THE ABBEY SCHOOL, READING

England & Wales · Charity number 309115

Details

Other names	THE ABBEY SCHOOL
Status	Registered
Legal form	Charitable company
Company number	00133676
Registered	1962-09-28
Register	View on the Charity Commission register

Contact

Address	The Abbey School 17 Kendrick Road Reading RG1 5DZ
Phone	01189876911
Email	bursar@theabbey.co.uk
Website	www.theabbey.co.uk

Activities

Objects: THE OBJECTS FOR WHICH THE SCHOOL IS ESTABLISHED ARE: 4.1 TO CARRY ON A SCHOOL (BOTH FOR DAY STUDENTS AND BOARDERS) PROVIDING OR IMPARTING AND DEVELOPING A LIBERAL, PRACTICAL AND GENERAL EDUCATION FOR GIRLS AND BOYS OF ALL CLASSES, TO INCLUDE RELIGIOUS EDUCATION IN THE DOCTRINES AND DUTIES OF CHRISTIANITY AS TAUGHT BY THE CHURCH OF ENGLAND; AND 4.2 TO ESTABLISH, CONTROL AND MAINTAIN A BOARDING-HOUSE OR BOARDING-HOUSES IN CONNECTION WITH THE SCHOOL TO BOARDERS.

Activities: The provision of education to girls aged 3-18.

Classification

- **How:** Provides Services
- **What:** Education/training
- **Who:** Children/young People

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Geography

- Reading

Finances

Period end	Income	Expenditure	Assets	Employees
2025-08-31	£20,280,671	£20,928,274	£16,353,381	311
2024-08-31	£21,761,180	£21,534,177	£16,994,002	313
2023-08-31	£20,124,820	£20,428,012	£16,665,986	318
2022-08-31	£19,097,500	£18,421,561	£17,057,761	321
2021-08-31	£17,292,295	£17,017,288	£16,511,448	328
2020-08-31	£17,121,975	£16,946,696	£15,879,403	353

Trustees

Name	Role	Appointed
ELIZABETH ANN HARRISON	Chair	2015-03-23
Adam Jacobs		2025-12-02
Andrew Peach		2021-03-22
Colin Singer		2018-12-03
Dr Harriet Kemp		2021-03-22
Elisabeth West		2018-07-02
Hector Maclennan		2024-09-23
Joanna Kumari Jolly		2022-07-11
Julie Butler		2019-03-18
Nicholas Burrows		2024-09-23
Richard Brown		2024-09-23
Robyn Field		2020-06-29
SIMON MARK DIMMICK LLB		

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Linked charities

- ABBEY SCHOOL (READING) TRUST (309115-1)
- GYMNASIUM FUND (309115-3)

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THE ABBEY SCHOOL, READING

England & Wales - Charity number 309115

Accounts

Registered number: 00133676
Charity number: 309115

THE ABBEY SCHOOL, READING

(A Company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2025

Governors

Mrs E A Harrison BA (Hons) MBA[1,2,3,4,5,7]
Mrs J Butler FCA[1,3,4]
Mrs S Colebrook BSc PGCE (resigned 31 August 2025)[2,8]
Mr S Dimmick LLB[3,4,6]
Mr M Emmanuel (resigned 2 December 2024)[1]
Ms R Field BA[2]
Ms J Jolly [2]
Dr H Kemp BM BCh MSc PhD FRCA[9]
Mr A Peach[4]
Mr N Burrows (appointed 23 September 2024)[3]
Mr C Singer BSc FIA[1,4]
Mrs E West LLB[2]
Mr R Brown BSc (Hons) ACA (appointed 23 September 2024)[1]
Mr H Maclennan MA (appointed 23 September 2024)[2]
Mr K Thiruppathy FRCS (ENG), MPhil, MS, MBA, BSc (Hons) (resigned 2 December 2024)

[1] Member of the Finance and General Purposes Committee
[2] Member of the Education Committee
[3] Member of the Governance Committee
[4] Member of the Transition working group
[5] Lead Governor for Marketing, Admission, Development and Engagement
[6] Lead Governor for Risk, Audit, and Compliance
[7] Lead Governor for Human Resources
[8] Lead Governor for Child Protection
[9] Lead Governor for Health & Safety

Nominee members of the Council

The Bishop of Oxford - Vacancy

The Governors are also Directors of the Company and Trustees of the Charity.

OFFICERS

Head	Dr Sarah Tullis MA, MLitt, DPhil
Head of Junior School	Mrs Beccy Newton BA (hons) QTS NPQEL
Head of Finance and Resources	Mrs Nadine Doble BSc (Cardiff), ACMA

ADDRESSES

Senior School
17 Kendrick Road
Reading
RG1 5DZ

Junior School (Years 1-6)
30 Christchurch Road
Reading
RG2 7AR

Junior School (Nursery and Reception)
2 Vicarage Road
Reading
RG2 7AJ

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS GOVERNORS AND ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

Company registered number	00133676
Charity registered number	309115
Registered office	17 Kendrick Road Reading Berkshire RG1 5DZ
Independent auditors	James Cowper Kreston Audit Chartered Accountants and Statutory Auditors Apex Forbury Road Reading RG1 8LS
Bankers	HSBC UK Bank plc 26 Broad Street Reading RG1 2BU
Solicitors	Blandy & Blandy LLP 1 Friar Street Reading RG1 1DA
Investment advisers	Charles Stanley & Company Ltd 55 Bishopsgate London EC2N 3AS
Insurance brokers	Marsh Brokers Ltd School Division Capital House 1-5 Perrymount Road Haywards Heath, West Sussex RH16 3SY

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

REPORT OF THE CHAIR OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2025

This has been a year of challenge and change for The Abbey School. And challenge to which everyone in the school has responded characteristically, with thoughtful enthusiasm, serious endeavour and delight.

The year began with our search for a new Head for our whole school, in succession to Will le Fleming, whose generous offer to move to part time leadership of the school for the year meant we were in a position to set up an innovative period of transition. We received a number of compelling applications and were delighted to be able to appoint our Head of the Senior School, Dr Sarah Tullis, to the role. We were very sad to lose Will le Fleming, who has moved to be Founding Master of Thomas's College, but, as the year progressed, we were able to see what an excellent Head Sarah was to be.

It was a surprise when Nisha Kaura decided to move to take up the headship of Queen's College Preparatory School in central London, but as with Will, we wished her well in her new role. And we were delighted to appoint Beccy Newton as our new Head in our Junior School where she has made a brilliant start to her new role.

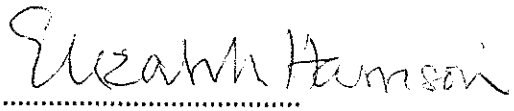
Like all independent schools, with some few exceptions in the London area, a number of factors have affected our numbers this year: the introduction of 20% VAT on school fees, falling birth rates, increase in energy costs and consequent pressure on family budgets are just some of them. For the first time we have had to make some difficult choices which led to our decision to stop offering the IB qualifications in the Sixth Form and therefore to redesign our Senior curriculum, which is now based on A level study with Extended Project Qualification (EPQ) in addition and elements of service within our communities, shorter intense study, and the Duke of Edinburgh award (where we have always been strong). We have an exciting new programme which remains academically demanding and rewarding but engages in a very contemporary manner with students' own preferences. Our requirement therefore for fewer teaching staff, across the whole school, led to a busy Spring term of consultations and decisions to make sure we were staffed at the best possible level for our new curriculum and our revised number of students.

Unsurprisingly, however, our other activities have gone from strength to strength. Our external academic results, at A level and at GCSE, remain excellent. Our students delight us, one another, their families, and our community with their creativity, their musical talent, and their sporting prowess. And, as every year, we wish all our leavers well as they move on to the next stage of their progress in higher education or in major apprenticeships.

Our staff, in the classrooms and in business and operations, remain the strong foundations upon which the school depends. The enthusiasm with which they approach their role, the delight they take in our students' achievements, the way in which they really know all our girls and work with them to ensure all is well, all these things are exemplary. And behind the scenes our team of dedicated governors give generously of their time and their thinking to ensure The Abbey faces the future with strong ambition and determination. We all face the same headwinds but I know that many other schools look at The Abbey and envy our resilience, our imagination and our success. Two of our longest serving governors, Michael Emmanuel and Sue Colebrook, came to the end of their appointments this year. I thank them both profoundly for everything they contributed to the school they love. I am full of admiration for our senior leaders within the school. They have responded brilliantly to the challenges of the year and I look forward to working with them all in the years ahead.

The Abbey is in good hands. It remains a place where girls learn and grow, a place where they learn about themselves, about one another and where they learn how to do more than they ever suspected they might. They learn how our Abbey values of courage, honesty and kindness thread through everything we do. They know that they are each valued for who they are now and for whatever journey they take through life. The students are our greatest asset and our best ambassadors and we take huge pride in each one.

REPORT OF THE CHAIR OF THE GOVERNORS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025



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Liz Harrison
Chair of Governors
The Abbey School

Date: 2 December 2025

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2025

The Governors of The Abbey School, Reading present their annual report for the year ended 31 August 2025 under the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities Statement of Recommended Practice (SORP).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Abbey School, Reading is a Company Limited by Guarantee and was registered on 31 January 1914. The Company registration number is 133676.

It is also a Charity, registration number 309115.

The Governors, Officers, Key Addresses and Advisers are set out on Pages 2 and 3.

The company has a wholly owned subsidiary, Abbey Commercial Enterprises Limited, the School's trading arm.

The school is an active member of the Headmasters and Headmistresses Conference, the Girls' Schools Association, the Independent Association of Prep Schools, the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, dated 4 December 2006 as amended by special resolution dated 7 December 2015.

Governing Body

The Governors are all Directors of the company and appoint new Governors either to fill a casual vacancy or by way of additions to the board. The total number of Governors shall be not less than twelve and not more than twenty-four. Of these, as far as is practicable, one Governor shall be the nominee of The Bishop of Oxford, one an alumna of the school, and one a parent of a child at the school. The nominee positions are ratified at a full Governors' meeting. Each Governor, other than the nominees, is elected for four years and retiring Governors can stand for re-election for one further term at the next Annual General Meeting, and at the Governors discretion when in the interests of the school, this may be further extended.

Those who held office during the year are listed on Page 2.

Organisational management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets at least three times a year. Much of the preparation for these meetings is undertaken by the Finance and General Purposes Committee (F&GP Committee) which meets before each Governors' meeting. The Chairman of the F&GP Committee is Mrs J Butler. The other principal committees are:

Education Committee chaired during the year by Mrs S Colebrook,
Governance Committee chaired during the year by Mr S Dimmick

In addition to these committees there are working groups on Engagement & Development and Leadership Transition, and Governors support the school by taking the lead on Risk, Audit and Compliance ('RAC'), Child Protection and Safeguarding, Human Resources and Health & Safety.

Committee members and Lead Governors are listed on Page 2.

The day to day running of the School is delegated to the Head who is assisted in this by other members of the Leadership Committee, which comprises the Junior School, Senior School and Business & Operations Leadership Teams. The Whole School Team, led by the Head, is drawn from these groups and co-ordinates

matters relating to whole school development.

Recruitment and Training of Governors

The Governance Committee considers potential new Governors for eligibility, competence, specialist skills and availability. New Governors are given an induction into the workings of the School, including its policies and procedures, and are given a tailored induction pack. Training and bespoke courses are regularly offered to all Governors.

Corporate Governance

The Governing Body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

As part of an overall approach to managing potential conflicts of interest, The Abbey has a Governor conflict of interest policy and at the start of each Governor meeting everyone in attendance is required to declare any interest that may be in conflict with an agenda or decision item.

Senior members of staff responsible for decision making, including the appointment of staff or contractors, are correspondingly required to sign an annual declaration regarding potential conflicts of interest.

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and in the process of strategic planning.

The generic key controls used by the School to manage risk include:

- Annual review of the Risk Register, in detail by the lead Governor on Risk Audit and Compliance, and reviewed by Council
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities
- Terms of Reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Vetting procedures as required by law for the protection of vulnerable people
- Clear hierarchical authorisation and approval levels

The above structure formalises the risk management processes established for the Charity.

Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

Pay policy for senior staff

The pay of senior staff is reviewed annually, and includes comparisons with other independent schools. Being located in the South East, where there are significant costs in relation to housing, The Abbey keeps abreast of pay and employment conditions elsewhere.

Volunteers

There is no shortage of volunteer support throughout the School, from parents assisting in reading classes in the Junior School, in the library and on school trips to assisting in the second-hand uniform shop. Former pupils, Governors and other interested adults have also given freely of their time. All of this is very much valued by the School. Governors take this opportunity to record how much they appreciate the continuing and valuable support of volunteers to the School.

OBJECTIVES AND AIMS

Charitable Objectives

The objects of the School are set out in the Memorandum of Association. The main object is summarised as the running of a School to provide a general education which includes religious instruction in the doctrines and duties of the Church of England.

The school educated during the year some 900 girls at no cost to the state.

The Charity's Aims

As an educational charity for girls aged 3-18, The Abbey School provides an outstanding real-world education for girls that equips them to achieve academic excellence and to live with confidence, purpose and joy.

Working in partnership with families, the School supports each individual student to expand their horizons, discover their passions and fulfil their potential. The School offers remarkable extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

The School's objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education:

Liberal in thought, tolerance, and generosity.
Practical in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.
General in the remarkable breadth and range of experience and encouragement to participate.

Key Objectives

The School's strategic plan 2021-2025 sets out key goals in three areas: student experience, community and future development. Across these areas, key objectives have spanned the academic and all-round education of students; pastoral care; the strength and diversity of the community; connections with the wider world; an outward-looking perspective and innovative approach; and the highest standards in the maintenance of the School's estates, finance and compliance. All the objectives seek to bring about the charity's overall aim as specified above. A particular focus within the seven key objectives is on partnerships, access to education via bursary support, and involvement in philanthropic and community initiatives to ensure the broadest possible public benefit both locally and further afield.

Measurement of Objectives

In furtherance of these objectives the Governors, as charity trustees, have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

The Head and the Leadership Committee have followed this strategic plan across all areas of the School's operations since 2021, with final review of that plan and its key strategic indicators occurring in 2025 as part of a process to determine strategic priorities moving forward (see future objectives below).

Within the timescale of this plan, the School has reviewed its use of space and put in place a plan for all of its diverse sites. This plan seeks to ensure their most effective use as well as the best possible contribution to the local area and community. It also takes into account key environmental priorities. During this plan, the new Sixth Form Centre has opened, creating a first-class space for collaborative learning and study for our Sixth Form students as they prepare for life beyond school.

The Abbey's strategic plan has remained resolutely focused on the academic excellence and sense of joy that define this community and that make it one of the country's foremost independent girls' schools from 3-18. The School's work to achieve these aims in the lives of students and share them with the wider community was recognised with the award of Independent Girls' School of the Year 2024-2025.

As an integral part of the strategic plan, the School continuously looks to raise bursary funds to ensure that girls can continue in the future to enjoy an Abbey education whatever their financial circumstances.

ACHIEVEMENTS AND PERFORMANCE

Summary

The Abbey at present educates over 800 girls from age 3 to 18 in a lively, vibrant learning environment. As well as our overall aim to equip students to achieve academic excellence and to live with confidence, purpose and joy, an Abbey education is built on three values and four core principles:

Values

- Kindness
- Courage
- Honesty

Principles

Academic excellence: outstanding grades that open doors, positive attitudes that change lives, and a learning environment full of excitement and fun.

- Every individual valued: working with families to ensure that every individual is known and valued for who they are
- Future-ready opportunity: diverse and down-to-earth students, full of city spirit and energy, ready to take up opportunities and help shape the future
- Putting girls first: girls learning free from gender bias, free to choose any future they want, free to play with ideas and grow up while staying young.

These values and principles are genuinely lived in the school and support each student to lead with confidence, learn with purpose and live with joy.

Results in public examinations in summer 2025 were excellent. At A level over 50% of all grades were A*/A and 80% at A*-B. One student came top in the country in her Economics examinations and students went on to 21/24 Russell Group universities. In IB, a cohort of 21 students averaged a superb 39.4 points out of a maximum of 45, far ahead of the global average of around 30. Over 84% of grades were at 6/7, the equivalent of A/A*. At GCSE a third of all grades were 9 and nearly 60% 9-8 and over 80% 9-7.

Other achievements match the high level of academic success. Highlights of the last year have taken place across eight principal streams of practical and creative activity: music, art & design, drama, sport, textiles, food and nutrition, outdoor education and an extraordinarily broad range of club activities.
We regularly celebrate success and highlights in all these areas. Abbey students routinely achieve the highest levels in music examination and performance, play sport representatively for counties and nationally, and win awards for creative and research work.

In addition to these streams of activity, Abbey students embrace opportunities for student leadership and to learn skills that will help all students contribute to their communities. Thriving Duke of Edinburgh, Abbey Award and

Creativity, Activity and Service (CAS) and in-house leadership opportunity programmes prepare students both for service and leadership in the wider world.

The last year has seen significant partnerships work with Reading School and, as part of our ARCH programme, a large number of other local primary and secondary schools at once. As part of this, a Saturday mornings masterclass programme has operated across different subjects with Church End Academy. Another highlight has been our scaled Enterprise programme, running through the school and culminating in a pioneering Social Enterprise project with Reading School and Henley Business School. We worked with Heads of junior schools in the Henley area on an AI conference, including supporting them with AI policy and practice in their schools.

Other large-scale recent events have included talks by Geri Halliwell-Horner and Abbey alumna Jenni Falconer, amongst many others, as well as exciting medical and broadcasting events and a creative industries Fringe programme, all shared with the wider Reading community.

Entire cohorts participate in voluntary programmes and charity work and learn to collaborate and contribute. The School's core purpose is to develop confidence, purpose and joy in students and this places personal development at the heart of the education it offers. Students actively campaign in areas such as diversity, the environment, gender relations and equality. The desire to make a difference, the knowledge and skills to do so effectively, and the resilience and confidence to see things through are key elements in the leading educational experience the School provides.

Beneficiaries of the School's charitable work - partnerships with local schools and the community

Our ARCH programme continues to develop and complement our community work. It is a hub that brings together individuals and organisations across Reading to offer opportunities and learning experiences to young people and to young women in particular. ARCH events include a range of activities to develop aspiration and self-discovery, and the programme has involved working with over 40 local organisations, 80 schools and thousands of young people to date. Highlights this year have included:

- **Fringe Festival** - The culmination to our 'Year of Celebration of the Creative Industries', we hosted a week of events that explored drama, songwriting, broadcasting, journalism, musical performance, architecture, branding and interior design.

- **Visual Effects** - Scott Pritchard, an Emmy-nominated VFX Supervisor at Industrial Light & Magic gave an insight into a career in visual effects.

- **Healthcare Specialisms** - Abbey Alumnae Dr Shonelley Novintan shared her career story of becoming a plastic surgeon, why specialisms are so important and how when they work together, they can truly change lives. Dr Novintan was joined by dentists, a speech and language practitioner, a clinical psychologist and a trainee Maxillo-facial surgeon who all support the charity CLEFT (cleft.org.uk). Students were able to learn about their career paths and have a chance to take part in some fantastic interactive workshops after the talks, all focusing on different specialisms.

- **Pop Up Poetry Party** - For ages 7-11, local poet A.F. Harold performed and inspired in his colourful style, then everyone had a go at writing their own haiku poem in our writing workshop.

- **Mock Trials Royal Courts of Justice** - Lady Justice Andrews approached us to invite our students, along with a mix from other ARCH linked schools, to take part in a Mock Trial at the Royal Courts of Justice as part of the jury.

- **Behind the Mic - Alumna Jenni Falconer** - Radio, podcast, and TV presenter, Abbey alumna Jenni Falconer, shared her career story and advice on the broadcasting industry

- **West End Actress and Wicked star** - Reading based actress Kate Leiper came to The Abbey to talk about her career and what it's like to play the lead role of Elphaba in Wicked on the West End.

- **Behind the Mic - Meet the BBC** - Our panel of BBC staff was made up of South Today TV presenter, producer of The TODAY Programme and 5Live Sport host. They all shared their career journeys, more about their roles and advice on getting into the BBC. We were also given a dynamic presentation about BBC apprenticeships. Students from 7 schools in the area signed up to attend.

- **The Amazing World of Snakes** -The University of Reading's Professor Sakthi Vaiyapuri came to talk to ages 7-12 about snakes. Sakthi Vaiyapuri is a Professor of Cardiovascular & Venom Pharmacology at the University of Reading.

- **Jo Trott Memorial Lecture** with Dr Detina Zalli, associate teaching professor at the University of Cambridge.

- **Spice Girl Visit: Geri Halliwell-Horner talk**. We coordinated 'Ginger Spice' coming to The Abbey to give a talk about her latest book. This was opened out to parents to increase engagement with our community.

- **Reading Festival of Sport** - hosted by The Abbey Junior School with more than 100 students from multiple schools across Reading, signed up to take part in sport taster sessions and workshops. We welcomed GB gymnast Claudia Fragapane and Louis Pugh, a coach from Reading Football Community Trust.

- **The Social Enterprise Project**, where teams of students from independent and maintained schools came together to develop ideas to improve their local communities, in collaboration with the Henley Business School - a programme which has received national recognition in the Financial Times awards.

ARCH will continue to transform our community engagement, identifying areas of shared mutual benefit to develop the life chances of a wide range of young people across Reading.

Other beneficiaries of the School's charitable work - charity donations and other input

The Abbey is deeply committed to providing opportunities for the whole community to be involved in charitable work, volunteering or other forms of service. Students and staff at the Abbey school remain keen to be involved in supporting outside charities and other organisations. Both the International Baccalaureate Diploma Programme and The Duke of Edinburgh's Award Scheme include a strand of service and volunteering. In particular, the majority of students in Upper V participate in the Silver DofE Award and do 6 months of volunteering, giving them opportunities to serve across the local community.

Our regular annual charity giving totalled around £6,500 over the year, which was divided between charities to whom we have given long term support and others that were chosen this year by students: Macmillan Cancer Support, Pride, Launchpad, Show Racism the Red Card and Shelter. The annual Sixth Form Charity Quiz, organised and run by the Charity Prefects, raised money for the Malala Fund.

Students also organised and ran awareness assemblies and bake sales in school, raising a total of almost £1,000 for, among others, Little Princess Trust, Médecins Sans Frontières, Chattertots, WWF and Macmillan Cancer Support. Students and staff variously took part in the Windsor Women's 10K Race and the Reading Half Marathon, raising money for DEBRA, Thames Hospice and Cancer Research UK. As well as Harvest donations to ReadiFood, students donated old bras to Against Breast Cancer's bra recycling scheme. We were delighted to not only take part in but win the annual Pancake Race organised by Launchpad, for whose Christmas appeal we also raised money.

With kindness at the centre of our school's values, we continue to look for ways in which we can, together, forge a deep ethos of service and giving to the community.

Community Use of Facilities

The Abbey School supports its charitable objects within the community by making its facilities available for public benefit. We share our facilities, including the halls, the all-weather sports pitches, the gymnasium and the indoor swimming pool with local schools and community groups. Amongst the beneficiaries during the year were:

- GB Paralympic Rowing Team
- No. 5 Young People
- Parenthesis Choir
- RABBLE Theatre
- Reading Bowling Club
- Reading Half Marathon
- Reading Korean School
- Reading Male Voice Choir
- Reading Prayer Group
- Reading School
- Reading St Andrews Scottish Dancing
- Reading Swimming Club
- Reading Tango Club
- Reading University Hockey Club; Sub Aqua Club; Swimming Club; and Water Polo Teams
- Reading Wildcats Lacrosse Club
- Royal Berkshire Hospital Paediatric Diabetes Team
- School of the Arts
- Dance with Sonia Brown
- South Chiltern Choral Society
- Swim England
- West Forest Sinfonia
- Glass Ensemble Choir

Energy and Carbon Reporting

	31 August 2025	31 August 2024
Energy consumption in KWh	3,297,972	3,879,910
Associated emissions in tonnes CO2e	682.91	767.26
Intensity ratio - tonnes	0.75	0.76

Various measures have been taken during the year to improve energy efficiency. These have included attention to lighting in a number of areas, with the installation of movement sensors, internal LED lighting, and externally the replacement of netball court floodlights with low energy lamps.

The school has achieved ESOS Stage 3 compliance.

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per student, the recommended ratio for the sector.

Engagement with employees

The School is committed to regular and transparent sharing of information with all staff and to providing opportunities for collaborative consultation. Regular briefings and meetings are held and information is also widely disseminated via email. The School intranet contains news, policies, and other information, accessible to all staff. Important updates affecting employees are often shared in advance to allow for feedback and

improvement before final decisions are confirmed. With regard to disability the school's active policy is to promote equal opportunities and oppose discrimination on the grounds of disability.

Engagement with suppliers, the parent body, and other business relationships

We recognise the need to maintain and foster good relationships with our suppliers, the parent body, and others, and we monitor closely our dialogues with all of them. Our key business managers have all been in post for a number of years and have developed strong and positive relationships with those with whom we deal. Payments due to us are by and large collected efficiently and, when necessary, with sensitivity, and we pay staff and suppliers promptly and accurately, with supporting information always provided for clarity. On matters of schooling we engage positively with our pupils and their parents through a variety of activities and communications. Many of these processes are two-way: we listen carefully to the voices of our highly articulate pupils and the valued feedback and opinions of their parents. The Abbey Parents' Society (TAPS) continues to go from strength to strength to improve our sense of a shared community still further.

Promoting the success of the school

The Governors and the School's executives seek successful outcomes from all of the activities they pursue. In determining the most appropriate way of achieving the desired results, their decisions take account of the interests of, and the impact on, the pupils, the parent body, staff, suppliers, the environment, the local community, and all others likely to be affected. We strive continually not only to maintain but also to enhance our hard-won reputation for integrity and high standards of both conduct and achievement.

Financial Assistance

The School has a policy on financial assistance, including bursaries of up to 100%, and this is advertised on its website, and at open days. The Bursary Fund was established over 30 years ago with the specific aim of generating funds in order to offer places to pupils who would otherwise not have access to education at the school. The value of the fund is £1million and will be maintained at this figure.

Academic scholarships worth 10% of tuition fees are offered (which can be supplemented with a means-tested Bursary). Specialist scholarships are also offered, supporting excellence in art, drama, music and sport.

Parents who cannot afford to pay the fees in full or in part can apply for a means-tested Abbey School Financial Bursary. The Abbey School Scholarship and Bursary policy allows up to a total of 6% of the current level of annual gross fee income for these awards. All awards are subject to satisfactory attendance, conduct and progress.

Temporary financial assistance may be available to parents who find themselves with short term financial difficulties. This is means-tested and offered at the discretion of the Head.

Wider access to Schooling was achieved in 2024/2025 with a total of £361,000 (2023/2024: £350,000) awarded in scholarships, grants, prizes and other awards. Some 56 hardship cases received financial support amounting to £817,000 (2023/2024: £674,000) towards fees, equivalent to 32 full senior fee places.

42% of the pupils of the Senior School (2023/2024: 40%) received some form of financial assistance with their fees. This figure does not include staff discounts.

Other pupil benefits

The Childcare Vouchers Scheme is available, as is a third sibling discount.

Income from investments

Income from investments is reinvested, while operating surplus is used to maintain the scholarship and bursary funds, including temporary financial assistance. The investment fund is available to support the bursary fund when required.

FINANCIAL REVIEW

Financial Results

The consolidated Statement of Financial Activities on page 21 shows the Net Movement in Funds for 2025 as a deficit of £640,000 (2024: a surplus of £328,000). Broadly speaking, this represents the shortfall in income from termly fees and related activities, supplemented by donations, fundraising, and other income, compared to associated costs. The School itself had a deficit for the year of £646,000 (2024: a surplus of £326,000).

The surplus before depreciation and interest is 7.8% (2024: 12.4%).

The Balance Sheet on page 22 shows Net Current Liabilities of £1,773,000 (2024: £1,258,000) but the Governors are satisfied that the school generates positive cash flow from its operating activities, has a strong asset base, and has consequently an assured future. At the close of 2022-2023 the school completed a multi-year capital investment project partly funded by bank finance which was re-modelled during the year just ended. At 31 August 2025 it has in place a single bank loan of £4.2m of which £4.1m falls due after more than one year.

In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

Investment policy and performance

The overall investment objectives of the School are to create sufficient funds through income and capital in order to enable the School to carry out its purposes consistently, year by year, and with due and proper consideration for future needs. They include the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The School's investment performance is measured regularly against a benchmark, currently named the MSCI PIMFA Private Investor Balanced Index. For this year our total return of 1.6% was poorer than the Index, which was 8.9%.

The School's investments are managed by Charles Stanley and Company Limited under the supervision of Governors. At 31 August 2025 investments, of which the majority were UK listed equities, had a market value of £1,726,000 (2024: £1,698,000), of which £1,000,000 represented designated funds. Their market value at 31 August 2025 contributed to a net investment gain of £28,000 (2024: £101,000).

The Governors are authorised by the Memorandum of Association to invest monies not immediately required for the School's purposes in investments, securities or property as may be thought fit.

Reserves Policy

The Governors' policy is to build up funds out of annual operating surpluses, subject to the prior demands of further capital expenditure, to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The Governors aim to maintain general reserves equivalent to at least 3 months of operating expenditure for the school. Excluding the designated Bursary Reserve of £1m, general reserves at 31 August 2025 were £15.1m which represents nine months of unrestricted operating expenditure, and provides additional financial flexibility at a time of significant capital investment. These reserves ensure the school can fulfil and complete its charitable obligations and commitments.

Notes 20 and 21 show the allocation of the reserves between those designated for specific purposes and those available for the day to day requirements of the School.

GOING CONCERN

The Governors review the School's financial performance and plans at each Council meeting, usually 4 per year, along with our principal financial risks. In March, and again in June and September, the Council was satisfied

that the School had sufficient resources to continue ongoing and future operations.

World events and general economic circumstances are regularly considered for how they may affect the school by the Governors' Finance and General Purposes Committee. This year particular attention has been focused on the consequences of the government's decision to apply VAT to independent education, and the potential impact it, along with demographic change and economic factors could have on future periods. At meetings this autumn in October and November the Committee reviewed forecasts and projections to ensure that the School remains financially viable.

With regard to the next accounting period, the year ending 31 August 2026, and the year thereafter, the most significant matter likely to affect the School's financial position is student numbers. This key metric is closely monitored, as are running costs, both those within the school's direct control and others such as those associated with utilities and borrowings.

The School has a strong asset base and generates a positive cash flow from its operations, and the Governors will continue to monitor and review financial and operating plans with the School's executive team to maintain a robust financial footing as we move forward. We are of the opinion that the charity will continue to have sufficient resources to meet its liabilities as they fall due and as such we remain satisfied that The Abbey School can continue operating for the foreseeable future. Our accounts for the year ended 31 August 2025 have been prepared in the knowledge that the School is a financially viable organisation.

RISKS AND UNCERTAINTIES

As discussed above, the school depends on income from its student body, so any change in numbers brings with it financial consequences. Our regular review of current and projected pupil numbers provides a check that our budgets for future years are as realistic as possible. Nevertheless, an unexpected fall in pupil numbers would represent a significant risk to the School, causing a failure to meet financial outcomes on which future investment and other expenditure decisions are based, so any significant reduction in actual or forecast numbers would prompt immediate review and action.

Economic uncertainty is also naturally a significant factor for parents currently funding, or considering for the future, education in the independent school sector. The future economic impact of UK politics and world events is difficult to forecast and the Governing Body, with guidance from the lead Governor for Risk, Audit and Compliance, will continue to monitor this closely.

Health and Safety, bearing in mind not least the potential threat of a further pandemic as experienced with Covid-19, also represent significant areas for risk management. So too, physical risks from fire and other damage to infrastructure, and personal risks, particularly away from the campus on trips and expeditions. There is a regular risk audit, and continuity plans are in place to ensure the school continues to function effectively in the event of a major incident such as fire or flood.

FUTURE OBJECTIVES

Our school and wider community

- **Academic excellence**
  Learning full of excitement and fun that helps each individual student achieve their own personal best, secures grades that open doors, and encourages positive attitudes that change lives.

- **Future-ready opportunity**
  Developing the skills, character and values in our lively, city-minded community that supports students into outstanding outcomes and careers, enabling them to live with meaning, find creative solutions in a changing world, and help to shape the future.

- **Every individual valued**
  Working with families to ensure every student is known and appreciated for who they are, understands how to look after themselves and others, and learns to lead and support with courage and compassion.

- **Abbey families**
  Engaging with families to make them central to The Abbey Experience, to provide the opportunity for collaboration, and to ensure a genuine partnership that lasts throughout and beyond each student's time at school.

- **The Reading community**
  Embedding our community programme ARCH, providing opportunity for young people across Reading, helping them to explore and fulfil their potential, and live with confidence, purpose and joy.

Our people, environment and future

- **Abbey staff**
  Ensuring The Abbey is the best place to work for every individual as part of one unified community, so that all staff are supported to learn and grow, enabled to focus on the work that matters most, and celebrated for their contribution to the community.

- **Our environment**
  Developing our estate to make it the best possible environment for learning and play, enable student and staff collaboration on environmental actions and awareness, and achieve the highest standards of sustainability.

- **Telling The Abbey story**
  Sharing the wonderful benefits of the Abbey experience to reach as wide an audience as possible, ensure continued strength of applicants and student numbers, and widespread recognition to the benefit of alumnae and the school community.

- **Excellence and value**
  Scrutinising all aspects of our operations to ensure we provide an outstanding experience with exceptional value, to support our families, ensure the widest possible access to an Abbey education, and develop the scope of all we offer.

