
Restricted funds	22	**181,408**	*180,764*	**181,408**	*180,764*
General funds		**12,356,965**	*11,220,522*	**12,338,291**	*11,217,833*
SHAREHOLDERS' FUNDS	23	**12,540,873**	*11,403,786*	**12,522,199**	*11,401,097*

The profit for the financial year dealt within the financial statements of the parent company was £1,137,087 *(2020: £1,016,687)*.

Authorised and Approved for issue by the Board on 30 November 2021 and signed on their behalf by:-

P. J. Roberts
.....
P Roberts
Governor

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021

		2021 £	2020 £
Cash flows from operating activities			
Net movement in funds		**1,121,102**	*863,236*
Depreciation		**488,500**	*486,461*
(Increase)/decrease in debtors		**(38,027)**	*230,727*
(Decrease)/increase in creditors		**414,422**	*(391,763)*
Decrease/(increase) in stocks		**13,601**	*(36,277)*
(Profit)/loss on disposal of fixed assets		**-**	*(14,000)*
(Decrease) in pension liability		**(25,688)**	*(23,660)*
Interest paid		**20,330**	*27,317*
Cash provided by/ (used in) operating activities		**1,994,240**	*1,142,041*
Cash flows from investing activities			
Purchase of tangible fixed assets		**(432,233)**	*(35,554)*
Receipts from sale of fixed assets		**-**	*14,000*
Cash (used in) investing activities		**(432,233)**	*(21,554)*
Cash flows from financing activities			
Decrease in borrowing		**(185,968)**	*(130,207)*
Interest paid		**(20,330)**	*(27,317)*
Cash (used in) by financing activities		**(206,298)**	*(157,524)*
Cash flows from advance fee scheme			
Advance fees received		**247,198**	*117,425*
Discounts allocated		**6,516**	*11,975*
Advance fees utilised		**(289,679)**	*(317,588)*
Cash (used in) advance fees		**(35,965)**	*(188,188)*
Change in cash and cash equivalents in the year	24	**1,319,744**	*774,775*
Cash and cash equivalents at the beginning of the year		**2,435,406**	*1,660,631*
Total cash and cash equivalents at the end of the year		**3,755,150**	*2,435,406*
Cash at bank and in hand		**3,755,150**	*2,435,406*

The notes on pages 18 to 33 form part of these financial statements

1. COMPANY INFORMATION

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. The incorporated charity (registered number 0260104 and charity number 309096), is incorporated and domiciled in the UK. The address of the registered office is Pangbourne College, Pangbourne, Berkshire, RG8 8LA.

2. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pangbourne College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern

At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long term impact on the charity, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The charity currently holds significant cash balances supplemented, if needed, by an overdraft facility. Demand for school places remains strong, with historically high numbers enrolled for the academic year 2021/22. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

c) Consolidation

The consolidated financial statements incorporate the financial statements of Pangbourne College Enterprises Limited, the charitable company's trading subsidiary. No separate statement of financial activities is present for the College as permitted by Section 408 of the Companies Act 2006. The net incoming resources of the College (excluding Enterprises) were £1,137,087 *(2020: £1,016,687 outgoing resources)*.

d) Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

General funds (retained income) are unrestricted funds that are available for use at the discretion of the Governors in furtherance of the general objectives of the charitable company and have not been designated for other purposes.

Designated funds are funds set aside by the Governors out of unrestricted general funds for specific future purposes or projects.

e) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the college is considered probable.

Coronavirus Job Retention Grant (CJRS)

Grants are accounted for under the performance model as permitted by the Charity SORP. CJRS grant income is therefore recognised on a straight line basis over the furlough period for each relevant employee.

2. ACCOUNTING POLICIES (continued)

f) Fees

Fee income represents the invoiced amount of College fees receivable after deducting allowances, scholarships and other remissions granted by the College. Adjustments have been made to defer invoiced fees relating to the Autumn term, which commences in the next financial period to ensure that no income relating to the next financial year is included in these financial statements. Any payments received relating to this term have been treated as fees in advance under creditors.

g) Donations and legacies

Donations and legacies received for the general purposes of the College are credited to 'unrestricted funds'. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Income from legacies is accrued where a pecuniary legacy is notified by the year end and where a residuary legacy has entitlement, the amount can be reliably quantified (usually via estate accounts) and it is considered probable it will be received.

h) Advanced fees

Amounts received under the College's Advanced Fees Scheme contracts, for education not yet utilised to settle school fees, are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

i) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Expenditure is summarised under functional headings on a direct cost basis. The irrecoverable amount of VAT is included with the item of expense to which it relates.

j) Stocks

Stocks are valued at the lower of cost and net realisable value.

k) Tangible Fixed Assets

College buildings are recorded at their historical cost to the College. Depreciation is provided on all tangible assets, except freehold land in order to write-off their cost less residual value over their estimated useful lives at the following annual rates:-

Buildings	-	2% straight line
Furniture, fixtures and fittings	-	25% straight line
Motor vehicles	-	33% straight line
Boats	-	33% straight line

Items costing less than £5,000 are written off as an expense as acquired.

l) Pension Schemes

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, defined benefit scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the statement of financial activities.

2. ACCOUNTING POLICIES (continued)

The College contributed until 30 September 2013 to the Pensions Trust Growth Plan Pension Scheme for certain of its employees. This was in most respects a money purchase arrangement, but did include certain guaranteed benefit elements. The Plan was a multi-employer scheme. It is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable. The School makes deficit contribution payments to the Scheme and, in accordance with FRS 102 these payments have been measured at fair value and included as a liability on the balance sheet.

The College also operates a defined contribution auto enrolment arrangement and a defined contribution enhanced pension scheme for non-teaching staff.

Pension costs charged in the SOFA represent contributions payable by the College in that year.

m) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

n) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment

o) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

p) Parents' deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August have been included within current liabilities.

q) Lease commitments

Lease commitments are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

r) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 21 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and taxation and social security.

3. Significant judgements and estimates

In the application of the charity's accounting policies, which are described in note 2, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Governors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. TRADING INCOME AND EXPENDITURE

Pangbourne College Enterprises Limited is a 100% subsidiary of Pangbourne College Limited (Company Number: 01582185). Its registered office is as per Note 1. The company was established to carry out the non educational activities associated with the College. The trading results extracted from its audited accounts were:-

	2021	*2020*
	£	*£*
Turnover	**173,996**	*116,078*
Cost of sales	**(175,983)**	*(123,586)*
Gross profit/(loss)	**(1,987)**	*(7,508)*
Administrative expenses	**(12,660)**	*(17,289)*
Operating (loss)	**(14,647)**	*(24,797)*
Interest payable and similar charges	**(1,341)**	*(914)*
(Loss) on activities before taxation	**(15,988)**	*(25,711)*
Taxation	**-**	*-*
(Loss) after tax	**(15,988)**	*(25,711)*
Retained earnings at the beginning of the year	**(2,689)**	*150,766*
(Loss) for the financial year	**(15,988)**	*(25,711)*
Gift aid donation payment for prior year	**-**	*(127,744)*
Retained earnings at the end of the year	**(18,677)**	*(2,689)*

The aggregate amount of share capital and reserves of Pangbourne College Enterprises Limited at 31 August 2021 was a deficit of £18,674 (*2020 £2,686).*

Administrative expenses include a management charge paid to the College of £5,500 (*2020:£4,600)* which is eliminated on consolidation, and the donation under Gift Aid of £Nil (*2020: £127,744)* is to the College and is also eliminated on consolidation.

5. FEES RECEIVABLE

	2021 £	*2020 £*
Fees receivable consist of:		
Gross fees (including advance fees utilised of £289,679 *(2020: £317,588)*)	**12,600,652**	*11,272,730*
Less total bursaries, grants and allowances	**(2,323,883)**	*(1,519,810)*
	10,276,769	*9,752,920*

6. ANCILLARY TRADING INCOME

	2021 £	*2020 £*
Insurance commission	**2,539**	*19,496*
Registration fees	**27,044**	*27,212*
Special learning	**96,761**	*55,078*
English as a foreign language	**-**	*16,823*
Fees in lieu	**38,560**	*20,212*
Exams	**45,373**	*59,253*
Music	**84,628**	*123,804*
Forfeited deposit	**19,200**	*86,215*
Trips	**-**	*56,812*
Miscellaneous income	**8,507**	*12,605*
	322,612	*415,941*

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depre-ciation £	Total 2021 £	*Total 2020 £*
Charitable activities					
Teaching costs	4,518,331	383,063	272,367	**5,173,761**	*5,534,630*
Welfare costs	605,889	788,713	77,497	**1,472,099**	*1,309,064*
Premises costs	299,939	956,842	54,849	**1,311,630**	*1,254,810*
Support costs	786,044	822,905	83,787	**1,692,736**	*1,663,412*
	6,210,203	2,951,523	488,500	**9,650,226**	*9,761,916*
Cost of generating funds					
Trading expenditure	56,424	128,060	-	**184,484**	*137,189*
Finance costs	-	102,122	-	**102,122**	*95,812*
	56,424	230,182	-	**286,606**	*233,001*
Total	**6,266,627**	**3,181,705**	**488,500**	**9,936,832**	*9,994,917*

Included within support costs are governance costs of £19,651 *(2020: £19,375)*. Governance costs comprise the cost of running the charity including external audits, Governors' legal advice and constitutional and statutory compliance costs.

7. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

2020 Comparative figures

	Staff Costs £	*Other* £	*Depre-ciation* £	*Total 2020* £	*Total 2019* £
Charitable activities					
Teaching costs	*4,755,532*	*495,004*	*284,094*	*5,534,630*	*5,348,612*
Welfare costs	*616,336*	*625,237*	*67,491*	*1,309,064*	*1,664,053*
Premises costs	*330,561*	*870,528*	*53,721*	*1,254,810*	*2,199,228*
Support costs	*802,754*	*779,503*	*81,155*	*1,663,412*	*1,836,576*
	6,505,183	*2,770,272*	*486,461*	*9,761,916*	*11,048,469*
Cost of generating funds					
Trading expenditure	*60,349*	*76,840*	-	*137,189*	*289,331*
Finance costs	-	*95,812*	-	*95,812*	*72,928*
	60,349	*172,652*	-	*233,001*	*362,259*
Total	*6,565,532*	*2,942,924*	*486,461*	*9,994,917*	*11,410,728*

8. NET INCOME

	2021 £	*2020* £
This is stated after charging/(crediting):		
Depreciation	**488,500**	*486,461*
(Surplus)/loss on sale of fixed assets	**-**	*(14,000)*
Auditors remuneration – (Parent)	**14,950**	*14,375*
Auditors remuneration – (Subsidiary)	**2,350**	*2,250*
Auditors remuneration – non audit services	**3,160**	*3,500*
Operating lease rentals	**197,246**	*161,684*

9. STAFF COSTS

	2021 £	*2020* £
Salaries and wages	**4,846,171**	*5,093,087*
Social security costs	**474,500**	*492,667*
Pension costs	**945,956**	*979,778*
	6,266,627	*6,565,532*

The average number of employees during the year (including Pangbourne College Enterprises Limited) were:

	2021 No.	*2020 No.*
Teaching	**71**	*72*
Premises	**8**	*9*
Support and welfare	**47**	*47*
	126	*128*

9. STAFF COSTS (continued)

The number of employees whose emoluments (excluding pension contributions) exceeded £60,000 during the year were as follows:

£60,001 - £70,000	4	*1*
£70,001 - £80,000	-	*1*
£80,001 - £90,000	-	*1*
£100,001 - £110,000	1	*1*
£150,001 - £160,000	1	*1*

The number of higher paid employees who accrued benefits under a defined benefit pension scheme were as follows:

6	*4*

The College also made payments totalling £Nil *(2020: £11,066)* to personal pension schemes of Nil *(2020: 1)* higher paid employee.