Over the course of the year the School will assess progress against these goals and use that assessment to renew priorities looking ahead.

STATEMENT OF RESPONSIBILITIES OF COUNCIL

The Governors (who are also directors of The Abbey School for the purposes of company law and trustees for the purpose of charity law) are responsible for preparing the Governors' Annual Report (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 judgements 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.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2025

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..

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor are unaware; and
- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of James Cowper Kreston as auditors to the company will be put to a Special General Meeting.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Abbey School at a Special General Meeting on 2 December 2025, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf.

Approved by order of the members of the board of Governors and signed on their behalf by:

Elizabeth Harrison

E A Harrison
Chair of Governors
Date: 2 December 2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING

Opinion

We have audited the financial statements of The Abbey School, Reading (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2025 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 2025 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 Auditors' 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 AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Auditors' 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 Auditors' 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (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 Auditors' 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.



Darren O'Connor BSc (Hons) ACA FCCA (Senior Statutory Auditor)
for and on behalf of
James Cowper Kreston Audit
Chartered Accountants and Statutory Auditors
Apex
Forbury Road
Reading
RG1 8LS

Date:
09 December 2025

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2025

	Note	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies:	5				
Donations		**7,522**	**34,467**	**41,989**	282,213
Charitable activities:	4				
School Fees		**-**	**18,325,018**	**18,325,018**	19,410,361
Ancillary Income		**-**	**1,579,242**	**1,579,242**	1,786,092
Other trading activities:	6				
Trading Income		**-**	**151,226**	**151,226**	145,683
Non-ancillary services		**-**	**53,171**	**53,171**	46,680
Investments	7	**-**	**130,025**	**130,025**	90,151
Total income		**7,522**	**20,273,149**	**20,280,671**	21,761,180
Expenditure on:					
Raising funds		**-**	**34,857**	**34,857**	46,999
Charitable activities	9	**24,602**	**20,868,815**	**20,893,417**	21,487,178
Total expenditure		**24,602**	**20,903,672**	**20,928,274**	21,534,177
Net (expenditure)/income before net gains on investments		**(17,080)**	**(630,523)**	**(647,603)**	227,003
Net gains on investments		**-**	**6,982**	**6,982**	101,013
Net movement in funds		**(17,080)**	**(623,541)**	**(640,621)**	328,016
Reconciliation of funds:					
Total funds brought forward		**293,371**	**16,700,631**	**16,994,002**	16,665,986
Net movement in funds		**(17,080)**	**(623,541)**	**(640,621)**	328,016
Total funds carried forward		**276,291**	**16,077,090**	**16,353,381**	16,994,002

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 27 to 45 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £		As restated 2024 £
Fixed assets					
Tangible assets	14		**21,012,888**		22,692,339
Investments	15		**1,725,649**		1,698,033
			22,738,537		24,390,372
Current assets					
Debtors	16	**5,809,848**		6,040,605	
Cash at bank and in hand		**1,476,187**		2,984,675	
		7,286,035		9,025,280	
Current liabilities					
Creditors: amounts falling due within one year	17	**(9,059,212)**		(10,283,642)	
Net current liabilities			**(1,773,177)**		(1,258,362)
Total assets less current liabilities			**20,965,360**		23,132,010
Creditors: amounts falling due after more than one year	18		**(4,611,979)**		(6,138,008)
Total net assets			**16,353,381**		16,994,002
Charity funds					
Restricted funds	20		**276,291**		293,371
Unrestricted funds					
Designated funds	20	**1,084,330**		1,084,330	
General funds	20	**14,992,760**		15,616,301	
Total unrestricted funds	20		**16,077,090**		16,700,631
Total funds			**16,353,381**		16,994,002

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

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

Elizabeth Harrison

.....

Mrs E A Harrison BA (Hons) MBA JP
Chair of Trustees

Julie Butler

.....

Mrs J Butler FCA

Date: 2 December 2025

The notes on pages 27 to 45 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2025

	Note		2025 £		As restated 2024 £
Fixed assets					
Tangible assets	14		**21,012,888**		22,692,339
Investments	15		**1,725,651**		1,698,035
			22,738,539		24,390,374
Current assets					
Debtors	16	**5,785,515**		6,023,368	
Cash at bank and in hand		**1,363,289**		2,871,115	
		7,148,804		8,894,483	
Current liabilities					
Creditors: amounts falling due within one year	17	**(9,049,756)**		(10,275,349)	
Net current liabilities			**(1,900,952)**		(1,380,866)
Total assets less current liabilities			**20,837,587**		23,009,508
Creditors: amounts falling due after more than one year	18		**(4,611,979)**		(6,138,008)
Total net assets			**16,225,608**		16,871,500
Charity funds					
Restricted funds	20	**276,291**		293,371	
Restricted funds	20		**276,291**		293,371
Unrestricted funds					
Designated funds	20	**1,084,330**		1,084,330	
General funds	20	**14,864,987**		15,493,799	
Total unrestricted funds	20		**15,949,317**		16,578,129
Total funds			**16,225,608**		16,871,500

The Company's net movement in funds for the year was £(645,892) (2024 - £326,299).

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

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2025

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

Elizabeth Harrison
.....
Mrs E A Harrison BA (Hons) MBA JP
Chair of Trustees

Julie Butler
.....
Mrs J Butler FCA

Date: 2 December 2025

The notes on pages 27 to 45 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2025

	2025 £	As restated 2024 £
Cash flows from operating activities		
Net cash used in operating activities	**(89,144)**	3,949,094
Cash flows from investing activities		
Dividends and interest on investment portfolio	**130,025**	90,151
Purchase of tangible fixed assets	**(108,060)**	(655,477)
Purchase of investments	**(188,808)**	(397,231)
Receipts from sale of investments	**220,805**	379,164
Net cash provided by/(used in) investing activities	**53,962**	**(583,393)**
Cash flows from financing activities		
Receipt of new bank loan	**-**	1,000,000
Repayments of borrowing	**(1,152,043)**	(232,289)
Interest paid	**(321,263)**	(434,672)
Net cash (used in)/provided by financing activities	**(1,473,306)**	**333,039**
Change in cash and cash equivalents in the year	**(1,508,488)**	**3,698,740**
Cash and cash equivalents at the beginning of the year	**2,984,675**	(714,065)
Cash and cash equivalents at the end of the year	**1,476,187**	2,984,675

The notes on pages 27 to 45 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

1. General information

The Abbey School, Reading is a charitable company limited by guarantee (registered number 00133676 and charity number 309115), incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is given within the Governors, Officers and Advisors section on page 1 and 2.

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.

The Abbey School, Reading 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. 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.

2.2 Basis of consolidation

The group accounts consolidate the accounts of The Abbey School, Reading and its subsidiary undertaking, Abbey Commercial Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2025. No separate statement of financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the. 2015 Charities SORP.

The results of the subsidiary undertaking for the year are disclosed in note 15 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

2. Accounting policies (continued)

2.3 Going concern

The Governors keep the School's financial status under close review. The most significant matter likely to affect the School's financial position is student numbers, and careful projections of income and expenditure are considered in the context of economic factors and potential demographic change.

Supported by a strong asset base, a gross operating surplus, and a positive cash flow, the Governors note that the School can service, without exceeding, the arrangements established with its bankers, and conclude that the it will be able to meet its liabilities as they fall due.

2.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

2.5 Fees and similar income

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Means tested bursaries which provide financial assistance to parents, are treated as expenditure from the designated fund within the statement of financial activities.

Fees received for education to be provided in future years are carried forward as advance fee scheme payments and fees received in advance in the balance sheet. These fees are released to the statement of financial activities over the period in which the school provides the services in future years.

2.6 Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund.

2.7 Resources expended

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.

2. Accounting policies (continued)

2.7 Resources expended (continued)

Resources expended are accounted for on an accrual basis. Resources expended are allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Expenditure in respect of the other support costs of the School includes recruitment costs and general office costs including governance costs.

2.8 Scholarships and bursaries

Scholarships and bursaries, along with temporary financial assistance are charged to the statement of financial activities in the year in which they are granted.

2.9 Tangible fixed assets and depreciation

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 provided on all tangible fixed assets except land which is considered to be of negligible value, and is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold building	-	2% per annum on cost
Freehold improvements	-	10% per annum on cost
Motor vehicles	-	25% per annum on cost
Other equipment	-	10% per annum on cost
Computer equipment	-	33% per annum on cost

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

2.10 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.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.12 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)

2.13 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.14 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.

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.16 Pensions

The charitable company contributes into separate defined contribution schemes for teaching and non-teaching staff for which the contributions are charged in the statement of financial activities in the year in which they are payable.

2.17 Advance fees scheme

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

2.18 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 2025 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

2.19 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. Details of these reserves, as applicable to the charity, are set out in note 20.

2. Accounting policies (continued)

2.19 Fund accounting (continued)

Restricted funds are funds where specific conditions imposed by the donor would restrict the use of unspent funds or where the terms of the appeal restrict the use of the funds.

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

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates included within the financial statements include provision for fee debtors, which require a judgement by management regarding the likelihood of recovery. Management review and assess fee debtors on an individual basis and provide for fee debtors as appropriate.

Depreciation is another key estimate in the accounts which requires management judgement over the useful life of the assets. The policy has been set out in the notes above.

4. School fees

	Unrestricted funds 2025 £	**Total funds 2025** £	Total funds 2024 £
School fees receivable consist of:			
Gross fees	19,206,134	**19,206,134**	20,026,172
Less: Scholarships and other awards	(1,178,286)	**(1,178,286)**	(1,023,818)
Less: Other discounts	(520,156)	**(520,156)**	(265,796)
Net fees receivable	**17,507,692**	**17,507,692**	18,736,558
Add: Bursaries paid out of designated funds (means-tested)	817,326	**817,326**	673,803
Total 2025	18,325,018	**18,325,018**	19,410,361
Total 2024	19,410,361	19,410,361	

5. Income from donations

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	7,522	34,467	**41,989**	282,213
Total 2024	252,500	29,713	282,213	

6. Non ancillary income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Property rentals	53,171	**53,171**	46,680
Total 2025	53,171	**53,171**	46,680
Total 2024	46,680	46,680	

7. Income from investments

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Bank interest received	94,279	**94,279**	49,851
UK listed investments	35,746	**35,746**	40,300
Total 2025	130,025	**130,025**	90,151
Total 2024	90,151	90,151	

Income from investments was designated in the current and previous financial year. Bank interest received was unrestricted in the current year.

8. Ancillary income

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
After school care	43,260	**43,260**	46,893
Trips income	521,910	**521,910**	701,798
Fees for extra-curricular courses and examinations	821,236	**821,236**	852,486
Fees in lieu of notice	34,900	**34,900**	38,454
Registration fees	28,135	**28,135**	32,549
Miscellaneous income	129,801	**129,801**	113,912
Total 2025	1,579,242	**1,579,242**	1,786,092
Total 2024	1,786,092	1,786,092	

9. Expenditure on charitable activities

	Staff costs 2025 £	Other 2025 £	Depreciation 2025 £	Total funds 2025 £	Total funds 2024 £
Charitable activities					
Teaching costs	9,359,647	477,905	294,936	**10,132,488**	9,894,292
Welfare costs	107,562	1,396,986	-	**1,504,548**	1,504,323
Premises costs	950,599	1,578,683	1,489,844	**4,019,126**	4,183,590
Support costs	1,846,206	1,162,083	2,731	**3,011,020**	3,457,562
Trip costs	-	517,014	-	**517,014**	726,815
Other travel and activities	-	368,305	-	**368,305**	484,249
Bursaries	-	817,326	-	**817,326**	673,803
Governance costs	-	21,400	-	**21,400**	25,654
Finance costs	-	433,498	-	**433,498**	448,541
Movement in bad debt provision	-	68,692	-	**68,692**	88,347
	12,264,014	6,841,892	1,787,511	**20,893,417**	21,487,176
Total 2024	12,328,418	7,304,070	1,854,688	21,487,176	

Total expenditure on charitable activities was £20,893,417, (2024: £21,487,176) of this £7,522 (2024: £1,000) was restricted, £817,326 (2024: £673,803) was designated and £20,068,569 (2024: £20,487,373) was unrestricted.

10. Expenditure on raising funds

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Portfolio management costs	13,290	**13,290**	14,110
Non-ancillary costs	17,111	**17,111**	28,706
Trading expenses	4,456	**4,456**	4,183
	34,857	**34,857**	46,999

Total expenditure on raising funds was £34,857 (2024: £46,999) of this £13,290 (2024: £14,110) related to designated funds and £21,567 (2024: £32,889) related to unrestricted funds.

11. Auditors' remuneration

	2025 £	2024 £
Fees payable to the company's auditor and its associates		
- Audit	**18,700**	17,850
- Other services	**3,750**	3,570

12. Staff costs

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Wages and salaries	**9,795,754**	10,048,316	**9,795,754**	10,048,316
Social security costs	**1,058,654**	984,437	**1,058,654**	984,437
Pension contributions	**1,118,526**	1,120,137	**1,118,526**	1,120,137
Other non-payroll staff costs	**291,080**	175,528	**291,080**	175,528
	12,264,014	12,328,418	**12,264,014**	12,328,418

12. Staff costs (continued)

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

	Group 2025 No.	Group 2024 No.
Teaching	**223**	225
Welfare	**24**	27
Premises	**19**	16
Support	**45**	45
	311	313

Aggregate employee costs of the key management personnel of the school, including salary, benefits, pension contributions and national insurance in the year totalled £339,247 (2024: £366,632).

The governors received £Nil remuneration or other benefit for the year (2024: £Nil).

The employer's liability insurance of the charitable company includes indemnity insurance for the governors.

The Split between part time and full time staff was as follows:

	Full time 2025 No.	Full time 2024 No.	Part time 2025 No.	Part time 2024 No.
Teaching	**95**	104	**128**	121
Welfare	**4**	4	**20**	23
Premises	**12**	12	**7**	5
Support	**25**	26	**20**	18
	136	146	**175**	167

12. Staff costs (continued)

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

	Group 2025 No.	Group 2024 No.
In the band £60,000 - £69,999	**21**	16
In the band £70,000 - £79,999	**3**	4
In the band £80,000 - £89,999	**2**	2
In the band £90,000 - £99,999	**-**	2
In the band £100,000 - £109,999	**3**	1
In the band £160,000 - £169,999	**-**	1

The total employer contributions in the year towards pension scheme contributions for the above 29 (2024: 26) staff members were £229,355 (2024: £220,720).

During the year, severance pay was awarded to 26 employees with payments for compensation and pay in lieu of notice totalling £213,980 (2024: 10 employees, £82,357). All of this had been paid by the reporting date (2024: All).

13. Taxation

The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

14. Tangible fixed assets

Group and Company

	Freehold property £	Motor vehicles £	Office equipment £	Total £
Cost or valuation				
At 1 September 2024	**35,623,475**	**23,338**	**5,369,358**	**41,016,171**
Additions	**74,707**	**-**	**33,353**	**108,060**
At 31 August 2025	**35,698,182**	**23,338**	**5,402,711**	**41,124,231**
Depreciation				
At 1 September 2024	**13,678,274**	**23,337**	**4,622,221**	**18,323,832**
Charge for the year	**1,427,230**	**-**	**360,281**	**1,787,511**
At 31 August 2025	**15,105,504**	**23,337**	**4,982,502**	**20,111,343**
Net book value				
At 31 August 2025	**20,592,678**	**1**	**420,209**	**21,012,888**
At 31 August 2024	21,945,201	1	747,137	22,692,339

15. Fixed asset investments

	Group 2025 £	Group 2024 £	Company 2025 £	Company 2024 £
Listed investments (see below)	**1,725,649**	1,698,033	**1,725,649**	1,698,033
Investments in subsidiary companies (see below)	**-**	-	**2**	2
	1,725,649	1,698,033	**1,725,651**	1,698,035

Subsidiary undertaking:

The Abbey School owns 100% of the ordinary share capital of Abbey Commercial Enterprises Limited (company number 06334617). This company was incorporated in England and Wales and was established to carry out the non-educational activities associated with the School.

Trading results extracted from its audited financial statements are shown below:

	2025 £	2024 £
Turnover	**151,226**	145,682
Administration expenses	**(4,456)**	(4,183)
Management Charge from the Abbey School	**(19,000)**	(19,000)
Net profit	**127,770**	122,499
Net assets	**127,774**	122,504

All activities have been consolidated on a line by line basis in the SOFA. Any taxable net profit is gifted to the charity. The total expenses include a management charge paid by Abbey Commercial Enterprises of £19,000 (2024: £19,000), which is eliminated on consolidation. There was no outstanding balance with Abbey Commercial Enterprises at the end of 2025 (2024: £nil)

Listed Investments

	2025 £	2024 £
At 1 September 2024	**1,689,911**	1,570,831
Additions	**188,808**	397,231
Disposals	**(220,805)**	(379,164)
Unrealised (loss)/gain on revaluation for the year	**6,982**	101,013
At 31 August 2025	**1,664,896**	1,689,911
Cash held by investment manager	**60,753**	8,122
Total at 31 August 2025	**1,725,649**	1,698,033
Historical cost of investments	**1,541,715**	1,484,390

16. Debtors

	Group 2025 £	Group As restated 2024 £	Company 2025 £	Company As restated 2024 £
Trade debtors	**5,226,299**	5,704,416	**5,201,966**	5,687,269
Other debtors	**12,865**	3,446	**12,865**	3,356
Prepayments	**570,684**	332,743	**570,684**	332,743
	5,809,848	6,040,605	**5,785,515**	6,023,368

17. Creditors: Amounts falling due within one year

	Group 2025 £	Group As restated 2024 £	Company 2025 £	Company As restated 2024 £
Bank loans	**194,132**	466,667	**194,132**	466,667
Trade creditors	**462,351**	309,549	**462,351**	309,549
Deposits held	**593,747**	584,781	**593,747**	584,781
Other taxation and social security	**1,114,490**	246,459	**1,109,559**	242,156
Other creditors	**660,022**	501,460	**660,022**	501,460
Accruals and deferred income	**140,325**	293,560	**135,800**	289,570
Fees received in advance	**5,894,145**	7,881,166	**5,894,145**	7,881,166
	9,059,212	10,283,642	**9,049,756**	10,275,349

The bank overdraft, with HSBC, is secured by legal charges over two freehold properties.

Fees in advance comprises fees paid early for the next academic term or, under the Advance fees scheme, the next academic year.

Deposits held relate to acceptance deposits which are considered as owed within one year given that only one term's notice is required to be given by pupils.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

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

	Group 2025 £	Group 2024 £	**Company 2025 £**	Company 2024 £
Bank loans	**4,054,336**	4,933,844	**4,054,336**	4,933,844
Fees received in advance	**557,643**	1,204,164	**557,643**	1,204,164
	4,611,979	6,138,008	**4,611,979**	6,138,008

Fees in advance comprises fees paid early for future academic term or, under the Advance fees scheme, the next academic year.

The loan is repayable as follows:

	Group 2025 £	Group 2024 £	**Company 2025 £**	Company 2024 £
Within 1 to 2 years				
Bank loans	**207,529**	466,667	**207,529**	466,667
Within 2 to 5 years				
Bank loans	**712,538**	1,400,000	**712,538**	1,400,000
More than 5 years				
Bank loans	**3,134,269**	3,067,177	**3,134,269**	3,067,177

The bank loan with HSBC is secured by a charge over the School's property and is due to be refinanced within 5 years. It is being repaid at a monthly rate which will extend beyond 5 years.

19. Financial instruments

	Group 2025 £	Group 2024 £	**Company 2025 £**	Company 2024 £
Financial assets				
Financial assets measured at fair value	**1,725,649**	1,698,033	**1,725,649**	1,698,033

Included within financial instruments held at fair value is investments.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025

20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2024 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2025 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	35,746	(817,326)	774,598	6,982	1,000,000
Designated donation	84,330	-	-	-	-	84,330
	1,084,330	35,746	(817,326)	774,598	6,982	1,084,330
General funds						
General unrestricted	15,616,301	20,237,403	(20,086,346)	(774,598)	-	14,992,760
Total Unrestricted funds	16,700,631	20,273,149	(20,903,672)	-	6,982	16,077,090
Restricted funds						
Restricted Funds - all funds	293,371	7,522	(24,602)	-	-	276,291
Total of funds	16,994,002	20,280,671	(20,928,274)	-	6,982	16,353,381

Income from The Bursary Fund is used to offer financial assistance to individual pupils when necessary.

The Governors have decided to make an annual transfer from the unrestricted funds so that a balance of £1 million remains earmarked for use on bursaries within this fund.

Restricted funds are those received for specific purposes including donations received for building appeals, various teaching departments and fixed assets. Once the restriction has been fulfilled then a transfer from restricted to unrestricted funds is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	40,300	(687,913)	546,600	101,013	1,000,000
Designated donation	84,330	-	-	-	-	84,330
	1,084,330	40,300	(687,913)	546,600	101,013	1,084,330
General funds						
General unrestricted	15,539,785	21,468,380	(20,845,264)	(546,600)	-	15,616,301
Total Unrestricted funds	16,624,115	21,508,680	(21,533,177)	-	101,013	16,700,631
Restricted funds						
Restricted Funds - all funds	41,871	252,500	(1,000)	-	-	293,371
Total of funds	16,665,986	21,761,180	(21,534,177)	-	101,013	16,994,002

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2025

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2025 £	Unrestricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	-	21,012,888	**21,012,888**
Fixed asset investments	-	1,725,649	**1,725,649**
Current assets	276,291	7,009,744	**7,286,035**
Creditors due within one year	-	(9,059,212)	**(9,059,212)**
Creditors due in more than one year	-	(4,611,979)	**(4,611,979)**
Total	276,291	16,077,090	**16,353,381**

Analysis of net assets between funds - prior year

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	22,692,339	22,692,339
Fixed asset investments	-	1,698,033	1,698,033
Current assets	293,371	8,731,909	9,025,280
Creditors due within one year	-	(10,283,642)	(10,283,642)
Creditors due in more than one year	-	(6,138,008)	(6,138,008)
Total	293,371	16,700,631	16,994,002

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

	Group 2025 £	Group 2024 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(640,621)**	328,016
Adjustments for:		
Depreciation	**1,787,511**	1,854,688
(Gains)/losses on investments	**(6,982)**	(101,013)
Dividends and interest	**(130,025)**	(90,151)
Interest payable	**321,263**	434,672
(Increase)/ decrease in debtors	**62,630**	(5,471,214)
Increase/(decrease) in creditors	**(1,430,289)**	7,005,673
Increase/(Decrease) of cash at investment manager	**(52,631)**	(11,577)
Net cash provided by/(used in) operating activities	**(89,144)**	3,949,094

23. Analysis of cash and cash equivalents

	Group 2025 £	Group 2024 £
Bank balances included in cash at bank and in hand	**1,476,187**	2,984,675
Total cash and cash equivalents	**1,476,187**	2,984,675

24. Analysis of net debt

	At 1 September 2024 £	Cash flows £	At 31 August 2025 £
Cash balances	**2,984,675**	**(1,508,488)**	**1,476,187**
Bank loans due in under one year	**(466,667)**	**272,535**	**(194,132)**
Bank loans due in more than one year	**(4,933,844)**	**879,508**	**(4,054,336)**
	(2,415,836)	**(356,445)**	**(2,772,281)**

25. Capital commitments

	Group 2025 £	Group 2024 £	**Company 2025** £	Company 2024 £
At 31 August 2025 the School had the following capital commitments:	-	140,000	-	140,000

26. Pension commitments

The Company makes contributions for teaching and non-teaching staff. £1,118,526 (2024: £1,120,137) was payable for the year. Contributions totalling £143,530 (2024: £142,522) were unpaid at the year end and are included within creditors.

27. Operating lease commitments

At 31 August 2025 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Company 2025 £	Company 2024 £
Due within one year	**10,302**	10,302
Due between two and five years	**27,472**	37,774
	37,774	48,076

28. Prior year adjustments

An adjustment of £5,601,850 has been applied to both trade debtors and deferred income as at 31 August 2024, to recognise the Autumn 2024 tuition fee invoices that were issued in advance of the academic period. This has no impact on the Statement of Financial Activities.

29. Related party transactions

Transactions with Governors

Owing to the nature of the school's operations and the composition of its governing body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations with which a Governor may have an interest. All transactions involving these organizations are in accordance with the school's normal procedures.

In the year expenses of £370 were reimbursed to 2 Governors in relation to subsistence (2024: £454 to 3 Governors).

THE ABBEY SCHOOL, READING

England & Wales - Charity number 309115

Accounts

Registered number: 00133676
Charity number: 309115

THE ABBEY SCHOOL, READING

(A Company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2024

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COMPANIES HOUSE

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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THE ABBEY SCHOOL, READING

(A Company Limited by Guarantee)

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

Governors

Mrs E A Harrison BA (Hons) MBA JP[1,2,3,4,5,7]
Mrs J Butler FCA[1,3,5]
Ms S Burgess BA MA (resigned 4 December 2023)
Mrs S Colebrook BSc PGCE[2,8]
Mr S Dimmick LLB[3,5,6]
Mr M Emmanuel[1]
Ms R Field BA[2]
Ms J Jolly [2]
Dr H Kemp BM BCh MSc PhD FRCA[9]
Mr A Peach[4]
Mr N Burrows (appointed 23 September 2024)
Mr C Singer BSc FIA[1,5]
Mrs E West LLB[2]
Mr R Brown BSc (Hons) ACA (appointed 23 September 2024)
Mr H Maclennan MA (appointed 23 September 2024)
Mr K Thiruppathy (appointed 23 March 2024)

[1] Member of the Finance and General Purposes Committee
[2] Member of the Education Committee
[3] Member of the Governance Committee
[4] Member of the Engagement and Development working group
[5] Member of the Transition working group
[6] Lead Governor for Risk, Audit, and Compliance
[7] Lead Governor for Human Resources
[8] Lead Governor for Child Protection
[9] Lead Governor for Health & Safety

Nominee members of the Council

The Bishop of Oxford - Vacancy

The Governors are also Directors of the Company and Trustees of the Charity.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

OFFICERS

The Executive Head	Mr Will le Fleming BA, MA (Cambridge)
Head of Senior School	Dr Sarah Tullis MA, MLitt, DPhil, PCGE
Head of Junior School	Mrs Nisha Kaura BSc (Surrey), PGCE, MEd (Buckingham)
Head of Finance and Resources	Mrs Nadine Doble BSc (Cardiff), ACMA

ADDRESSES

Senior School
17 Kendrick Road
Reading
RG1 5DZ

Junior School (Years 3-6)
30 Christchurch Road
Reading
RG2 7AR

Junior School (Years 1 and 2)
12 Christchurch Gardens
Reading
RG2 7AH

Junior School (Nursery and Reception)
2 Vicarage Road
Reading
RG2 7AJ

Company registered number	00133676
Charity registered number	309115
Registered office	17 Kendrick Road Reading Berkshire RG1 5DZ
Independent auditors	James Cowper Kreston Audit Chartered Accountants and Statutory Auditors Reading Bridge House George Street Reading RG1 8LS
Bankers	HSBC UK Bank plc 26 Broad Street Reading RG1 2BU
Solicitors	Blandy & Blandy LLP 1 Friar Street Reading RG1 1DA
Investment advisers	Charles Stanley & Company Ltd 55 Bishopsgate London EC2N 3AS

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

Insurance brokers	Marsh Brokers Ltd School Division Capital House 1-5 Perrymount Road Haywards Heath, West Sussex RH16 3SY

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

REPORT OF THE CHAIR OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2024

One of the tasks I most enjoy in my role as Chair of Governors at The Abbey School is reflecting upon and sharing widely our achievements during the preceding school year.

The year begins in September. That moment is the culmination of much activity that has gone on in the year before: advertising, marketing, creating events, all designed to ensure that we have reached out to our community in Berkshire, Oxfordshire, Hampshire and Buckinghamshire and attracted some wonderful students to join our school. In our Junior School girls can join any year group, from our Little Knellies nursery, to Year 6; in the Senior School most of our new entrants begin in Year 7, Upper Three in Abbey speak, though some join into other year groups, including into the Sixth Form.

As the year progressed, we began to feel some anxiety about events and discussions beyond our school boundaries that looked like they would impact significantly on us; and indeed they did. Discussion and debate about a possible new government's pledge to impose VAT on school fees resonated with parents of potential students and, like almost every school in our sector, we have found our numbers falling. Our response this year has been to see this development very much as an opportunity to rethink what we do and how we do it, so that by the year end we were ready with imaginative plans for change in many aspects of our business. What has not, and will not change as we implement those plans, is the wonderful experience that The Abbey gives its students. And that experience has been richly rewarded this year in an outstanding set of public examination results, particularly at A level, and completely endorsed by unprecedented acknowledgment in external awards - for Sport, for our community outreach through our ARCH initiative, for our Junior School, culminating in our becoming nationally recognized as Independent Girls' School of the Year.

None of these happen by chance. We are blessed in so many ways. We have an outstanding workforce; whatever their role, day after day, our staff bring their best selves to the school, and that is infectious. It enables the students to do the same, knowing they will be appreciated and supported for effort, for imagination, for creativity whatever the outcome. Not everything will go well every time, and we can, and do, all learn from unexpected turns of events. I see our students, in all year groups, delighting in one another's triumphs and standing by one another when something unanticipated happens. And I see that same sense of mutual support and pride in our staff too. We are a strong and resilient community.

A word about our leadership. We have many excellent leaders throughout the school. They are thoughtful, rigorous, brave and kind; they exemplify our Abbey values. Outstanding amongst that group is our Head and our senior leaders. Much has been asked of them this year and their response has been endlessly impressive. Behind them stand our Governors who bring a wonderfully diverse experience and insight, as well as a generous allocation of their time, to their unique leadership role.

In the pages that follow this introduction you can read the detail that provides the evidence for everything I say above. Our business is sound, our outcomes are outstanding and, most importantly, our school is a joyful place of learning and growth.

Elizabeth Harrison

.....

Liz Harrison
Chair of Governors
The Abbey School

Date: 2 December 2024

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2024

The Governors of The Abbey School, Reading present their annual report for the year ended 31 August 2024 under the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities Statement of Recommended Practice (SORP).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Abbey School, Reading is a Company Limited by Guarantee and was registered on 31 January 1914. The Company registration number is 00133676.

It is also a Charity, registration number 309115.

The Governors, Officers, Key Addresses and Advisers are set out on Pages 2 and 3.

The company has a wholly owned subsidiary, Abbey Commercial Enterprises Limited, the School's trading arm.

The school is an active member of the Headmasters and Headmistresses Conference (HMC), the Girls' Schools Association, the Independent Association of Prep Schools (IAPS), the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, dated 4 December 2006 as amended by special resolution dated 7 December 2015.

Governing Body

The Governors are all Directors of the company and appoint new Governors either to fill a casual vacancy or by way of additions to the board. The total number of Governors shall be not less than twelve and not more than twenty-four. Of these, as far as is practicable, one Governor shall be the nominee of The Bishop of Oxford, one an alumna of the school, and one a parent of a child at the school. The nominee positions are ratified at a full Governors' meeting. Each Governor, other than the nominees, is elected for four years and retiring Governors can stand for re-election for one further term at the next Annual General Meeting, and at the Governors discretion when in the interests of the school, this may be further extended.

Those who held office during the year are listed on Page 2.

Organisational management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets at least three times a year. Much of the preparation for these meetings is undertaken by the Finance and General Purposes Committee (F&GP Committee) which meets before each Governors' meeting. The Chairman of the F&GP Committee is Mrs J Butler. The other principal committees are:

Education Committee chaired by Mrs S Colebrook,
Governance Committee chaired by Mr S Dimmick

In addition to these committees there are working groups on Engagement & Development and Leadership Transition, and Governors support the school by taking the lead on Risk, Audit and Compliance ('RAC'), Child Protection and Safeguarding, Human Resources and Health & Safety.

Committee members and Lead Governors are listed on Page 2.

The day to day running of the School is delegated to the Head who is assisted in this by other members of the Leadership Committee, which comprises the Junior School, Senior School and Business & Operations Leadership Teams. The Whole School Team, led by the Head, is drawn from these groups and co-ordinates

matters relating to whole school development.

Recruitment and Training of Governors

The Governance Committee considers potential new Governors for eligibility, competence, specialist skills and availability. New Governors are given an induction into the workings of the School, including its policies and procedures, and are given a tailored induction pack. Training and bespoke courses are regularly offered to all Governors.

Corporate Governance

The Governing Body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

As part of an overall approach to managing potential conflicts of interest, The Abbey has a Governor conflict of interest policy and at the start of each Governor meeting everyone in attendance is required to declare any interest that may be in conflict with an agenda or decision item.

Senior members of staff responsible for decision making, including the appointment of staff or contractors, are correspondingly required to sign an annual declaration regarding potential conflicts of interest.

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and in the process of strategic planning.

The generic key controls used by the School to manage risk include:

- Annual review of the Risk Register, in detail by the lead Governor on Risk Audit and Compliance, and reviewed by Council
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities
- Terms of Reference for all Committees
- *Comprehensive strategic planning, budgeting and management accounting*
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Vetting procedures as required by law for the protection of vulnerable people
- Clear hierarchical authorisation and approval levels

The above structure formalises the risk management processes established for the Charity.

Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

Pay policy for senior staff

The pay of senior staff is reviewed annually, and includes comparisons with other independent schools. Being located in the South East, where there are significant costs in relation to housing, The Abbey keeps abreast of pay and employment conditions elsewhere.

Volunteers

There is no shortage of volunteer support throughout the School, from parents assisting in reading classes in the Junior School, in the library and on school trips to assisting in the second-hand uniform shop. Former pupils, Governors and other interested adults have also given freely of their time. All of this is very much valued by the School. Governors take this opportunity to record how much they appreciate the continuing and valuable support of volunteers to the School.

OBJECTIVES AND AIMS

Charitable Objectives

The objects of the School are set out in the Memorandum of Association. The main object is summarised as the running of a School to provide a general education which includes religious instruction in the doctrines and duties of the Church of England.

The school educates some 900 girls at no cost to the state.

The Charity's Aims

As an educational charity for girls aged 3-18, The Abbey School provides an outstanding real-world education for girls that equips them to achieve academic excellence and to live with confidence, purpose and joy.

Working in partnership with families, the School supports each individual student to expand their horizons, discover their passions and fulfil their potential. The School offers remarkable extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

The School's objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education:

Liberal in thought, tolerance, and generosity.
Practical in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.
General in the remarkable breadth and range of experience and encouragement to participate.

Key Objectives

The School's strategy sets out seven key objectives in three areas: student experience, community and future development. These objectives span the academic and all-round education of students; pastoral care; the strength and diversity of the community; connections with the wider world; an outward-looking perspective and innovative approach; and the highest standards in the maintenance of the School's estates, finance and compliance. All the objectives seek to bring about the charity's overall aim as specified above. A particular focus within the seven key objectives is on partnerships, access to education via bursary support, and involvement in philanthropic and community initiatives to ensure the broadest possible public benefit both locally and further afield.

Measurement of Objectives

In furtherance of these objectives the Governors, as charity trustees, have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

The Head and the Leadership Committee continue to lead the School and to follow the strategic plan across all areas of the School's operations laid out in 2021. This plan will receive final review during the academic year from 2024-2025, which will determine renewed priorities looking ahead.

The School has reviewed its use of space and has in place a plan for all of its diverse sites. This plan seeks to ensure their most effective use as well as the best possible contribution to the local area and community. It also takes into account key environmental priorities. This year saw the opening and first use of the new Sixth Form Centre, an outstanding and purposeful space for collaborative learning and study as well as acting as the base for all Sixth Form students as they prepare for life beyond school..

At a time when the Independent Education sector is facing political and economical challenges, The Abbey's strategic plan remains resolutely focused on the academic excellence and sense of joy that define this community and that make it one of the country's foremost independent girls' schools from 3-18. The School's work to achieve these aims in the lives of students and share them with the wider community was recognised with the award of Independent Girls School of the Year 2024.

As an integral part of the strategic plan, the School continuously looks to raise bursary funds to ensure that girls can continue in the future to enjoy an Abbey education whatever their financial circumstances.

ACHIEVEMENTS AND PERFORMANCE

Summary

The Abbey at present educates around 900 girls in a lively, vibrant learning environment. As well as our overall aim to equip students to achieve academic excellence and to live with confidence, purpose and joy, an Abbey education is built on three values and three core principles:

Values
- Kindness
- Courage
- Honesty

Principles
- Every individual valued: working with families to ensure that every individual is known and valued for who they are
- Putting girls first: girls learning free from gender bias, free to choose any future they want, free to play with ideas and grow up while staying young
- Real-world opportunity: diverse and down-to-earth students, full of city spirit and energy, ready to take up opportunities and take on the world:

These values and principles ensure the School supports each student to be motivated by the joy of what they do, and the support of staff and peers, to achieve more than they would have imagined possible.

In the Sixth Form the School offers two principal pathways: the A Level programme and the International Baccalaureate Diploma Programme. Results in both and in GCSEs were again outstanding. At GCSE 89% of results were at 9-7 (A*-A). In A Levels almost 60% of results were at A*-A. In the IB Diploma more than 60% of students secured over 40 points and two students achieved the maximum score of 45 points. All-round education and personal development share equal importance with academic success. The School offers eight principal streams of practical and creative activity: music, art & design, drama, sport, textiles, food and nutrition, outdoor education and a broad range of club activities.

We regularly celebrate success and highlights in all these areas. Abbey students routinely achieve the highest levels in music examination and performance, play sport representatively for counties and nationally, and win awards for creative and research work.

This year The Abbey hosted the GSA's Girls Go Gold conference. 550 students and PE staff from 40 schools came together to participate in masterclasses and to hear from inspirational athletes. Dame Katherine Grainger, Dame Denise Lewis, Sarah Hunter CBE and Fran Williams were some of the world class athletes sharing their experiences.

In addition to these streams of activity, Abbey students embrace opportunity for student leadership and to learn skills that will help all students contribute to their communities. Thriving Duke of Edinburgh, Abbey Award and

Creativity, Activity and Service (CAS) programmes prepare students both for service and leadership in the wider world.

Entire cohorts participate in voluntary programmes and charity work and learn to collaborate and contribute. The School's core purpose is to develop confidence, purpose and joy in students and this places personal development at the heart of the education it offers. Students actively campaign in areas such as diversity, the environment, gender relations and equality. The desire to make a difference, the knowledge and skills to do so effectively, and the resilience and confidence to see things through are key elements in the leading educational experience the School provides.

Beneficiaries of the School's charitable work - partnerships with local schools and the community

The recently created ARCH programme was further developed this year to support and develop our community work.

ARCH is a hub bringing together individuals and organisations across Reading to offer opportunities and learning experiences to young people and to young women in particular. ARCH events include a range of activities to develop aspiration and self-discovery and the programme has involved working with 40 local organisations, 80 schools and thousands of young people to date. Highlights this year have included:

- Girls Advocacy event hosted at Gray's Inn, with student performances celebrating female pioneers in the legal field, followed by a panel discussion with women working in law sharing their perspectives on topical issues about our judiciary
- Exploring Entrepreneurship with an array of professional guests from across Reading, including keynote speaker Sir John Madejski OBE, to inspire new entrepreneurial journeys
- *Explosives! Past, present and future* - a memorable exploration of detonation with Professor Jackie Akhaven
- Jo Trott Memorial Lecture with Professor Russell Foster CBE exploring circadian rhythms and sleep.
- *Dare to be Different* with keynote speaker Clare Balding.
- Reading Festival of sport hosted by The Abbey Junior School with more than 100 students from 30 schools taking part in sport taster sessions and workshops.
- The Social Enterprise project, where teams of students from independent and maintained schools came together to develop ideas to improve their local communities, in collaboration with the Henley Business School - a programme receiving national recognition in the *Financial Times* awards.

ARCH will continue to transform our community engagement, identifying areas of shared mutual benefit to develop the life chances of a wide range of young people across Reading.

Other beneficiaries of the School's charitable work - charity donations and other input

Students and staff at the Abbey school remain keen to be involved in supporting outside charities and other organisations. Certain members of staff act as Governors at other schools. Under both the International Baccalaureate Diploma Programme, which includes a 'Creativity, Activity and Service' component, and The Duke of Edinburgh's Award Scheme, which includes a volunteering strand - 6 months of volunteering for Silver and 12 months for Gold – our students have ample opportunity to support local schools and the local community. Once again, beneficiaries have included the Royal Berkshire Hospital and MacMillan Cancer Support amongst others.

In addition to much valued volunteer contributions, we collected and made donations of over £6,000 to a range of charities chosen by students, which included Diversity Trust, Macmillan, Pride, Jeans for Genes, Launchpad, Adventure Dolphin Pangbourne, Young Minds, Children in Need, and Lakeside Care Home.

Community Use of Facilities

The Abbey School supports its charitable objects within the community by making its facilities available for public benefit. We share our facilities, including the halls, the all-weather sports pitches, the gymnasium and the indoor swimming pool with local schools and community groups. Amongst the beneficiaries during the year were:

- GB Paralympic Rowing Team

- Henley Symphony Orchestra
- No. 5 Charity
- Parenthesis Choir
- RABBLE Theatre
- Reading Bowling Club
- Reading Half Marathon
- Reading Korean School
- Reading Male Voice Choir
- Reading Prayer Group
- Reading School
- Reading St Andrews Scottish Dancing
- Reading Swimming Club
- Reading Tango Club
- Reading University Hockey Club
- Reading University Sub Aqua Club
- Reading University Swimming Club
- Reading University Water Polo Team
- Reading Wildcats Lacrosse Club
- Royal Berkshire Hospital Paediatric Diabetes Team
- School of the Arts
- Dance with Sonia Brown
- South Chiltern Choral Society
- Swim England
- West Forest Sinfonia

Energy and Carbon Reporting

	31 August 2024	31 August 2023
Energy consumption in KWh	3,879,910	3,373,835
Associated emissions in tonnes Co2e	767.26	648.88
Intensity ratio - tonnes	0.76	0.65

Measures taken to improve energy efficiency include:

- Installation of a number of new valves and actuators on heating systems linked to the managing system allowing greater control over heating throughout the school
- Identifying, locating, and remedying water leaks identified below ground
- Continuation of low energy and LED lighting installation programme across the school
- Installation of new, more efficient, heating circulation pumps in the Science Block
- Renewal of two thirty year old gas boilers, replaced with new condensing boilers at Abbey Gardens, plus the installation of a new indirect water calorifier.

The school has achieved ESOS Stage 3 compliance

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Engagement with employees

The School is committed to regular and transparent sharing of information with all staff and to providing

opportunities for collaborative consultation. Regular briefings and meetings are held and information is also widely disseminated via email. The School intranet contains news, policies, and other information, accessible to all staff. Important updates affecting employees are often shared in advance to allow for feedback and improvement before final decisions are confirmed. With regard to disability the school's active policy is to promote equal opportunities and oppose discrimination on the grounds of disability.

Engagement with suppliers, the parent body, and other business relationships

We recognise the need to maintain and foster good relationships with our suppliers, the parent body, and others, and we monitor closely our dialogues with all of them. Our key business managers have all been in post for a number of years and have developed strong and positive relationships with those with whom we deal. Payments due to us are by and large collected efficiently and, when necessary, with sensitivity, and we pay staff and suppliers promptly and accurately, with supporting information always provided for clarity. On matters of schooling we engage positively with our pupils and their parents through a variety of activities and communications. Many of these processes are two-way: we listen carefully to the voices of our highly articulate pupils and the valued feedback and opinions of their parents. The Abbey Parents' Society (TAPS) continues to go from strength to strength to improve our sense of a shared community still further.

Promoting the success of the school

The Governors and the School's executives seek successful outcomes from all of the activities they pursue. In determining the most appropriate way of achieving the desired results, their decisions take account of the interests of, and the impact on, the pupils, the parent body, staff, suppliers, the environment, the local community, and all others likely to be affected. We strive continually not only to maintain but also to enhance our hard-won reputation for integrity and high standards of both conduct and achievement.

Financial Assistance

The School has a policy on financial assistance, including bursaries of up to 100%, and this is advertised on its website, and at open days. The Bursary Fund was established over 30 years ago with the specific aim of generating funds in order to offer places to pupils who would otherwise not have access to education at the school. The value of the fund is £1million and will be maintained at this figure.

Academic scholarships worth 10% of tuition fees are offered (which can be supplemented with a means-tested Bursary). Specialist scholarships are also offered, supporting excellence in art, drama, music and sport.

Parents who cannot afford to pay the fees in full or in part can apply for a means-tested Abbey School Financial Bursary. The Abbey School Scholarship and Bursary policy allows up to a total of 6% of the current level of annual gross fee income for these awards. All awards are subject to satisfactory attendance, conduct and progress.

Temporary financial assistance may be available to parents who find themselves with short term financial difficulties. This is means-tested and offered at the discretion of the Head.

Wider access to Schooling was achieved in 2023/2024 with a total of £350,000 (2022/2023 £294,000) awarded in scholarships, grants, prizes and other awards. Some 53 hardship cases received financial support amounting to £674,000 (2022/2023 £560,000) towards fees, equivalent to 31 full senior fee places.

40% of the pupils of the Senior School (2022/2023 35%) received some form of financial assistance with their fees. This figure does not include staff discounts.

Other pupil benefits

The Childcare Vouchers Scheme is available, as is a third sibling discount.

Income from investments

Income from investments is reinvested, while operating surplus is used to maintain the scholarship and bursary

funds, including temporary financial assistance. The investment fund is available to support the bursary fund when required.

FINANCIAL REVIEW

Financial Results

The consolidated Statement of Financial Activities on page 19 shows the Net Movement in Funds for 2024 as a surplus of £328,016 (2023 - a deficit of £391,775). Broadly speaking, this represents the excess of income from termly fees and related activities, supplemented by donations, fundraising, and other income, over the associated costs.

The School had a surplus for the year of £326,301 (2023 – a deficit of £414,001). The surplus before depreciation and interest is 12.4% (2023 6.2%).

The Balance Sheet on page 20 shows Net Current Liabilities of £1,258,362 (2023 £7,363,593) but as shown in Note 22 and discussed below the Governors are satisfied that the school generates positive cash flow from its operating activities, has a strong asset base, and has consequently an assured future. At the close of 2022-2023 the school completed a multi-year capital investment project partly funded by bank finance. At 31 August 2024 it has in place bank loans of £5.4m of which £4.9m falls due after more than one year.

In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

Investment policy and performance

The overall investment objectives of the School are to create sufficient funds through income and capital in order to enable the School to carry out its purposes consistently, year by year, and with due and proper consideration for future needs. They include the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The School's investment performance is measured regularly against a benchmark, currently named the MSCI PIMFA Private Investor Balanced Index. For this year our total return of 8.1% was poorer than the Index, which was 14.6%.

The School's investments are managed by Charles Stanley and Company Limited under the supervision of Governors. At 31 August 2024 investments, of which the majority were UK listed equities, had a market value of £1,698,033 (2023 £1,570,829), of which £1,000,000 represented designated funds. Their market value at 31 August 2024 contributed to a net investment gain of £101,013 (2023 a loss of £88,583).

The Governors are authorised by the Memorandum of Association to invest monies not immediately required for the School's purposes in investments, securities or property as may be thought fit.

Reserves Policy

The Governors' policy is to build up funds out of annual operating surpluses, subject to the prior demands of further capital expenditure, to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The Governors aim to maintain general reserves equivalent to at least 3 months of operating expenditure for the school. Excluding the designated Bursary Reserve of £1m, general reserves at 31 August 2024 were £15.6m which represents nine months of unrestricted operating expenditure, and provides additional financial flexibility at a time of significant capital investment. These reserves ensure the school can fulfil and complete its charitable obligations and commitments.

Notes 20 and 21 show the allocation of the reserves between those designated for specific purposes and those available for the day to day requirements of the School.

GOING CONCERN

The Governors review the School's financial performance and plans at each Council meeting, usually 4 per year, along with our principal financial risks. In March, and again in June and September, the Council was satisfied that the School had sufficient resources to continue ongoing and future operations.

World events and general economic circumstances are regularly considered for how they may affect the school by the Governors' Finance and General Purposes Committee. This year particular attention has been focused on the government's decision to apply VAT to independent education, its consequences for the current year and the potential impact it could have on future periods. At meetings this autumn in October and November the Committee reviewed forecasts and projections to ensure that the School remains financially viable.

With regard to the next accounting period, the year ending 31 August 2025, and the year thereafter, the most significant matter likely to affect the School's financial position is student numbers. This key metric is closely monitored, as are running costs, both those within the school's direct control and others such as those associated with utilities and borrowings.

The School has a strong asset base and generates a positive cash flow from its operations, and the Governors will continue to monitor and review financial and operating plans with the School's executive team to maintain a robust financial footing as we move forward. We are of the opinion that the charity will continue to have sufficient resources to meet its liabilities as they fall due and as such we remain satisfied that The Abbey School can continue operating for the foreseeable future. Our accounts for the year ended 31 August 2024 have been prepared in the knowledge that the School is a financially viable organisation.

RISKS AND UNCERTAINTIES

As discussed above, the school depends on income from its student body, so any change in numbers brings with it financial consequences. Our regular review of current and projected pupil numbers provides a check that our budgets for future years are as realistic as possible. Nevertheless, an unexpected fall in pupil numbers would represent a significant risk to the School, causing a failure to meet financial outcomes on which future investment and other expenditure decisions are based, so any significant reduction in actual or forecast numbers would prompt immediate review and action.

Economic uncertainty is also naturally a significant factor for parents currently funding, or considering for the future, education in the independent school sector. The future economic impact of UK politics and world events is difficult to forecast and the Governing Body, with guidance from the lead Governor for Risk, Audit and Compliance, will continue to monitor this closely.

Health and Safety, bearing in mind not least the potential threat of a further pandemic as experienced with Covid-19, also represent significant areas for risk management. So too, physical risks from fire and other damage to infrastructure, and personal risks, particularly away from the campus on trips and expeditions. There is a regular risk audit, and continuity plans are in place to ensure the school continues to function effectively in the event of a major incident such as fire or flood.

FUTURE OBJECTIVES

The Governors and the Leadership Committee once again look forward positively to the challenges that lie ahead, and remain committed to keeping The Abbey at the forefront of education.

Over the academic year 2024-2025, the Leadership Committee maintains two key strategic priorities. The first is a review of the Strategic Plan 2021. The plan defines seven goals ranging across the student experience, our community, and the future:

Student Experience

- **Academic education.** We seek to provide excellence and curriculum breadth, valuing and celebrating each individual's personal best endeavour and prioritising curiosity and the love of learning. We aim to ensure outstanding results supporting access to competitive outcomes and encourage ambition, range and

individuality in the next stage of our students' education.

- **All-round education.** We seek the widest range of activities and greatest opportunity for student leadership in the co-curriculum, stretching the most able and encouraging the participation of all.
- **Pastoral care.** We seek to help students build resilience and positive mental health, understanding how to look after themselves and others, and to provide the right support quickly when it is needed based on knowing and valuing each student as individuals.

Community

- **People.** We seek to develop and celebrate the experience of learning and working at The Abbey to ensure continued strong numbers of diverse and talented applications from staff and students, supported by a far-reaching bursary programme. We recognise that our strength as a school is founded on the generous and whole-hearted commitment of remarkable students and staff.
- **Connections.** We seek to promote an inclusive sense of common purpose and belonging across our own community of students, staff, families and alumnae and to make connections both locally and globally. We encourage meaningful participation in philanthropic and wider community initiatives to bring mutual benefit and enrichment to as wide an audience as possible.

Future

- **Outward-looking perspective and innovation.** We seek to foster an international outlook that champions diversity and encourages engagement with the world. We look to play an active part in the wider educational arena and commit to a culture of open self-evaluation driving innovation and improvement.
- **Estates, finance and compliance.** We seek to maintain and develop our estate, our finances and our bursary programme sustainably, with confidence and good sense and to ensure financial good health based on appreciation for the support and commitment of our families. We look to meet and exceed compliance standards in all areas of our operations.

Over the course of the year the School will assess progress against these goals and use that assessment to renew priorities looking ahead.

The second priority is to deliver an additional, short-term set of immediate strategic targets: The Abbey RE-IMAGINED. Together these targets form our response to the change in conditions linked to the introduction of VAT on independent education. Governors and the Leadership Committee are determined to take this opportunity to adapt to provide the greatest possible efficiency and value in what the School offers, while maintaining and in many areas improving the quality of education and experience. The RE-IMAGINED programme is about ensuring the outstanding Abbey experience is smarter, bolder and stronger, long into the future. Measures include curriculum overhaul, additional provision in the Junior School, better support for the student journey and further enhancements to our leading system of pastoral care.

STATEMENT OF RESPONSIBILITIES OF COUNCIL

The Governors (who are also directors of The Abbey School for the purposes of company law and trustees for the purpose of charity law) are responsible for preparing the Governors' Annual Report (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 judgements 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.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor are unaware; and
- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of James Cowper Kreston as auditors to the company will be put to a Special General Meeting.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Abbey School at a Special General Meeting on 4 December 2023, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf.

Approved by order of the members of the board of Governors and signed on their behalf by:

Mrs E A Harrison
(Chair of Governors)
Date: 2 December 2024

Mrs J Butler FCA
(Trustee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING

Opinion

We have audited the financial statements of The Abbey School, Reading (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 Auditors' 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 AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Auditors' 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 Auditors' 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

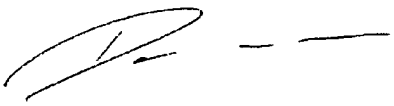
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (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 Auditors' 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.



Darren O'Connor BSc (Hons) FCCA ACA (Senior Statutory Auditor)
for and on behalf of
James Cowper Kreston Audit
Chartered Accountants and Statutory Auditors
Reading Bridge House
George Street
Reading
RG1 8LS

Date: 9 December 2024

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

	Note	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies:	5				
Donations		**252,500**	**29,713**	**282,213**	45,937
Charitable activities:					
School Fees		**-**	**19,410,361**	**19,410,361**	18,315,834
Ancillary Income		**-**	**1,786,092**	**1,786,092**	1,532,908
Other trading activities:	6				
Trading Income		**-**	**145,683**	**145,683**	145,237
Non-ancillary services		**-**	**46,680**	**46,680**	43,579
Investments	7	**-**	**90,151**	**90,151**	41,325
Total income		**252,500**	**21,508,680**	**21,761,180**	20,124,820
Expenditure on:					
Raising funds	10	**-**	**46,999**	**46,999**	48,916
Charitable activities	9	**1,000**	**21,486,178**	**21,487,178**	20,379,096
Total expenditure		**1,000**	**21,533,177**	**21,534,177**	20,428,012
Net income/(expenditure) before net gains/(losses) on investments		**251,500**	**(24,497)**	**227,003**	(303,192)
Net gains/(losses) on investments		**-**	**101,013**	**101,013**	(88,583)
Net movement in funds		**251,500**	**76,516**	**328,016**	(391,775)
Reconciliation of funds:					
Total funds brought forward		**41,871**	**16,624,115**	**16,665,986**	17,057,761
Net movement in funds		**251,500**	**76,516**	**328,016**	(391,775)
Total funds carried forward		**293,371**	**16,700,631**	**16,994,002**	16,665,986

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 45 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		**22,692,339**		23,891,550
Investments			**1,698,033**		1,570,829
			24,390,372		25,462,379
Current assets					
Debtors	16	**438,755**		569,391	
Cash at bank and in hand		**2,984,675**		638,845	
		3,423,430		1,208,236	
Creditors: amounts falling due within one year	17	**(4,681,792)**		(8,571,829)	
Net current liabilities			**(1,258,362)**		(7,363,593)
Total assets less current liabilities			**23,132,010**		18,098,786
Creditors: amounts falling due after more than one year	18		**(6,138,008)**		(1,432,800)
Total net assets			**16,994,002**		16,665,986
Charity funds					
Restricted funds	20		**293,371**		41,871
Unrestricted funds					
Designated funds	20	**1,084,330**		1,084,330	
General funds	20	**15,616,301**		15,539,785	
Total unrestricted funds	20		**16,700,631**		16,624,115
Total funds			**16,994,002**		16,665,986

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2024

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

Elizabeth Harrison
.....
Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)

Julie Butler
.....
Mrs J Butler FCA

Date: 2 December 2024

The notes on pages 26 to 45 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2024

	Note		2024 £		2023 £
Fixed assets					
Tangible assets	14		**22,692,339**		23,891,550
Investments			**1,698,035**		1,570,831
			24,390,374		25,462,381
Current assets					
Debtors	16	**421,518**		570,780	
Cash at bank and in hand		**2,871,115**		506,758	
		3,292,633		1,077,538	
Creditors: amounts falling due within one year	17	**(4,673,499)**		(8,561,918)	
Net current liabilities			**(1,380,866)**		(7,484,380)
Total assets less current liabilities			**23,009,508**		17,978,001
Creditors: amounts falling due after more than one year	18		**(6,138,008)**		(1,432,800)
Total net assets			**16,871,500**		16,545,201
Charity funds					
Restricted funds	20		**293,371**		41,871
Unrestricted funds					
Designated funds	20	**1,084,330**		1,084,330	
General funds	20	**15,493,799**		15,419,000	
Total unrestricted funds	20		**16,578,129**		16,503,330
Total funds			**16,871,500**		16,545,201

The Company's net movement in funds for the year was £326,299 (2023 - £(413,660)).

COMPANY 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 and signed on their behalf by:

.....
Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)
Date: 2 December 2024

.....
Mrs J Butler FCA

The notes on pages 26 to 45 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	**3,949,094**	3,287,323
Cash flows from investing activities		
Dividends and interest on investment portfolio	**90,151**	41,325
Purchase of tangible fixed assets	**(655,477)**	(7,593,525)
Purchase of investments	**(397,231)**	(355,355)
Receipts from sale of investments	**379,164**	320,529
Net cash used in investing activities	**(583,393)**	**(7,587,026)**
Cash flows from financing activities		
Receipt of new bank loan	**1,000,000**	3,000,000
Repayments of borrowing	**(232,289)**	(122,638)
Interest paid	**(434,672)**	(140,393)
Net cash provided by financing activities	**333,039**	**2,736,969**
Change in cash and cash equivalents in the year	**3,698,740**	**(1,562,734)**
Cash and cash equivalents at the beginning of the year	**(714,065)**	848,669
Cash and cash equivalents at the end of the year	**2,984,675**	(714,065)

The notes on pages 26 to 45 form part of these financial statements

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

1. General information

The Abbey School, Reading is a charitable company limited by guarantee (registered number 00133676 and charity number 309115), incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is given within the Governors, Officers and Advisors section on page 1 and 2.

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.

The Abbey School, Reading 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. 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.

2.2 Basis of consolidation

The group accounts consolidate the accounts of The Abbey School, Reading and its subsidiary undertaking, Abbey Commercial Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2024. No separate statement of financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the. 2015 Charities SORP.

The results of the subsidiary undertaking for the year are disclosed in note 15 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

2.3 Going concern

The Governors have considered the year's net movement in funds, the projected gross operating surplus and cash flow projections for future years, all subjected to sensitivity analysis dependent on student numbers. They conclude that within, and without exceeding, the arrangements established with their bankers the school will be able to meet its liabilities as they fall due.

2. Accounting policies (continued)

2.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

2.5 Fees and similar income

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Means tested bursaries which provide financial assistance to parents, are treated as expenditure from the designated fund within the statement of financial activities.

Fees received for education to be provided in future years are carried forward as advance fee scheme payments and fees received in advance in the balance sheet. These fees are released to the statement of financial activities over the period in which the school provides the services in future years.

2.6 Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund.

2.7 Resources expended

Resources expended are accounted for on an accrual basis. Resources expended are allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Expenditure in respect of the other support costs of the School includes recruitment costs and general office costs including governance costs.

2.8 Scholarships and bursaries

Scholarships and bursaries, along with temporary financial assistance are charged to the statement of financial activities in the year in which they are granted.

2.9 Tangible fixed assets and depreciation

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.

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation (continued)

Depreciation is provided on all tangible fixed assets except land which is considered to be of negligible value, and is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold building	-	2% per annum on cost
Freehold improvements	-	10% per annum on cost
Motor vehicles	-	25% per annum on cost
Other equipment	-	10% per annum on cost
Computer equipment	-	33% per annum on cost

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

2.10 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.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.12 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.

2.13 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.14 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. Accounting policies (continued)

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.16 Pensions

The charitable company contributes into separate defined contribution schemes for teaching and non-teaching staff for which the contributions are charged in the statement of financial activities in the year in which they are payable.

2.17 Advance fees scheme

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

2.18 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 2024 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

2.19 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. Details of these reserves, as applicable to the charity, are set out in note 21.

Restricted funds are funds where specific conditions imposed by the donor would restrict the use of unspent funds or where the terms of the appeal restrict the use of the funds.

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

8. Ancillary income

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
After school care	46,893	**46,893**	61,195
Trips income	701,798	**701,798**	683,316
Fees for extra-curricular courses and examinations	852,486	**852,486**	593,111
Fees in lieu of notice	38,454	**38,454**	21,105
Registration fees	32,549	**32,549**	36,466
Miscellaneous income	113,912	**113,912**	137,715
Total 2024	1,786,092	**1,786,092**	1,532,908
Total 2023	1,532,908	1,532,908	

9. Expenditure on charitable activities

	Staff costs 2024 £	Other 2024 £	Depreciation 2024 £	Total funds 2024 £	Total funds 2023 £
Charitable activities					
Teaching costs	9,369,205	522,643	2,444	**9,894,292**	9,969,295
Welfare costs	107,440	1,396,883	-	**1,504,323**	1,534,550
Premises costs	1,016,355	1,668,534	1,498,701	**4,183,590**	4,133,595
Support costs	1,835,418	1,268,601	353,543	**3,457,562**	3,038,469
Trip costs	-	726,815	-	**726,815**	684,378
Other travel and activities	-	484,249	-	**484,249**	135,188
Grants, awards and prizes	-	673,803	-	**673,803**	559,941
Governance costs	-	25,654	-	**25,654**	44,018
Finance costs	-	448,541	-	**448,541**	229,662
Movement in bad debt provision	-	88,347	-	**88,347**	50,000
	12,328,418	7,304,070	1,854,688	**21,487,176**	20,379,096
Total 2023	12,142,351	6,873,056	1,363,689	20,379,096	

Total expenditure on charitable activities was £21,487,176 (2023: £20,379,096) of this £1,000 (2023: £6,245) was restricted, £673,803 (2023: £559,941) was designated and £20,487,373 (2023: £19,812,910) was unrestricted.

10. Expenditure on raising funds

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Portfolio management costs	14,110	**14,110**	16,752
Non-ancillary costs	28,706	**28,706**	26,710
Trading expenses	4,183	**4,183**	5,454
	46,999	**46,999**	48,916

Total expenditure on raising funds was £46,999 (2023: £48,916) of this £14,110 (2023: £16,752) related to designated funds and £32,889 (2023: £32,164) related to unrestricted funds.

11. Auditors' remuneration

	2024 £	2023 £
Fees payable to the company's auditor and its associates		
- Audit	**17,850**	17,000
- Other services	**3,570**	3,400

12. Staff costs

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	**10,048,316**	9,915,920	**10,048,316**	9,915,920
Social security costs	**984,437**	953,927	**984,437**	953,927
Pension contributions	**1,120,137**	1,107,979	**1,120,137**	1,107,979
Other non-payroll staff costs	**175,528**	164,525	**175,528**	164,525
	12,328,418	12,142,351	**12,328,418**	12,142,351

12. Staff costs (continued)

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

	Group 2024 No.	Group 2023 No.
Teaching	**225**	224
Welfare	**27**	30
Premises	**16**	21
Support	**45**	43
	313	318

Aggregate employee costs of the key management personnel of the school, including salary, benefits, pension contributions and national insurance in the year totalled £366,632 (2023: £397,748).

The governors received £Nil remuneration or other benefit for the year (2023: £Nil).

The employer's liability insurance of the charitable company includes indemnity insurance for the governors.

The Split between part time and full time staff was as follows:

	Full time 2024 No.	Full time 2023 No.	Part time 2024 No.	Part time 2023 No.
Teaching	**104**	117	**121**	107
Welfare	**4**	7	**23**	23
Premises	**12**	15	**5**	6
Support	**26**	27	**18**	16
	146	166	**167**	152

12. Staff costs (continued)

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

	Group 2024 No.	Group 2023 No.
In the band £60,000 - £69,999	**16**	10
In the band £70,000 - £79,999	**4**	2
In the band £80,000 - £89,999	**2**	3
In the band £90,000 - £99,999	**2**	1
In the band £100,000 - £109,999	**1**	1
In the band £160,000 - £169,999	**1**	1

The total employer contributions in the year towards pension scheme contributions for the above (2023: 18) staff members were £220,720 (2023: £160,632).

During the year, severance pay was awarded to 10 employees with payments for compensation and pay in lieu of notice totalling £82,357 (2023: 10 employees, £82,614). All of this had been paid by the reporting date (2023: All).

13. Taxation

The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

14. Tangible fixed assets

Group and Company

	Freehold property £	Motor vehicles £	Office equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2023	**28,422,930**	**23,338**	**4,981,259**	**6,933,167**	**40,360,694**
Additions	**267,378**	**-**	**388,099**	**-**	**655,477**
Transfers between classes	**6,933,167**	**-**	**-**	**(6,933,167)**	**-**
At 31 August 2024	**35,623,475**	**23,338**	**5,369,358**	**-**	**41,016,171**
Depreciation					
At 1 September 2023	**12,255,740**	**23,337**	**4,190,067**	**-**	**16,469,144**
Charge for the year	**1,422,534**	**-**	**432,154**	**-**	**1,854,688**
At 31 August 2024	**13,678,274**	**23,337**	**4,622,221**	**-**	**18,323,832**
Net book value					
At 31 August 2024	**21,945,201**	**1**	**747,137**	**-**	**22,692,339**
At 31 August 2023	16,167,190	1	791,192	6,933,167	23,891,550

15. Fixed asset investments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Listed investments (see below)	**1,698,033**	1,570,829	**1,698,033**	1,570,829
Investments in subsidiary companies (see below)	**-**	-	**2**	2
	1,698,033	1,570,829	**1,698,035**	1,570,831

Subsidiary undertaking:

The Abbey School owns 100% of the ordinary share capital of Abbey Commercial Enterprises Limited (company number 06334617). This company was incorporated in England and Wales and was established to carry out the non-educational activities associated with the School.