The Governors received no remuneration or other benefits for the year. 1 governor *(2020: 2)* was reimbursed travelling expenses of £41 *(2020: £303)*. £147 *(2020: £2,447)* was spent on Governor meetings. The insurance costs also include trustee indemnity insurance.

The key management personnel of the college are the Governors and the Officers as identified in the Legal and Administrative Information on page 1. In the year ended 31 August 2021 they received aggregate remuneration (including employers national insurance and pension contributions) of £637,900*(2020: £714,387)*.

During the year ex-gratia payments totalling £21,110 *(2020: £17,915)* were made.

10. TANGIBLE ASSETS

Charitable company and group

	Freehold property £	Assets under construction	Furniture & equipment £	Motor vehicles £	Boats £	Total £
COST						
At 1 September 2020	18,444,889	52,498	2,395,291	46,717	378,250	**21,317,645**
Additions	361,347	-	70,886	-	-	**432,233**
Transfers	-	-	-	-	-	**-**
Disposals	-	-	-	-	-	**-**
At 31 August 2021	18,806,236	52,498	2,466,177	46,717	378,250	**21,749,878**
DEPRECIATION						
At 1 Sept 2020	5,116,986	-	2,269,489	45,551	330,216	**7,762,242**
Charge for the year	361,660	-	84,171	1,166	41,503	**488,500**
Disposals	-	-	-	-	-	**-**
At 31 August 2021	5,478,646	-	2,353,660	46,717	371,719	**8,250,742**
NET BOOK VALUE						
At 31 August 2021	**£13,327,590**	**£ 52,498**	**£ 112,517**	**£ -**	**£ 6,531**	**£13,499,136**
At 31 August 2020	*£13,327,903*	*£ 52,498*	*£ 125,802*	*£ 1,166*	*48,034*	*£13,555,403*

Included within freehold property is the historic cost of land not depreciated of £16,937 *(2020: £16,937)*.

10. TANGIBLE ASSETS (continued)

The Governors consider the market value of freehold property to be substantially more than the net book value should the assets be sold for any use other than for educational purposes. This is due to the increase in values of the property market generally.

11. DEBTORS

	College		Group	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Trade debtors	**314,228**	*208,141*	**317,723**	*209,104*
Pangbourne College Enterprises Limited	**208,656**	*203,208*	**-**	*-*
Other debtors	**11,941**	*1,117*	**3,834**	*3,110*
Prepayments and accrued income	**2,365**	*73,681*	**2,365**	*73,681*
	537,190	*486,147*	**323,922**	*285,895*

12. CREDITORS: Amounts falling due within one year

	College		Group	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**222,789**	*167,112*	**222,789**	*167,112*
Trade creditors	**404,989**	*105,930*	**431,815**	*149,857*
Taxation and social security	**137,204**	*136,256*	**137,204**	*136,256*
Other creditors	**46,306**	*65,864*	**46,306**	*65,864*
Acceptance deposits	**760,532**	*839,947*	**760,532**	*839,947*
Fees in advance	**1,106,362**	*938,716*	**1,106,362**	*938,716*
Accruals	**316,204**	*261,610*	**327,075**	*264,232*
	2,994,386	*2,515,435*	**3,032,083**	*2,561,984*
Deferred income- Advanced fees (see note 15)	**200,833**	*253,100*	**200,833**	*253,100*
	3,195,219	*2,768,535*	**3,232,916**	*2,815,084*

The bank borrowing is secured by a fixed legal charge over the property of the charity and a floating charge over the other assets.

13. CREDITORS: Amounts falling due after more than one year

	College		Group	
	2021	*2020*	**2021**	*2020*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**1,812,540**	*2,054,185*	**1812,540**	*2,054,185*
Deferred income- Advanced fees (see note 15)	**100,976**	*84,674*	**100,976**	*84,674*
	1,913,516	*2,138,859*	**1,913,516**	*2,138,859*

14. BANK LOAN

The bank loan is repayable as follows:

	2021 £	2020 £
Within one year	**222,789**	*167,112*
Between one and two years	**225,250**	*210,213*
Between two and five years	**690,787**	*653,150*
Over five years	**896,503**	*1,190,822*
	2,035,329	*2,221,297*

The loan was first drawn down in September 2006 and is repayable in monthly instalments over 20 years starting in February 2010.

The interest rate applied to the loan is equivalent to 1% per annum above the bank base rate.

15. ADVANCE FEES

Amounts may be paid to the college up to the equivalent of 7 years' tuition fees in advance. The money may be returned subject to specific conditions stated within the scheme literature. Assuming pupils will remain at the college advance fees will be applied:-

	2021 £	2020 £
Within 1 year	**200,833**	*253,100*
Within 1-2 years	**64,520**	*84,674*
Within 2-5 years	**36,456**	-
	301,809	*337,774*

The balance represents the accrued liability under the contracts. The movements during the year are detailed as follows:-

	2021 £	2020 £
At 1 September 2020	**337,774**	*525,962*
Increase		
Advance fees received	**247,198**	*117,425*
Discounts allocated	**6,516**	*11,975*
	253,714	*129,400*
Decrease		
Advance fees utilised	**(289,679)**	*(317,588)*
At 31 August 2021	**301,809**	*337,774*

16. CAPITAL COMMITMENTS

There were no capital commitments at the year end (*2020: £Nil)*

17. SHARE CAPITAL

	2021	*2020*
	£	£
Authorised, Issued and fully paid up		
50,000 shares of 5p each	**2,500**	*2,500*

18. PENSIONS

Teaching staff

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £721,867 (*2020: £744,648*) and at the year-end £Nil (*2020: £Nil*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. The government announced on 4 February 2021 that it intends to proceed with a deferred choice underpin under which members will be able to choose either legacy or reformed scheme benefits in respect of their service during the period between 1 April 2015 and 31 March 2022 at the point they become payable.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020, and a consultation was launched on 24 June on proposed changes to the cost control mechanism following a review by the Government Actuary. Following the public consultation, the Government have accepted three key proposals recommended by the Government Actuary, and are aiming to implement these changes in time for the 2020 valuations.

18. PENSIONS (Continued)

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

Until the cost cap mechanism review is completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Non-teaching staff

Until 30th September 2013, all non-teaching staff could participate in a multi-employer defined benefits pension scheme, the Pensions Trust Growth Plan Pension Scheme ("the Scheme"). The Scheme closed to new contributions on 30th September 2013, and from that date onwards, non-teaching staff were offered membership of a defined contribution scheme, the Pension Trust Growth Plan Series 4 ("the Enhanced Scheme")."

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefits payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

A full actuarial valuation of the scheme was carried out at 30 September 2020. The market value of the Plan's assets at the valuation date was £799 million and the Plan's Technical Provisions (i.e. past service liabilities) were £832 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £33 million.

To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional deficit contributions of £3.3m per annum from 1 April 2022 to 30 September 2025, payable monthly. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Scheme Liabilities. In accordance with FRS102 a liability representing the present value of future commitments relating to the deficit funding is recognised in the accounts. During the year the College paid deficit contributions of £ 25,248 *(2020: £26,530)*, which reduced the pension Scheme deficit liability recognised in the accounts. The present value at 31 August 2021 of future commitments relating to the deficit contributions has been calculated as £91,100 *(2020: £115,908)*. The unwinding of the discount factor, and the impact of changes to assumptions has resulted in a £440 to the SOFA, and has been included in pension costs for the year.

18. PENSIONS (Continued)

Pangbourne College Limited has been advised by the Plan Trustee that, in the event that it was to withdraw its membership of the Plan, it had an estimated contingent liability of £300,840 at 30 September 2020. This debt will not crystallise while Pangbourne College Limited continues to have one or more active members in the scheme.

The amount of the above potential debt depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of Pangbourne College Limited, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of the debt can therefore be volatile over time.

The College operates a defined contribution auto enrolment scheme ("the AE Scheme") with Pensions Trust. The employer contribution rate is 10% *(2020: 10%)* and the employee contribution rate is 3%. Employers' contributions totalling £44,463 *(2020: £45,463)* were payable to this fund during the year. Contributions totalling £401 *(2020: £140)* were unpaid at the year end and are included in creditors.

In addition, the College offers all non-teaching staff the opportunity to join an Enhanced Scheme with the Pensions Trust, which has an employer contribution rate of 15% *(2020: 15%)* and an employee contribution rate of 5%. Contributions payable by the company in the year were £175,731 *(2020: £175,731)*. Contributions totalling £262 *(2020: £nil)* were unpaid at the year end and are included in creditors.

Finally, there were contributions payable to personal pension schemes of £3,895 *(2020:£11,066)*. Contributions totalling £nil *(2020: £1,338)* were outstanding at the year end.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2021 the College had future minimum lease payments under non-cancellable operating leases as follows:-

	2021	*2020*
	£	*£*
Equipment and machinery		
Amounts due in less than a year	**183,911**	*147,260*
Amounts due in the second to fifth year	**88,639**	*186,909*
	272,550	*334,169*

20. RELATED PARTY TRANSACTIONS

During the year the school instructed Thrings Solicitors, of which Rev A Bond, a Governor is a consultant, for legal work. Total fees charged in the year were £ 26,509 *(2020: £37,872)*. At the balance sheet date the amount of £1,170 (2020: £nil) was outstanding.

Mrs Garnier, the Headmaster's wife is employed by the School and was appointed by the Governors.

Ms Clubbe, the wife of the Deputy Head (Extra Curricular) was employed at the School under a standard contract of employment and under the appointment of the Governors. Ms Aguillon, the wife of the Deputy Head (Academic) was only employed at the School in the prior year.

Mrs Bond, the wife of one of the Governors is employed by the School under a standard contract of employment and under the appointment of the Governors as the Deputy Head (Pastoral).