Trading results extracted from its audited financial statements are shown below:

	2024 £	2023 £
Turnover	**145,682**	145,237
Administration expenses	**(3,763)**	(5,454)
Management Charge from the Abbey School	**(19,000)**	(19,000)
Net profit	**122,499**	120,783
Net assets	**122,504**	120,787

All activities have been consolidated on a line by line basis in the SOFA. Any taxable net profit is gifted to the charity. The total expenses include a management charge paid by Abbey Commercial Enterprises of £19,000 (2023: £19,000), which is eliminated on consolidation. There was no outstanding balance with Abbey Commercial Enterprises at the end of 2024 (2023: Debtor of £19,000)

Listed Investments

	2024 £	2023 £
At 1 September 2023	**1,570,831**	1,634,839
Additions	**397,231**	325,405
Disposals	**(379,164)**	(320,529)
Unrealised (loss)/gain on revaluation for the year	**101,013**	(88,583)
At 31 August 2024	**1,689,911**	1,551,132
Cash held by investment manager	**8,122**	19,699
Total at 31 August 2024	**1,698,033**	1,570,831
Historical cost of investments	**1,484,390**	1,434,601

16. Debtors

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Trade debtors	**102,566**	105,128	**85,419**	87,517
Amounts due from own subsidiary	**-**	-	**-**	19,000
Other debtors	**3,446**	2,378	**3,356**	2,378
Prepayments	**332,743**	461,885	**332,743**	461,885
	438,755	569,391	**421,518**	570,780

Amounts due from owned subsidiary are interest free and repayable on demand.

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

17. Creditors: Amounts falling due within one year

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Bank overdrafts	-	1,352,910	-	1,352,910
Bank loans	**466,667**	3,200,000	**466,667**	3,200,000
Trade creditors	**309,549**	1,123,721	**309,549**	1,123,721
Deposits held	**584,781**	581,255	**584,781**	581,255
Other taxation and social security	**246,459**	251,207	**242,156**	246,696
Other creditors	**501,460**	366,476	**501,460**	366,476
Accruals and deferred income	**293,560**	1,026,768	**289,570**	1,021,368
Fees received in advance	**2,279,316**	669,492	**2,279,316**	669,492
	4,681,792	8,571,829	**4,673,499**	8,561,918

The bank overdraft, with HSBC, is secured by legal charges over two freehold properties.

Fees in advance comprises fees paid early for the next academic term or, under the Advance fees scheme, the next academic year.

Deposits held relate to acceptance deposits which are considered as owed within one year given that only one term's notice is required to be given by pupils.

During the year the school restructured one of its bank loans, converting an obligation to repay £3m from 'within one year' to 'across a period in excess of 5 years

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

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Bank loans	**4,933,844**	1,432,800	**4,933,844**	1,432,800
Fees received in advance	**1,204,164**	-	**1,204,164**	-
	6,138,008	1,432,800	**6,138,008**	1,432,800

Fees in advance comprises fees paid early for future academic term or, under the Advance fees scheme, the next academic year.

The loan is repayable as follows:

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Within 1 to 2 years				
Bank loans	**466,667**	-	**466,667**	-
Within 3 to 5 years				
Bank loans	**1,400,000**	800,000	**1,400,000**	800,000
More than 5 years				
Bank loans	**3,067,177**	632,800	**3,067,177**	632,800

Bank loans with HSBC are secured by a charge over the School's property.

19. Financial instruments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Financial assets				
Financial assets measured at fair value	**1,698,033**	1,570,829	**1,698,033**	1,570,829

Included within financial instruments held at fair value is investments.

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

20. Statement of funds

Statement of funds - current year

	Balance at 1 September 2023 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2024 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	40,300	(687,913)	546,600	101,013	1,000,000
Designated donation	84,330	-	-	-	-	84,330
	1,084,330	40,300	(687,913)	546,600	101,013	1,084,330
General funds						
General unrestricted	15,539,785	21,468,380	(20,845,264)	(546,600)	-	15,616,301
Total Unrestricted funds	16,624,115	21,508,680	(21,533,177)	-	101,013	16,700,631
Restricted funds						
Restricted Funds - all funds	41,871	252,500	(1,000)	-	-	293,371
Total of funds	16,665,986	21,761,180	(21,534,177)	-	101,013	16,994,002

Income from The Bursary Fund is used to offer financial assistance to individual pupils when necessary.

The Governors have decided to make an annual transfer from the unrestricted funds so that a balance of £1 million remains earmarked for use on bursaries within this fund.

Restricted funds are those received for specific purposes including donations received for building appeals, various teaching departments and fixed assets. Once the restriction has been fulfilled then a transfer from restricted to unrestricted funds is made.

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

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	41,325	(576,693)	623,951	(88,583)	1,000,000
Designated donation	80,000	4,330	-	-	-	84,330
	1,080,000	45,655	(576,693)	623,951	(88,583)	1,084,330
General funds						
General unrestricted	15,933,555	20,068,505	(19,836,914)	(625,361)	-	15,539,785
Total Unrestricted funds	17,013,555	20,114,160	(20,413,607)	(1,410)	(88,583)	16,624,115
Restricted funds						
Restricted Fund	44,206	10,660	(14,405)	1,410	-	41,871
Total of funds	17,057,761	20,124,820	(20,428,012)	-	(88,583)	16,665,986

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

21. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Restricted funds 2024 £	Unrestricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	-	22,692,339	**22,692,339**
Fixed asset investments	-	1,698,033	**1,698,033**
Current assets	293,371	3,130,059	**3,423,430**
Creditors due within one year	-	(4,681,792)	**(4,681,792)**
Creditors due in more than one year	-	(6,138,008)	**(6,138,008)**
Total	293,371	16,700,631	**16,994,002**

Analysis of net assets between funds - prior period

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	23,891,550	23,891,550
Fixed asset investments	-	1,570,829	1,570,829
Current assets	41,871	1,166,365	1,208,236
Creditors due within one year	-	(8,571,829)	(8,571,829)
Creditors due in more than one year	-	(1,432,800)	(1,432,800)
Total	41,871	16,624,115	16,665,986

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

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

	Group 2024 £	Group 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	**328,016**	(391,775)
Adjustments for:		
Depreciation	**1,854,688**	1,363,690
(Gains)/losses on investments	**(101,013)**	88,583
Dividends and interest	**(90,151)**	(41,325)
Interest payable	**434,672**	140,393
(Increase)/ decrease in debtors	**130,636**	(52,531)
Increase in creditors	**1,403,823**	2,174,177
(Decrease)/increase of cash at investment manager	**(11,577)**	6,111
Net cash provided by operating activities	**3,949,094**	3,287,323

23. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Bank balances included in cash at bank and in hand	**2,984,675**	638,845
Bank overdraft	**-**	(1,352,910)
Total cash and cash equivalents	**2,984,675**	(714,065)

24. Analysis of net debt

	At 1 September 2023 £	Cash flows £	Other non-cash changes £	At 31 August 2024 £
Cash balances	**638,845**	**2,345,830**	**-**	**2,984,675**
Overdraft	**(1,352,910)**	**1,352,910**	**-**	**-**
Bank loans due in under one year	**(3,200,000)**	**-**	**2,733,333**	**(466,667)**
Bank loans due in more than one year	**(1,432,800)**	**(767,711)**	**(2,733,333)**	**(4,933,844)**
	(5,346,865)	**2,931,029**	**-**	**(2,415,836)**

25. Capital commitments

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
At 31 August 2024 the School had the following capital commitments:	**140,000**	-	**140,000**	-

26. Pension commitments

The Company makes contributions for teaching and non-teaching staff. £1,120,137 (2023: £1,107,979) was payable for the year. Contributions totalling £142,522 (2023: £143,619) were unpaid at the year end and are included within creditors.

27. 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:

	Company 2024 £	Company 2023 £
Due within one year	**10,302**	8,798
Due between two and five years	**37,774**	-
	48,076	8,798

28. Related party transactions

Transactions with Governors

Owing to the nature of the school's operations and the composition of its governing body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations with which a Governor may have an interest. All transactions involving these organizations are in accordance with the school's normal procedures.

THE ABBEY SCHOOL, READING

England & Wales - Charity number 309115

Accounts

Registered number: 00133676
Charity number: 309115

THE ABBEY SCHOOL, READING

(A Company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2023

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY FOR THE YEAR ENDED 31 AUGUST 2023

Governors

Mrs E A Harrison BA (Hons) MBA JP[1,2,3,4,5,6,8]
Mrs J Butler FCA[1,3]
Ms S Burgess BA MA (resigned 4 December 2023)
Mrs S Colebrook BSc PGCE[2,9]
Mr S Dimmick LLB[3,4,6,7]
Mr M Emmanuel[1,4,6]
Ms R Field BA[2,6]
Ms J Jolly[6,10]
Dr H Kemp BM BCh MSc PhD FRCA[6]
Mr A Peach[5,6]
Mr J Sheehan (resigned 5 December 2022)
Mr C Singer BSc FIA[1,4,6]
Mrs E West LLB[2,9]

1 Member of the Finance and General Purposes Committee
2 Member of the Education Committee
3 Member of the Governance Committee
4 Member of the Estates working group
5 Member of the Engagement and Development working grou
6 Member of the Futures working group
7 Lead Governor for Risk, Audit, and Compliance
8 Lead Governor for Human Resources
9 Lead Governor for Child Protection
10 Lead Governor for Health & Safety

Nominee members of the Council

The Bishop of Oxford
Vacancy

At the Annual General Meeting held on 5 December 2022 the resignation of Mr J Sheehan was recognised.

At the Annual General Meeting held on 4 December 2023 the following Governors were re-appointed for a further term of office:

Mrs E A Harrison
Mrs J Butler
Mrs S Colebrook
Mr S Dimmick

The Governors are also Directors of the Company and Trustees of the Charity.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

OFFICERS

The Executive Head	Mr Will le Fleming BA, MA (Cambridge)
Head of Junior School	Mrs Nisha Kaura BSc (Surrey), PGCE, MEd (Buckingham)
Head of Finance and Resources	Mrs Nadine Doble BSc (Cardiff), ACMA

ADDRESSES

Senior School
17 Kendrick Road
Reading
RG1 5DZ

Junior School (Years 3-6)
30 Christchurch Road
Reading
RG2 7AR

Junior School (Years 1 and 2)
12 Christchurch Gardens
Reading
RG2 7AH

Junior School (Nursery and Reception)
2 Vicarage Road
Reading
RG2 7AJ

Company registered number	00133676
Charity registered number	309115
Registered office	17 Kendrick Road Reading Berkshire RG1 5DZ
Independent auditors	James Cowper Kreston Audit Reading Bridge House George Street Reading RG1 8LS
Bankers	HSBC UK Bank plc 26 Broad Street Reading RG1 2BU
Solicitors	Blandy & Blandy LLP 1 Friar Street Reading RG1 1DA
Investment advisers	Charles Stanley & Company Ltd 55 Bishopsgate London EC2N 3AS
Insurance brokers	Marsh Brokers Ltd School Division Capital House 1-5 Perrymount Road Haywards Heath, West Sussex RH16 3SY

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

REPORT OF THE CHAIR OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2023

This full report contains the story, in numbers and in words, of our successful year at the Abbey School. The overall tale is one of remarkable collective achievements and within the big picture sit some extraordinary students who have made their journey through the school and are now moving onwards to the destination of their choice - a university course, an apprenticeship, or a year of work and travel. As well as supporting their academic development so that students have the results that support their ambition, we watch with delight as our students grow the confidence and the insight to map out the next stage of their journey. Our 2023 leavers coped brilliantly with a year spent in rather splendid temporary classrooms and communal spaces. Their tolerance and their ideas have informed the new design of the new Sixth Form Centre which opened in September to the delight of all.

At the Abbey our outstanding external examination results are important but they only tell a part of the whole story. The range of sporting, creative, musical, dramatic and many other thought-provoking and fun experiences at the school is extraordinary. Our ARCH project this year has gone from strength to strength, bringing together Abbey students and students from many other schools in the surrounding area, to discuss issues, to work together and to learn about contemporary challenges in our communities. From the very beginning of their journey at the Abbey, whether in Little Knellies, our Nursery, or at an entry point in the Junior School, or in Upper 3 in the Senior School, or in the Sixth Form, our students are encouraged to think broadly and deeply, beyond conventional boundaries. And like the crew of the Starship Enterprise, they do indeed boldly go and they do indeed find out new worlds.

None of this would be possible without the wonderful teams of people who make up our terrific teaching and administrative staff body. Each year we bid farewell to a small number of staff, as they choose to move on in their work and their lives; and this year we reluctantly made a small number of staff reductions to ensure we had the right people, in the right numbers and in the right places to continue our growth as a school. We thank all those who left in the year for their contribution. We have been able to recruit the new staff we need so we can be confident that we have the excellence and expertise our students need to learn and to shine.

I wish I had the words to communicate the positive atmosphere of life at the Abbey. Whether inside our buildings or at an Abbey event elsewhere, there is a palpable sense of commitment and excitement, perhaps for a trip, a concert, an expedition or just the next lesson. I am a very frequent visitor to the school and it is always a delight to do so. The school is very fortunate in the remarkable individuals who make up our governing body. Just as our staff bring their best selves to school week after week, our governors come to all our meetings and events with their different experience, expertise and insight to ensure that the school continues to be well governed. We governors remain profoundly impressed by, and very confident in, the senior leadership team at the Abbey. As Head of the whole school Will le Fleming brings wisdom, imagination and care to all he does; in the Junior School Nisha Kaura leads the school with thoughtful integrity and delight; Nadine Doble looks, with professional skill and insight, after our finances, our estate, our HR, our IT, our administration activities and our major contracts and partnerships which ensure students and staff enjoy great food, and a warm and welcoming environment, indoors and outdoors. Our teams of Deputy and Assistant Heads, Heads of Year and subject leaders cherish all our students as individuals.

We are fortunate indeed; fortunate to work alongside such great colleagues, and fortunate to work alongside our wonderful students. It's all about them.

Elizabeth Harrison

.....

Liz Harrison
Chair of Governors
The Abbey School

Date: 18 March 2024

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Governors of The Abbey School, Reading present their annual report for the year ended 31 August 2023 under the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities Statement of Recommended Practice (SORP).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Abbey School, Reading is a Company Limited by Guarantee and was registered on 31 January 1914. The Company registration number is 00133676.

It is also a Charity, registration number 309115.

The Governors, Officers, Key Addresses and Advisers are set out on Pages 2 and 3.

The company has a wholly owned subsidiary, Abbey Commercial Enterprises Limited, the School's trading arm.

The school is an active member of the Headmasters and Headmistresses Conference (HMC), the Girls' Schools Association, the Independent Association of Prep Schools (IAPS), the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, dated 4 December 2006 as amended by special resolution dated 7 December 2015.

Governing Body

The Governors are all Directors of the company and appoint new Governors either to fill a casual vacancy or by way of additions to the board. The total number of Governors shall be not less than twelve and not more than twenty-four. Of these, as far as is practicable, one Governor shall be the nominee of The Bishop of Oxford, one an alumna of the school, and one a parent of a child at the school. The nominee positions are ratified at a full Governors' meeting. Each Governor, other than the nominees, is elected for four years and retiring Governors can stand for re-election for one further term at the next Annual General Meeting, and at the Governors discretion when in the interests of the school, this may be further extended.

Those who held office during the year are listed on Page 2.

Organisational management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets at least three times a year. Much of the preparation for these meetings is undertaken by the Finance and General Purposes Committee (F&GP Committee) which meets before each Governors' meeting. The Chairman of the F&GP Committee is Mrs J Butler. The other principal committees are:

Education Committee	chaired by Mrs S Colebrook,
Governance Committee	chaired by Mr S Dimmick

In addition to these committees there are working groups on Futures, Estates, and Engagement and Development and Governors support the school by taking the lead on Risk, Audit and Compliance ('RAC'), Child Protection and Safeguarding, Human Resources and Health & Safety.

Committee members and Lead Governors are listed on Page 2.

The day to day running of the School is delegated to the Head who is assisted in this by other members of the Whole School Leadership Committee, which comprises the Junior School, Senior School and Business Leadership Teams. The Head, Junior School Head and Head of Finance and Resources are the steering group for the Whole School Leadership Committee and attend meetings of the Governing Body. They are also represented, along with other senior staff, on the Committees.

Recruitment and Training of Governors

The Governance Committee considers potential new Governors for eligibility, competence, specialist skills and availability. New Governors are given an induction into the workings of the School, including its policies and procedures, and are given a tailored induction pack. Training and bespoke courses are regularly offered to all Governors.

Corporate Governance

The Governing Body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

As part of an overall approach to managing potential conflicts of interest, The Abbey has a Governor conflict of interest policy and at the start of each Governor meeting everyone in attendance is required to declare any interest that may be in conflict with an agenda or decision item.

Senior members of staff responsible for decision making, including the appointment of staff or contractors, are correspondingly required to sign an annual declaration regarding potential conflicts of interest.

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and in the process of strategic planning.

The generic key controls used by the School to manage risk include:

- Annual review of the Risk Register, in detail by the lead Governor on Risk Audit and Compliance, and reviewed by Council
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities
- Terms of Reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Vetting procedures as required by law for the protection of vulnerable people
- Clear hierarchical authorisation and approval levels

The above structure formalises the risk management processes established for the Charity.

Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

Pay policy for senior staff

The pay of senior staff is reviewed annually, and includes comparisons with other independent schools. Being located in the South East, where there are significant costs in relation to housing, The Abbey keeps abreast of pay and employment conditions elsewhere.

Volunteers

There is no shortage of volunteer support throughout the School, from parents assisting in reading classes in the Junior School, in the library and on school trips to running the second-hand clothes shop. Former pupils, Governors and other interested adults have also given freely of their time. All of this is very much valued by the School. Governors take this opportunity to say how much they appreciate the continuing and valuable support of volunteers to the School.

OBJECTIVES AND AIMS

Charitable Objectives

The objects of the School are set out in the Memorandum of Association. The main object is summarised as the running of a School to provide a general education which includes religious instruction in the doctrines and duties of the Church of England.

The school educates some 1,000 girls at no cost to the state.

The Charity's Aims

As an educational charity for girls aged 3-18, The Abbey School exists to provide an outstanding, challenging and fulfilling education for girls that equips them to live with confidence, purpose and joy.

Working in partnership with families, the School supports each individual student to expand their horizons, discover their passions and fulfil their potential. The School offers academic excellence, extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

The School's objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education:

Liberal in thought, tolerance, and generosity.
Practical in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.
General in the remarkable breadth and range of experience and encouragement to participate.

Key Objectives

The School's strategy sets out seven key objectives in three areas: student experience, community and future development. These objectives span the academic and all-round education of students; pastoral care; the strength and diversity of the community; connections with the wider world; an outward-looking perspective and innovative approach; and the highest standards in the maintenance of the School's estates, finance and compliance. All the objectives seek to bring about the charity's overall aim as specified above. A particular focus within the seven key objectives is on partnerships, access to education via bursary support, and involvement in philanthropic and community initiatives to ensure the broadest possible public benefit both locally and further afield.

Measurement of Objectives

In furtherance of these objectives the Governors, as charity trustees, have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

The Head and the Whole School Leadership Committee continue to lead the School and to follow the three-year strategic plan across all areas of the School's operations laid out in 2021.

The School has reviewed its use of space and has in place a plan, still capable of being refined, for all of its diverse sites. This plan seeks to ensure their most effective use as well as the best possible contribution to the local area and community. It also takes into account key environmental priorities. Recent projects have included a major extension and development of the Junior School site and the sympathetic renovation of one of the School's signature spaces, Knell House, home to nursery and Reception. In the year just ended the substantial development of a new Sixth Form Centre has been successfully completed.

Also part of the strategic plan, the School continuously looks to raise bursary funds to ensure that girls can continue in the future to enjoy an Abbey education whatever their financial circumstances.

ACHIEVEMENTS AND PERFORMANCE

Summary

The Abbey is one of the country's foremost independent girls' schools from 3-18. The School at present educates around 1,000 girls in a lively, vibrant learning environment. It has identified six qualities that help to define an Abbey education:

- Outstanding outcomes as a by-product of a learning environment full of excitement, fun, discovery and scholarship
- Extraordinary opportunities across an array of activities to allow students to develop leadership and find their passions
- City edge, down-to-earth attitudes and a readiness to take on the world
- Innovation and global outlook, with a curriculum including the International Baccalaureate's PYP and DP, a focus on ideas and passion, a celebration of diversity, and a growing partnership programme connecting students across our local community and across the world
- Exceptional individual attention and care from truly remarkable staff
- Joy at the heart of everything we do

Underlying this is the focus on each individual student and celebrating and cherishing them for what they offer. The School supports each student to be motivated by the joy of what they do and the support of staff and peers to achieve more than they would have imagined possible.

In the Sixth Form the School offers two principal pathways: the A Level programme and the International Baccalaureate Diploma Programme. Results in both and in GCSEs were again outstanding. At GCSE 84% of results were at 9-7 (A*-A). In A Levels almost 60% of results were at A*-A. In the IB Diploma the average student score was 38 points from a maximum of 45 points. These results were secured in the context of a national fall in top grades following the recalibration of grading levels after the disruption of the pandemic. They were achieved by students who had borne the brunt of that disruption during their courses and are a testament to their resilience and to the support of their teachers.

All-round education and personal development share equal importance with academic success. The School offers eight principal streams of practical and creative activity: music, art, drama, sport, textile design, food and nutrition, outdoor education and a wide range of club activities. All of these areas feature significant student leadership and the opportunity to learn skills that will help all students contribute to their communities. In addition, thriving Duke of Edinburgh, Abbey Award and Creativity, Activity and Service (CAS) programmes prepare students both for service and leadership in the wider world.

All these areas allow for individual excellence. Abbey students routinely achieve the highest levels in music examination and performance, play sport representatively for counties and nationally, and win awards for creative and research work. However, of equal importance is the opportunity they provide for participation for all.

Entire cohorts participate in voluntary programmes and charity work and learn to collaborate and contribute. The school's core purpose is to develop confidence, purpose and joy in students and this places personal development at the heart of the education it offers. Students actively campaign in areas such as diversity, the environment, gender relations and equality. The desire to make a difference, the knowledge and skills to do so effectively, and the resilience and confidence to see things through are key elements in the leading educational experience the School provides.

Beneficiaries of the School's charitable work - partnerships with local schools and the community

This year saw the launch of a major new initiative to support and develop our community work: the ARCH programme.

ARCH is a hub bringing together individuals and organisations across Reading to offer opportunities and learning experiences to young people and to young women in particular. ARCH events include a range of activities to develop aspiration and self-discovery. Even in its initial phase ARCH has brought together 30 organisations and schools. Over 200 volunteer hours have been donated from business, community organisations and individual experts. Over 1,000 students have attended talks and events covering career areas from engineering to poetry; 2,500 people viewed ARCH exhibitions; and 30,000 people viewed a student and Reading community collaboration at the Saatchi Gallery in London.

One of the major events in the ARCH programme was the Reading Festival of Sport at The Abbey. This has become part of the Council's Reading Children's Festival, with over 100 primary children from 20 schools learning to play a new sport. Another was the Social Enterprise project, where teams of students from independent and maintained schools came together to develop ideas to improve their local communities, in collaboration with the Henley Business School. ARCH will continue to transform our community engagement, identifying areas of shared mutual benefit to develop the life chances of a wide range of young people across Reading.

As we have previously noted, under both the International Baccalaureate course which includes a 'Creativity, Activity and Service' component, and The Duke of Edinburgh's Award Scheme which includes a volunteering strand - 6 months of volunteering for Silver and 12 months for Gold – our students have ample opportunity to support local schools and the local community. Once again, beneficiaries have included the Royal Berkshire Hospital and MacMillan Cancer Support amongst others.

Other beneficiaries of the School's charitable work - charity donations and other input

Students and staff at the Abbey school remain keen to be involved in supporting outside charities and other organisations. Certain members of staff act as Governors at other schools.

In addition to much valued volunteer contributions, we collected and made donations of almost £10,000 to a range of charities chosen by students, which included Brass for Africa, Britain's East and South East Asian Network, MacMillan, Sophie's Legacy, Royal Berkshire Hospital Babies, Anthony Nolan, Royal Commonwealth Society for the Blind, Jeans for Genes, and Children International.

Community Use of facilities

The Abbey School supports its charitable objects within the community by making its facilities available for public benefit. We share our facilities, including the halls, the all-weather sports pitches, the gymnasium and the indoor swimming pool with local schools and community groups. Amongst the beneficiaries during the year were:

- Swim England Synchro Assessments
- Reading University Water Polo Team
- Reading University Hockey Club
- GB Paralympic Rowing Team - capsize drills
- Reading Wildcats Lacrosse Club
- Reading Bowling Club
- Parenthesis Choir

- West Forest Sinfonia
- School of the Arts
- Reading School
- RABBLE Theatre
- Reading Prayer Group
- The Rock Choir
- Reading St Andrews Scottish Dancing
- Reading Tango Club
- Dance with Sonia Brown
- Reading Male Voice Choir
- Royal Berkshire Hospital Paediatric Diabetes Team
- No. 5 Charity
- Parking for marshals of Reading Half Marathon

Energy and Carbon Reporting

	31 August 2023	31 August 2022
Energy consumption in KWh	3,373,835	3,697,577
Associated emissions in tonnes CO?e	648.88	687.56
Intensity ratio - tonnes	0.65	0.67

Measures taken to improve energy efficiency include:

- a sharp focus on energy efficiency applied to the new sixth form centre development, the construction project itself, and its ongoing operation. This uses specifically designed measurement and controls of temperature, air flow, and air quality which with applied technology, including solar panels mounted on the roof, limit the requirement for power
- the continuing upgrade of the Building Management System to control in other parts of the site heating plant and equipment leading to reduced energy consumption
- the continuation of LED lighting installation and associated motion sensors to cut off usage when appropriate
- the leasing of vehicles selected for their energy efficiency

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Engagement with employees

The School is committed to regular and transparent sharing of information with all staff and to providing opportunities for collaborative consultation. Regular online and in-person briefings and meetings are held and information is also widely disseminated via email and via collaborative discussion tools such as Jamboards. The School intranet contains news, policies, and other information, accessible to all staff. Important updates affecting employees are often shared in advance to allow for feedback and improvement before final decisions are confirmed. Following extensive consultation and discussion the School launched a new pay and benefits system to ensure that remuneration and rewards remain competitive and supportive for all colleagues. With regard to disability the school's active policy is to promote equal opportunities and oppose discrimination on the grounds of disability.

Engagement with suppliers, the parent body, and other business relationships

We recognise the need to maintain and foster good relationships with our suppliers, the parent body, and others, and we monitor closely our dialogues with all of them. Our key business managers have all been in post for a number of years and have developed strong and positive relationships with those with whom we deal. Payments due to us are by and large collected efficiently and, when necessary, with sensitivity, and we pay staff and suppliers promptly and accurately, with supporting information always provided for clarity. On matters of schooling we engage positively with our pupils and their parents through a variety of activities and communications. Many of these processes are two-way: we listen carefully to the voices of our highly articulate pupils and the valued feedback and opinions of their parents. The Abbey Parents' Society (TAPS) continues to go from strength to strength to improve our sense of a shared community still further.

Promoting the success of the school

The Governors and the School's executives seek successful outcomes from all of the activities they pursue. In determining the most appropriate way of achieving the desired results, their decisions take account of the interests of, and the impact on, the pupils, the parent body, staff, suppliers, the environment, the local community, and all others likely to be affected. We strive continually not only to maintain but also to enhance our hard-won reputation for integrity and high standards of both conduct and achievement.

Financial Assistance

The School has a policy on financial assistance, including bursaries of up to 100%, and this is advertised on its website, and at open days. The Bursary Fund was established over 30 years ago with the specific aim of generating funds in order to offer places to pupils who would otherwise not have access to education at the school. The value of the fund is £1million and will be maintained at this figure.

Academic scholarships worth 10% of tuition fees are offered (which can be supplemented with a means-tested Bursary). Specialist scholarships are also offered, supporting excellence in art, drama, music and sport..

Parents who cannot afford to pay the fees in full or in part can apply for a means-tested Abbey School Financial Bursary. The Abbey School Scholarship and Bursary policy allows up to a total of 6% of the current level of annual gross fee income for these awards. All awards are tenable subject to satisfactory attendance, conduct and progress.

Temporary financial assistance may be available to parents who find themselves with short term financial difficulties. This is means-tested and offered at the discretion of the Head.

Wider access to Schooling was achieved in 2022/2023 with a total of £294,000 (2021/22 £301,000) awarded in scholarships, grants, prizes and other awards. Some 45 hardship cases received financial support amounting to £560,000 (2021/2022 £556,000) towards fees, equivalent to 28 full senior fee places.

35% of the pupils of the Senior School (2021/22 - 35%) received some form of financial assistance with their fees. This figure does not include staff discounts.

Other pupil benefits

The Childcare Vouchers Scheme is available, as is a 5% third sibling discount.

Income from investments

Income from investments is reinvested, while operating surplus is used to maintain the scholarship and bursary funds, including temporary financial assistance. The investment fund is available to support the bursary fund when required.

FINANCIAL REVIEW

Financial Results

The consolidated Statement of Financial Activities on page 19 shows the Net Movement in Funds for 2023 as a deficit of £391,775 (2022: a surplus of £546,313). Broadly speaking, this represents the shortfall in income from termly fees and related activities, supplemented by donations, fundraising, and other income, to meet the associated costs.

The School had a deficit for the year of £413,660 (2022: a surplus of £479,744). The surplus before depreciation and interest is 6.2% (2022: a surplus of 9.9%).

The Balance Sheet on page 22 shows Net Current Liabilities of £7,363,593 (2022: £1,185,432). To fund its ongoing programme of planned capital investment the School had in place at the balance sheet date bank loans of £4.6m, of which £3.2m was repayable within one year. After the year end extended bank loan repayment terms were agreed, and the amount repayable within one year was reduced to £320,000 (see also note 30 Post Balance Sheet Events).

In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

Investment policy and performance

The overall investment objectives of the School are to create sufficient funds through income and capital in order to enable the School to carry out its purposes consistently, year by year, and with due and proper consideration for future needs. They include the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The School's investment performance is measured regularly against a benchmark, currently named the MSCI PIMFA Private Investor Balanced Index. For this year our total return of -3.9% was poorer than the Index, which was +1.8%.

The School's investments are managed by Charles Stanley and Company Limited under the supervision of Governors. At 31 August 2023 investments, of which the majority were UK listed equities, had a market value of £1,570,829 (2022: £1,634,839), of which £1,000,000 represented designated funds. Their market value at 31 August 2023 contributed to a net investment loss of £88,583 (2022: £129,626).

The Governors are authorised by the Memorandum of Association to invest monies not immediately required for the School's purposes in investments, securities or property as may be thought fit.

Reserves Policy

The Governors' policy is to build up funds out of annual operating surpluses, subject to the prior demands of further capital expenditure, to equip the School with the up-to-date facilities needed to maintain the standard of educational services currently provided.

The Governors aim to maintain general reserves equivalent to at least 3 months of operating expenditure for the school. Excluding the designated Bursary Reserve of £1m, general reserves at 31 August 2023 were £15.5m which represents nine months of unrestricted operating expenditure, and provides additional financial flexibility at a time of significant capital investment. These reserves ensure the school can fulfil and complete its charitable obligations and commitments.

Notes 22 and 23 show the allocation of the reserves between those designated for specific purposes and those available for the day to day requirements of the School.

GOING CONCERN

The Governors review the School's financial performance and plans at each Council meeting (usually 4 per year) along with our principal financial risks. In March, and again in June and September, they were satisfied that the School had sufficient resources to continue operating for the foreseeable future, and the accounts for the year ended 31 August 2023 have been prepared in the knowledge that the School is a financially viable organisation.

World events, economic circumstances, and the potential impact these could have on the school are regularly assessed by the Governors' Finance and General Purposes Committee, most recently in March 2024 when our ongoing forecasts and projections to ensure that the School remains financially viable were reviewed. With regard to the next accounting period, the year ending 31 August 2024, the most significant matters likely to affect the School's net assets are student numbers and the costs associated with utilities and borrowings. All of these we monitor closely and continued effort goes in to supporting student numbers at a time of economic uncertainty and managing costs closely.

The School has a strong asset base and generates a positive cash flow from its operations, and the Governors will continue to monitor and review financial and operating plans with the School's executive team to maintain a robust financial footing as we move forward. We are of the opinion that the charity will continue to have sufficient resources to meet its liabilities as they fall due and as such we remain satisfied that The Abbey School can continue operating for the foreseeable future and our accounts have been prepared in the knowledge that the School is a financially viable organisation.

PROPERTY ASSESSMENT

An ongoing review of the school properties is undertaken by the Head of Finance and Resources, with the Head of Estates. The sites are well maintained with a continuous planned preventative maintenance programme and capital investment in major and minor projects. Site improvements and estates related compliance inspections and activity are included in the monthly management report to Council. Any property issues are raised to the Board of Governors, through the link Governor for Estates. During the year it was confirmed that none of the school sites contained RAAC (Reinforced Autoclaved Aerated Concrete) in their construction method. An estates contingency is included in the annual budgets to address any unanticipated property issues.

The assessment of the properties at the year end is that there are no impairments to report.

RISKS AND UNCERTAINTIES

An unexpected fall in pupil numbers would represent a significant risk to the School, causing a failure to meet financial outcomes on which future investment and other expenditure decisions are based. Nevertheless, our regular review of current and projected pupil numbers provides a check that our budgets for future years are as realistic as possible including, for example, provision for the potential impact of the imposition of VAT on fees and its effects on both pupil numbers and operational finance. Any significant reduction in numbers would prompt immediate review action.

The future economic impact of UK politics and world events is difficult to forecast. Economic uncertainty is also naturally a significant factor for parents considering education in the Independent School Sector, and the Governing Body, with guidance from the lead Governor for Risk, Audit and Compliance, will continue to monitor this closely.

Health and Safety, not least the potential threat posed by a possible resurgence of Covid-19, also represent significant areas for risk management. Physical risks range from fire and other damage to infrastructure to personal risks (most notably when away from the campus on trips and expeditions). There is a regular risk audit, and continuity plans are in place to ensure the school continues to function effectively in the event of a major incident such as fire or flood.