21. FINANCIAL INSTRUMENTS

Financial instruments held at amortised cost are trade debtors, other debtors, intercompany debtors, cash at bank, trade creditors, bank loans, acceptance deposits, other creditors and accruals.

	2021 £	2020 £
GROUP		
Financial assets measured at amortised cost	**4,076,707**	2,647,620
Financial liabilities measured at amortised cost	**3,601,057**	3,541,197
COLLEGE		
Financial assets measured at amortised cost	**4,224,585**	2,781,769
Financial liabilities measured at amortised cost	**3,563,360**	3,494,648

The income, expense, gains and losses in respect of financial instruments are summarised below:

	2021 £	2020 £
GROUP AND COLLEGE		
Total interest expense for financial liabilities held at amortised cost	**26,367**	27,317

22. RESTRICTED FUNDS- COLLEGE & GROUP

The funds of the charity include restricted funds comprising the following unexpended balances of donations held for specific purposes:

2021	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Balance at 31 August 2021 £
Boat House fund	135,282	-	-	135,282
Other restricted funds	1,868	2,031	-	3,899
Centenary Appeal	43,614	-	(1,387)	42,227
	180,764	2,031	(1,387)	**181,408**

Restricted funds relate to income given in support of the Boat House refurbishment and its facilities, and for the Centenary Appeal. The Centenary Appeal donations will be used to support organisations, community work and educational projects that benefit young people in the Reading areas. Centenary charity funds will also support the Nabugabo partnership project in Uganda.

2020	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
S Galley	-	20,000	(20,000)	-
Boat House fund	135,282	-	-	135,282
Other restricted funds	-	1,868	-	1,868
Centenary Appeal	46,414	264	(3,064)	43,614
	181,696	22,132	(23,064)	180,764

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP – 2021	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	**13,499,136**	**-**	**13,499,136**
Net current assets	**845,391**	**181,408**	**1,026,799**
Long Term liabilities (including pension scheme deficit)	**(2,003,736)**	**-**	**(2,003,736)**
	12,340,791	**181,408**	**12,522,199**

GROUP - 2020	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*13,555,403*	*-*	*13,555,403*
Net current (liabilities)/assets	*(80,303)*	*180,764*	*100,461*
Long Term liabilities (including pension scheme deficit)	*(2,254,767)*	*-*	*(2,254,767)*
	11,220,333	*180,764*	*11,401,097*

ANALYSIS OF NET ASSETS BETWEEN FUNDS

COLLEGE - 2021	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	**13,499,136**	**-**	**13,499,136**
Net current assets	**864,065**	**181,408**	**1,045,473**
Long Term liabilities (including pension scheme deficit)	**(2,003,736)**	**-**	**(2,003,736)**
	12,359,465	**181,408**	**12,540,873**

COLLEGE - 2020	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*13,555,403*	*-*	*13,555,403*
Net current (liabilities)/assets	*(77,614)*	*180,764*	*103,150*
Long Term liabilities (including pension scheme deficit)	*(2,254,767)*	*-*	*(2,254,767)*
	11,223,022	*180,764*	*11,403,786*

24 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2021 £	2020 £
Increase/(decrease) in cash in the year	**1,319,744**	*774,775*
Fees on account	**35,965**	*188,188*
Loan repayments	**185,968**	*130,207*
Change in net debt	**1,541,677**	*1,093,170*
Net debt at 1 August	**(123,665)**	*(1,216,835)*
NET FUNDS/(DEBT) AT 31 AUGUST	**£ 1,418,012**	*£ (123,665)*

ANALYSIS OF CHANGE IN NET DEBT

	Net debt as at 1 September 2020 £	**Cash Change** £	**Net funds as at 31 August 2021** £
Cash at bank and in hand	*2,435,406*	1,319,744	**3,755,150**
Fees on account	*(337,774)*	35,965	**(301,809)**
Loans	*(2,221,297)*	185,968	**(2,035,329)**
	£ (123,665)	£ 1,541,677	**£ 1,418,012**

25 2020 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	*Restricted Funds*	*Total 2020* £
INCOME AND ENDOWMENTS FROM:			
Income from Charitable Activities	*9,752,920*	-	*9,752,920*
School fees receivable	*415,941*	-	*415,941*
Ancillary trading income			
Other Trading Activities	*116,078*	-	*116,078*
Trading income	*68,736*	-	*68,736*
Rents and lettings			
Profit on sale of fixed assets	*13,921*	-	*13,921*
Investment income	*81,595*	*22,132*	*103,727*
Donations and legacies	*386,830*	-	*386,830*
Total income	*10,836,021*	*22,132*	*10,858,153*
EXPENDITURE ON:			
Expenditure on Charitable Activities			
Teaching costs	*5,511,566*	*23,064*	*5,534,630*
Welfare costs	*1,309,064*	-	*1,309,064*
Premises costs	*1,254,810*	-	*1,254,810*
Support costs	*1,663,412*	-	*1,663,412*
	9,738,852	*23,064*	*9,761,916*
Expenditure on Raising Funds			
Trading expenditure	*137,189*	-	*137,189*
Finance costs	*95,812*	-	*95,812*
Total expenditure	*9,971,853*	*23,064*	*9,994,917*
Net income and movement in funds	*864,168*	*(932)*	*863,236*
Balances brought forward At 31 August 2018	*10,353,665*	*181,696*	*10,535,361*
Balances carried forward At 31 August 2019	*11,217,833*	*180,764*	*11,398,597*

PANGBOURNE COLLEGE LIMITED

England & Wales - Charity number 309096

Accounts

REGISTERED COMPANY NUMBER: 0260104
REGISTERED CHARITY NUMBER: 309096

PANGBOURNE COLLEGE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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PANGBOURNE COLLEGE LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2020

The Pangbourne College Governors, being also the directors of the charitable company, present their annual report together with the financial statements of the charitable company for the year ended 31 August 2020 and confirm that they comply with the requirements of the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

DIRECTORS' REPORT

STATUS AND ADMINISTRATION

Pangbourne College Limited is a charitable company having share capital, incorporated on 4 November 1931 and registered as a charity on 20 February 1963.

The charitable company was established under a Memorandum of Association which determines the objects and powers of the charitable company and is governed under its Articles of Association.

DIRECTORS AND THEIR INTERESTS

The directors of the charitable company who served during the year, unless otherwise stated, were as follows:-

Rev A Bond (1,2,3)
Mrs C Butterworth (1)
Mr D Devitt (3)
Mrs J Digby (3)
Rear Admiral R Lane-Nott (1,2,3,4)
Mr R Llewellyn (4)
Mr D Mullins (joined 28 November 2019)
Dr M Oppenheimer (4)
Mr P Roberts MBE (1)
Mrs S Rossiter (4,5)
Mr F J Slevin (1,2) (resigned 11 November 2019)
Mrs R Tear (4)
Mr N Woods (1) (resigned 8 January 2020)
Mrs H Wright (1,2) (resigned 13 July 2020)

(1) Members of the Finance and General Purposes Committee
(2) Members of the Property Committee
(3) Members of the External Relations Committee
(4) Members of the Education & Welfare Committee
(5) Member of the Health & Safety Committee

The directors are also the charity trustees and governors of Pangbourne College.

OFFICERS

Headmaster	Mr T J C Garnier
Deputy Head (Academic)	Mr J R Williams
Deputy Head (Pastoral)	Mrs C Bond
Deputy Head (Extra Curricular)	Mr R Bancroft
Bursar and Company Secretary	Mr JN Walne
Director of Development	Miss K Hartshorn

PANGBOURNE COLLEGE LIMITED
LEGAL AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2020

REGISTERED OFFICE AND PRINCIPAL ADDRESS

Pangbourne College
Pangbourne
Berkshire
RG8 8LA

ADVISERS

Bankers	National Westminster Bank Plc Corporate Business Centre Abbey Gardens 4 Abbey Street Reading Berkshire RG1 3BA
Auditors	Crowe U.K. LLP Aquis House 49-51 Blagrave Street Reading Berkshire RG1 1PL
Insurance Brokers	Marsh Merlin House Commerce Park Brunel Road Theale Reading RG7 4BY

PANGBOURNE COLLEGE LIMITED
ANNUAL REPORT OF THE COLLEGE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2020

CONSTITUTION AND OBJECTS

Pangbourne College ("the College") was founded in 1917, originally as the Nautical College, Pangbourne, under which name it operated until 1969. It is constituted as a company limited by guarantee registered in England, No. 0260104, and is registered with the Charity Commission under Charity No. 309096. The College is governed by its Memorandum of Association and Articles of Association most recently revised on 20 March 2007.

The College's Objects and principal activity, as set out by the Memorandum of Association, is to advance education for the public benefit, including (but not limited to) the provision and maintenance at the premises known as Pangbourne College, Pangbourne, Berkshire or elsewhere of a boarding and/or day school or schools for the education of children or young persons of either sex or both sexes.

In furtherance of these Objects, the College seeks to provide subsidised education via bursaries for deserving students whose parents could not otherwise afford the cost of educational fees. Within these objects, the charitable company also has to maintain its heritage endowment, the College, with its Grade 2 listed buildings and The Falklands Islands Memorial Chapel, a national memorial site.

AIMS, OBJECTIVES AND ACTIVITIES

Aims

Within these objects, Pangbourne College's aim is to provide a first class independent education, both through strong academic tuition and through developing wider sporting, artistic and social skills in all its pupils. Additionally, there is an emphasis on values and leadership, and at various stages during their time at the school all pupils participate in the Duke of Edinburgh's Award Scheme, the Combined Cadet Force and are given training in leadership skills. The intention is to provide an environment where each pupil can develop and fulfil his or her potential, thus to help build self-confidence and inculcate a desire to contribute to the wider community.

The Board is mindful of the long-standing need to provide public benefit and of the requirements of the Charities Act 2011. In this connection the Board has monitored closely the guidance on public benefit produced by the Charity Commission together with its supplemental guidance on fee-charging.

Principal activities

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. This year (2019-2020) Pangbourne College averaged 451 *(2019: 432)* pupils.

GOVERNANCE AND MANAGEMENT

Board of Governors

The College Governors, executive officers and principal address of the charitable company are as listed on page 1 and 2. Particulars of the charitable company's professional advisers are given on page 2.

Recruitment and training of Governors

The Board of Governors is self-appointing. New members of the Board are elected on the basis of their professional qualities, experience, personal competence and local availability.

New Governors are inducted into the workings of the charitable company and its school, including Board Policy and Procedures. Governor and Trustee training is offered to all new members and is provided by a number of professional sources such as AGBIS. Governors are appointed initially for a five year term of office. At the expiry of this period Governors can offer themselves for re-election to the Board.