FUTURE OBJECTIVES

The Governors and the Whole School Leadership Committee once again look forward positively to the challenges that lie ahead, and remain committed to keeping The Abbey at the forefront of education.

Together the leadership of the School continues to work through the Strategic Plan, running until 2024. This plan defines seven goals ranging across the student experience, our community, and the future.

Experience

- Academic education. We seek to provide excellence and curriculum breadth, valuing and celebrating each individual's personal best endeavour and prioritising curiosity and the love of learning. We aim to ensure outstanding results supporting access to competitive outcomes and encourage ambition, range and individuality in the next stage of our students' education.

- All-round education. We seek the widest range of activities and greatest opportunity for student leadership in the co-curriculum, stretching the most able and encouraging the participation of all.

- Pastoral care. We seek to help students build resilience and positive mental health, understanding how to look after themselves and others, and to provide the right support quickly when it is needed based on knowing and valuing each student as individuals.

Community

- People. We seek to develop and celebrate the experience of learning and working at The Abbey to ensure continued strong numbers of diverse and talented applications from staff and students, supported by a far-reaching bursary programme. We recognise that our strength as a school is founded on the generous and whole-hearted commitment of remarkable students and staff.

- Connections. We seek to promote an inclusive sense of common purpose and belonging across our own community of students, staff, families and alumnae and to make connections both locally and globally. We encourage meaningful participation in philanthropic and wider community initiatives to bring mutual benefit and enrichment to as wide an audience as possible.

Future

- Outward-looking perspective and innovation. We seek to foster an international outlook that champions diversity and encourages engagement with the world. We look to play an active part in the wider educational arena and commit to a culture of open self-evaluation driving innovation and improvement.

- Estates, finance and compliance. We seek to maintain and develop our estate, our finances and our bursary programme sustainably, with confidence and good sense and to ensure financial good health based on appreciation for the support and commitment of our families. We look to meet and exceed compliance standards in all areas of our operations

STATEMENT OF RESPONSIBILITIES OF COUNCIL

The Governors (who are also directors of The Abbey School for the purposes of company law and trustees for the purpose of charity law) are responsible for preparing the Governors' Annual Report (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 judgements 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.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor are unaware; and

- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

AUDITOR

In accordance with Section 485 of the Companies Act 2006, a resolution proposing the re-appointment of James Cowper Kreston as auditors to the company will be put to a Special General Meeting.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Abbey School at a Special General Meeting on 18 March 2024, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf.

Approved by order of the members of the board of Governors and signed on their behalf by:

.....

Mrs E A Harrison
(Chair of Governors)
Date: 18 March 2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING

Opinion

We have audited the financial statements of The Abbey School, Reading (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2023 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 2023 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 Auditors' 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 AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Auditors' 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 Auditors' 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (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 Auditors' 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.



Darren O'Connor BSc (Hons) FCCA ACA (Senior Statutory Auditor)
for and on behalf of
James Cowper Kreston Audit
Reading Bridge House
George Street
Reading
RG1 8LS

Date: 25 March 2024

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2023

	Note	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies:	5				
Donation		**10,660**	**35,277**	**45,937**	128,356
Charitable activities:					
School fees		**-**	**18,315,834**	**18,315,834**	17,577,861
Ancillary income		**-**	**1,532,908**	**1,532,908**	1,189,835
Other trading activities:	6				
Trading income		**-**	**145,237**	**145,237**	123,044
Non-ancillary income		**-**	**43,579**	**43,579**	42,006
Investments	7	**-**	**41,325**	**41,325**	36,398
Total income		**10,660**	**20,114,160**	**20,124,820**	19,097,500
Expenditure on:					
Raising funds		**-**	**48,916**	**48,916**	43,749
Charitable activities		**14,405**	**20,364,691**	**20,379,096**	18,377,812
Total expenditure		**14,405**	**20,413,607**	**20,428,012**	18,421,561
Net (expenditure)/income before net losses on investments		**(3,745)**	**(299,447)**	**(303,192)**	675,939
Net (losses)/gains on investments		**-**	**(88,583)**	**(88,583)**	(129,626)
Net (expenditure)/income		**(3,745)**	**(388,030)**	**(391,775)**	546,313
Transfers between funds	21	**1,410**	**(1,410)**	**-**	-
Net movement in funds		**(2,335)**	**(389,440)**	**(391,775)**	546,313
Reconciliation of funds:					
Total funds brought forward		**44,206**	**17,013,555**	**17,057,761**	16,511,448
Net movement in funds		**(2,335)**	**(389,440)**	**(391,775)**	546,313
Total funds carried forward		**41,871**	**16,624,115**	**16,665,986**	17,057,761

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 25 to 47 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	14		**23,891,550**		18,163,792
Investments			**1,570,829**		1,634,839
			25,462,379		19,798,631
Current assets					
Debtors	16	**569,391**		516,860	
Cash at bank and in hand		**638,845**		848,669	
		1,208,236		1,365,529	
Creditors: amounts falling due within one year	17	**(8,571,829)**		(2,550,961)	
Net current liabilities			**(7,363,593)**		(1,185,432)
Total assets less current liabilities			**18,098,786**		18,613,199
Creditors: amounts falling due after more than one year	18		**(1,432,800)**		(1,555,438)
Total net assets			**16,665,986**		17,057,761
Charity funds					
Restricted funds:					
Restricted funds	21	**41,871**		44,206	
Total restricted funds	21		**41,871**		44,206
Unrestricted funds					
Designated funds	21	**1,084,330**		1,080,000	
General funds	21	**15,539,785**		15,933,555	
Total unrestricted funds	21		**16,624,115**		17,013,555
Total funds			**16,665,986**		17,057,761

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

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

.....
Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)
Date: 18 March 2024

.....
Mrs J Butler FCA

The notes on pages 25 to 47 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2023

	Note		2023 £		2022 £
Fixed assets					
Tangible assets	14		**23,891,550**		18,163,792
Investments			**1,570,831**		1,634,841
			25,462,381		19,798,633
Current assets					
Debtors	16	**570,780**		532,804	
Cash at bank and in hand		**506,758**		728,622	
		1,077,538		1,261,426	
Creditors: amounts falling due within one year	17	**(8,561,918)**		(2,545,760)	
Net current liabilities			**(7,484,380)**		(1,284,334)
Total assets less current liabilities			**17,978,001**		18,514,299
Creditors: amounts falling due after more than one year	18		**(1,432,800)**		(1,555,438)
Total net assets			**16,545,201**		16,958,861
Charity funds					
Restricted funds:					
Restricted funds	21	**41,871**		44,206	
Total restricted funds	21		**41,871**		44,206
Unrestricted funds					
Designated funds	21	**1,084,330**		1,080,000	
General funds	21	**15,419,000**		15,834,655	
Total unrestricted funds	21		**16,503,330**		16,914,655
Total funds			**16,545,201**		16,958,861

The Company's net movement in funds for the year was £(413,660) (2022 - £479,744).

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

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

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

.....
Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)
Date: 18 March 2024

.....
Mrs J Butler FCA

The notes on pages 25 to 47 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	**3,183,675**	1,849,328
Cash flows from investing activities		
Dividends and interest on investment portfolio	**41,325**	36,398
Purchase of tangible fixed assets	**(7,593,525)**	(835,447)
Purchase of investments	**(355,355)**	(251,653)
Receipts from sale of investments	**320,529**	208,733
Net cash used in investing activities	**(7,587,026)**	**(841,969)**
Cash flows from financing activities		
Receipt of new bank loan	**3,000,000**	-
Repayments of borrowing	**(122,638)**	(170,929)
Interest paid	**(36,745)**	(56,043)
Net cash provided by/(used in) financing activities	**2,840,617**	**(226,972)**
Change in cash and cash equivalents in the year	**(1,562,734)**	**780,387**
Cash and cash equivalents at the beginning of the year	**848,669**	68,282
Cash and cash equivalents at the end of the year	**(714,065)**	848,669

The notes on pages 25 to 47 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

1. General information

The Abbey School, Reading is a charitable company limited by guarantee (registered number 00133676 and charity number 309115), incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is given within the Governors, Officers and Advisors section on page 1 and 2.

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.

The Abbey School, Reading 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. 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.

2.2 Basis of consolidation

The group accounts consolidate the accounts of The Abbey School, Reading and its subsidiary undertaking, Abbey Commercial Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2023. No separate statement of financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the. 2015 Charities SORP.

The results of the subsidiary undertaking for the year are disclosed in note 15 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

2. Accounting policies (continued)

2.3 Going concern

The Governors note that at the balance sheet date the group had net current liabilities of £7,363,593 (2022: £1,185,432). This significant increase over the previous year is related to the School's development of its new Sixth Form Centre and is further discussed in notes 17 and 18 which deal with creditors and, in note 30, post balance sheet events.

The Governors have considered the year's net movement in funds, the projected gross operating surplus and cash flow projections for future years. These indicate that within, and without exceeding, the arrangements established with their bankers the school will be able to meet its liabilities as they fall due.

2.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

2.5 Fees and similar income

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the school. Means tested bursaries which provide financial assistance to parents, are treated as expenditure from the designated fund within the statement of financial activities.

Fees received for education to be provided in future years are carried forward as advance fee scheme payments and fees received in advance in the balance sheet. These fees are released to the statement of financial activities over the period in which the school provides the services in future years.

2.6 Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund.

2.7 Resources expended

Resources expended are accounted for on an accrual basis. Resources expended are allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Expenditure in respect of the other support costs of the School includes recruitment costs and general office costs including governance costs.

2.8 Scholarships and bursaries

Scholarships and bursaries, along with temporary financial assistance are charged to the statement of financial activities in the year in which they are granted.

2. Accounting policies (continued)

2.9 Tangible fixed assets and depreciation

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 provided on all tangible fixed assets except land which is considered to be of negligible value, and is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold building	-	2% per annum on cost
Freehold improvements	-	10% per annum on cost
Motor vehicles	-	25% per annum on cost
Other equipment	-	10% per annum on cost
Computer equipment	-	33% per annum on cost

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

2.10 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.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.12 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.

2.13 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2. Accounting policies (continued)

2.14 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.

2.15 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.16 Pensions

The charitable company left the Teachers' Pension Scheme on 31 August 2020.

The charitable company contributes into separate defined contribution schemes for teaching and non-teaching staff for which the contributions are charged in the statement of financial activities in the year in which they are payable.

2.17 Advance fee scheme

Amounts received under the school's former Advance Fee Scheme contracts for education not yet utilised to settle school fees were recorded as current liabilities where the education will be provided 12 months from the reporting date and as long-term liabilities where the education was to be provided in subsequent years.

2.18 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 2023 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

2.19 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. Details of these reserves, as applicable to the charity, are set out in note 21.

Restricted funds are funds where specific conditions imposed by the donor would restrict the use of unspent funds or where the terms of the appeal restrict the use of the funds.

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

3. Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates included within the financial statements include provision for fee debtors, which require a judgement by management regarding the likelihood of recovery. Management review and assess fee debtors on an individual basis and provide for fee debtors as appropriate.

Depreciation is another key estimate in the accounts which requires management judgement over the useful life of the assets. The policy has been set out in the notes above.

4. School fees

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
School fees receivable consist of:			
Gross fees	18,819,319	**18,819,319**	18,039,356
Less: Scholarships and other awards	(997,573)	**(997,573)**	(1,000,131)
Less: Other discounts	(65,853)	**(65,853)**	(17,131)
Net fees receivable	**17,755,893**	**17,755,893**	17,022,094
Add: Bursaries paid out of designated funds (means-tested)	559,941	**559,941**	555,767
Total 2023	18,315,834	**18,315,834**	17,577,861
Total 2022	17,577,861	17,577,861	

5. Income from donations

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	10,660	35,277	**45,937**	128,356
Total 2022	13,126	115,230	128,356	

6. Non ancillary income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Property rentals	43,579	**43,579**	42,006
Total 2023	43,579	**43,579**	42,006
Total 2022	42,006	42,006	

7. Income from investments

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
UK listed investments	41,325	**41,325**	36,398
Total 2022	36,398	36,398	

Income from investments was designated in the current and previous financial year.

8. Ancillary income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
After school care	61,195	**61,195**	46,035
Trips income	683,316	**683,316**	489,560
Fees for extra-curricular courses and examinations	593,111	**593,111**	507,287
Fees in lieu of notice	21,105	**21,105**	17,940
Registration fees	36,466	**36,466**	38,465
Miscellaneous income	137,715	**137,715**	90,548
Total 2023	1,532,908	**1,532,908**	1,189,835
Total 2022	1,189,835	1,189,835	

9. Expenditure on charitable activities

	Staff costs 2023 £	Other 2023 £	Depreciation 2023 £	Total funds 2023 £	Total funds 2022 £
Charitable activities					
Teaching costs	9,183,930	576,170	209,195	**9,969,295**	9,547,308
Welfare costs	93,390	1,441,160	-	**1,534,550**	1,371,877
Premises costs	1,030,870	1,951,434	1,151,291	**4,133,595**	3,609,982
Support costs	1,834,161	1,201,105	3,203	**3,038,469**	2,669,989
Trip costs and other travel	-	819,566	-	**819,566**	492,158
Grants, awards and prizes	-	559,941	-	**559,941**	555,767
Governance costs	-	44,018	-	**44,018**	19,329
Finance costs	-	229,662	-	**229,662**	100,850
Movement in bad debt provision	-	50,000	-	**50,000**	10,552
	12,142,351	6,873,056	1,363,689	**20,379,096**	18,377,812
Total 2022	11,530,592	5,545,202	1,302,018	18,377,812	

Total expenditure on charitable activities was £20,379,096 (2022: £18,377,812) of this £6,245 (2022: £7,126) was restricted, £559,941 (2022: £555,767) was designated and £19,812,910 (2022: £17,814,919) was unrestricted.

10. Expenditure on raising funds

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Portfolio management costs	16,752	**16,752**	18,190
Non-ancillary costs	26,710	**26,710**	20,413
Trading expenses	5,454	**5,454**	5,146
	48,916	**48,916**	43,749

Total expenditure on raising funds was £48,916 (2022: £43,749) of this £16,752 (2022: £18,190) related to designated funds and £32,164 (2022: £25,559) related to unrestricted funds.

11. Auditors' remuneration

Fees payable to the Company's auditor and its associates		
- audit fees	**17,000**	17,000
- other services	**3,400**	3,400

12. Staff costs

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	**9,915,920**	9,502,567	**9,915,920**	9,502,567
Social security costs	**953,927**	919,769	**953,927**	919,769
Pension contributions	**1,107,979**	1,021,859	**1,107,979**	1,021,859
Other non-payroll staff costs	**164,525**	86,397	**164,525**	86,397
	12,142,351	11,530,592	**12,142,351**	11,530,592

12. Staff costs (continued)

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

	Group 2023 No.	Group 2022 No.
Teaching	**224**	226
Welfare	**30**	29
Premises	**21**	22
Support	**43**	44
	318	321

Aggregate employee costs of the key management personnel of the school, including salary, benefits, pension contributions and national insurance in the year totalled £397,748 (2022: £408,006).

The governors received £Nil remuneration or other benefit for the year (2022: £Nil).

The employer's liability insurance of the charitable company includes indemnity insurance for the governors.

The Split between part time and full time staff was as follows:

	Full time 2023 No.	Full time 2022 No.	Part time 2023 No.	Part time 2022 No.
Teaching	**117**	119	**107**	107
Welfare	**7**	7	**23**	22
Premises	**15**	15	**6**	7
Support	**27**	29	**16**	15
	166	170	**152**	151

12. Staff costs (continued)

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

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	**10**	3
In the band £70,001 - £80,000	**2**	3
In the band £80,001 - £90,000	**3**	3
In the band £90,001 - £100,000	**1**	1
In the band £100,001 - £110,000	**1**	-
In the band £150,000 - £160,000	**-**	1
In the band £160,000 - £170,000	**1**	-

The total employer contributions in the year towards pension scheme contributions for the above 18 (2022: 11) staff members were £160,632 (2022: £78,766).

During the year, severance pay was awarded to 10 employees with payments for compensation and pay in lieu of notice totalling £82,614 (2022: 2 employees, £7,105). All of this had been paid by the reporting date (2022: All).

13. Taxation

The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

14. Tangible fixed assets

Group and Company

	Freehold property and Improvements £	Motor vehicles £	Furniture and fittings £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2022	**28,356,457**	**23,338**	**4,552,769**	**336,682**	**33,269,246**
Additions	**66,473**	**-**	**428,490**	**6,596,485**	**7,091,448**
At 31 August 2023	**28,422,930**	**23,338**	**4,981,259**	**6,933,167**	**40,360,694**
Depreciation					
At 1 September 2022	**11,222,471**	**22,238**	**3,860,745**	**-**	**15,105,454**
Charge for the year	**1,033,269**	**1,099**	**329,322**	**-**	**1,363,690**
At 31 August 2023	**12,255,740**	**23,337**	**4,190,067**	-	**16,469,144**
Net book value					
At 31 August 2023	**16,167,190**	**1**	**791,192**	**6,933,167**	**23,891,550**
At 31 August 2022	17,133,986	1,100	692,024	336,682	18,163,792

15. Fixed asset investments

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Listed investments (see below)	**1,570,829**	1,634,839	**1,570,829**	1,634,839
Investments in subsidiary companies (see below)	**-**	-	**2**	2
	1,570,829	1,634,839	**1,570,831**	1,634,841

Subsidiary undertaking:

The Abbey School owns 100% of the ordinary share capital of Abbey Commercial Enterprises Limited (company number 06334617). This company was incorporated in England and Wales and was established to carry out the non-educational activities associated with the School.

Trading results extracted from its audited financial statements are shown below:

	2023 £	2022 £
Turnover	**145,237**	123,044
Administration expenses	**(5,454)**	(5,146)
Management Charge from the Abbey School	**(19,000)**	(19,000)
Net profit	**120,783**	98,898
Net assets	**120,787**	98,902

All activities have been consolidated on a line by line basis in the SOFA. Any taxable net profit is gifted to the charity. The total expenses include a management charge paid by Abbey Commercial Enterprises of £19,000 (2022: £19,000), which is eliminated on consolidation. At the year end the balance outstanding was a debtor in The Abbey School of £19,000 (2022: £19,000).

Listed Investments

	2023 £	2022 £
At 1 September	**1,634,839**	1,707,957
Additions	**325,405**	251,653
Disposals	**(320,529)**	(208,733)
Unrealised (loss)/gain on revaluation for the year	**(88,583)**	(129,626)
At 31 August	**1,551,132**	1,621,251
Cash held by investment manager	**19,699**	13,588
Total at 31 August	**1,570,831**	1,634,839
Historical cost of investments	**1,434,601**	1,322,953

16. Debtors

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2022 £
Trade debtors	**105,128**	49,997	**87,517**	46,941
Amounts due from own subsidiary	**-**	-	**19,000**	19,000
Other debtors	**2,378**	39,392	**2,378**	39,392
Prepayments	**461,885**	427,471	**461,885**	427,471
	569,391	516,860	**570,780**	532,804

Amounts due from owned subsidiary are interest free and repayable on demand.

17. Creditors: Amounts falling due within one year

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2022 £
Bank overdrafts	**1,352,910**	-	**1,352,910**	-
Bank loans	**3,200,000**	200,000	**3,200,000**	200,000
Trade creditors	**1,123,721**	396,240	**1,123,721**	396,240
Deposits held	**581,255**	663,155	**581,255**	663,155
Other taxation and social security costs	**251,207**	250,243	**246,696**	248,442
Advance fee scheme payments	**-**	16,530	**-**	16,530
Other creditors	**366,476**	458,595	**366,476**	458,595
Accruals	**1,026,768**	110,153	**1,021,368**	106,753
Fees received in advance	**669,492**	456,045	**669,492**	456,045
	8,571,829	2,550,961	**8,561,918**	2,545,760

The bank overdraft, with HSBC, is secured by legal charges over two freehold properties.

Fees received in advance relates to fees for the next academic year which some parents pay in advance.

Deposits held relate to acceptance deposits which are considered as owed within one year given that only one terms notice is required to be given by pupils.

During the year the School undertook and completed on schedule for the start of the Autumn term in September 2023 its development of a new Sixth Form Centre (at 31 August 2023 'Assets under construction' £6.9m as in note 14 above). Finance for the project was provided by HSBC in the form of a loan facility of which £3m had been drawn down at the balance sheet date. Contractor payments in excess of this sum were also made from the School's business account in accordance with its overdraft facility as referred to above. Some further £1.35m of contractor costs are included in creditors (£0.5m) and accruals (£0.85m).

The development has therefore significantly increased not only the School's fixed asset base but also, largely in step, its outstanding liabilities. At the balance sheet date the outstanding £3m loan was repayable within 12 months but since then the loan has been converted to a multi-year loan of which less than £120,000 is repayable before 31 August 2024. (See also note 30, Post balance sheet events.)

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

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Bank loans	**1,432,800**	1,555,438	**1,432,800**	1,555,438

The loan is repayable as follows:

Within 2 to 5 years				
Bank loans	**800,000**	800,000	**800,000**	800,000
More than 5 years				
Bank loans	**632,800**	755,438	**632,800**	755,438

Bank loans with HSBC are secured by a charge over the School's property.

19. Advance fee scheme

Group and School

Parents historically have deposited a lump sum with the School as an advance on future fees. This option is no longer available to parents. Each arrangement is in respect of an agreed amount to be credited against future fee bills for an agreed number of terms. The unused balance of the advance is repayable on request. It is intended that the advance fees will be applied as follows

	2023 £	2022 £
Within 1 year	-	16,530
	-	16,530

The figures for advanced fee payments are included within the balance sheet for school fees paid in advance (notes 18 and 19). The balance represents the accrued liability under these arrangements. Movements during the year are:

	2023 £	2022 £
Balance at 1 September 2022	**16,530**	33,060
Amounts utilised in the payment of fees	**(16,530)**	(16,530)
Balance at 31 August 2023	-	16,530

20. Financial instruments

	Group 2023 £	Group 2022 £	**Company 2023 £**	Company 2022 £
Financial assets				
Financial assets measured at fair value	**1,570,831**	1,634,839	**1,570,831**	1,634,841

Included within financial instruments held at fair value is investments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

21. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	41,325	(576,693)	623,951	(88,583)	1,000,000
Designated donation	80,000	4,330	-	-	-	84,330
	1,080,000	45,655	(576,693)	623,951	(88,583)	1,084,330
General funds						
General unrestricted	15,933,555	20,068,505	(19,836,914)	(625,361)	-	15,539,785
Total Unrestricted funds	17,013,555	20,114,160	(20,413,607)	(1,410)	(88,583)	16,624,115
Restricted funds						
Restricted Fund	44,206	10,660	(14,405)	1,410	-	41,871
Total of funds	17,057,761	20,124,820	(20,428,012)	-	(88,583)	16,665,986

Income from The Bursary Fund is used to offer financial assistance to individual pupils when necessary.

The Governors have decided to make an annual transfer from the unrestricted funds so that a balance of £1 million remains earmarked for use on bursaries within this fund.

Restricted funds are those received for specific purposes including donations received for building appeals, various teaching departments and fixed assets. Once the restriction has been fulfilled than a transfer from restricted to unrestricted funds is made.

21. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	36,398	(573,632)	666,860	(129,626)	1,000,000
Designated donation	-	80,000	-	-	-	80,000
	1,000,000	116,398	(573,632)	666,860	(129,626)	1,080,000
General funds						
General unrestricted	15,473,242	18,967,976	(17,840,803)	(666,860)	-	15,933,555
Total Unrestricted funds	16,473,242	19,084,374	(18,414,435)	-	(129,626)	17,013,555
Restricted funds						
Restricted Fund	38,206	13,126	(7,126)	-	-	44,206
Total of funds	16,511,448	19,097,500	(18,421,561)	-	(129,626)	17,057,761

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2023

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2023 £	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	-	23,891,550	**23,891,550**
Fixed asset investments	-	1,570,829	**1,570,829**
Current assets	41,871	1,166,365	**1,208,236**
Creditors due within one year	-	(8,571,829)	**(8,571,829)**
Creditors due in more than one year	-	(1,432,800)	**(1,432,800)**
Total	41,871	16,624,115	**16,665,986**

Analysis of net assets between funds - prior year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	18,163,792	18,163,792
Fixed asset investments	-	1,634,839	1,634,839
Current assets	44,206	1,321,323	1,365,529
Creditors due within one year	-	(2,550,961)	(2,550,961)
Creditors due in more than one year	-	(1,555,438)	(1,555,438)
Total	44,206	17,013,555	17,057,761

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

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	**(391,775)**	546,313
Adjustments for:		
Depreciation	**1,363,690**	1,302,018
(Losses)/gains on investments	**88,583**	129,626
Dividends and interest	**(41,325)**	(36,398)
Interest payable	**36,745**	56,043
(Increase)/ decrease in debtors	**(52,531)**	(141,521)
Increase in creditors	**2,174,177**	17,612
(Decrease)/increase of cash at investment manager	**6,111**	(24,365)
Net cash provided by operating activities	**3,183,675**	1,849,328

24. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Bank balances included in cash at bank and in hand	**638,845**	848,669
Bank overdraft	**(1,352,910)**	-
Total cash and cash equivalents	**(714,065)**	848,669

25. Analysis of net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash balances	**848,669**	**(209,824)**	**638,845**
Overdraft	**-**	**(1,352,910)**	**(1,352,910)**
Bank loans due in under one year	**(200,000)**	**(3,000,000)**	**(3,200,000)**
Bank loans due in more than one year	**(1,555,438)**	**122,638**	**(1,432,800)**
	(906,769)	**(4,440,096)**	**(5,346,865)**

26. Capital commitments

	Company 2023 £	Company 2022 £
At 31 August 2023 the School had the following capital commitments:		
Contracts for future capital expenditure not provided in the financial statements	-	300,000

27. Pension commitments

a) Teachers' Pension Scheme

The school withdrew from the Teachers' Pension ("TPS") Scheme at 31 August 2020.

b) Other schemes

The Company makes contributions for teaching and non-teaching staff. £1,107,979 (2022: £1,021,859) was payable for the year. Contributions totalling £143,619 (2022: £143,945) were unpaid at the year end and are included within creditors.

28. Operating lease commitments

At 31 August 2023 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Company 2023 £	Company 2022 £
Due within one year	**8,798**	35,153
Due between two and five years	-	8,798
	8,798	43,951

29. Related party transactions

Transactions with Governors

Owing to the nature of the school's operations and the composition of its governing body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations with which a Governor may have an interest. All transactions involving these organizations are in accordance with the school's normal procedures.

Mr M Emmanuel is a director at French Horn Hotel Limited. During the year, the School was invoiced £Nil (2022: £666) by French Horn Hotel Limited for a function in the year.

30. Post balance sheet events

After the year end the group negotiated with its bankers HSBC the conversion of a 12 month loan facility, under which at the balance sheet date it had borrowed £3m, into a term loan. As referred to in Note 17 Creditors: Amounts falling due within one year, above, only a minor part of the £3m is now therefore repayable within one year, part is repayable within 2 to 5 years, and the majority is repayable in more than 5 years.

THE ABBEY SCHOOL, READING

England & Wales - Charity number 309115

Accounts

Registered number: 00133676
Charity number: 309115

THE ABBEY SCHOOL, READING

(A Company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

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THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY FOR THE YEAR ENDED 31 AUGUST 2022

Governors	Mrs E A Harrison BA (Hons) MBA JP[1,2,3,4,5,6,8]
	Mrs J Butler FCA[1,5]
	Ms S Burgess BA MA
	Mrs S Colebrook BSc PGCE[2,9]
	Mrs J L Cornell BA (resigned 6 December 2021)[2,3,5]
	Mr S Dimmick LLB[3,5,6,7]
	Mr M Emmanuel[1,3,6]
	Ms R Field BA[2,6]
	Dr H Kemp BM BCh MSc PhD FRCA[6,10]
	Ms J Jolly (appointed 11 July 2022)[2]
	Mr C O'Shea (resigned 11 July 2022)[1,6]
	Mr A Peach[4,6]
	Mr J Sheehan[5]
	Mr C Singer BSc FIA[1,4,6]
	Mrs E West LLB[2,9]
	Mr D N Williams BA MA PGCE (resigned 21 March 2022)[2]

[1] Member of the Finance and General Purposes Committee
[2] Member of the Education Committee
[3] Member of the Estates working group
[4] Member of the Engagement and Development working group
[5] Member of the Governance Committee
[6] Member of the Futures working group
[7] Lead Governor for Risk, Audit, and Compliance
[8] Lead Governor for Human Resources
[9] Lead Governor for Child Protection
[10] Lead Governor for Health & Safety

Nominee members of the Council

The Bishop of Oxford
Vacancy

At the Annual General Meeting held on 5 December 2022 the appointment of Ms J Jolly was confirmed and the resignations of Mr D N Williams and Mr C O'Shea were recognised.

The Governors are also Directors of the Company and Trustees of the Charity.

OFFICERS

The Executive Head	Mr Will le Fleming BA, MA (Cambridge)
Head of Junior School	Mrs Nisha Kaura BSc (Surrey), PGCW, Med (Buckingham)
Head of Finance and Resources	Mrs Nadine Doble BSC (Cardiff), ACMA

ADDRESSES

Senior School 17 Kendrick Road Reading RG1 5DZ	Junior School (Years 2-6) 30 Christchurch Road Reading RG2 7AR
Junior School (Reception & Year 1) 12 Christchurch Gardens Reading RG2 7AH	Junior School (Nursery) 2 Vicarage Road Reading RG2 7AJ

Company registered number	00133676
Charity registered number	309115
Registered office	17 Kendrick Road Reading Berkshire RG1 5DZ
Independent auditors	James Cowper Kreston Reading Bridge House George Street Reading RG1 8LS
Bankers	HSBC UK Bank plc 26 Broad Street Reading RG1 2BU
Solicitors	Blandy & Blandy 1 Friar Street Reading RG1 1DA
Investment advisers	Charles Stanley & Company Ltd 55 Bishopsgate London EC2N 3AS
Insurance brokers	Marsh Brokers Ltd School Division Capital House 1-5 Perrymount Road Haywards Heath, West Sussex RH16 3SY

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

REPORT OF THE CHAIR OF THE GOVERNORS FOR THE YEAR ENDED 31 AUGUST 2022

This excellent year has demanded much of our students and of all our staff; they have all responded brilliantly as this Report exemplifies. Last year was tough for everyone, and we called upon those values we seek to foster and cherish in our school. Perhaps it was our resilience that made the vital difference as we sought this year to pick up both the warp and weft of daily school life post pandemic, and as we continue to develop and innovate.

Several big projects, which had needed much preparatory work, arrived at key moments after extensive work during the year. Our application by the Junior School for the IB Primary Years Programme accreditation reached its final assessment stage. Spades entered the ground and work on our new Sixth Form Centre began. And many smaller projects were completed by our various support teams in Estates, IT, Finance, and HR, all of them significant to the smooth running of the school.

Our teaching teams were delighted with the achievements of our students. Results in public examinations in IB, A level and GCSE were simply terrific. Students in art, drama, music and sports excelled in exhibitions and in performances in concert halls, on playing fields, on stage and in the studio. Expeditions and trips and clubs have been restored. Our marketing and social media presence has been transformed and we have made a great beginning in extending the Abbey experience to our wider community.

None of this has been, or could have been achieved, without our brilliant staff, across the school, whatever their role. Covid has continued to impact on everyone. There are weary moments for all, students and staff, but we have continued to support one another as we grow and learn. There is a good feeling around the school, wherever you look.

Leadership has been vital this year. There have been some new appointments and some re-organisation in the way Will le Fleming leads the school, and this has worked well. The relationship between the operational leadership of the school and our super governing body is strong, challenging and supportive. We have met events, both the predictable and the unexpected, with clear thinking and sensitive responses and we feel confident that we have helped our students take excellent decisions at critical moments. We send them on their life's journey with good memories of their school days and a bagful of ideas, skills, knowledge and relationships that will always be there to support them. Everything we do at the Abbey is about our students; we are sad to lose them at the end of their years with us, but we are full of optimism for their road ahead.

Elizabeth Harrison
.....
Liz Harrison
Chair of Governors
The Abbey School

Date: 5 December 2022

GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Governors of The Abbey School, Reading present their annual report for the year ended 31 August 2022 under the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities Statement of Recommended Practice (SORP).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Abbey School, Reading is a Company Limited by Guarantee and was registered on 31 January 1914. The Company registration number is 133676.

It is also a Charity, registration number 309115.

The Governors, Officers, Key Addresses and Advisers are set out on Pages 2 and 3.

The company has a wholly owned subsidiary, Abbey Commercial Enterprises Limited, the School's trading arm.

The school is an active member of the Headmasters and Headmistresses Conference (HMC), the Girls' Schools Association, the Independent Association of Prep Schools (IAPS), the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

Volunteers

There is no shortage of volunteer support throughout the School, from parents assisting in reading classes in the Junior School, to helping out in the second-hand clothes shop, in the library and on school trips. Former pupils, Governors and other interested adults have also given freely of their time. All of this is very much valued by the School. Governors take this opportunity to say how much they appreciate the continuing and valuable support of volunteers to the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, dated 4 December 2006 as amended by special resolution dated 7 December 2015.

Governing Body

The Governors are all Directors of the company and appoint new Governors either to fill a casual vacancy or by way of additions to the board. The total number of Governors shall be not less than twelve and not more than twenty-four. Of these, as far as is practicable, one Governor shall be the nominee of The Bishop of Oxford, one an alumna of the school, and one a parent of a child at the school. The nominee positions are ratified at a full Governors' meeting. Each Governor, other than the nominees, is elected for four years and retiring Governors can stand for re-election for one further term at the next Annual General Meeting.