Organisational management and remuneration

The Pangbourne College Governors, as the trustees of the charity and directors of the company are legally responsible for the overall management and control of Pangbourne College, and meet as a Board three times a year. The work of governance and financial supervision is carried out by members of the Finance and General Purposes Committee (F&GP), who meet before each meeting of the College Governing Board and on extra occasions when necessary such as to approve the budgets and finalise the audited accounts and annual report for approval by the Board. The F&GP works under the chairmanship of a member of the College Governors. The other principal permanent committees are the Property Committee, External Relations Committee and Education & Welfare Committee, each being chaired by a Board member and meet on a termly basis and more often should the need arise. Other committees are formed on an ad hoc basis for specific purposes such as an Appeal. Members of all Board committees are listed on page 1.

The day to day management of the school is delegated to the College's Headmaster supported by the Senior Management Team. At 31 August 2020 these were:

Mr JN Walne – Bursar
Mr W Williams – Senior Deputy Head and Deputy Head Academic [resigned as at 31 August 2020, Mrs S Greenwood appointed from 1 September 2020]
Mrs C Bond – Deputy Head Pastoral
Mr R Bancroft – Deputy Head Co-Curricular
Miss K Hartshorn – Director of Development [leaving 31 Dec 2020]

The Headmaster, Deputy Head Academic and the Bursar attend meetings of the various committees.

The Headmaster, Senior Management Team and Governors together form the College's Key Management Personnel.

The Board of Governors are responsible for setting the pay and remuneration of the College's key management personnel. When considering remuneration, the Board aims to recruit and retain talented people, sustain the high-performance culture within the College and recognise the contributions of the personnel. The underlying principle when setting pay is that the amount paid should reflect the market for comparable jobs in comparable organisations, the performance of the organisation and the skills and contribution of the individual. Independent remuneration reviews are commissioned from time to time for the Headmaster and Bursar, the most recent completed in July 2015 by Affinity Independent Schools Consultancy LLP.

Group structure and relationships

The charitable company has two wholly owned non-charitable subsidiaries, Pangbourne College Enterprises Limited, and Pangbourne College International Limited. Enterprises is a trading company within the UK, and International is ready to be used for any overseas trading opportunities.

Pangbourne College actively supports the attainment of the highest standards in the Independent Schools sector as its Headmaster is a member of The Headmasters' and Headmistress' Conference. We also cooperate with many local organisations in our ongoing endeavours to widen public access to the schooling we can provide, to optimise the use of our cultural and sporting facilities and to awaken in our pupils an awareness of the social context of the all-round education they receive at the College.

The College also benefits from the generosity of a thriving network of Old Pangbournians whose close support we greatly appreciate and gladly acknowledge.

AUDITORS

So far as each of the Governors is aware at the time the report is approved:-

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- the Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information (s. 234ZA (2)).

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of Crowe U.K. LLP as auditors to the company will be put to the Annual General Meeting

STRATEGIC REPORT

MISSION STATEMENT

The College's mission is to provide a first class all round education for boys and girls. Underlying this is a passion for fulfilling potential by inspiring learning and equipping individuals with confidence, values and skills for the future, so that they can make a positive contribution to the world.

STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES

A development plan covering the period 2018-2023 was published in September 2018. The plan sets out what will be done to move towards fulfilment of the College's vision to become the best small co-educational boarding and day school in the UK. Over these five years the College's goals are to:

- Grow the school to no more than 500 pupils whilst retaining our focus on the individual, our excellent pastoral care and our nurturing community.
- Continue to improve the quality of teaching and learning to help each pupil achieve their full potential.
- Offer a curriculum which is innovative and inspirational, providing our pupils with a range of opportunities both inside and outside the classroom and developing skills they can take with them for life.
- Continue to invest in our built environment, ensuring that educational, co-curricular and boarding facilities of high quality are available to all pupils.

ACHIEVEMENTS AND PERFORMANCE

Review of achievements and performance for the year

The impact of COVID-19, and the subsequent closure of schools on 20 March has overshadowed the last year. However, despite the pandemic and on a number of levels, Pangbourne College had one of its most successful years ever, in spite of the challenges which had to be overcome.

With effect from 1 September 2019, the College no longer timetabled academic lessons on Saturday mornings. Sport still took place on Saturdays and a range of academic and co-curricular activities were also available. The changes to the shape of the week were intended to:

1. Improve learning by moving lessons into the week. This will negate the lessons missed due to half-terms and leave weekends and lead to fewer disruptions due to sport and other activities.
2. Improve boarding by offering a dedicated weekend programme for full boarders and offering a weekly programme more attractive to weekly boarders.
3. Improve wellbeing by allowing more time for rest and relaxation for pupils and families at weekends.

ACHIEVEMENTS AND PERFORMANCE (continued)

Although the full impact of the changes has yet to be seen throughout a complete year, the impact has been largely positive. It is planned to move most sports fixtures to Saturday mornings over the next two years and the continuing engagement by pupils and parents with the sports programme is particularly encouraging.

In November the College was informed that it would receive a 'no notice' Educational Quality Inspection and that an inspection team would be arriving in one hour. Despite the lack of preparation, after 3 days the team's conclusion was that in addition to meeting all the regulatory requirements, the quality of both the pupils' academic and other achievements, and the quality of their personal development was Excellent. It is the first time that the academic quality of the College has been recognised in this way and the judgements are especially pleasing, given the no notice nature of the inspection.

Once notice of the required closure due to COVID-19 was received, the College moved swiftly to teaching and supporting pupils virtually. Fortunately our digital strategy was sufficiently developed in terms of infrastructure, and staff sufficiently familiar with the Google Suite of applications that following a day's training, we were able to offer a normal lesson timetable with live teaching online to all our pupils from the start of the lockdown.

Following the announcement that the summer public exams had been cancelled, we also quickly made the decision to offer a full set of A Level and GCSE 'virtual' exams and, subject to quite a high degree of caution, let pupils in the public exam year groups know that their grades in the summer could be influenced positively by good results. This meant that throughout April and most of May, the GCSE and A Level pupils had a focus for their studies. The decision to let the Centre Assessed Grades stand meant that comparisons with previous years was difficult, but the grades awarded were within the range which could be expected for the A Level and then GCSE cohorts.

At A Level, the overall pass rate was 98%, with A* passes at 8.4%, the highest ever. 29.1% of all entries at A*-A represented the best results since 2011. BTEC results showed a similar pleasing level with Distinction* 5.9%, D*-D 29.4% and an overall pass rate of 100%. The end result is that, once again, over three-quarters of the year group will be attending their first choice university, with Birmingham, Exeter and Oxford Brookes all popular choices this year. At GCSE the overall pass rate was 97.4% and this represents the best results on record, the previous high being 92.5% in 2018.

In terms of outdoor pursuits, 173 Pangbourne pupils (16 Gold, 45 Silver and 112 Bronze) worked towards their Duke of Edinburgh's Awards. The assessments originally scheduled for the summer term were completed in October 2020.

We were sadly not able to complete any of the major projects which had been planned for the summer holidays: a new Astroturf pitch; a café for the Sixth Form and boarders, and much necessary maintenance. However, the kitchen facilities in Hesperus Division were refurbished, the netball courts were resurfaced and the Library lantern was replaced, making the Sixth Form study area a more pleasant environment.

Grant making policy

Pangbourne College Governors' policy, in line with that of other independent schools, is to make awards on the basis of an individual's educational potential. Awards and bursaries (not including untested allowances for staff) totalling £1,326,682 *(2019: £1,496,681)* (11.7% of gross fees receivable) were made from unrestricted funds where the policy is towards academic excellence and also to relieve hardship where the pupil's education and future prospects would otherwise be at risk.

Public benefit

The Trustees continued to take seriously the requirement to have regard to the published guidance on public benefit as per s.17 (5) of the Charities Act.

ACHIEVEMENTS AND PERFORMANCE (continued)

The College awards a substantial number of bursaries (means-tested) and scholarships (based on merit) each year. The policies in respect of these are available on the College's website.

In the last year, the College provided means-tested support for pupils whose parents could not afford the fees worth £994,772 (2019: £1,006,873), or 8.4% of gross fee income. 5 (2019: 8) pupils received support worth at least 100% of fees, including 2 via HMC Projects to students from Central and Eastern Europe.

Additionally, £151,811 (2019: £141,213) was given in discounts to children of parents serving in the Armed Forces. Some of these families also received CEA funding from the Ministry of Defence worth a further £292,762 (2019: £323,943).

Beyond the considerable public benefit of providing a high-quality education (known as the Pangbourne Experience) to the pupils of the College, which equips them with good academic qualifications and a sense of responsibility and service to others, the College also provided wider benefits to children and young people who are not pupils.

A number of local state schools, prep schools and youth organisations receive support from the College and our employees. These include the following:

- The College continued to support its Combined Cadet Force Partnerships with Luckley-Oakfield School for girls and the local Denefield Academy.
- The College continued its local partnership with Brookfield SEN School in Tilehurst.
- The College is a partner with the Whitley Excellence Cluster, which comprises 10 South Reading schools and aims to provide extracurricular activities to pupils.
- Prior to the closure of the school, local school children attended leadership days run on the College's ropes course, the annual Piano Festival, orchestral fun days, DT challenge days, hockey tournaments and outdoor learning classes.
- The College runs an annual junior sculls event, one of the largest junior sculling events in the rowing calendar.
- Local and county hockey, rugby, cricket and football teams use the floodlit all-weather astro-turf, rugby pitches and cricket pitch.
- 6 members of staff are governors of local schools in both the independent and the maintained sector.
- Staff regularly refereed rugby and football matches at local schools.

The College continues to provide opportunities for young people elsewhere by supporting the Nabugabo Community Learning Centre in Uganda and biennial trips allow students to carry out community projects as part of our ongoing international partnership.

The College maintains and acts as Steward to the Falkland Islands Memorial Chapel, the national war memorial for those killed in the Falklands War. Normal wear and tear is funded and carried out by the College. Major repairs and refurbishment, while being funded by the Chapel Trust, are planned and organised by the College's Estate's Bursar and his staff. The Chapel was open to the public until 20 March, but has remained closed ever since.

Volunteers

Old Pangbournians helped generously with activities such as the Careers Fair. The Pangbourne Parents' Association also organised a number of events in support of the College. The Trustees would like to take this opportunity to say how much their continuing and valuable support for the charity's work is appreciated.

FINANCIAL REVIEW

Results for the Year

The Governors of the College report a pre-depreciation surplus of £1,349k (2019: surplus of £507k).

As the boarding pupils were unable to return, nor could co-curricular activities be offered, the Governors directed that the fees for the Summer Term should be set at 75% of the day fee for all pupils. This meant a significant reduction in forecasted income. However, by exerting a tight grip on expenditure, making use of the Coronavirus Job Retention Scheme for 91 members of staff, and not replacing leaving staff where possible, the impact of reduction in income was mitigated. Over the summer a review of all roles has been completed and four redundancies from the operational staff were made.