Those who held office during the year are listed on Page 1.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Organisational management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets at least three times a year. Much of the preparation for these meetings is undertaken by the Finance and General Purposes Committee (F&GP Committee) which meets before each Governors' meeting. The Chairman of the F&GP Committee is Mrs J Butler. The other principal committees are:

Education Committee	chaired by Mrs S Colebrook,
Governance Committee	chaired by Mr S Dimmick

In addition to these committees there are working groups on Futures, Estates and Engagement and Development and Governors support the school by taking the lead on Risk, Audit and Compliance ('RAC'), Child Protection and Safeguarding, Human Resources and Health & Safety.

Committee members and Lead Governors are listed on Page 1.

The day to day running of the School is delegated to the Head who is assisted in this by other members of the Whole School Leadership Committee, which comprises the Junior School, Senior School and Business Leadership Teams. The Head, Junior School Head and Head of Finance and Resources are the steering group for the Whole School Leadership Committee and attend meetings of the Governing Body. They are also represented along with other senior staff, on the Committees.

Recruitment and Training of Governors

The Governance Committee considers potential new Governors for eligibility, competence, specialist skills and availability. New Governors are given an induction into the workings of the School, including its policies and procedures, and are given a tailored induction pack. Training and bespoke courses are regularly offered to all Governors.

Corporate Governance

The governing body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

As part of an overall approach to managing potential conflicts of interest, The Abbey has a Governor conflict of interest policy and at the start of each Governor meeting everyone in attendance is required to declare any interest that may be in conflict with an agenda or decision item.

Senior members of staff responsible for decision making, including the appointment of staff or contractors, are correspondingly required to sign an annual declaration regarding potential conflicts of interest.

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and in the process of strategic planning.

The generic key controls used by the School to manage risk include:

- Annual review of the Risk Register, in detail by the lead Governor on Risk Audit and Compliance, and reviewed by Council
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities
- Terms of Reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Vetting procedures as required by law for the protection of vulnerable people
- Clear hierarchical authorisation and approval levels

The above structure formalises the risk management processes established for the Charity.

Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

Pay policy for senior staff

The pay of senior staff is reviewed annually, and includes comparisons with other independent schools. Being located in the South East, where there are significant costs in relation to housing, The Abbey keeps abreast of pay and employment conditions elsewhere.

OBJECTIVES AND AIMS

Charitable Objectives

The objects of the School are set out in the Memorandum of Association. The main object is summarised as the running of a School to provide a general education which includes religious instruction in the doctrines and duties of the Church of England.

The Charity's Aims

As an educational charity for girls aged 3-18, The Abbey School exists to provide an outstanding, challenging and fulfilling education for girls that equips them to live with confidence, purpose and joy.

Working in partnership with families, the School supports each individual student to expand their horizons, discover their passions and fulfil their potential. The School offers academic excellence, extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

The School's objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education:

Liberal in thought, tolerance, and generosity.
Practical in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.
General in the remarkable breadth and range of experience and encouragement to participate.

Key Objectives

The School's strategy sets out seven key objectives in three areas: student experience, community and future development. These objectives span the academic and all-round education of students; pastoral care; the strength and diversity of the community; connections with the wider world; an outward-looking perspective and innovative approach; and the highest standards in the maintenance of the School's estates, finance and compliance. All the objectives seek to bring about the charity's overall aim as specified above. A particular focus within the seven key objectives is on partnerships, access to education via bursary support, and involvement in philanthropic and community initiatives to ensure the broadest possible public benefit both locally and further afield.

Measurement of Objectives

In furtherance of these objectives the Governors, as charity trustees, have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

The Head and the Whole School Leadership Committee continue to lead the School and to follow the three-year strategic plan across all areas of the School's operations laid out in 2021.

The School has reviewed its use of space and has in place a plan, still capable of being refined, for all of its diverse sites. This plan seeks to ensure their most effective use as well as the best possible contribution to the local area and community. It also takes into account key environmental priorities. Recent projects have included a major extension and development of the Junior School site and the sympathetic renovation of one of the School's signature spaces, Knell House, home to nursery and Reception. A substantial development of a new Sixth Form Centre is underway.

Also part of the strategic plan, the School continuously looks to raise bursary funds to ensure that girls can continue in the future to enjoy an Abbey education whatever their financial circumstances.

ACHIEVEMENTS AND PERFORMANCE

Summary

The Abbey is one of the country's foremost independent girls' schools from 3-18. The School at present educates around 1,000 girls in a lively, vibrant learning environment. It has identified six qualities that help to define an Abbey education:

- Outstanding outcomes as a by-product of a learning environment full of excitement, fun, discovery and scholarship
- Extraordinary opportunities across an array of activities to allow students to develop leadership and find their passions
- City edge, down-to-earth attitudes and a readiness to take on the world
- Innovation and global outlook, with a curriculum including the International Baccalaureate's PYP and DP, a focus on ideas and passion, a celebration of diversity, and a growing partnership programme connecting students across our local community and across the world
- Exceptional individual attention and care from truly remarkable staff
- Joy at the heart of everything we do

Underlying this is the focus on each individual student and celebrating and cherishing them for what they offer. The School supports each student to be motivated by the joy of what they do and the support of staff and peers to achieve more than they would have imagined possible.

ACHIEVEMENTS AND PERFORMANCE

In the Sixth Form the School offers two principal pathways: the A Level programme and the International Baccalaureate Diploma Programme. Results in both and in GCSEs were again outstanding. At GCSE over 92% of results were at 9-7 (A*-A). In A Levels over 72% of results were at A*-A. In the IB Diploma the average student score was over 40 points from a maximum of 45 points. These results were achieved in the context of a national fall in top grades following the recalibration of grading levels after the disruption of the pandemic. They were achieved by students who had borne the brunt of that disruption during their courses and are a testament to their resilience and to the support of their teachers.

All-round education and personal development share equal importance with academic success. The School offers eight principal streams of practical and creative activity: music, art, drama, sport, textile design, food technology, outdoor education and a wide range of club activities. All of these areas feature significant student leadership and the opportunity to learn skills that will help all students contribute to their communities. In addition, thriving Duke of Edinburgh, Abbey Award and Creativity, Activity and Service (CAS) programmes prepare students both for service and leadership in the wider world.

All these areas allow for individual excellence. Abbey students routinely achieve the highest levels in music examination and performance, play sport representatively for counties and nationally, and win awards for creative and research work. However, of equal importance is the opportunity they provide for participation for all. Entire cohorts participate in voluntary programmes and charity work and learn to collaborate and contribute. The school's core purpose is to develop confidence, purpose and joy in students and this places personal development at the heart of the education it offers. Students actively campaign in areas such as diversity, the environment, gender relations and equality. The desire to make a difference, the knowledge and skills to do so effectively, and the resilience and confidence to see things through are key elements in the leading educational experience the School provides.

Beneficiaries of the School's charitable work - partnerships with local schools and the community

As we have previously noted, under both the International Baccalaureate course which includes a 'Creativity, Activity and Service' component, and The Duke of Edinburgh's Award Scheme which includes a volunteering strand - 6 months of volunteering for Silver and 12 months for Gold – our girls have ample opportunity to support local schools and the local community. Once again, beneficiaries have included the Royal Berkshire Hospital and MacMillan Cancer Support amongst others.

One of the members of our staff room continues to help out with university applications at the nearby Blessed Hugh Faringdon Catholic School.

Other beneficiaries of the School's charitable work - charity donations and other input

Students and staff at the Abbey school remain keen to be involved in supporting outside charities, and in addition to much valued volunteer contributions, we collected and made donations of almost £15,000 to a range of charities chosen by the girls which included Berkshire Women's Aid, Ukraine, Albert Kennedy Trust (LGBT+), MacMillan, Launch Pad, Jeans for Genes, Children in Need, and the Oxford Animal Sanctuary.

Community Use of facilities

The Abbey School supports its charitable objects within the community by making its facilities available for public benefit. We share our facilities, including the halls, the all-weather sports pitches, the gymnasium and the indoor swimming pool with local schools and community groups. Amongst the beneficiaries during the year were:

- Swim England Synchro Assessments
- Reading University Water Polo Team
- Reading University Hockey Club
- GB Paralympic Rowing Team - capsize drills
- Reading Lacrosse Club
- Reading Bowling Club
- Reading Korean School
- Parenthesis Choir
- West Forest Sinfonia
- School of the Arts
- Reading School
- RABBLE Theatre
- Reading Prayer Group
- The Rock Choir
- Reading St Andrews Scottish Dancing
- Reading Tango Club
- Jawahir Bellydance
- Parking for marshals of Reading Half Marathon

Energy and Carbon Reporting

	31 August 2022	31 August 2021
Energy consumption in KWh	3,697,577	3,847,073
Associated emissions in tonnes CO?e	687.56	744.63
Intensity ratio - tonnes	0.67	0.74

Measures taken to improve energy efficiency include:

- modification and adaption of Building Management System (BMS) providing greater control of heating plant and equipment leading to future reduced energy consumption
- continuation of LED lighting installation, the new Wellbeing Centre as an example
- disconnection during the summer of all heating appliances at the start of the major sixth form extension and remodelling project

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2022 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Engagement with employees

The School is committed to regular and transparent sharing of information with all staff and to providing opportunities for collaborative consultation. Regular online and in-person briefings and meetings are held and information is also widely disseminated via email and via collaborative discussion tools such as Jamboards. The School intranet contains news, policies, and other information, accessible to all staff. Important updates affecting employees are often shared in advance to allow for feedback and improvement before final decisions are confirmed. During the year the School reviewed all HR arrangements and is committed to ensuring that remuneration and rewards remain competitive and supportive for all colleagues. With regard to disability the school's active policy is to promote equal opportunities and oppose discrimination on the grounds of disability.

Engagement with suppliers, the parent body, and other business relationships

We recognise the need to maintain and foster good relationships with our suppliers, the parent body, and others, and we monitor closely our dialogues with all of them. Our key business managers have all been in post for a number of years and have developed strong and positive relationships with those with whom we deal. Payments due to us are by and large collected efficiently and, when necessary, with sensitivity, and we pay staff and suppliers promptly and accurately, with supporting information always provided for clarity. On matters of schooling we engage positively with our pupils and their parents through a variety of activities and communications. Many of these processes are two way, we listen carefully to the voices of our highly articulate pupils and the valued feedback and opinions of their parents. We recently launched a new parent organisation, The Abbey Parents' Society (TAPS), to improve our sense of a shared community still further.

Promoting the success of the school

The Governors and the school's executives seek successful outcomes from all of the activities they pursue. In determining the most appropriate way of achieving the desired results, their decisions take account of the interests of, and the impact on, the pupils, the parent body, staff, suppliers, the environment, the local community, and all others likely to be affected. We strive continually not only to maintain but also to enhance our hard won reputation for integrity and high standards of both conduct and achievement.

Financial Assistance

The School has a policy on financial assistance, including bursaries of up to 100%, and this is advertised on its website, and at open days. The Bursary Fund was established over 30 years ago with the specific aim of generating funds in order to offer places to pupils who would otherwise not have access to education at the school. The value of the fund is £1million and will be maintained at this figure.

Academic scholarships worth 10% of tuition fees are offered (which can be supplemented with a means-tested Bursary). Specialist scholarships are offered at the point of entry to the Senior School. This scholarship programme will be reviewed during the coming year.

The Head has the authority to award Scholarships to very able pupils. Parents who cannot afford to pay the fees in full or in part can apply for a means-tested Abbey School Financial Bursary. The Abbey School Scholarship and Bursary policy allows up to a total of 6% of the current level of annual gross fee income for these awards. All awards are tenable subject to satisfactory attendance, conduct and progress.

Temporary financial assistance may be available to parents who find themselves with short term financial difficulties. This is means-tested and offered at the discretion of the Head.

Wider access to Schooling was achieved in 2021/22 with a total of £300,713 (2020/21: £281,181) awarded in scholarships, grants, prizes and other awards. 51 hardship cases received financial support amounting to £555,767 (2020/21: 51, £464,364) towards fees, equivalent to 29 full senior fee places.

35% of the pupils of the senior School (2020/21: 40%) received some form of financial assistance with their fees. This figure does not include staff discounts.

Other pupil benefits

The Childcare Vouchers Scheme is available, as is a 5% third sibling discount.

Income from investments

Income from investments is reinvested, while operating surplus is used to maintain the scholarship and bursary funds, including temporary financial assistance. The investment fund is available to support the bursary fund when required.

FINANCIAL REVIEW

Financial Results

The consolidated Statement of Financial Activities on page 20 shows the Net Movement in Funds for 2022 as a surplus of £546,313 (2021: £632,045). Broadly speaking, this represents the excess of income from termly fees and related activities, supplemented by donations, fundraising, and other income, over the associated costs.

The School had a surplus for the year of £479,744 (2020/21: £646,300). The surplus before depreciation and interest is 9.9% (2021: 12.9%).

The Balance Sheet on page 22 shows Net Current Liabilities of £1,185,432 (2021: £2,117,395). To fund its ongoing programme of planned capital investment the School has in place a £2m bank loan of which £1.6m falls due after more than one year.

In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

Investment policy and performance

The overall investment objectives of the School are to create sufficient funds through income and capital in order to enable the School to carry out its purposes consistently, year by year, and with due and proper consideration for future needs. They include the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The School's investment performance is measured regularly against a benchmark, currently named the MSCI PIMFA Private Investor Balanced Index. For this year our total return of -6.4% was poorer than the Index, which was -4.0%.

The School's investments are managed by Charles Stanley and Company Limited under the supervision of Governors. At 31 August 2022 investments, of which the majority were UK listed equities, with a market value of £1,634,839 (2021: £1,745,910), represented designated funds. Their market value at 31 August 2022 contributed to a net investment loss of £129,626 (2021 gain £267,174).

The Governors are authorised by the Memorandum of Association to invest monies not immediately required for the School's purposes in investments, securities or property as may be thought fit.

Reserves Policy

The Governors' policy is to build up funds out of annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up to date facilities needed to maintain the standard of educational services currently provided.

The Governors aim to maintain general reserves equivalent to at least 3 months of operating expenditure for the school. Excluding the designated Bursary Reserve of £1m, general reserves at 31 August 2022 were £15.8m which represents a full year of unrestricted operating expenditure, and provides additional financial flexibility at a time of significant capital investment. These reserves ensure the school can fulfil and complete its charitable obligations and commitments.

Notes 22 and 23 show the allocation of the reserves between those designated for specific purposes and those available for the day to day requirements of the School.

GOING CONCERN

The Governors review the School's financial performance and plans at each Council meeting (usually 4 per year) along with our principal financial risks. In March, and again in June and September, they were satisfied that the School had sufficient resources to continue operating for the foreseeable future, and the accounts for the year ended 31 August 2022 have been prepared in the knowledge that the School is a financially viable organisation.

World events, economic circumstances, and the potential impact these could have on the school are regularly assessed by the Governors' Finance and General Purposes Committee, most recently in November 2022 when our ongoing forecasts and projections to ensure that the School remains financially viable were reviewed. With regard to the next accounting period, the year ending 31 August 2023, the most significant matters likely to affect the School's net assets are student numbers and the costs associated with utilities and borrowings. All of these we monitor closely, and our currently depressed student numbers are a disappointment but not a surprise as, in line with expectations already identified, older year groups with higher numbers have departed and younger year groups with lower numbers have joined.

Looking to our ongoing and future activities, we take encouragement from the resilience shown by the School over the last two Covid affected years. To repeat what we stated a year ago, as Governors we have accepted the need to adjust the timing, but not the ambition, of our future building plans so that the School's financial resources and cash flow are not put under too great stress.

The School has a strong asset base and generates a positive cash flow from its operations, and the Governors will continue to monitor and review financial and operating plans with the School's executive team to maintain a robust financial footing as we move forward. We are of the opinion that the charity will continue to have sufficient resources to meet its liabilities as they fall due and as such we remain satisfied that The Abbey School can continue operating for the foreseeable future and our accounts have been prepared in the knowledge that the School is a financially viable organisation.

RISKS AND UNCERTAINTIES

An unexpected fall in pupil numbers would represent a significant risk to the School, causing a failure to meet financial outcomes on which future investment and other expenditure decisions are based. Nevertheless, our regular review of current and projected pupil numbers provides a check that our budgets for future years are as realistic as possible. Any significant reduction in numbers would prompt immediate review action.

The future economic impact of world events, perhaps compounded by withdrawal from membership of the European Union, is difficult to forecast. Economic uncertainty is also naturally a significant factor for parents considering education in the Independent School Sector, and the Governing Body, with guidance from the lead Governor for Risk, Audit and Compliance, will continue to monitor this closely.

Health and Safety, not least the potential threat posed by a resurgence of Covid-19, also represent significant areas for risk management. Physical risks range from fire and other damage to infrastructure to personal risks (most notably when away from the campus on trips and expeditions). There is a regular risk audit, and continuity plans are in place to ensure the school continues to function effectively in the event of a major incident such as fire or flood.

FUTURE OBJECTIVES

The Governors and the Executive Board once again look forward positively to the challenges that lie ahead, and remain committed to keeping The Abbey at the forefront of education.

The School exists to provide an outstanding, challenging and fulfilling education for girls that equips them to live with confidence, purpose and joy. Working in partnership with families, we support each individual student to expand their horizons, discover their passions and fulfill their potential. We offer academic excellence, extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

Our objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education with the development of character at its heart. That remains true today.

- **Liberal** in freedom of thought and faith, tolerance, and generosity.
- **Practical** in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.
- **General** in the remarkable breadth and range of experience and encouragement to participate.

We have defined seven goals ranging across the student experience, our community, and the future.

Experience

- Academic education. We seek to provide excellence and curriculum breadth, valuing and celebrating each individual's personal best endeavour and prioritising curiosity and the love of learning. We aim to ensure outstanding results supporting access to competitive outcomes and encourage ambition, range and individuality in the next stage of our students' education.

- All-round education. We seek the widest range of activities and greatest opportunity for student leadership in the co-curriculum, stretching the most able and encouraging the participation of all.

- Pastoral care. We seek to help students build resilience and positive mental health, understanding how to look after themselves and others, and to provide the right support quickly when it is needed based on knowing and valuing each student as individuals.

Community

- People. We seek to develop and celebrate the experience of learning and working at The Abbey to ensure continued strong numbers of diverse and talented applications from staff and students, supported by a far-reaching bursary programme. We recognise that our strength as a school is founded on the generous and whole-hearted commitment of remarkable students and staff.

- Connections. We seek to promote an inclusive sense of common purpose and belonging across our own community of students, staff, families and alumnae and to make connections both locally and globally. We encourage meaningful participation in philanthropic and wider community initiatives to bring mutual benefit and enrichment to as wide an audience as possible.

Future

- Outward-looking perspective and innovation. We seek to foster an international outlook that champions diversity and encourages engagement with the world. We look to play an active part in the wider educational arena and commit to a culture of open self-evaluation driving innovation and improvement.

- Estates, finance and compliance. We seek to maintain and develop our estate, our finances and our bursary programme sustainably, with confidence and good sense and to ensure financial good health based on appreciation for the support and commitment of our families. We look to meet and exceed compliance standards in all areas of our operations.

GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

STATEMENT OF RESPONSIBILITIES OF COUNCIL

The Governors (who are also directors of The Abbey School for the purposes of company law and trustees for the purpose of charity law) are responsible for preparing the Governors' Annual Report (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 judgements 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.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor are unaware; and
- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Abbey School at a Special General Meeting on 5 December 2022, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf.

Approved by order of the members of the board of Governors and signed on their behalf by:

Elizabeth Harrison

Mrs E A Harrison
(Chair of Governors)
Date: 5 December 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING

Opinion

We have audited the financial statements of The Abbey School, Reading (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 2022 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 2022 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 Auditors' 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 AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (CONTINUED)

Auditors' 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 Auditors' 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.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

The specific procedures for this engagement that we designed and performed to detect material misstatements in respect of irregularities, including fraud, were as follows:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management and those charged with governance to identify any material instances of non-compliance with laws and regulations;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work to address the risk of irregularities due to management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for evidence of bias.

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 Auditors' Report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE ABBEY SCHOOL, READING (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 Auditors' 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.



Darren O'Connor BSc (Hons) FCCA ACA (Senior Statutory Auditor)
for and on behalf of
James Cowper Kreston
Reading Bridge House
George Street
Reading
RG1 8LS

Date: 7 December 2022

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022

	Note	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies:	6				
Government grants		-	-	-	89,864
Donation		13,126	115,230	128,356	43,932
Charitable activities:	4,9,5				
School fees		-	17,577,861	17,577,861	16,362,449
Ancillary income		-	1,189,835	1,189,835	614,787
Other trading activities:	7				
Trading income		-	123,044	123,044	61,116
Non-ancillary income		-	42,006	42,006	178,168
Investments	8	-	36,398	36,398	31,843
Total income		13,126	19,084,374	19,097,500	17,382,159
Expenditure on:					
Raising funds:					
Raising funds		-	38,603	38,603	43,557
Trading costs		-	5,146	5,146	9,786
Charitable activities	10	7,126	18,370,686	18,377,812	16,963,945
Total expenditure		7,126	18,414,435	18,421,561	17,017,288
Net income before net (losses)/gains on investments		6,000	669,939	675,939	364,871
Net (losses)/gains on investments	16	-	(129,626)	(129,626)	267,174
Net movement in funds		6,000	540,313	546,313	632,045
Reconciliation of funds:					
Total funds brought forward		38,206	16,473,242	16,511,448	15,879,403
Net movement in funds		6,000	540,313	546,313	632,045
Total funds carried forward		44,206	17,013,555	17,057,761	16,511,448

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	15		**18,163,792**		18,630,363
Investments			**1,634,839**		1,745,910
			19,798,631		20,376,273
Current assets					
Debtors	17	**516,860**		375,339	
Cash at bank and in hand		**848,669**		690,564	
		1,365,529		1,065,903	
Creditors: amounts falling due within one year	18	**(2,550,961)**		(3,183,298)	
Net current liabilities			**(1,185,432)**		(2,117,395)
Total assets less current liabilities			**18,613,199**		18,258,878
Creditors: amounts falling due after more than one year	19		**(1,555,438)**		(1,747,430)
Total net assets			**17,057,761**		16,511,448
Charity funds					
Restricted funds:					
Restricted funds	22	**44,206**		38,206	
Total restricted funds	22		**44,206**		38,206
Unrestricted funds					
Designated funds	22	**1,080,000**		1,000,000	
General funds	22	**15,933,555**		15,473,242	
Total unrestricted funds	22		**17,013,555**		16,473,242
Total funds			**17,057,761**		16,511,448

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

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

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

Elizabeth Harrison

Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)

Date: 5 December 2022

Tim Butler

Mrs J Butler FCA

The notes on pages 25 to 46 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)
REGISTERED NUMBER: 00133676

COMPANY BALANCE SHEET
AS AT 31 AUGUST 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	15		**18,163,792**		18,630,363
Investments			**1,634,841**		1,745,912
			19,798,633		20,376,275
Current assets					
Debtors	17	**532,804**		392,423	
Cash at bank and in hand		**728,622**		630,882	
		1,261,426		1,023,305	
Creditors: amounts falling due within one year	18	**(2,545,762)**		(3,173,035)	
Net current liabilities			**(1,284,336)**		(2,149,730)
Total assets less current liabilities			**18,514,297**		18,226,545
Creditors: amounts falling due after more than one year	19		**(1,555,438)**		(1,747,430)
Total net assets			**16,958,859**		16,479,115
Charity funds					
Restricted funds:					
Restricted funds	22	**44,206**		38,206	
Total restricted funds	22		**44,206**		38,206
Unrestricted funds					
Designated funds	22	**1,080,000**		1,000,000	
General funds	22	**15,834,653**		15,440,909	
Total unrestricted funds	22		**16,914,653**		16,440,909
Total funds			**16,958,859**		16,479,115

The Company's net movement in funds for the year was £479,744 (2021 - £646,300).

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

COMPANY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2022

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

Elizabeth Harrison

.....

Mrs E A Harrison BA (Hons) MBA JP
(Chair of Trustees)

Date: 5 December 2022

Julie Butler

.....

Mrs J Butler FCA

The notes on pages 25 to 46 form part of these financial statements.

THE ABBEY SCHOOL, READING
(A Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	**1,849,328**	2,273,010
Cash flows from investing activities		
Dividends and interest on investment portfolio	**36,398**	31,843
Purchase of tangible fixed assets	**(835,447)**	(694,548)
Purchase of investments	**(251,653)**	(260,528)
Receipts from sale of investments	**208,733**	157,051
Net cash used in investing activities	**(841,969)**	**(766,182)**
Cash flows from financing activities		
Receipt of new bank loan	**-**	2,000,000
Repayments of borrowing	**(170,929)**	(2,073,633)
Interest paid	**(56,043)**	(56,338)
Net cash used in financing activities	**(226,972)**	**(129,971)**
Change in cash and cash equivalents in the year	**780,387**	**1,376,857**
Cash and cash equivalents at the beginning of the year	**68,282**	(1,308,575)
Cash and cash equivalents at the end of the year	**848,669**	68,282

The notes on pages 25 to 46 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1. General information

The Abbey School is a charitable company limited by guarantee (registered number 00133676 and charity number 309115), incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is given within the Governors, Officers and Advisors section on page 1.

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.

The Abbey School, Reading 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. 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.

2.2 Basis of consolidation

The group accounts consolidate the accounts of The Abbey School, Reading and its subsidiary undertaking, Abbey Commercial Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2022. No separate statement of financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the. 2015 Charities SORP.

The results of the subsidiary undertaking for the year are disclosed in note 17 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

2. Accounting policies (continued)

2.3 Going concern

The Governors note that the group has net current liabilities of £1,185,432 (2021: £2,117,395) at the balance sheet date. They have considered the current year's positive net movement in funds, the projected gross operating surplus and cash flow projections for future years. These indicate that within, and without exceeding, the arrangements established with their bankers the school will be able to meet its liabilities as they fall due.

The Governors have no reason to believe that the current banking facilities will not be continued when they are reviewed in May 2023. They confirm that there is no material uncertainty as to the future of the school, and accordingly they continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of Governors' responsibilities.

2.4 Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised as income in the period in which it becomes receivable and the related expense is incurred.

2.5 Fees and similar income

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the school. Means tested bursaries which provide financial assistance to parents, are treated as expenditure from the designated fund within the statement of financial activities.

Fees received for education to be provided in future years are carried forward as advance fee scheme payments and fees received in advance in the balance sheet. These fees are released to the statement of financial activities over the period in which the school provides the services in future years.

2.6 Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund.

2.7 Resources expended

Resources expended are accounted for on an accrual basis. Resources expended are allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Expenditure in respect of the other support costs of the School includes recruitment costs and general office costs including governance costs.

2.8 Scholarships and bursaries

Scholarships and bursaries, along with temporary financial assistance are charged to the statement of financial activities in the year in which they are granted.

2. Accounting policies (continued)

2.9 Government grants

Grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.10 Tangible fixed assets and depreciation

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 provided on all tangible fixed assets except land which is considered to be of negligible value, and is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold building	-	2% per annum on cost
Freehold improvements	-	10% per annum on cost
Motor vehicles	-	25% per annum on cost
Other equipment	-	10% per annum on cost
Computer equipment	-	33% per annum on cost

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

2.11 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.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.13 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)

2.14 Liabilities and provisions

Liabilities 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.

Liabilities are recognised at the amount that the Company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation.

2.15 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.

2.16 Operating leases

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight-line basis over the lease term.

2.17 Pensions

The charitable company left the Teachers' Pension Scheme on 31 August 2020.

The charitable company contributes into separate defined contribution schemes for teaching and non-teaching staff for which the contributions are charged in the statement of financial activities in the year in which they are payable.

2.18 Advance fee scheme

Amounts received under the school's former Advance Fee Scheme contracts for education not yet utilised to settle school fees were recorded as current liabilities where the education will be provided 12 months from the reporting date and as long-term liabilities where the education was to be provided in subsequent years.

2.19 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 2022 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

2. Accounting policies (continued)

2.20 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. Details of these reserves, as applicable to the charity, are set out in note 19 .

Restricted funds are funds where specific conditions imposed by the donor would restrict the use of unspent funds or where the terms of the appeal restrict the use of the funds.

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

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates included within the financial statements include provision for fee debtors, which require a judgment by management regarding the likelihood of recovery. Management review and assess fee debtors on an individual basis and provide for fee debtors as appropriate.

Depreciation is another key estimate in the accounts which requires management judgment over the useful life of the assets. The policy has been set out in the notes above.

4. School fees

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
School fees receivable consist of:			
Gross fees	18,039,356	**18,039,356**	17,140,408
Less: Scholarships and other awards	(1,000,131)	**(1,000,131)**	(888,347)
Less: Summer term (Covid-19) discount	(17,131)	**(17,131)**	(353,976)
Net fees receivable	**17,022,094**	**17,022,094**	15,898,085
Add: Bursaries paid out of designated funds	555,767	**555,767**	464,364
Total 2022	17,577,861	**17,577,861**	16,362,449
Total 2021	16,362,449	16,362,449	

5. Grants and awards

In addition to the scholarships and other awards noted above, the School provided means-tested bursaries to provide financial assistance to parents.

The total awards are as follows:

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Revenue account (scholarships)	444,364	**444,364**	423,983
Designated funds (means-tested bursaries)	555,767	**555,767**	464,364
Total grants and awards	1,000,131	**1,000,131**	888,347
Total 2021	888,347	888,347	

6. Income from donations and government grants

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	13,126	115,230	**128,356**	43,932
Government furlough scheme	-	-	-	89,864
Total 2022	13,126	115,230	**128,356**	133,796
Total 2021	17,044	116,752	133,796	

7. Non ancillary income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Property rentals	42,006	**42,006**	34,738
HM Court and Tribunals Service income	-	-	130,485
Miscellaneous income	-	-	12,945
Total 2022	42,006	**42,006**	178,168
Total 2021	178,168	178,168	

8. Income from investments

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
UK listed investments	36,398	**36,398**	31,843
Total 2021	31,843	31,843	

Income from investments was designated in the current and previous financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

9. Ancillary income

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
After school care	46,035	**46,035**	31,624
Trips income	489,560	**489,560**	74,141
Fees for extra-curricular courses and examinations	507,287	**507,287**	393,657
Fees in lieu of notice	17,940	**17,940**	44,920
Registration fees	38,465	**38,465**	48,217
Miscellaneous income	90,548	**90,548**	22,228
Total 2022	1,189,835	**1,189,835**	614,787
Total 2021	614,787	614,787	

10. Expenditure on charitable activities

	Staff costs 2022 £	Other 2022 £	Depreciation 2022 £	Total funds 2022 £	Total funds 2021 £
Charitable activities					
Teaching costs	8,841,900	559,699	145,709	**9,547,308**	8,939,384
Welfare costs	93,551	1,278,326	-	**1,371,877**	1,042,802
Premises costs	1,008,469	1,450,725	1,150,788	**3,609,982**	3,803,943
Support costs	1,586,672	1,077,796	5,521	**2,669,989**	2,527,271
Trip costs and other travel	-	492,158	-	**492,158**	126,258
Grants, awards and prizes	-	555,767	-	**555,767**	464,364
Governance costs	-	19,329	-	**19,329**	29,730
Finance costs	-	100,850	-	**100,850**	60,451
Movement in bad debt provision	-	10,552	-	**10,552**	(30,258)
	11,530,592	5,545,202	1,302,018	**18,377,812**	16,963,945
Total 2021	10,917,102	4,607,984	1,438,859	16,963,945	

Total expenditure on charitable activities was £18,377,812 (2021: £16,963,945) of this £7,126 (2021: £7,544) was restricted, £555,767 (2021: £464,364) was designated and £17,814,919 (2021: £16,492,037) was unrestricted.

11. Expenditure on raising funds

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Portfolio management costs	18,190	**18,190**	16,703
Non-ancillary costs	20,413	**20,413**	26,854
Trading expenses	5,146	**5,146**	9,786
	43,749	**43,749**	53,343

Total expenditure on raising funds was £43,749 (2021: £53,343) of this £18,190 (2021: £16,703) related to designated funds and £25,559 (2021: £26,854) related to unrestricted funds.

12. Auditors' remuneration

Fees payable to the Company's auditor and its associates		
- audit fees	**17,000**	25,000
- other services	**3,400**	3,200

13. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	**9,502,567**	8,967,835	**9,502,567**	8,967,835
Social security	**919,769**	836,368	**919,769**	836,368
Pension contributions	**1,021,859**	967,260	**1,021,859**	967,260
Other non-payroll staff costs	**86,397**	145,639	**86,397**	145,639
	11,530,592	10,917,102	**11,530,592**	10,917,102

13. Staff costs (continued)

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

	Group 2022 No.	Group 2021 No.
Teaching	**226**	239
Welfare	**29**	26
Premises	**22**	18
Support	**44**	45
	321	328

Aggregate employee costs of the officers of the school , including salary, benefits, pension contributions and national insurance) in the year totalled £408,006 (2021: £510,588).

The governors received £Nil remuneration or other benefit for the year (2021: £Nil). One governor was reimbursed £Nil relating to retirement gift expenses in the year (2021: £295).

The employer's liability insurance of the charitable company includes indemnity insurance for the governors.

The split between part time and full time staff was as follows:

	Full time 2022	Full time 2021	Part time 2022	Part time 2021
Teaching	**119**	110	**107**	129
Welfare	**7**	7	**22**	20
Premises	**15**	14	**7**	4
Support	**29**	26	**15**	18
	170	157	**151**	171

13. Staff costs (continued)

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

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	**3**	2
In the band £70,001 - £80,000	**3**	2
In the band £80,001 - £90,000	**3**	5
In the band £90,001 - £100,000	**1**	1
In the band £150,000 - £160,000	**1**	1

The total employer contributions in the year towards pension scheme contributions for the above 11 (2021: 11) staff members were £78,766 (2021: £112,073).

During the year, severance pay was awarded to 2 employees with payments for compensation and pay in lieu of notice totalling £7,105 (2021: 15 employees, £32,338). All of this had been paid by the reporting date (2021: All).

14. Taxation

The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

15. Tangible fixed assets

Group and Company

	Freehold property and improvements £	Motor vehicles £	Office equipment £	Assets under construction £	Total £
Cost or valuation					
At 1 September 2021	28,072,119	23,338	4,338,342	-	32,433,799
Additions	284,338	-	214,427	336,682	835,447
At 31 August 2022	28,356,457	23,338	4,552,769	336,682	33,269,246
Depreciation					
At 1 September 2021	10,190,661	18,938	3,593,837	-	13,803,436
Charge for the year	1,031,810	3,300	266,908	-	1,302,018
At 31 August 2022	11,222,471	22,238	3,860,745	-	15,105,454
Net book value					
At 31 August 2022	17,133,986	1,100	692,024	336,682	18,163,792
At 31 August 2021	17,881,458	4,400	744,505	-	18,630,363

16. Fixed assets investments

	Group 2022 £	Group 2021 £	School 2022 £	School 2021 £
Listed investment (see below)	1,634,839	1,745,910	1,634,839	1,745,910
Abbey Commercial Enterprises Limited (see below)	-	-	2	2
	1,634,839	1,745,910	1,634,841	1,745,912

Subsidiary undertaking:

The Abbey School owns 100% of the ordinary share capital of Abbey Commercial Enterprises Limited (company number 06334617). This company was incorporated in England and Wales and was established to carry out the non-educational activities associated with the School.

Trading results extracted from its audited financial statements are shown below:

	2022	2021
Turnover	123,044	61,116
Administration expenses	(5,146)	(9,786)
Management charge from the Abbey School	(19,000)	(19,000)
Profit on ordinary activities before taxation	**98,898**	**32,330**
Profit on ordinary activities after taxation	**98,898**	**32,330**
Net assets	**98,902**	**32,333**

All activities have been consolidated on a line by line basis in the SOFA. Any taxable net profit is gifted to the charity. The total expenses include a management charge paid by Abbey Commercial Enterprises of £19,000 (2021: £19,000), which is eliminated on consolidation. At the year end the balance outstanding was a debtor in The Abbey School of £19,000 (2021: £19,000).

Listed investments

	2022 Market value £	2021 Market value £
At 1 September 2021	1,707,957	1,337,306
Additions	251,653	260,528
Disposals	(208,733)	(157,051)
Unrealised (loss)/gain on revaluation for the year	(129,626)	267,174
At 31 August 2022	1,621,251	1,707,957
Cash held by investment manager	13,588	37,953
Total at 31 August 2022	1,634,839	1,745,910
Historical cost of investments	1,322,953	1,257,752

16. Fixed assets investments (continued)

Investments which comprise more than 5% of Investments which comprise more than 5% of the market value of investments are: market value of investments are:

	Market value £	Cost £
Aberdeen Standard Fund Managers Ltd	**86,620**	77,741

Principal subsidiaries

The following was a subsidiary undertaking of the Company:

The financial results of the subsidiary for the year were:

17. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	**49,997**	41,691	**46,941**	39,775
Amounts due from own subsidiary	**-**	-	**19,000**	19,000
Other debtors	**39,392**	4,500	**39,392**	4,500
Prepayments	**427,471**	329,148	**427,471**	329,148
	516,860	375,339	**532,804**	392,423

Amounts due from owned subsidiary are interest free and repayable on demand.

18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank overdrafts	-	622,282	-	622,282
Bank loan	**200,000**	200,000	**200,000**	200,000
Trade creditors	**396,240**	486,399	**396,240**	486,399
Deposits held	**663,155**	658,551	**663,155**	658,551
Other taxation and social security costs	**250,243**	229,485	**248,442**	224,870
Other creditors	**458,595**	221,152	**458,597**	221,151
Accruals	**110,153**	346,251	**106,753**	340,604
Advance fee scheme payments	**16,530**	16,530	**16,530**	16,530
Fees received in advance	**456,045**	402,648	**456,045**	402,648
	2,550,961	3,183,298	**2,545,762**	3,173,035

At the end of 2022, as at the end of 2021 there was a bank overdraft with HSBC, which was secured by legal charges over two freehold properties.

Fees received in advance relates to fees for the next academic year which some parents pay in advance.

Deposits held relate to acceptance deposits which are considered as owed within one year given that only one terms notice is required to be given by pupils.

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

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans	**1,555,438**	1,726,367	**1,555,438**	1,726,367
Fees received in advance	-	4,533	-	4,533
Advance fee scheme payments	-	16,530	-	16,530
	1,555,438	1,747,430	**1,555,438**	1,747,430

The loan is repayable as follows:

Within 2 to 5 years				
Bank loans	**800,000**	800,000	**800,000**	800,000
More than 5 years				
Bank loans	**755,438**	926,367	**755,438**	926,367

Bank loan with HSBC is secured by a charge over the School's property.

20. Advance fee scheme

Group and School

Parents historically have deposited a lump sum with the School as an advance on future fees. This option is no longer available to parents. Each arrangement is in respect of an agreed amount to be credited against future fee bills for an agreed number of terms. The unused balance of the advance is repayable on request. It is intended that the advance fees will be applied as follows

	2022	2021
	£	£
Within 1 year	**16,530**	16,530
Within 2 to 5 years	**-**	16,530
	16,530	33,060

The figures for advanced fee payments are included within the balance sheet for school fees paid in advance (notes 18 and 19). The balance represents the accrued liability under these arrangements. Movements during the year were:

	£	£
Balance at 1 September 2021	**33,060**	79,770
Amounts utilised in the payment of fees	**(16,530)**	(46,710)
Balance at 31 August 2022	**16,530**	33,060

21. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets measured at fair value	**1,634,839**	1,745,910	**1,634,841**	1,745,912

Included within financial instruments held at fair value is investments.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

22. Statement of funds

Statement of funds - current year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	36,398	(573,632)	666,860	(129,626)	1,000,000
Designated donation	-	80,000	-	-	-	80,000
	1,000,000	116,398	(573,632)	666,860	(129,626)	1,080,000
General funds						
General unrestricted	15,473,242	18,967,976	(17,840,803)	(666,860)	-	15,933,555
Total Unrestricted funds	16,473,242	19,084,374	(18,414,435)	-	(129,626)	17,013,555
Restricted funds						
Restricted Fund	38,206	13,126	(7,126)	-	-	44,206
Total of funds	16,511,448	19,097,500	(18,421,561)	-	(129,626)	17,057,761

Income from The Bursary Fund is used to offer financial assistance to individual pupils when necessary.

The Governors have decided to make an annual transfer from the unrestricted funds so that a balance of £1 million remains earmarked for use on bursaries within this fund.

Restricted funds are those received for specific purposes including donations received for building appeals, various teaching departments and fixed assets. Once the restriction has been fulfilled than a transfer from restricted to unrestricted funds is made.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2021 £
Unrestricted funds						
Designated funds						
Designated - The Bursary Fund	1,000,000	31,843	(481,067)	182,050	267,174	1,000,000
General funds						
General unrestricted	14,850,697	17,333,272	(16,528,677)	(182,050)	-	15,473,242
Total Unrestricted funds	15,850,697	17,365,115	(17,009,744)	-	267,174	16,473,242
Restricted funds						
Restricted Fund	28,706	17,044	(7,544)	-	-	38,206
Total of funds	15,879,403	17,382,159	(17,017,288)	-	267,174	16,511,448

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2022 £	Unrestricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	-	18,163,792	**18,163,792**
Fixed asset investments	-	1,634,839	**1,634,839**
Current assets	44,206	1,321,323	**1,365,529**
Creditors due within one year	-	(2,550,961)	**(2,550,961)**
Creditors due in more than one year	-	(1,555,438)	**(1,555,438)**
Total	44,206	17,013,555	**17,057,761**

Analysis of net assets between funds - prior year

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	18,630,363	18,630,363
Fixed asset investments	-	1,745,910	1,745,910
Current assets	38,206	1,027,697	1,065,903
Creditors due within one year	-	(3,183,298)	(3,183,298)
Creditors due in more than one year	-	(1,747,430)	(1,747,430)
Total	38,206	16,473,242	16,511,448

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

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

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	**546,313**	632,045
Adjustments for:		
Depreciation	**1,302,018**	1,438,859
(Losses)/gains on investments	**129,626**	(267,174)
Dividends and interest	**(36,398)**	(31,843)
Interest payable	**56,043**	56,338
(Increase)/ decrease in debtors	**(141,521)**	25,732
Increase in creditors	**17,612**	330,717
(Decrease)/increase of cash at investment manager	**(24,365)**	88,336
Net cash provided by operating activities	**1,849,328**	2,273,010

25. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Bank balances included in cash at bank and in hand	**848,669**	690,564
Bank overdraft	**-**	(622,282)
Total cash and cash equivalents	**848,669**	68,282

26. Analysis of net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash balances	**690,564**	**158,105**	**848,669**
Overdraft	**(622,282)**	**622,282**	**-**
Bank loans due in under one year	**(200,000)**	**-**	**(200,000)**
Bank loans due in more than one year	**(1,726,367)**	**170,929**	**(1,555,438)**
	(1,858,085)	**951,316**	**(906,769)**

27. Capital commitments

	Company 2022 £	Company 2021 £
At 31 August 2022 the School had the following capital commitments:		
Contracts for future capital expenditure not provided in the financial statements	**300,000**	11,583

28. Pension commitments

a) Teachers' Pension Scheme

The school withdrew from the Teachers' Pension ("TPS") Scheme at 31 August 2020.

b) Other schemes

The Company makes contributions for teaching and non-teaching staff. £1,021,859 (2021: £ 968,353) was payable for the year. Contributions totalling £143,945 (2021: £142,452) were unpaid at the year end and are included within creditors.

29. Operating lease commitments

At 31 August 2022 the Group and the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Company 2022 £	Company 2021 £
Due within one year	**35,153**	35,153
Due between two and five years	**8,798**	43,941
	43,951	79,094

30. Related party transactions

Transactions with Governors

Owing to the nature of the school's operations and the composition of its governing body being drawn from local public and private sector organizations, it is inevitable that transactions will take place with organizations with which a Governor may have an interest. All transactions involving these organizations are in accordance with the school's normal procedures.

Mr M Emmanuel is a director at French Horn Hotel Limited. During the year, the School was invoiced £666 (2021: £899) by French Horn Hotel Limited for a function in the year. At the year end, a balance of £Nil (2021: £Nil) was owed to French Horn Hotel Limited.

THE ABBEY SCHOOL, READING

England & Wales - Charity number 309115

Accounts

The Abbey School, Reading
(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

Year Ended

31 August 2021

Registered Number 0133676 (England and Wales)
Charity Number 309115

The Abbey School, Reading

Report and financial statements
for the year ended 31 August 2021

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The Abbey School, Reading

Report of the Chair of the Governors
for the year ended 31 August 2021

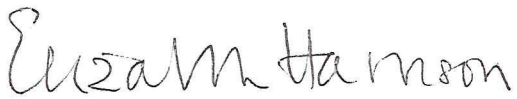
Arguably the most critical task that falls to School Governors is the appointment of the person they judge to be the right person to lead the school. In 2020 it fell to us to find and secure as our new Head someone who would not just continue the excellent work of Mrs Rachel Dent but who would be ready to guide the School to an even better future.

The decision to appoint Mr Will le Fleming was both easy and very challenging. Easy because he brought everything we were looking for in terms of his teaching and leadership experience, his imaginative approach to the development of our curriculum and all those other activities that make the education the Abbey offers so very special, and his engaging personal style. Challenging because he would be only the seventh Head of the Abbey School in our history and the first who was not an eminent female educationalist. The governors thought long and hard about whether the loss of a key female role model at the top of the School would send the wrong message to our students about where they might target their own ambitions. But we determined finally that what we needed was the person who was the best for the job now, and the job as it could develop, and that person was clearly Mr le Fleming. And I am delighted to report here that our choice has been justified in every possible way.

One of Mr le Fleming's earliest responsibilities was the appointment of our new Head at the Junior School, Mrs Nisha Kaura, and together they have navigated through what has surely been one of the most difficult years that schools have ever experienced. Not that our results suggest that. But we know it has been really tough for everyone - staff, students, families - this year. The Abbey community has been severely tested and has not been found wanting. Our students have continued to learn, in constrained face to face settings and online, and have delighted us with the results they have achieved. We want them to be able to approach everything they do with a sense of confidence, purpose and joy. And they have done so, with great resilience, despite continuously changing advice and circumstances. Our staff too, in teaching, administrative and support teams, have been wonderful. They have adapted to whatever circumstances have thrown at them; they have supported one another personally and professionally; they have continued to deliver first class experiences to our girls and outstanding individual support.

The school is fortunate to have a brilliant Governing Body. We have continued to meet regularly, more often than not via video link, with which we have become increasingly expert. I am very grateful to them for the time and the insight they bring to our deliberations. We have not set any of our ambitions for the School aside; we remain forward-looking and innovative. I am confident that the School's reputation will continue to be one of growing excellence, reflected in the rich student experience we offer across an enormous range of activities, subjects and undertakings, and the buildings, spaces and locations at our disposal.

The Annual Report provides the text and the numbers that describe this exceptional year. I commend it to you all.



Elizabeth Harrison
Chair of Governors

The Abbey School, Reading

Governors, Officers and Advisers
for the year ended 31 August 2021

GOVERNORS

The Governors and their committees (represented by numbers) are as follows:

Mrs E A Harrison BA (Hons) MBA JP [1, 2, 3, 4, 5, 7]
Mrs J Butler FCA [1, 5]
Ms S Burgess BA MA [4]
Mrs S Colebrook BSc PGCE [2, 8]
Mrs J L Cornell BA [2, 3, 4, 5] (resigned 6 December 2021)
Mr S Dimmick LLB [3, 5]
Mr M Emmanuel [1, 3]
Ms Robyn Field BA
Dr H Kemp BM BCh MSc PhD FRCA (appointed 22 March 2021)
Mr C O'Shea [1] (appointed 28 September 2020)
Mr A Peach (appointed 22 March 2021)
Mr J Sheehan [3, 5, 6]
Mr C Singer BSc FIA [1]
Mrs E West LLB [2, 9]
Mr D N Williams BA MA PGCE [2, 4, 9]

Key:
1. Members of the Finance and General Purposes Committee
2. Members of the Leadership in Girls Education Committee
3. Members of the Estates Development Committee
4. Members of the Community Committee
5. Members of the Governance Committee
6. Lead Governor for Risk, Audit, and Compliance
7. Lead Governor for Human Resources
8. Lead Governor for Child Protection
9. Lead Governor for Early Years

Nominee members of the Council

The Bishop of Oxford
Vacancy

At the Annual General Meeting held on 6 December 2021 the appointments of Dr H Kemp and Mr A Peach were confirmed and the resignation of Mrs J Cornell was recognised.

The Governors are also Directors of the Company and Trustees of the Charity.

OFFICERS

The Executive Head	Mr Will Ie Fleming BA, MA (Cambridge)
Head of Junior School	Mrs Nisha Kaura BSc (Surrey), PGCW, Med (Buckingham)
Head of Finance and Resources	Mrs Nadine Doble BSC (Cardiff), ACMA
Head of External Relations	Mr Craig Andrew BA Hons (Rhodes), HDE MBA, LVO

ADDRESSES

Senior School 17 Kendrick Road Reading RG1 5DZ	Junior School (Years 3-6) 30 Christchurch Road Reading RG2 7AR
Junior School (Years 1 & 2) 12 Christchurch Gardens Reading RG2 7AH	Junior School (Nursery and reception) 2 Vicarage Road Reading RG2 7AJ

The School's registered office is 17 Kendrick Road, Reading, Berkshire, RG1 5DZ.

ADVISERS

Bankers:	HSBC UK Bank plc 26 Broad Street Reading RG1 2BU
Solicitors:	Blandy & Blandy LLP 1 Friar Street Reading RG1 1DA
Auditor:	BDO LLP Thames Tower, Station Road Reading RG1 1AZ
Investment advisers:	Charles Stanley & Company Ltd Dukes Bridge Chambers 1 Duke Street Reading RG1 4SA
Insurance brokers:	Marsh Brokers Ltd Schools Division Capital House 1-5 Perrymount Road Haywards Heath, West Sussex RH16 3SY

The Abbey School, Reading

Annual report by Council
for the year ended 31 August 2021

The Governors of The Abbey School, Reading present their annual report for the year ended 31 August 2021 under the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities Statement of Recommended Practice (SORP 2nd edition).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Abbey School, Reading is a Company Limited by Guarantee and was registered on 31 January 1914. The Company registration number is 133676.

It is also a Charity, registration number 309115.

The Governors, Officers, Key Addresses and Advisers are set out on Pages 2 and 3.

The company has a wholly owned subsidiary, Abbey Commercial Enterprises Limited, the School's trading arm.

The school is an active member of the Headmasters and Headmistresses Conference (HMC), the Girls' Schools Association, the Independent Association of Prep Schools (IAPS), the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

For the year 2020-2021 the Head was one of three local heads on the Headteachers' Engagement Group set up by the Berkshire West Safeguarding Children Partnership.

Volunteers

There is no shortage of volunteer support throughout the School, from parents assisting in reading classes in the Junior School, to helping out in the second-hand clothes shop, in the library and on school trips. Former pupils, Governors and other interested adults have also given freely of their time. All of this is very much valued by the School. Governors take this opportunity to say how much they appreciate the continuing and valuable support of volunteers to the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, dated 4 December 2006 as amended by special resolution dated 6 December 2021.

Governing Body

The Governors are all Directors of the company and appoint new Governors either to fill a casual vacancy or by way of additions to the board. The total number of Governors shall be not less than twelve and not more than twenty-four. Of these, as far as is practicable, one Governor shall be the nominee of The Bishop of Oxford, one should be an alumna of the school and one a nominee of the parents of girls at the school. The nominee positions are ratified at a full Governors' meeting. Each Governor, other than the nominees, is elected for four years and retiring Governors can stand for re-election for one further term at the next Annual General Meeting.

Those who held office during the year are listed on Page 2.

Organisational management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets at least three times a year. Much of the preparation for these meetings is undertaken by the Finance and General Purposes Committee (F&GP Committee) which meets before each Governors' meeting. The Chairman of the F&GP Committee is Mrs J Butler. The other principal committees are:

The Abbey Community Committee	chaired by Mrs J L Cornell,
Estates Development Committee	chaired by Mr M Emmanuel,
Governance Committee	chaired by Mr S Dimmick
Leadership in Girls Education Committee	chaired by Mrs S Colebrook,

In addition to these committees five Governors support the school by taking the lead on Risk, Audit and Compliance ('RAC'), Child Protection, Human Resources, Health & Safety, and Early Years.

Committee members and Lead Governors are listed on Page 2.

The day to day running of the School is delegated to the Head who is assisted in this by other members of the Executive Board: the Head of the Junior School, the Head of Finance and Resources, and the Head of External Relations. The Head and other members of the Executive Board attend meetings of the Governing Body and its Committees.

Recruitment and Training of Governors

The Governance Committee considers potential new Governors for eligibility, competence, specialist skills and availability. New Governors are given an induction into the workings of the School, including its policies and procedures, and are given a tailored induction pack. Training and bespoke courses are regularly offered to all Governors.

Corporate Governance

The governing body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and in the process of strategic planning.

The generic key controls used by the School to manage risk include:

- Annual review of the Risk Register, in detail by the lead Governor on Risk Audit and Compliance, and reviewed by Council
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities
- Terms of Reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Vetting procedures as required by law for the protection of vulnerable people
- Clear hierarchical authorisation and approval levels

The above structure formalises the risk management processes established for the Charity.

Risk Management *(continued)*

Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

Pay policy for senior staff

The pay of senior staff is reviewed annually, and includes comparisons with other independent schools. Being located in the South East where there are significant costs in relation to housing The Abbey keeps abreast of pay and employment conditions elsewhere.

OBJECTIVES AND AIMS

Charitable Objectives

The objects of the School are set out in the Memorandum of Association. The main object is summarised as the running of a School to provide a general education which includes religious instruction in the doctrines and duties of the Church of England.

The Charity's Aims

As an educational charity for girls aged 3-18, The Abbey School exists to provide an outstanding, challenging and fulfilling education for girls that equips them to live with confidence, purpose and joy.

Working in partnership with families, the School supports each individual student to expand their horizons, discover their passions and fulfil their potential. The School offers academic excellence, extra-curricular opportunity and pastoral assurance within an environment prioritising kindness and fellowship.

The School's objective over 130 years of leadership, innovation and reform has been to provide a liberal, practical and general education:

Liberal in thought, tolerance, and generosity.
Practical in preparing students to face a changing world on their own terms, excited by opportunity, resolute towards uncertainty and committed to leadership and service.
General in the remarkable breadth and range of experience and encouragement to participate.

Key Objectives

The School's strategy sets out seven key objectives in three areas: student experience, community and future development. These objectives span the academic and all-round education of students; pastoral care; the strength and diversity of the community; connections with the wider world; an outward-looking perspective and innovative approach; and the highest standards in the maintenance of the School's estates, finance and compliance. All the objectives seek to bring about the charity's overall aim as specified above. A particular focus within the seven key objectives is on outreach, access to education via bursary support, and involvement in philanthropic and community initiatives to ensure the broadest possible public benefit both locally and further afield.

Measurement of Objectives

In furtherance of these objectives the Governors, as charity trustees, have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

The Head and the Executive Board continue to lead the School, and work with the Governing Body to create and pursue a new three-year strategic plan across all areas of the School's operations.

The School has reviewed its use of space and has in place a plan, still capable of being refined, for all of its diverse sites. This plan seeks to ensure their most effective use as well as the best possible contribution to the local area and community. It also takes into account key environmental priorities. Recent projects have included a major extension and development of the Junior School site and the sympathetic renovation of one of the School's signature spaces, Knell House, home to nursery and Reception.

Also part of the strategic plan, the School continuously looks to raise bursary funds to ensure that girls can continue in the future to enjoy an Abbey education whatever their financial circumstances.

ACHIEVEMENTS AND PERFORMANCE

Summary

The Abbey is one of the country's foremost independent girls' schools from 3-18. The School at present educates around 1,000 girls in a lively, vibrant learning environment. It has identified four qualities that help to define an Abbey education:

- Unrivalled breadth, depth and excellence of provision
- Excitement and delight in discovery
- Innovation and international outlook
- Exceptional individual attention and care from truly remarkable staff

At the heart of this is the focus on each individual student and celebrating and cherishing them for what they offer. The School supports each student to be motivated by the joy of what they do and the support of staff and peers to achieve more than they would have imagined possible.

In the Sixth Form the School offers two principal pathways: the A Level programme and the International Baccalaureate Diploma Programme. Results in both and in GCSEs were again outstanding. At GCSE around 90% of results were at 9-7 (A*-A). In A Levels the around 70% of results were at A*-A. In the IB Diploma the average student score was over 40 points from a maximum of 45 points against a global average of 33. Remarkably four students achieved the rare feat of a maximum score of 45. These results are outstanding in themselves but the chief source of pride is the resilience of students who achieved them despite the disruption and uncertainty caused by the Covid-19 pandemic.

All-round education and personal development share equal importance with academic success. The School offers eight principal streams of practical and creative activity: music, art, drama, sport, textile design, food technology, outdoor education and a wide range of club activities. All of these areas feature significant student leadership and the opportunity to learn skills that will help all students contribute to their communities. In addition, thriving Duke of Edinburgh, Abbey Award and Creativity, Activity and Service (CAS) programmes prepare students both for service and leadership in the wider world.

All these areas allow for individual excellence. Abbey students routinely achieve the highest levels in music examination and performance, play sport representatively for counties and nationally, and win awards for creative and research work. However, of equal importance is the opportunity they provide for participation for all. Entire cohorts participate in voluntary programmes and charity work and learn to collaborate and contribute. The School's core purpose is to develop confidence, purpose and joy in students and this places personal development at the heart of the education it offers. Students actively campaign in areas such as diversity, the environment, gender relations and equality. The desire to make a difference, the knowledge and skills to do so effectively, and the resilience and confidence to see things through are key elements in the leading educational experience the School provides.

Beneficiaries of the School's charitable work - partnerships with local schools and the community

Under both the International Baccalaureate course which includes a 'Creativity, Activity and Service' component, and The Duke of Edinburgh's Award Scheme which includes a volunteering strand - 6 months of volunteering for Silver and 12 months for Gold – our girls have ample opportunity to support local schools and the local community. Once again, beneficiaries have included the Royal Berkshire Hospital and MacMillan Cancer Support amongst others.

A great deal of energy goes, likewise, into Reading Refugee Support. Many girls volunteer at our after-school refugee homework club. The children come to the Abbey twice a week (girls and boys) to receive support from our Upper Fifth and Sixth Form students, and while the children are working, their parents are offered refreshments and take the opportunity to socialise. This is a highly valued service that delivers real educational benefit for the pupils attending, children who often cannot receive the support they need at home due to language difficulties and the challenge of understanding the British curriculum. In order to ensure the continued success of the homework club, the Abbey makes a minibus available to transport the families to and from the school.

One of the members of our staff room helps out with university applications at the nearby Blessed Hugh Faringdon Catholic School.

Other beneficiaries of the School's charitable work - charity donations and other input

In a year with school attendance significantly affected by Covid, there were fewer opportunities for fundraising events and activities. Pupils and staff at the Abbey school remain keen to be involved in supporting outside charities, and in addition to much valued volunteer contributions, we collected and made donations of over £5,000 to a range of charities chosen by the girls which included Jeans for Genes, the British Asian Trust, and Ufulu.

Community Use of facilities

The Abbey School supports its charitable objects within the community by making its facilities available for public benefit. We share our facilities, including the halls, the all-weather sports pitches, the gymnasium and the indoor swimming pool with local schools and community groups. Amongst the beneficiaries during the year were:

- Swim England Synchro Assessments
- Reading University Water Polo Team
- GB Paralympic Rowing Team - capsize drills
- Reading Lacrosse Club
- Berkshire Junior Chess
- Reading Bowling Club
- Reading Korean School
- Parenthesis Choir
- West Forest Sinfonia
- Berkshire Maestros
- School of the Arts
- Stagecoach Reading East
- Reading School
- Woodley Netball Club
- RABBLE Theatre
- Bulmershe Gymnastics Club

Energy and Carbon Reporting

	31 August 2021	31 August 2020
Energy consumption in KWh	3,847,073	3,170,816
Associated emissions in tonnes CO_2e	744.63	643.01
Intensity ratio - tonnes	0.74	0.67

Measures taken to improve energy efficiency include:

- Extensive deployment of LED light fittings
- Installation of various low energy convector heating systems
- Chemical and power cleansing of all heating service pipework and radiators

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2021 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO_2e per pupil, the recommended ratio for the sector.

Engagement with employees

The School is committed to regular and transparent sharing of information with all staff and to providing opportunities for collaborative consultation. Regular online and in-person briefings and meetings are held and information is also widely disseminated via email and via collaborative discussion tools such as Jamboards. The School intranet contains news, policies, and other information, accessible to all staff. Important updates affecting employees are often shared in advance to allow for feedback and improvement before final decisions are confirmed. During the year the School produced a new three-year strategy, created in consultation with many staff, and shared with all employees for input and comment before its confirmation by Governors. With regard to disability the school's active policy is to promote equal opportunities and oppose discrimination on the grounds of disability.

Engagement with suppliers, the parent body, and other business relationships

We recognise the need to maintain and foster good relationships with our suppliers, the parent body, and others, and we monitor closely our dialogues with all of them. Our key business managers have all been in post for a number of years and have developed strong and positive relationships with those with whom we deal. Payments due to us are by and large collected efficiently and, when necessary, with sensitivity, and we pay staff and suppliers promptly and accurately, with supporting information always provided for clarity. On matters of schooling we engage positively with our students and their parents through a variety of activities and communications. Many of these processes are two-way: we listen carefully to the voices of our highly articulate pupils and the valued feedback and opinions of their parents. During the course of the year we announced our intention to create a new parent organisation, The Abbey Parents' Society (TAPS), to improve our sense of a shared community still further.

Promoting the success of the school

The Governors and the school's executives seek successful outcomes from all of the activities they pursue. In determining the most appropriate way of achieving the desired results, their decisions take account of the interests of, and the impact on, students, the parent body, staff, suppliers, the environment, the local community, and all others likely to be affected. We strive continually not only to maintain but also to enhance our hard-won reputation for integrity and high standards of both conduct and achievement.

Financial Assistance

The School has a policy on financial assistance, including bursaries of up to 100%, and this is advertised on its website, and at open days. The Bursary Fund was established over 30 years ago with the specific aim of generating funds in order to offer places to pupils who would otherwise not have access to education at the school. The value of the fund is £1million and will be maintained at this figure.

Academic scholarships worth 10% of tuition fees are offered (which can be supplemented with a means-tested Bursary). Specialist scholarships are offered at the point of entry to the Senior School and, as noted above, there are further opportunities for students to win scholarships in all disciplines as they make progress through the School.

The Head has the authority to award additional scholarships to very able pupils. Parents who cannot afford to pay the fees in full or in part can apply for a means-tested Abbey School Financial Bursary. The Abbey School Scholarship and Bursary policy allows up to a total of 6% of the current level of annual gross fee income for these awards. All awards are tenable subject to satisfactory attendance, conduct and progress.

Temporary financial assistance may be available to parents who find themselves with short term financial difficulties. This is means-tested and offered at the discretion of the Head.

Wider access to Schooling was achieved in 2020/21 with a total of £281,181 (2019/20 - £309,117) awarded in scholarships, grants, prizes and other awards. 51 hardship cases received financial support amounting to £464,364 (2019/20 - 53, £484,497) towards fees, equivalent to 25 full senior fee places.

40% of the pupils of the senior School (2019/2020 - 40%) received some form of financial assistance with their fees. This figure does not include staff discounts.

Staff fee discounts and benefits

A fee discount of up to 30% is offered to staff with daughters at the School. In 2020/2021 31 members of staff received this discount at a value of £133,000 (in 2019/2020, 28 members of staff at a total value of £124,000).

A salary sacrifice scheme for School fees remained in place for such members of staff until April 2021 when it ceased in accordance with HMRC regulations.

Other pupil benefits

The Childcare Vouchers Scheme is available, as is a 5% third sibling discount.

Income from investments

Income from investments is reinvested, while operating surplus is used to maintain the scholarship and bursary funds, including temporary financial assistance. The investment fund is available to support the bursary fund when required.

FINANCIAL REVIEW

Financial Results

The consolidated Statement of Financial Activities on page 20 shows the Net Movement in Funds for 2021 as a surplus of £632,045 (2020 - £128,743).

The School had a surplus for the year of £646,300 (2019/2020 - £149,764). The surplus before depreciation and interest is 12.9% (2020 - 10.4%).

The Balance Sheet on page 22 shows Net Current Liabilities of £2,117,395 (2020 - £3,121,673). During the year, as planned, the School took a £2m bank loan to fund its ongoing programme of planned capital investment. Of this amount £1.7m falls due after more than one year.

In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

Investment policy and performance

The overall investment objectives of the School are to create sufficient funds through income and capital in order to enable the School to carry out its purposes consistently, year by year, and with due and proper consideration for future needs. They include the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The School's investment performance is measured regularly against a benchmark, currently named the MSCI PIMFA Private Investor Balanced Index. For this year our total return of 19.3% was slightly higher than the Index, which was 18.0%.

The School's investments are managed by Charles Stanley and Company Limited under the supervision of Governors. At 31 August 2021 investments, of which the majority were UK listed equities, with a market value of £1,745,910 (2020 - £1,463,595), represented designated funds. Their market value at 31 August 2021, reflecting recovery in the global market following depression caused by Covid-19, contributed to a net investment gain of £267,174 (2020, a loss of £46,536).

The Governors are authorised by the Memorandum of Association to invest monies not immediately required for the School's purposes in investments, securities or property as may be thought fit. This will be reviewed closely in the light of the fluctuations caused by Covid-19.

Reserves Policy

The Governors' policy is to build up funds out of annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up to date facilities needed to maintain the standard of educational services currently provided.

The Governors aim to maintain general reserves equivalent to at least 3 months of operating expenditure for the school. Excluding the designated Bursary Reserve of £1m, general reserves at 31 August 2021 were £15.5 m, which represents over 11 months of unrestricted operating expenditure. These reserves ensure the school can fulfil and complete its charitable obligations and commitments.

Notes 22 and 23 show the allocation of the reserves between those designated for specific purposes and those available for the day to day requirements of the School.

Fundraising Policy

In the financial year the School did not actively fundraise from the public or run legacy campaigns or undertake similar fundraising activities directly or indirectly. Any donations received have been unsolicited, and the School has no plans to actively fundraise from the public for the foreseeable future.

GOING CONCERN

The Governors review the School's financial performance and plans at each Council meeting (usually 4 per year) along with our principal financial risks. In March, and again in June and September, they were satisfied that the School had sufficient resources to continue operating for the foreseeable future, and the accounts for the year ended 31 August 2021 have been prepared in the knowledge that the School is a financially viable organisation.