The College achieves its liquidity objectives by the careful management of working capital and regular forecasting of short and long term cash requirements.

The College's cost base predominantly comprises staff costs and therefore the impact of commodity price risk is modest although there is exposure to increases in utility and related building operational costs.

The College's exposure to credit risk is mitigated by fees being due at the beginning of each term.

Interest rate risk exposure is managed by the consideration of fixing interest rates on a proportion of the loan portfolio within parameters that are agreed and regularly reviewed by the Finance and General Purposes Committee.

Reserves Policy

The College's policy is to seek to generate a surplus of income over expenditure that enables the College to continue its programme of refurbishment and development whilst securing the long term viability of the College.

At the balance sheet date unrestricted funds stood at £11,217,833 *(2019:* £10,353,665*)*. After deducting the carrying value of tangible fixed assets held for the charity's own use, adjusted for borrowing there were no free reserves (as defined by the Charity Commissioners).

Despite the absence of free reserves the Governors are of the opinion that the College has sufficient cash and reserves to run efficiently with day to day working capital being met by careful management of short term liquid resources. Given the high level of functional fixed assets that the College owns this is not an uncommon situation. The Governors policy is to require cash of £750k to be ring-fenced in a separate bank account and outside of cash available for the day to day working capital. This cash reserve is sufficient to cover one month's running costs or two years' worth of bank loan repayments. Despite a challenging year, the reserves were able to be maintained at this level throughout.

Fundraising

All fundraising is aimed at providing a high quality educational experience for the boys and girls who are pupils at the College, and making the experience available to more young people. Our wider community includes current and former pupils, parents, staff and friends of the College.

Our good relationship with our community is critical to the success of our charity, and we believe in establishing positive long-term relationships based on trust, goodwill and our shared interests. Any fundraising approaches are therefore personal and targeted, focused only on existing members of the College community.

We do not use third parties to help with our fundraising, nor do we participate in public mass mailings, door to door fundraising, or telephone campaigns. All data shared with us is protected in compliance with the GDPR, and we never share personal information with third parties for the purposes of marketing. All literature and emails sent to our community members has clear messaging about who and how to contact us if they wish to change how we communicate with them.

Pangbourne College is registered with the Fundraising Regulator, and we follow the regulator's Code of Practice. This sets out the standards that members are expected to follow when raising money, including taking all reasonable steps to protect vulnerable people from persistent approaches, unreasonable intrusion or undue pressure.

The fundraising team at Pangbourne College is very small, consisting of a Director of Development supported by two members of staff. Other senior leaders within the College, including the Headmaster, Bursar and Governors, play a role in raising and managing funds. Occasionally other alumni and parents act as fundraising volunteers, in which case they are trained, monitored and sign a data protection and confidentiality agreement. The Director of Development is also Chair and a trustee of the IDPE (Institute of Development Professionals in Education) and via that organisation keeps up to date on fundraising regulation, best practice, volunteer management and codes of conduct.

During the year, our charity received no complaints requiring action by the Fundraising Regulator.

FUTURE PLANS

As already described, the College is engaged on a Development Plan which covers the period 2018 to 2023.

The Governors and staff remain fully committed to ensuring that academic standards are the highest possible, whilst being comfortable with maintaining a broadly unselective admissions policy. The latter is best described as 'discerning', in that a place will not be offered unless all parties are confident that the College can meet the individual pupil's needs. Continuing to improve the learning culture in the College and ensuring continued high quality of teaching will remain priorities.

RISK MANAGEMENT

Pangbourne College Board of Governors is responsible for the management of the risks faced by the College. Detailed considerations of risk are delegated to the Finance and General Purposes Committee, who are assisted by the Senior Management Team. Risks are identified, assessed and controls established throughout the year. A formal review of the charitable company's risk management processes is undertaken on an annual basis.

The key controls used by the charitable company include:-

- formal agendas for all Committee and Board activity;
- detailed terms of reference for all Committees;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational structure and lines of reporting;
- formal written policies;
- clear authorisation and approval levels; and
- vetting procedures as required by law for the protection of the vulnerable.

Through the risk management processes established for the College, Pangbourne College Governors are satisfied that the major risks identified have been adequately mitigated where necessary. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Principal risks and uncertainties

The Governing Body is satisfied that for all major risks identified for the group appropriate controls have been put in place and maintained to mitigate those risks adequately. It is recognised that systems can provide only reasonable, but not absolute assurance that major risks have been managed. The principal risks and uncertainties are assessed as:

- Financial Risk – the principal concern is an adverse change in the economic or regulatory conditions, which reduced the affordability of fees and results in a reduction in pupil numbers. This risk has been highlighted by the impact of COVID-19. The College mitigates this risk by a regular review of its forecasts and level of reserves. Pupil recruitment and retention is reported at the Finance and General Purposes Committee and is a major part of the Headmaster's report to the Board. In order to reduce the risk and to control costs, the Board intends to formally consult on withdrawal from the Teachers' Pension Scheme during the forthcoming academic year.

Principal risks and uncertainties (continued)

- Reputational Risk – the principal risk is a current or historic safeguarding failure leading to a loss of reputation. This risk is managed by a balanced approach of controls and training. A culture of safeguarding is embedded throughout the College and detailed safeguarding and child protection policies are in place. There is regular training and the College has the required and trained designated safeguarding lead. An annual review of safeguarding is undertaken by the Board.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of Pangbourne College Limited on 26 November 2020 including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:

Roger Lane-Nott

.....

Roger Lane-Nott
Governor

PANGBOURNE COLLEGE LIMITED
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

Statement of Governors' responsibilities

The Governors (who are also directors of Pangbourne College Limited for the purposes of company law) are responsible for preparing the Annual Report of the College Governors (incorporating the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions, disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the provisions of the charity's constitution. They are also responsible for safeguarding the assets of the charity and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED

Opinion

We have audited the Group and Parent company financial statements of Pangbourne College Limited for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and Charitable Company's affairs as at 31 August 2020 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Governors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
- or The Governors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or Parent Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED (CONTINUED)

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit

- the information given in the Governors' Annual Report, which includes the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Governors' Annual Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Governors' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Governors

As explained more fully in the Governors' Responsibilities Statement set out on page 11, the Governors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Governors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governors are responsible for assessing the Group's or the Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Governors either intend to liquidate the Charitable Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PANGBOURNE COLLEGE LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Janette Joyce
Senior Statutory Auditor

For and on behalf of Crowe U.K. LLP
Statutory Auditor
Aquis House
49-51 Blagrave Street
Reading
RG1 1PL

4 December 2020

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted Funds	Restricted Funds	Total 2020 £	*Total 2019 £*
INCOME AND ENDOWMENTS FROM:					
Income from Charitable Activities					
School fees receivable	5	**9,752,920**	**-**	**9,752,920**	*10,293,210*
Ancillary trading income	6	**415,941**	**-**	**415,941**	*416,313*
Other Trading Activities					
Trading income	4	**116,078**	**-**	**116,078**	*439,075*
Rents and lettings		**68,736**	**-**	**68,736**	*88,564*
Profit on sale of fixed assets		**13,921**	**-**	**13,921**	*16,481*
Donations and grants					
Other		**81,595**	**22,132**	**103,727**	*158,062*
Coronavirus Job Retention Scheme government grant		**386,830**	**-**	**386,830**	*-*
Total income		**10,836,021**	**22,132**	**10,858,153**	*11,411,705*
EXPENDITURE ON:					
Expenditure on Charitable Activities					
Teaching costs		**5,511,566**	**23,064**	**5,534,630**	*5,348,612*
Welfare costs		**1,309,064**	**-**	**1,309,064**	*1,664,053*
Premises costs		**1,254,810**	**-**	**1,254,810**	*2,199,228*
Support costs		**1,663,412**	**-**	**1,663,412**	*1,836,576*
		9,738,852	**23,064**	**9,761,916**	*11,048,469*
Expenditure on Raising Funds					
Trading expenditure	4	**137,189**	**-**	**137,189**	*289,331*
Finance costs		**95,812**	**-**	**95,812**	*72,928*
Total expenditure	7	**9,971,853**	**23,064**	**9,994,917**	*11,410,728*
Net income(expenditure)	8	**864,168**	**(932)**	**863,236**	*977*
Balances brought forward At 31 August 2019		*10,353,665*	*181,696*	*10,535,361*	*10,534,384*
Balances carried forward At 31 August 2020		**11,217,833**	**180,764**	**11,398,597**	*10,535,361*

All activities are continuing.

All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED BALANCE SHEET
31 AUGUST 2020
COMPANY NUMBER 0260104

	Notes	College 2020 £	College 2019 £	Group 2020 £	Group 2019 £
FIXED ASSETS					
Tangible fixed assets	10	**13,555,403**	*14,006,310*	**13,555,403**	*14,006,310*
CURRENT ASSETS					
Stock		**16,235**	*16,299*	**194,244**	*157,967*
Debtors	11	**486,147**	*515,563*	**285,895**	*516,622*
Cash at bank and in hand		**2,369,303**	*1,550,542*	**2,435,406**	*1,660,631*
		2,871,685	*2,082,404*	**2,915,545**	*2,335,220*
CREDITORS: Amounts falling due within one year	12	**(2,768,535)**	*(3,196,954)*	**(2,815,084)**	*(3,299,008)*
NET CURRENT ASSETS/(LIABILITIES)		**103,150**	*(1,114,550)*	**100,461**	*(963,788)*
TOTAL ASSETS LESS CURRENT LIABILITIES		**13,658,553**	*12,891,760*	**13,655,864**	*13,042,522*
CREDITORS: Amounts falling due after more than one year	13	**(2,138,859)**	*(2,365,093)*	**(2,138,859)**	*(2,365,093)*
Pension Scheme Deficit	18	**(115,908)**	*(139,568)*	**(115,908)**	*(139,568)*
NET ASSETS		**11,403,786**	*10,387,099*	**11,401,097**	*10,537,861*
CAPITAL AND RESERVES					
Share capital	17	**2,500**	*2,500*	**2,500**	*2,500*
Restricted funds	22	**180,764**	*181,696*	**180,764**	*181,696*
General funds		**11,220,522**	*10,202,903*	**11,217,833**	*10,353,665*
SHAREHOLDERS' FUNDS	23	**11,403,786**	*10,387,099*	**11,401,097**	*10,537,861*

The profit for the financial year dealt within the financial statements of the parent company was £1,016,687 *(2019: £81,462 loss)*.

Authorised and Approved for issue by the Board on 26 November 2020 and signed on their behalf by:-

Roger Lane-Nott
Governor

Patrick Roberts
Governor

The notes on pages 18 to 33 form part of these financial statements

PANGBOURNE COLLEGE LIMITED
CONSOLIDATED CASHFLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2020

		2020 £	2019 £
Cash flows from operating activities			
Net movement in funds		**863,236**	*977*
Depreciation		**486,461**	*506,892*
Decrease/ (increase) in debtors		**230,727**	*(210,818)*
(Decrease)/increase in creditors		**(391,763)**	*44,609*
(Increase) in stocks		**(36,277)**	*(16,718)*
(Profit)/loss on disposal of fixed assets		**(14,000)**	*(16,480)*
(Decrease) in pension liability		**(23,660)**	*(28,345)*
Interest paid		**27,317**	*37,876*
Cash provided by/ (used in) operating activities		**1,142,041**	*317,993*
Cash flows from investing activities			
Purchase of tangible fixed assets		**(35,554)**	*(338,786)*
Receipts from sale of fixed assets		**14,000**	*27,120*
Cash (used in) investing activities		**(21,554)**	*(311,666)*
Cash flows from financing activities			
Decrease in borrowing		**(130,207)**	*(202,001)*
Interest paid		**(27,317)**	*(37,876)*
Cash (used in) by financing activities		**(157,524)**	*(239,877)*
Cash flows from advance fee scheme			
Advance fees received		**117,425**	*175,855*
Discounts allocated		**11,975**	*24,796*
Advance fees utilised		**(317,588)**	*(552,149)*
Cash (used in) advance fees		**(188,188)**	*(351,498)*
Change in cash and cash equivalents in the year	24	**774,775**	*(585,048)*
Cash and cash equivalents at the beginning of the year		**1,660,631**	*2,245,679*
Total cash and cash equivalents at the end of the year		**2,435,406**	*1,660,631*
Cash at bank and in hand		**2,435,406**	*1,660,631*

The notes on pages 18 to 33 form part of these financial statements

1. COMPANY INFORMATION

Pangbourne College's principal activity is the maintenance of an independent boarding and day school for boys and girls aged from 11 to 18. The incorporated charity (registered number 0260104 and charity number 309096), is incorporated and domiciled in the UK. The address of the registered office is Pangbourne College, Pangbourne, Berkshire, RG8 8LA.

2. ACCOUNTING POLICIES

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Pangbourne College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

b) Going concern

At the time of approval of the Annual Report, the COVID-19 pandemic continues to evolve and the long term impact on the charity, in common with other businesses, is unknown. The Governors have reviewed the position carefully with a view to ensuring the ongoing provision of schooling for the pupils as well as employment of staff. The charity currently holds significant cash balances supplemented, if needed, by an overdraft facility. A CBILS loan of £250k has also been secured post year end as additional support if needed. Demand for school places remains strong, with historically high numbers enrolled for the academic year 2020/21. Conservative cash flow modelling with sensitivity analysis indicates that the cash reserves of the charity are adequate to meet the charity's obligations as they fall due. Accordingly, the Governors believe the School's financial resources are sufficient to ensure the School will continue as a going concern for the foreseeable future, being at least 12 months from the date of approval of the financial statements and have therefore prepared the financial statements on a going concern basis.

c) Consolidation

The consolidated financial statements incorporate the financial statements of Pangbourne College Enterprises Limited, the charitable company's trading subsidiary. No separate statement of financial activities is present for the College as permitted by Section 408 of the Companies Act 2006. The net incoming resources of the College (excluding Enterprises) were £1,016,687 *(2019: £81,462 outgoing resources).*

d) Fund Accounting

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the fund.

General funds (retained income) are unrestricted funds that are available for use at the discretion of the Governors in furtherance of the general objectives of the charitable company and have not been designated for other purposes.

Designated funds are funds set aside by the Governors out of unrestricted general funds for specific future purposes or projects.

e) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charitable company is legally entitled to the income, the amount can be quantified with reasonable accuracy and the economic benefit to the college is considered probable.

Coronavirus Job Retention Grant (CJRS)

Grants are accounted for under the performance model as permitted by the Charity SORP. CJRS grant income is therefore recognised on a straight line basis over the furlough period for each relevant employee.

2. ACCOUNTING POLICIES (continued)

f) Fees

Fee income represents the invoiced amount of College fees receivable after deducting allowances, scholarships and other remissions granted by the College. Adjustments have been made to defer invoiced fees relating to the Autumn term, which commences in the next financial period to ensure that no income relating to the next financial year is included in these financial statements. Any payments received relating to this term have been treated as fees in advance under creditors.

g) Donations and legacies

Donations and legacies received for the general purposes of the College are credited to 'unrestricted funds'. Donations subject to specific wishes of the donors are carried to relevant restricted funds. Income from legacies is accrued where a pecuniary legacy is notified by the year end and where a residuary legacy has entitlement, the amount can be reliably quantified (usually via estate accounts) and it is considered probable it will be received.

h) Advanced fees

Amounts received under the College's Advanced Fees Scheme contracts, for education not yet utilised to settle school fees, are recorded as deferred income and allocated as current liabilities where the education will be provided within 12 months from the reporting date and as long-term liabilities where the education will be provided in subsequent years.

i) Expenditure

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer term liabilities.

Expenditure is summarised under functional headings on a direct cost basis. The irrecoverable amount of VAT is included with the item of expense to which it relates.

j) Stocks

Stocks are valued at the lower of cost and net realisable value.

k) Tangible Fixed Assets

College buildings are recorded at their historical cost to the College. Depreciation is provided on all tangible assets, except freehold land in order to write-off their cost less residual value over their estimated useful lives at the following annual rates:-

Buildings	-	2% straight line
Furniture, fixtures and fittings	-	25% straight line
Motor vehicles	-	33% straight line
Boats	-	33% straight line

Items costing less than £5,000 are written off as an expense as acquired.

l) Pension Schemes

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, defined benefit scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education and skills.

Costs include normal and supplementary contributions. The regular cost is the normal contribution, expressed as a percentage of salary of a teacher newly entering service, which would defray the cost of benefits payable in respect of that service. Variations from the regular pension cost are met by a supplementary contribution. This occurs if, as a result of the actuarial investigation, it is found that the accumulated liabilities for benefits to past and present teachers are not fully covered by normal contributions to be paid in future and by the fund built up from past contributions. The normal and supplementary contributions are charged to the statement of financial activities.

2. ACCOUNTING POLICIES (continued)

The College contributed until 30 September 2013 to the Pensions Trust Growth Plan Pension Scheme for certain of its employees. This was in most respects a money purchase arrangement, but did include certain guaranteed benefit elements. The Plan was a multi-employer scheme. It is not possible in the normal course of events to identify the share of the underlying assets belonging to the individual participating employers and accordingly, in accordance with FRS102, is accounted for as a defined contribution scheme with contributions being recorded as they become payable. The School makes deficit contribution payments to the Scheme and, in accordance with FRS 102 these payments have been measured at fair value and included as a liability on the balance sheet.

The College also operates a defined contribution auto enrolment arrangement and a defined contribution enhanced pension scheme for non-teaching staff.

Pension costs charged in the SOFA represent contributions payable by the College in that year.

m) Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

n) Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment

o) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

p) Parents' deposits

The Governors have reviewed the contract terms under which Pupil fee deposits are held by the School. Although under normal circumstances these will be repaid over future years when the pupils complete their education at the school, pupils can leave at earlier dates. The School does not therefore have an unconditional right to retain the individual deposits for at least 12 months after the balance sheet date and, in line with the requirements in FRS 102, the balance of the deposits held at 31 August have been included within current liabilities.

q) Lease commitments

Lease commitments are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

r) Financial instruments

Basic financial instruments include debtors and creditors. Debtors and creditors are initially recognised at transaction value and subsequently measured at amortised cost. Note 21 provides more information on financial instruments where future cash flows are anticipated, with financial assets referring to fixed asset investments and debtor balances excluding prepayments, and financial liabilities referring to all creditor balances excluding deferred income and taxation and social security.

3. Significant judgements and estimates

In the application of the charity's accounting policies, which are described in note 2, Governors are required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects the current and future periods.

The Governors consider that there are no material judgements in applying accounting policies or key sources of estimation uncertainty.

4. TRADING INCOME AND EXPENDITURE

Pangbourne College Enterprises Limited is a 100% subsidiary of Pangbourne College Limited (Company Number: 01582185). Its registered office is as per Note 1. The company was established to carry out the non educational activities associated with the College. The trading results extracted from its audited accounts were:-

	2020	*2019*
	£	*£*
Turnover	**116,078**	*439,075*
Cost of sales	**(123,586)**	*(269,578)*
Gross profit	**(7,508)**	*169,497*
Administrative expenses	**(17,289)**	*(39,980)*
Operating (loss)/profit	**(24,797)**	*129,517*
Interest payable and similar charges	**(914)**	*(1,773)*
(Loss)/Profit on activities before taxation	**(25,711)**	*127,744*
Taxation	**-**	*-*
(Loss)/ profit after tax	**(25,711)**	*127,744*
Retained earnings at the beginning of the year	**150,766**	*68,318*
(Loss)/Profit for the financial year	**(25,711)**	*127,744*
Gift aid donation payment for prior year	**(127,744)**	*(45,296)*
Retained earnings at the end of the year	**(2,689)**	*150,766*

The aggregate amount of share capital and reserves of Pangbourne College Enterprises Limited at 31 August 2020 was net liabilities of £2,686 (*2019: net assets of £150,769).*

Administrative expenses include a management charge paid to the College of £4,600 (*2019 £22,000)* which is eliminated on consolidation, and the donation under Gift Aid of £127,744 (*2019: £45,296)* is to the College and is also eliminated on consolidation.

5. FEES RECEIVABLE

	2020 £	2019 £
Fees receivable consist of:		
Gross fees (including advance fees utilised of £317,588 (2019: £552,149))	**11,272,730**	12,050,143
Less total bursaries, grants and allowances	**(1,519,810)**	(1,756,933)
	9,752,920	10,293,210

6. ANCILLARY TRADING INCOME

	2020 £	2019 £
Insurance commission	**8,909**	19,496
Registration fees	**32,368**	27,212
Special learning	**59,349**	55,078
English as a foreign language	**3,369**	16,823
Fees in lieu	**4,711**	20,212
Exams	**60,399**	59,253
Music	**91,204**	123,804
Forfeited deposits	**86,215**	-
Trips	**56,812**	94,435
Miscellaneous income	**12,605**	-
	415,941	416,313

7. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depre-ciation £	Total 2020 £	Total 2019 £
Charitable activities					
Teaching costs	4,755,532	495,004	284,094	**5,534,630**	5,348,612
Welfare costs	616,336	625,237	67,491	**1,309,064**	1,664,053
Premises costs	330,561	870,528	53,721	**1,254,810**	2,199,228
Support costs	802,754	779,503	81,155	**1,663,412**	1,836,576
	6,505,183	2,770,272	486,461	**9,761,916**	11,048,469
Cost of generating funds					
Trading expenditure	60,349	76,840	-	**137,189**	289,331
Finance costs	-	95,812	-	**95,812**	72,928
	60,349	172,652	-	**233,001**	362,259
Total	**6,565,532**	**2,942,924**	**486,461**	**9,994,917**	11,410,728

Included within support costs are governance costs of £19,375 *(2019: £23,795)*. Governance costs comprise the cost of running the charity including external audits, Governors' legal advice and constitutional and statutory compliance costs.

7. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)

2019 Comparative figures

	Staff Costs £	*Other* £	*Depre-Ciation* £	*Total 2019* £	*Total 2018* £
Charitable activities					
Teaching costs	*4,463,392*	*608,613*	*276,607*	*5,348,612*	*5,249,882*
Welfare costs	*597,560*	*980,435*	*86,058*	*1,664,053*	*1,564,422*
Premises costs	*305,013*	*1,840,385*	*53,830*	*2,199,228*	*2,516,915*
Support costs	*869,532*	*876,647*	*90,397*	*1,836,576*	*1,762,423*
	6,235,497	*4,306,080*	*506,892*	*11,048,469*	*11,093,642*
Cost of generating funds					
Trading expenditure	*88,275*	*201,056*	*-*	*289,331*	*289,632*
Finance costs	*-*	*72,928*	*-*	*72,928*	*75,665*
	-	*362,259*	*-*	*362,259*	*365,297*
Total	*6,323,772*	*4,580,064*	*506,892*	*11,410,728*	*11,458,939*

8. NET INCOME

	2020 £	*2019* £
This is stated after charging/(crediting):		
Depreciation	**486,461**	*506,892*
(Surplus)/loss on sale of fixed assets	**(14,000)**	*(16,480)*
Auditors remuneration – (Parent)	**14,375**	*13,950*
Auditors remuneration – (Subsidiary)	**2,250**	*2,180*
Auditors remuneration – non audit services	**3,500**	*3,870*
Operating lease rentals	**161,684**	*123,820*

9. STAFF COSTS

	2020 £	*2019* £
Salaries and wages	**5,093,087**	*5,113,991*
Social security costs	**492,667**	*502,981*
Pension costs	**979,778**	*706,800*
	6,565,532	*6,323,772*

The average number of employees during the year (including Pangbourne College Enterprises Limited) were:

	2020 No.	*2019 No.*
Teaching	**72**	*77*
Premises	**9**	*8*
Support and welfare	**47**	*48*
	128	*133*

9. STAFF COSTS (continued)

The number of employees whose emoluments (excluding pension contributions) exceeded £60,000 during the year were as follows:

£60,001 - £70,000	1	*1*
£70,001 - £80,000	1	*2*
£80,001 - £90,000	1	*1*
£90,001 - £100,000	-	*1*
£100,001 - £110,000	1	-
£150,001 - £160,000	1	*1*

The number of higher paid employees who accrued benefits under a defined benefit pension scheme were as follows:

4	*3*

The College also made payments totalling £11,066 *(2019: £8,914)* to personal pension schemes of 1 *(2019: 1)* higher paid employee.

The Governors received no remuneration or other benefits for the year. 2 governors *(2019: 1)* were reimbursed travelling expenses of £303 *(2019: £572)*. £2,447 *(2019: £4,303)* was spent on Governor meetings. The insurance costs also include trustee indemnity insurance.

The key management personnel of the college are the Governors and the Officers as identified in the Legal and Administrative Information on page 1. In the year ended 31 August 2020 they received aggregate remuneration (including employers national insurance and pension contributions) of £714,387 *(2019: £635,692)*.

During the year ex-gratia payments totalling £17,915 *(2019: £nil)* were made.

10. TANGIBLE ASSETS

Charitable company and group

	Freehold property £	Assets under construction	Furniture & equipment £	Motor vehicles £	Boats £	Total £
COST						
At 1 September 2019	18,444,889	52,498	2,395,291	46,717	342,696	**21,282,091**
Additions	-	-	-	-	35,554	**35,554**
Transfers	-	-	-	-	-	-
Disposals	-	-	-	-	-	-
At 31 August 2020	18,444,889	52,498	2,395,291	46,717	378,250	**21,317,645**
DEPRECIATION						
At 1 Sept 2019	4,758,926	-	2,183,834	44,384	288,637	**7,275,781**
Charge for the year	358,060	-	85,655	1,167	41,579	**486,461**
Disposals	-	-	-	-	-	-
At 31 August 2020	5,116,986	-	2,269,489	45,551	330,216	**7,762,242**
NET BOOK VALUE						
At 31 August 2020	**£13,327,903**	**£ 52,498**	**£ 125,802**	**£ 1,166**	**£ 48,034**	**£13,555,403**
At 31 August 2019	*£13,685,963*	*£ 52,498*	*£ 211,457*	*£ 2,333*	*54,059*	*£14,006,310*

Included within freehold property is the historic cost of land not depreciated of £16,937 *(2019: £16,937)*.

10. TANGIBLE ASSETS (continued)

The Governors consider the market value of freehold property to be substantially more than the net book value should the assets be sold for any use other than for educational purposes. This is due to the increase in values of the property market generally.

11. DEBTORS

	College		Group	
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
Trade debtors	**208,141**	*262,059*	**209,104**	*444,050*
Pangbourne College Enterprises Limited	**203,208**	*180,932*	**-**	*-*
Other debtors	**1,117**	*11,644*	**3,110**	*11,644*
Prepayments and accrued income	**73,681**	*60,928*	**73,681**	*60,928*
	486,147	*515,563*	**285,895**	*516,622*

12. CREDITORS: Amounts falling due within one year

	College		Group	
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**167,112**	*204,968*	**167,112**	*204,968*
Trade creditors	**105,930**	*311,084*	**149,857**	*314,848*
Taxation and social security	**136,256**	*233,952*	**136,256**	*264,160*
Other creditors	**65,864**	*147,943*	**65,864**	*147,947*
Acceptance deposits	**839,947**	*742,890*	**839,947**	*742,890*
Fees in advance	**938,716**	*755,412*	**938,716**	*755,412*
Accruals	**261,610**	*493,300*	**264,232**	*561,378*
	2,515,435	*2,889,549*	**2,561,984**	*2,991,603*
Deferred income- Advanced fees (see note 15)	**253,100**	*307,405*	**253,100**	*307,405*
	2,768,535	*3,196,954*	**2,815,084**	*3,299,008*

The bank borrowing is secured by a fixed legal charge over the property of the charity and a floating charge over the other assets.

13. CREDITORS: Amounts falling due after more than one year

	College		Group	
	2020	*2019*	**2020**	*2019*
	£	*£*	**£**	*£*
Bank loan (see note 14)	**2,054,185**	*2,146,536*	**2,054,185**	*2,146,536*
Deferred income- Advanced fees (see note 15)	**84,674**	*218,557*	**84,674**	*218,557*
	2,138,859	*2,365,093*	**2,138,859**	*2,365,093*

14. BANK LOAN

The bank loan is repayable as follows:

	2020 £	2019 £
Within one year	**167,112**	*204,968*
Between one and two years	**210,213**	*208,583*
Between two and five years	**653,150**	*648,088*
Over five years	**1,190,822**	*1,289,865*
	2,221,297	*2,351,504*

The loan was first drawn down in September 2006 and is repayable in monthly instalments over 20 years starting in February 2010.

The interest rate applied to the loan is equivalent to 1% per annum above the bank base rate.

15. ADVANCE FEES

Amounts may be paid to the college up to the equivalent of 7 years' tuition fees in advance. The money may be returned subject to specific conditions stated within the scheme literature. Assuming pupils will remain at the college advance fees will be applied:-

	2020 £	2019 £
Within 1 year	**253,100**	*307,405*
Within 1-2 years	**84,674**	*151,928*
Within 2-5 years	**-**	*66,629*
	337,774	*525,962*

The balance represents the accrued liability under the contracts. The movements during the year are detailed as follows:-

	2020 £	2019 £
At 1 September 2019	**525,962**	*877,460*
Increase		
Advance fees received	**117,425**	*175,855*
Discounts allocated	**11,975**	*24,796*
	129,400	*200,651*
Decrease		
Advance fees utilised	**(317,588)**	*(552,149)*
At 31 August 2020	**337,774**	*525,962*

16. CAPITAL COMMITMENTS

There were no capital commitments at the year end (2019: £Nil)

17. SHARE CAPITAL

	2020	*2019*
	£	£
Authorised, Issued and fully paid up		
50,000 shares of 5p each	**2,500**	*2,500*

18. PENSIONS

Teaching staff

The College participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £744,648 (*2019: £529,623*) and at the year-end £nil (*2019: £68,894*) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2016 and the Valuation Report, which was published in March 2019, confirmed that the employer contribution rate for the TPS would increase from 16.4% to 23.6% from 1 September 2019. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 23.68%.

The 31 March 2016 Valuation Report was prepared in accordance with the benefits set out in the scheme regulations and under the approach specified in the Directions, as they applied at 5 March 2019. However, the assumptions were considered and set by the Department for Education prior to the ruling in the 'McCloud/Sargeant case'. This case has required the courts to consider cases regarding the implementation of the 2015 reforms to Public Service Pensions including the Teachers' Pensions.

On 27 June 2019 the Supreme Court denied the government permission to appeal the Court of Appeal's judgment that transitional provisions introduced to the reformed pension schemes in 2015 gave rise to unlawful age discrimination. The government is respecting the Court's decision and has said it will engage fully with the Employment Tribunal as well as employer and member representatives to agree how the discriminations will be remedied. A consultation was launched by the government on 16 July 2020, and closes to responses on 11 October 2020.

The TPS is subject to a cost cap mechanism which was put in place to protect taxpayers against unforeseen changes in scheme costs. The Chief Secretary to the Treasury, having in 2018 announced that there would be a review of this cost cap mechanism, in January 2019 announced a pause to the cost cap mechanism following the Court of Appeal's ruling in the McCloud/Sargeant case and until there is certainty about the value of pensions to employees from April 2015 onwards. The pause was lifted in July 2020 and the government is preparing to complete the cost control element of the 2016 valuations, which is expected to be completed in 2021.

In view of the above rulings and decisions the assumptions used in the 31 March 2016 Actuarial Valuation may become inappropriate. In this scenario, a valuation prepared in accordance with revised benefits and suitably revised assumptions would yield different results than those contained in the Actuarial Valuation.

18. PENSIONS (Continued)

Until the consultation and the cost cap mechanism review are completed it is not possible to conclude on any financial impact or future changes to the contribution rates of the TPS. Accordingly no provision for any additional past benefit pension costs is included in these financial statements.

Non-teaching staff

Until 30th September 2013, all non-teaching staff could participate in a multi-employer defined benefits pension scheme, the Pensions Trust Growth Plan Pension Scheme ("the Scheme"). The Scheme closed to new contributions on 30th September 2013, and from that date onwards, non-teaching staff were offered membership of a defined contribution scheme, the Pension Trust Growth Plan Series 4 ("the Enhanced Scheme")."

Contributions paid into the Plan up to and including September 2001 were converted to defined amounts of pension payable from normal retirement dates. From October 2001 contributions were invested in personal funds which have a capital guarantee and which are converted to pension on retirement, either within the Plan or by the purchase of an annuity.

The Trustee commissions an actuarial valuation of the Plan every three years. The purpose of the actuarial valuation is to determine the funding position of the Plan by comparing the assets with the past service liabilities as at the valuation date. Asset values are calculated by reference to market levels. Accrued past service liabilities are valued by discounting expected future benefits payments using a discount rate calculated by reference to the expected future investment returns.

The rules of the Plan give the Trustee the power to require employers to pay additional contributions in order to ensure that the statutory funding objective under the Pensions Act 2004 is met. The statutory funding objective is that a pension scheme should have sufficient assets to meet its past service liabilities, known as Technical Provisions.

If the actuarial valuation reveals a deficit, the Trustee will agree a recovery plan to eliminate the deficit over a specified period of time either by way of additional contributions from employers, investment returns or a combination of these.

A full actuarial valuation of the scheme was carried out at 30 September 2017. The market value of the Plan's assets at the valuation date was £794.9 million and the Plan's Technical Provisions (i.e. past service liabilities) were £926.4 million. The valuation therefore revealed a shortfall of assets compared with the value of liabilities of £131.5 million.

To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional deficit contributions from 1 April 2016 to 30 September 2025, payable monthly and increasing by 3% on 1st April. The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Scheme Liabilities. In accordance with FRS102 a liability representing the present value of future commitments relating to the deficit funding was recognised in the accounts for the year ended 31 August 2016. During the year the College paid deficit contributions of £26,530 *(2019: £23,362)*, which reduced the pension Scheme deficit liability recognised in the accounts. The present value at 31 August 2020 of future commitments relating to the deficit contributions has been calculated as £115,908 *(2019: £139,568)*. The unwinding of the discount factor, and the impact of changes to assumptions has resulted in a £2,870 debit to the SOFA, and has been included in pension costs for the year.

Pangbourne College Limited has been advised by the Plan Trustee that, in the event that it was to withdraw its membership of the Plan, it had an estimated contingent liability of £304,388 at 30 September 2013. This debt will not crystallise while Pangbourne College Limited continues to have one or more active members in the scheme.

18. PENSIONS (Continued)

The amount of the above potential debt depends on many factors including total Plan liabilities, Plan investment performance, the liabilities in respect of current and former employees of Pangbourne College Limited, financial conditions at the time of the cessation event and the insurance buy-out market. The amounts of the debt can therefore be volatile over time.

The College operates a defined contribution auto enrolment scheme ("the AE Scheme") with Pensions Trust. The employer contribution rate is 10% *(2019: 8%)* and the employee contribution rate is 3%. Employers' contributions totalling £45,463 *(2019: £38,974)* were payable to this fund during the year. Contributions totalling £140 *(2019: £3,930)* were unpaid at the year end and are included in creditors.

In addition the College offers all non-teaching staff the opportunity to join an Enhanced Scheme with the Pensions Trust, which has an employer contribution rate of 15% *(2019: 12%)* and an employee contribution rate of 5%. Contributions payable by the company in the year were £175,731 *(2019: £134,272)*. Contributions totalling £nil *(2019 £17,963)* were unpaid at the year end and are included in creditors.

Finally, there were contributions payable to personal pension schemes of £11,066 *(2019:£8,914)*. Contributions totalling £1,338 *(2019: £1,139)* were outstanding at the year end.

19. COMMITMENTS UNDER OPERATING LEASES

At 31 August 2020 the College had future minimum lease payments under non-cancellable operating leases as follows:-

	2020	*2019*
	£	*£*
Equipment and machinery		
Amounts due in less than a year	**147,260**	*161,684*
Amounts due in the second to fifth year	**186,909**	*262,663*
	334,169	*424,347*

20. RELATED PARTY TRANSACTIONS

During the year the school instructed Thrings Solicitors, of which Rev A Bond, a Governor is a consultant, for legal work. Total fees charged in the year were £37,872 (2019: £37,906), none of which were outstanding at the year end.

Mrs Garnier, the Headmaster's wife is employed by the School and was appointed by the Governors.

Ms Clubbe, the wife of the Deputy Head (Extra Curricular) and also Ms Aguillon, the wife of the Deputy Head (Academic) are both employed at the School under a standard contract of employment and under the appointment of the Governors. However, in March 2020 Ms Aguillon left the School.

Mrs Bond, the wife of one of the Governors is employed by the School under a standard contract of employment and under the appointment of the Governors as the Deputy Head (Pastoral).

21. FINANCIAL INSTRUMENTS

Financial instruments held at amortised cost are trade debtors, other debtors, intercompany debtors, cash at bank, trade creditors, bank loans, acceptance deposits, other creditors and accruals.

	2020 £	2019 £
GROUP		
Financial assets measured at amortised cost	**2,647,620**	2,116,325
Financial liabilities measured at amortised cost	**3,541,197**	4,118,567
COLLEGE		
Financial assets measured at amortised cost	**2,781,769**	2,005,177
Financial liabilities measured at amortised cost	**3,494,648**	4,046,721

The income, expense, gains and losses in respect of financial instruments are summarised below:

	2020 £	2019 £
GROUP AND COLLEGE		
Total interest expense for financial liabilities held at amortised cost	**27,317**	37,876

22. RESTRICTED FUNDS- COLLEGE & GROUP

The funds of the charity include restricted funds comprising the following unexpended balances of donations held for specific purposes:

2020	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Balance at 31 August 2020 £
S Galley	-	20,000	(20,000)	-
Boat House fund	135,282	-	-	**135,282**
Other restricted funds	-	1,868	-	**1,868**
Centenary Appeal	46,414	264	(3,064)	**43,614**
	181,696	22,132	(23,064)	**180,764**

Restricted funds relate to income given in support of the Boat House refurbishment and its facilities, and for the Centenary Appeal. The Centenary Appeal donations will be used to support organisations, community work and educational projects that benefit young people in the Reading areas. Centenary charity funds will also support the Nabugabo partnership project in Uganda.

2019	*Balance at 1 September 2018* £	*Incoming resources* £	*Resources expended* £	*Balance at 31 August 2019* £
Boat House fund	-	*135,282*	-	*135,282*
Centenary Appeal	43,986	2,428	-	46,414
	43,986	137,710	-	181,696

23 ANALYSIS OF NET ASSETS BETWEEN FUNDS

GROUP – 2020	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	**13,555,403**	**-**	**13,555,403**
Net current (liabilities)/assets	**(80,303)**	**180,764**	**100,461**
Long Term liabilities (including pension scheme deficit)	**(2,254,767)**	**-**	**(2,254,767)**
	11,220,333	**180,764**	**11,401,097**

GROUP - 2019	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*14,006,310*	*-*	*14,006,310*
Net current (liabilities)/assets	*(1,145,484)*	*181,696*	*(963,788)*
Long Term liabilities (including pension scheme deficit)	*(2,504,661)*	*-*	*(2,504,661)*
	10,356,165	*181,696*	*10,537,861*

ANALYSIS OF NET ASSETS BETWEEN FUNDS

COLLEGE - 2020	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	**13,555,403**	**-**	**13,555,403**
Net current (liabilities)/assets	**(77,614)**	**180,764**	**103,150**
Long Term liabilities (including pension scheme deficit)	**(2,254,767)**	**-**	**(2,254,767)**
	11,223,022	**180,764**	**11,403,786**

COLLEGE - 2019	*Unrestricted funds £*	*Restricted funds £*	*Total £*
Tangible fixed assets	*14,006,310*	*-*	*14,006,310*
Net current (liabilities)/assets	*(1,296,246)*	*181,696*	*(1,114,550)*
Long Term liabilities (including pension scheme deficit)	*(2,504,661)*	*-*	*(2,504,661)*
	10,205,403	*181,696*	*10,387,099*

24 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2020 £	*2019* *£*
Increase/(decrease) in cash in the year	**774,775**	*(585,048)*
Fees on account	**188,188**	*351,498*
Loan repayments	**130,207**	*202,001*
Change in net debt	**1,093,170**	*(31,549)*
Net debt at 1 August	**(1,216,835)**	*(1,185,286)*
NET FUNDS/(DEBT) AT 31 AUGUST	**£ (123,665)**	*£(1,216,835)*

ANALYSIS OF CHANGE IN NET DEBT

	Net debt as at 1 September 2019 *£*	**Cash Change** **£**	**Net funds as at 31 August 2020** **£**
Cash at bank and in hand	*1,660,631*	774,775	**2,435,406**
Fees on account	*(525,962)*	188,188	**(337,774)**
Loans	*(2,351,504)*	130,207	**(2,221,297)**
	£(1,216,835)	£ 1,093,170	**£ (123,665)**

25 2019 COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted Funds	Restricted Funds	Total 2019 £
INCOME AND ENDOWMENTS FROM:			
Income from Charitable Activities			
School fees receivable	*10,293,210*	*-*	*10,293,210*
Ancillary trading income	*416,313*	*-*	*416,313*
Other Trading Activities			
Trading income	*439,075*	*-*	*439,075*
Rents and lettings	*88,564*	*-*	*88,564*
Profit on sale of fixed assets	*16,481*	*-*	*16,481*
Investment income	*-*	*-*	*-*
Donations and legacies	*20,352*	*137,710*	*158,062*
Total income	*11,273,995*	*137,710*	*11,411,705*
EXPENDITURE ON:			
Expenditure on Charitable Activities			
Teaching costs	*5,348,612*	*-*	*5,348,612*
Welfare costs	*1,664,053*	*-*	*1,664,053*
Premises costs	*2,199,228*	*-*	*2,199,228*
Support costs	*1,836,576*	*-*	*1,836,576*
	11,048,469	*-*	*11,048,469*
Expenditure on Raising Funds			
Trading expenditure	*289,331*	*-*	*289,331*
Finance costs	*72,928*	*-*	*72,928*
Total expenditure	*11,410,728*	*-*	*11,410,728*
Net income and movement in funds	*(136,733)*	*137,710*	*977*
Balances brought forward At 31 August 2018	*10,490,398*	*43,986*	*11,030,069*
Balances carried forward At 31 August 2019	*10,353,665*	*181,696*	*10,535,361*