The effect of Covid-19 was most recently assessed by the Governors' Finance and General Purposes Committee in October and again in November 2021, reviewing our ongoing forecasts and projections to ensure that the School remains financially viable. With regard to the next accounting period, the year ending 31 August 2022, the most significant areas that are likely to affect the School's net assets are, much as they were last year, our ability to maintain firstly pupil numbers and secondly the continuing provision of education, whether on site or remotely or, more probably, with a mixture of the two. The key elements here are our level of income and control of costs.

Looking to our ongoing and future activities, the Governors take encouragement from the Covid-19 related experiences of Summer 2020 and the academic year 2020-2021. We have built firmly on the foundations we laid early on, demonstrating innovation, improvisation, dynamism and, as we noted last year, great resilience, with our success due to the hard work and dedication of teachers, pupils, their parents, and our IT and other support departments. We shall continue to pursue our ambitions, not least our future building plans, while ensuring that the School's financial resources and cash flow are not put under too great stress.

These resources depend naturally on our pupil numbers which fell in the year 2019-2020, but rose in the year just ended, and for the current year have remained firm with in fact a slight increase. We have seen an encouraging level of interest from prospective joiners, but we also recognise there will be falls when older year groups with higher numbers depart and younger year groups with lower numbers join.

The School has a strong asset base and generates a positive cash flow from its operations, and the Governors will continue to monitor and review financial and operating plans with the School's executive team to maintain a robust financial footing as we move forward. We are of the opinion that the charity will continue to have sufficient resources to meet its liabilities as they fall due and as such we remain satisfied that The Abbey School can continue operating for the foreseeable future and our accounts have been prepared in the knowledge that the School is a financially viable organisation.

OTHER RISKS AND UNCERTAINTIES

An unexpected fall in pupil numbers would represent a significant risk to the School, and could result in inappropriate investment decisions being made as a result of over-optimistic financial planning. Our regular review of current and projected pupil numbers provides a check that our budgets for future years are realistic. Any significant reduction in numbers would prompt immediate review action.

The full economic impact of the UK government's decision to withdraw from membership of the European Union is as yet unknown. Economic uncertainty is a significant factor for parents considering education in the Independent School Sector and the Governing Body, through the Risk, Audit and Compliance Committee will continue to monitor this potential risk, and all committees, as a standing item, will consider the impact of Brexit on their area of responsibility.

Beyond Covid-19, other aspects of Health and Safety represent a significant area for risk management. The risks range from fire and other damage to infrastructure to personal risks (most notably when away from the campus on trips and expeditions). There is a regular risk audit, and continuity plans are in place to ensure the school continues to function effectively in the event of a major incident such as fire or flood.

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.

FUTURE OBJECTIVES

The Governors and the Executive Board look forward positively to the challenges that lie ahead, and remain committed to keeping The Abbey at the forefront of education. Our three-year strategic plan lays out seven key goals:

Experience

Academic education: we seek to provide excellence and curriculum breadth, valuing and celebrating each individual's personal best endeavour and prioritising curiosity and the love of learning. We aim to ensure outstanding results supporting access to competitive outcomes and encourage ambition, range and individuality in the next stage of our students' education.

All-round education: we seek the widest range of activities and greatest opportunity for student leadership in the co-curriculum, stretching the most able and encouraging the participation of all.

Pastoral care: we seek to help students build resilience and positive mental health, understanding how to look after themselves and others, and to provide the right support quickly when it is needed based on knowing and valuing each student as individuals.

Community

People: we seek to develop and celebrate the experience of learning and working at The Abbey to ensure continued strong numbers of diverse and talented applications from staff and students, supported by a far-reaching bursary programme. We recognise that our strength as a school is founded on the generous and whole-hearted commitment of remarkable students and staff.

Connections: we seek to promote an inclusive sense of common purpose and belonging across our own community of students, staff, families and alumnae and to make connections both locally and globally. We encourage meaningful participation in philanthropic and wider community initiatives to bring mutual benefit and enrichment to as wide an audience as possible.

FUTURE OBJECTIVES *(continued)*

Future

Outward-looking perspective and innovation: we seek to foster an international outlook that champions diversity and encourages engagement with the world. We look to play an active part in the wider educational arena and commit to a culture of open self-evaluation driving innovation and improvement.

Estates, finance and compliance: we seek to maintain and develop our estate, our finances and our bursary programme sustainably, with confidence and good sense and to ensure financial good health based on appreciation for the support and commitment of our families. We look to meet and exceed compliance standards in all areas of our operations.

The plan sets out 23 targets to achieve these goals. These include the establishment of a Governors' Futures Working Group to inform planning and strategic direction over a longer time scale. We remain committed to the highest standards in educational innovation and to the widest possible access and wider benefit from our education. We seek to equip girls to face the future on their own terms, driven above all by courage, honesty and kindness. We believe this will allow them to live the fullest possible lives and to make the greatest contribution to their communities and to society as a whole.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor are unaware; and
- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

AUDITOR

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

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Abbey School at a Special General Meeting on 6 December 2021, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf.

By order of the Governors

Elizabeth Harrison

E A Harrison
Chair of Governors

Date:

6 December 2021

STATEMENT OF RESPONSIBILITIES OF COUNCIL

The Governors (who are also directors of The Abbey School for the purposes of company law and trustees for the purpose of charity law) are responsible for preparing the Governors' Annual Report (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 judgements 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.

The Abbey School, Reading

Consolidated Statement of Financial Activities (incorporating an Income & Expenditure Account) for the year ended 31 August 2021

	Note	Unrestricted funds: General funds £	Unrestricted funds: Designated funds £	Restricted funds £	Total 2021 £	Total 2020 £
INCOME FROM:						
Government grants	4c	89,864	-	-	89,864	429,809
Charitable activities						
School fees	4a	16,362,449	-	-	16,362,449	15,602,258
Ancillary income	7	614,787	-	-	614,787	835,415
Other trading activities						
Trading income	14	61,116	-	-	61,116	73,216
Non-ancillary income	5	178,168	-	-	178,168	90,489
Investments	6	-	31,843	-	31,843	33,213
Donations		26,888	-	17,044	43,932	57,575
Total income		17,333,272	31,843	17,044	17,382,159	17,121,975
EXPENDITURE ON:						
Charitable activities	8	16,492,037	464,364	7,544	16,963,945	16,910,847
Raising funds	9	26,854	16,703	-	43,557	28,221
Trading costs	14	9,786	-	-	9,786	7,628
Total expenditure		16,528,677	481,067	7,544	17,017,288	16,946,696
Net income before gains and transfers		804,595	(449,224)	9,500	364,871	175,279
Net gain on investments	14	-	267,174	-	267,174	(46,536)
Transfers between funds	22	(182,050)	182,050	-	-	-
Net movement in funds		622,545	-	9,500	632,045	128,743
Total funds brought forward	22	14,850,697	1,000,000	28,706	15,879,403	15,750,660
Total funds carried forward	22	15,473,242	1,000,000	38,206	16,511,448	15,879,403

All amounts relate to continuing activities. All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 24 to 43 form part of these accounts.

The Abbey School, Reading

Consolidated Statement of Financial Activities (incorporating an Income & Expenditure Account) for the year ended 31 August 2020

	Note	Unrestricted funds General funds £	Designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
INCOME FROM:						
Government grants	4c	429,809	-	-	429,809	-
Charitable activities						
School fees	4a	15,602,258	-	-	15,602,258	16,568,432
Ancillary income	7	835,415	-	-	835,415	1,019,559
Other trading activities						
Trading income	14	73,216	-	-	73,216	91,403
Non-ancillary income	5	90,489	-	-	90,489	26,228
Investments	6	-	33,213	-	33,213	38,493
Donations		21,283	-	36,292	57,575	36,437
Total income		17,052,470	33,213	36,292	17,121,975	17,780,552
EXPENDITURE ON:						
Charitable activities	8	16,418,191	485,070	7,586	16,910,847	17,149,400
Raising funds	9	11,788	16,433	-	28,221	44,697
Trading costs	14	7,628	-	-	7,628	23,794
Total expenditure		16,437,607	501,503	7,586	16,946,696	17,217,891
Net income/ (expenditure) before gains/(losses) and transfers		614,863	(468,290)	28,706	175,279	562,661
Net (loss)/gain on investments	14	-	(46,536)	-	(46,536)	39,743
Transfers between funds	22	(514,826)	514,826	-	-	-
Net movement in funds		100,037	-	28,706	128,743	602,404
Total funds brought forward	22	14,750,660	1,000,000	-	15,750,660	15,148,256
Total funds carried forward	22	14,850,697	1,000,000	28,706	15,879,403	15,750,660

All amounts relate to continuing activities.

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

The notes on pages 24 to 43 form part of these accounts.

The Abbey School, Reading

Balance sheets
at 31 August 2021

Company number 0133676	Note	Group 2021 £	Group 2020 £	School 2021 £	School 2020 £
Fixed assets					
Tangible assets	13	**18,630,363**	19,374,674	**18,630,363**	19,374,674
Investments	14	**1,745,910**	1,463,595	**1,745,912**	1,463,597
		20,376,273	20,838,269	**20,376,275**	20,838,271
Current assets					
Debtors	15	**375,339**	401,071	**392,423**	417,228
Cash at bank and in hand	28	**690,564**	400,792	**630,882**	328,383
		1,065,903	801,863	**1,023,305**	745,611
Creditors: amounts falling due within one year	16	**(3,183,298)**	(3,923,536)	**(3,173,035)**	(3,913,874)
Net current liabilities		**(2,117,395)**	(3,121,673)	**(2,149,730)**	(3,168,263)
Total assets less current liabilities		**18,258,878**	17,716,596	**18,226,545**	17,670,008
Creditors: amounts falling due after more than one year	17	**(1,747,430)**	(1,837,193)	**(1,747,430)**	(1,837,193)
Net assets	23	**16,511,448**	15,879,403	**16,479,115**	15,832,815
Funds					
General funds	22	**15,473,242**	14,850,697	**15,440,909**	14,804,109
Designated funds	22	**1,000,000**	1,000,000	**1,000,000**	1,000,000
		16,473,242	15,850,697	**16,440,909**	15,804,109
Restricted funds	22	**38,206**	28,706	**38,206**	28,706
Total	22	**16,511,448**	15,879,403	**16,479,115**	15,832,815

The charitable company has taken advantage of section 408 of the Companies Act 2006 not to publish its own statement of financial activities. The parent company's net surplus for the year was £646,300 (2020 - £149,764 net income).

The financial statements were approved and authorised for issue by the Board of Governors of The Abbey School, Reading on 6 December 2021 and signed on their behalf by:

Elizabeth Harrison — J Butler

E A Harrison
Chair of Governors

J Butler

The notes on pages 24 to 43 form part of these accounts.

The Abbey School, Reading

Consolidated statement of cash flows for the year ended 31 August 2021

	Note	Group 2021 £	Group 2020 £
Cash flows from operating activities			
Net cash provided by operating activities	27	**2,273,010**	483,552
Cash flows from investing activities			
Dividends and interest on investment portfolio		**31,843**	33,213
Purchase of tangible fixed assets		**(694,548)**	(1,404,348)
Purchase of investments		**(260,528)**	(247,752)
Receipts from sale of investments		**157,051**	250,248
Net cash used in investing activities		**(766,182)**	(1,368,639)
Cash flows from financing activities			
Receipt of new bank loan		**2,000,000**	2,000,000
Repayment of borrowing		**(2,073,633)**	-
Interest paid		**(56,338)**	(36,009)
Net cash (used in)/provided by financing activities		**(129,971)**	1,963,991
Increase in cash and cash equivalents in the year		**1,376,857**	1,078,904
Cash and cash equivalents at the beginning of the year		**(1,308,575)**	(2,387,479)
Total cash and cash equivalents at the end of the year	28	**68,282**	(1,308,575)

The notes on pages 24 to 43 form part of these accounts.

1 Company information

The Abbey School is a charitable company limited by guarantee (registered number 0133676 and charity number 309115), incorporated in England and Wales under the Companies Act 2006 and the Charities Act 2011. The address of the registered office is given within the Governors, Officers and Advisors section on page 3.

2 Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (The Charities SORP 2nd Edition effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The Charity meets the definition of a public benefit entity under FRS 102.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied consistently:

Basis of consolidation

The group accounts consolidate the accounts of The Abbey School, Reading and its subsidiary undertaking, Abbey Commercial Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2021. No separate statement of financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the 2015 Charities SORP.

The results of the subsidiary undertaking for the year are disclosed in note 14 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

2 Accounting policies *(continued)*

Going concern

The Governors note that the group has net current liabilities of £2,117,395 (2020 - £3,121,673) at the balance sheet date. They have considered the current year's positive net movement in funds, the projected gross operating surplus and cash flow projections for future years. These indicate that within, and without exceeding, the arrangements established with their bankers the school will be able to meet its liabilities as they fall due. The school has agreed and drawn down from the bank a term loan.

The Governors have no reason to believe that the current banking facilities will not be continued when they are reviewed in May 2022. They confirm that there is no material uncertainty as to the future of the school, and accordingly they continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of Governors' responsibilities.

Fund accounting

General funds 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 comprise unrestricted funds that have been set aside by the Governors for particular purposes. Details of these reserves, as applicable to the charity, are set out in note 22.

Restricted funds are funds where specific conditions imposed by the donor would restrict the use of unspent funds or where the terms of the appeal restrict the use of the funds.

Investment income and gains are allocated to the appropriate fund.

Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised as income in the period in which it becomes receivable and the related expense is incurred.

Fees and similar income

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the school. Means tested bursaries which provide financial assistance to parents, are treated as expenditure from the designated fund within the statement of financial activities.

Fees received for education to be provided in future years are carried forward as advance fee scheme payments and fees received in advance in the balance sheet. These fees are released to the statement of financial activities over the period in which the school provides the services in future years.

Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund.

2 Accounting policies *(continued)*

Resources expended

Resources expended are accounted for on an accrual basis. Resources expended are allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Expenditure in respect of the other support costs of the School includes recruitment costs and general office costs including governance costs.

Scholarships and bursaries

Scholarships and bursaries are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional. Such scholarships and bursaries are recognised as expenditure when the conditions attached are fulfilled. Temporary financial assistance is charged to the statement of financial activities in the year in which it is granted.

Tangible fixed assets and depreciation

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Subsequent costs of repair, renovation and replacement expenditure are written off as incurred in the consolidated statement of financial activities, unless it is probable that such costs will generate future economic benefits. Depreciation is provided on all tangible fixed assets, except land which is considered to be of negligible value, in order to write off their cost over their useful lives at the following annual rates.

	Straight line basis	
Freehold buildings	2%	per annum on cost
Freehold improvements	10%	per annum on cost
Motor Vehicles	25%	per annum on cost
Equipment:		
Computer equipment	33%	per annum on cost
Other equipment	10%	per annum on cost

Items costing less than £1,000 are written off as an expense as acquired.

Investments

Investments are stated at market value with the gain or loss recognised in the statement of financial activities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Operating leases

Rentals applicable to operating leases are charged to the statement of financial activities on a straight line basis over the period in which the cost is incurred.

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. The group has elected to apply the provisions of Section 11 Basic Financial Instruments' and Section 12 'Other Financial instruments Issues' of FRS 102 to all of its financial instruments.

2 Accounting policies *(continued)*

Pension Schemes

The charitable company left the Teachers' Pension Scheme in on 31 August 2020.

The charitable company contributes into separate defined contribution schemes for teaching and non-teaching staff for which the contributions are charged in the statement of financial activities in the year in which they are payable.

Advance fee scheme

Amounts received under the school's former Advance Fee Scheme contracts for education not yet utilised to settle school fees were recorded as current liabilities where the education will be provided 12 months from the reporting date and as long-term liabilities where the education was to be provided in subsequent years.

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 2021 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

3 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates included within the financial statements include provision for fee debtors, which require a judgement by management regarding the likelihood of recovery. Management review and assess fee debtors on an individual basis and provide for fee debtors as appropriate.

Depreciation is another key estimate in the accounts which requires management judgement over the useful life of the assets. The policy has been set out in the notes above.

4a School fees

	Unrestricted 2021 £	Unrestricted 2020 £
School fees receivable consist of:		
Gross fees	**17,140,408**	17,493,062
Less: Scholarships and other awards	**(888,347)**	(922,023)
Less: Summer term (Covid-19) discount	**(353,976)**	(1,453,278)
Net fees receivable	**15,898,085**	15,117,761
Add: Bursaries paid out of designated funds	**464,364**	484,497
	16,362,449	15,602,258

4b Grants and awards

In addition to the scholarships and other awards noted above, the School provided means-tested bursaries to provide financial assistance to parents.

The total awards are as follows:

	Unrestricted 2021 £	Unrestricted 2020 £
Revenue account (scholarships)	**423,983**	437,526
Designated funds (means-tested bursaries)	**464,364**	484,497
Total grants and awards	**888,347**	922,023

4c Income from government grants

	Unrestricted 2021 £	Unrestricted 2020 £
Government furlough scheme	**89,864**	429,809

5 Non ancillary income

	Unrestricted 2021 £	Unrestricted 2020 £
Property rentals	**34,738**	32,300
HM Court and Tribunals Service income	**130,485**	51,660
Miscellaneous income	**12,945**	6,529
	178,168	90,489

6 Income from investments

	Unrestricted 2021 £	Unrestricted 2020 £
UK listed investments	**31,843**	33,213

Income from investments was designated in the current and previous financial year.

7 Ancillary income

	Unrestricted 2021 £	Unrestricted 2020 £
After school care	**31,624**	64,049
Trips income	**74,141**	252,791
Fees for extra-curricular courses and examinations	**393,657**	437,835
Fees in lieu of notice	**44,920**	7,404
Registration fees	**48,217**	30,884
Tuck shop income	**-**	10,816
Miscellaneous income	**22,228**	31,636
	614,787	835,415

8 Expenditure on charitable activities

	Staff costs £	Other £	Depreciation £	Total 2021 £
Charitable activities				
Teaching costs	**8,297,504**	**406,151**	**235,729**	**8,939,384**
Welfare costs	**73,859**	**968,943**	**-**	**1,042,802**
Premises costs	**920,267**	**1,686,378**	**1,197,298**	**3,803,943**
Support costs	**1,625,472**	**895,967**	**5,832**	**2,527,271**
Trip costs and other travel	**-**	**126,258**	**-**	**126,258**
Grants, awards and prizes	**-**	**464,364**	**-**	**464,364**
Governance costs	**-**	**29,730**	**-**	**29,730**
Finance costs	**-**	**60,451**	**-**	**60,451**
Movement in bad debt provision	**-**	**(30,258)**	**-**	**(30,258)**
	10,917,102	**4,607,984**	**1,438,859**	**16,963,945**

Total expenditure on charitable activities was £16,963,945 (2020 - £16,910,847) of this £7,544 (2020 - £7,586) was restricted, £464,364 (2020 - £485,070) was designated and £16,492,037 (2020 - £16,418,191) was unrestricted.

	Staff costs £	Other £	Depreciation £	Total 2020 £
Charitable activities				
Teaching costs	8,805,483	490,595	279,962	9,576,040
Welfare costs	62,664	822,841	-	885,505
Premises costs	849,932	1,111,661	1,193,779	3,202,191
Support costs	1,564,221	776,666	4,980	2,345,867
Trip costs and other travel	-	284,162	-	284,162
Grants, awards and prizes	-	485,070	-	485,070
Governance costs	-	24,106	-	24,106
Finance costs	-	78,073	-	78,073
Provision for bad debts	-	76,652	-	76,652
	11,282,300	4,149,826	1,478,721	16,910,847

9 Expenditure on raising funds

	2021 £	2020 £
Portfolio management costs	**16,703**	16,433
Non-ancillary costs	**26,854**	11,788
	43,557	28,221

Total expenditure on raising funds was £43,557 (2020 - £28,221) of this £16,703 (2020 - £16,433) related to designated funds and £26,854 (2020 - £11,788) related to unrestricted funds.

10 Staff costs

	2021 £	2020 £
Wages and salaries	**8,967,835**	8,779,419
Social security	**836,368**	835,750
Pension contributions	**967,260**	1,518,891
Other non-payroll staff costs	**145,639**	148,240
	10,917,102	11,282,300

The number of employees whose emoluments (excluding pension contributions) exceeded £60,000 was:

	2021 Number	2020 Number
£60,000 - £70,000	**2**	3
£70,000 - £80,000	**2**	2
£80,000 - £90,000	**5**	3
£90,001 - £100,000	**1**	2
£140,000 - £150,000	**-**	1
£150,000 - £160,000	**1**	-

The total employer contributions in the year towards pension scheme contributions for the above 11 (2020 - 11) staff members were £112,073 (2020 - £149,482).

During the year, severance pay was awarded to 15 employees with payments for compensation and pay in lieu of notice totalling £32,338 (2020 - 2 employees, £31,002). All of this had been paid by the reporting date (2020 – all).

10 Staff costs *(continued)*

The average number of employees during the year was as follows:

	2021 Number	2020 Number
Teaching	**239**	261
Welfare	**26**	28
Premises	**18**	18
Support	**45**	46
	328	353

The split between part time and full time staff was as follows:

	2021 Number Full time	2021 Number Part time	2020 Number Full time	2020 Number Part time
Teaching	**110**	**129**	109	152
Welfare	**7**	**20**	5	23
Premises	**14**	**4**	15	3
Support	**26**	**18**	26	20
	157	**171**	155	198

Aggregate employee costs of the officers of the school, as identified on page 3, including salary, benefits, pension contributions and national insurance) in the year totalled £510,588 (2020 - £620,383).

The governors received no remuneration or other benefit for the year (2020 - £Nil). One governor was reimbursed £295 relating to retirement gift expenses in the year (2020 - £Nil).

The employer's liability insurance of the charitable company includes indemnity insurance for the governors.

11 Net Income

	2021 £	2020 £
Net income includes:		
Operating lease charges	**32,647**	57,894
Depreciation	**1,438,859**	1,479,511
Auditors' remuneration – excluding VAT		
- Audit fees	**24,000**	22,320
- Other	**3,500**	4,260
- Taxation – compliance services to the subsidiary	**1,650**	1,525

12 Taxation

The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

13 Tangible assets – Group and School

	Freehold property and improvements £	Motor vehicles £	Equipment £	Total £
Cost				
At 1 September 2020	27,622,835	23,338	4,093,078	31,739,251
Additions	449,284	-	245,264	694,548
At 31 August 2021	**28,072,119**	**23,338**	**4,338,342**	**32,433,799**
Depreciation				
At 1 September 2020	9,115,491	15,638	3,233,448	12,364,577
Charge for year	1,075,170	3,300	360,389	1,438,859
At 31 August 2021	**10,190,661**	**18,938**	**3,593,837**	**13,803,436**
Net book value				
At 31 August 2021	**17,881,458**	**4,400**	**744,505**	**18,630,363**
At 31 August 2020	18,507,344	7,700	859,630	19,374,674

14 Fixed asset investments

	Group 2021 £	Group 2020 £	School 2021 £	School 2020 £
Listed investments (see below)	**1,745,910**	1,463,595	**1,745,910**	1,463,595
Abbey Commercial Enterprises Limited (see below)	**-**	-	**2**	2
	1,745,910	1,463,595	**1,745,912**	1,463,597

Subsidiary undertaking

The Abbey School owns 100% of the ordinary share capital of Abbey Commercial Enterprises Limited (company number 06334617). This company was incorporated in England and Wales and was established to carry out the non-educational activities associated with the School.

Trading results extracted from its audited financial statements are shown below:

	2021 £	2020 £
Turnover	**61,116**	73,216
Administration expenses	**(9,786)**	(7,628)
Management charge from the Abbey School	**(19,000)**	(19,000)
Profit on ordinary activities before taxation	**32,330**	46,588
Tax on profit on ordinary activities	**-**	-
Profit on ordinary activities after taxation	**32,330**	46,588
Net assets	**32,330**	46,590

All activities have been consolidated on a line by line basis in the SOFA. Any taxable net profit is gifted to the charity. The total expenses include a management charge paid by Abbey Commercial Enterprises of £19,000 (2020 - £19,000), which is eliminated on consolidation. At the year end the balance outstanding was a debtor in The Abbey School of £19,000 (2020 - £23,874).

14 Fixed asset investments *(continued)*

Listed investments

	2021 Market value £	2020 Market value £
At 1 September	1,337,306	1,386,338
Additions	260,528	247,752
Disposals	(157,051)	(250,248)
Unrealised gain/(loss) on revaluation for the year	267,174	(46,536)
At 31 August	**1,707,957**	1,337,306
Cash held by investment manager	**37,953**	126,289
Total	**1,745,910**	1,463,595
Historical cost of investments	**1,257,752**	1,292,761

Investments which comprise more than 5% of the market value of investments are:

	Market value £	Cost £
Aberdeen Standard Fund Managers Ltd	**94,439**	**77,773**

15 Debtors

	Group 2021 £	Group 2020 £	School 2021 £	School 2020 £
Trade debtors	**41,691**	61,590	**39,775**	53,873
Amounts due from own subsidiary	**-**	-	**19,000**	23,874
Other debtors	**4,500**	46,762	**4,500**	46,762
Prepayments	**329,148**	292,719	**329,148**	292,719
	375,339	401,071	**392,423**	417,228

Amounts due from owned subsidiary are interest free and repayable on demand.

16 Creditors: amounts falling due within less than one year

	Group 2021 £	Group 2020 £	School 2021 £	School 2020 £
Bank overdraft	**622,282**	1,709,367	**622,282**	1,709,367
Bank loan (see note 18)	**200,000**	200,000	**200,000**	200,000
Trade creditors	**486,399**	322,123	**486,399**	322,123
Deposits held	**658,551**	648,868	**658,551**	648,868
Other taxes and social security costs	**229,485**	407,197	**224,870**	403,412
Other creditors	**221,151**	89,246	**221,151**	89,246
Accruals	**346,252**	121,785	**340,604**	115,908
Advance fee scheme payments (see note 19)	**16,530**	42,577	**16,530**	42,577
Fees received in advance	**402,648**	382,373	**402,648**	382,373
	3,183,298	3,923,536	**3,173,035**	3,913,874

At the end of 2021, there was a bank overdraft with HSBC, which was secured by legal charges over two freehold properties.

Fees received in advance relates to fees for the next academic year which some parents pay in advance. Deposits held relate to acceptance deposits which are considered as owed within one year given that only one terms notice is required to be given by pupils.

17 Creditors: amounts falling due after more than one year

	Group 2021 £	Group 2020 £	School 2021 £	School 2020 £
Bank loan (see note 18)	**1,726,367**	1,800,000	**1,726,367**	1,800,000
Fees received in advance	**4,533**	-	**4,533**	-
Advance fee scheme payments (see note 19)	**16,530**	37,193	**16,530**	37,193
	1,747,430	1,837,193	**1,747,430**	1,837,193

18 Bank loan

Group and School

The loan is repayable as follows:

	2021 £	2020 £
Within 1 year	**200,000**	200,000
Within 2 to 5 years	**800,000**	800,000
More than 5 years	**926,367**	1,000,000
Total due in more than one year	**1,726,367**	1,800,000
Total balance repayable at the year end	**1,926,367**	2,000,000

Bank loan with HSBC is secured by a charge over the School's property.

19 Advance fee scheme

Group and School

Parents historically have deposited a lump sum with the School as an advance on future fees. This option is no longer available to parents. Each arrangement is in respect of an agreed amount to be credited against future fee bills for an agreed number of terms. The unused balance of the advance is repayable on request. It is intended that the advance fees will be applied as follows:

	2021 £	2020 £
Within 1 year	**16,530**	42,577
Within 2 to 5 years	**16,530**	37,193
	33,060	79,770

The figures for advanced fee payments are included within the balance sheet for school fees paid in advance (notes 16 and 17). The balance represents the accrued liability under these arrangements. Movements during the year were:

	£	£
Balance at 1 September 2020	79,770	156,660
Amounts utilised in the payment of fees	(46,710)	(76,890)
Balance at 31 August 2021	**33,060**	**79,770**

20 Operating lease commitments

At 31 August 2021 the group had total future minimum lease payments under non-cancellable operating leases as follows:

	2021 £	2020 £
Due within one year	**35,153**	53,503
Due between one and five years	**43,941**	4,391
	79,094	57,895

21 Capital commitments

At 31 August 2021 the School had the following capital commitments:

	2021 £	2020 £
Contracts for future capital expenditure not provided in the financial statements	**11,583**	91,100

22 Funds

Group – current year

	Balance at 1 September 2020	Income	Expenditure	Gains and (losses)	Transfers	At 31 August 2021
Unrestricted funds						
General unrestricted	14,850,697	17,333,272	(16,528,677)	-	(182,050)	**15,473,242**
Designated – The Bursary Fund	1,000,000	31,843	(481,067)	267,174	182,050	**1,000,000**
Total Unrestricted funds	**15,850,697**	**17,365,115**	**(17,009,744)**	**267,174**	**-**	**16,473,242**
Restricted funds	**28,706**	17,044	(7,544)	-	-	**38,206**
Total funds	**15,879,403**	**17,382,159**	**(17,017,288)**	**267,174**	**-**	**16,511,448**

22 Funds *(continued)*

School – current year

	Balance at 1 September 2020	Income	Expenditure	Gains and (losses)	Transfers	At 31 August 2021
Unrestricted funds						
General unrestricted	14,804,109	17,337,741	(16,518,891)	-	(182,050)	**15,440,909**
Designated – The Bursary Fund	1,000,000	31,843	(481,067)	267,174	182,050	**1,000,000**
Total Unrestricted funds	**15,804,109**	**17,369,584**	**(16,999,958)**	**267,174**	**-**	**16,440,909**
Restricted funds	**28,706**	**17,044**	**(7,544)**	**-**	**-**	**38,206**
Total funds	**15,832,815**	**17,386,628**	**(17,007,502)**	**267,174**	**-**	**16,479,115**

Income from The Bursary Fund is used to offer financial assistance to individual pupils when necessary.

The Governors have decided to make an annual transfer from the unrestricted funds so that a balance of £1 million remains earmarked for use on bursaries within this fund.

Restricted funds are those received for specific purposes including donations received for building appeals, various teaching departments and fixed assets. Once the restriction has been fulfilled than a transfer from restricted to unrestricted funds is made.

Group – prior year

	Balance at 1 September 2019	Income	Expenditure	Transfers	Gains and (losses)	At 31 August 2020
Unrestricted funds						
General unrestricted	14,750,660	17,052,470	(16,437,607)	(514,826)	-	14,850,697
Designated – The Bursary Fund	1,000,000	33,213	(501,503)	514,826	(46,536)	1,000,000
Total Unrestricted funds	15,750,660	17,085,683	(16,939,110)	-	(46,536)	15,850,697
Restricted funds	-	36,292	(7,586)	-	-	28,706
Total funds	15,750,660	17,121,975	(16,946,696)	-	(46,536)	15,879,403

22 Funds *(continued)*

School – prior year

	Balance at 1 September 2019	Income	Expenditure	Transfers	Gains and (losses)	At 31 August 2020
Unrestricted funds						
General unrestricted	14,683,051	17,065,863	(16,429,979)	(514,826)	-	14,804,109
Designated – The Bursary Fund	1,000,000	33,213	(501,503)	514,826	(46,536)	1,000,000
Total Unrestricted funds	15,683,051	17,099,076	(16,931,482)	-	(46,536)	15,804,109
Restricted funds	-	36,292	(7,586)	-	-	28,706
Total funds	15,683,051	17,135,368	(16,939,068)	-	(46,536)	15,832,815

23 Analysis of net assets between funds

Group

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2021 Total £
Funds 2021					
General fund	**18,630,363**	**-**	**(1,409,691)**	**(1,747,430)**	**15,473,242**
Designated funds	**-**	**1,745,910**	**(745,910)**	**-**	**1,000,000**
Restricted fund	**-**	**-**	**38,206**	**-**	**38,206**
	18,630,363	**1,745,910**	**(2,117,395)**	**(1,747,430)**	**16,511,448**

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2020 Total £
Funds 2020					
Revenue account	19,374,674	-	(2,686,784)	(1,837,193)	14,850,697
Designated funds	-	1,463,595	(463,595)	-	1,000,000
Restricted funds	-	-	28,706	-	28,706
	19,374,674	1,463,595	(3,121,673)	(1,837,193)	15,879,403

23 Analysis of net assets between funds

School

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2021 Total £
Funds 2021					
General account	**18,630,363**	**-**	**(1,442,024)**	**(1,747,430)**	**15,440,909**
Designated funds	**-**	**1,745,912**	**(745,912)**	**-**	**1,000,000**
Restricted funds	**-**	**-**	**38,206**	**-**	**38,206**
	18,630,363	**1,745,912**	**(2,149,730)**	**(1,747,430)**	**16,479,115**

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2020 Total £
Funds 2020					
General account	19,374,674	-	(2,733,372)	(1,837,193)	14,804,109
Designated funds	-	1,463,597	(463,597)	-	1,000,000
Restricted funds	-	-	28,706	-	28,706
	19,374,674	1,463,597	(3,168,263)	(1,837,193)	15,832,815

24 Related party transactions

Transactions with Governors

Owing to the nature of the school's operations and the composition of its governing body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations with which a Governor may have an interest. All transactions involving these organisations are in accordance with the school's normal procedures.

Mr M Emmanuel is a director at French Horn Hotel Limited. During the year, the School was invoiced £899 (2020 - £3,378) by French Horn Hotel Limited for a function in the year. At the year end, a balance of £Nil (2020 - £Nil) was owed to French Horn Hotel Limited.

25 Pensions

a) Teachers' Pension Scheme

The school withdrew from the Teachers' Pension ("TPS") Scheme at 31 August 2020. During the year ending 31 August 2020 the school made contributions of £1,240,800.

b) Other schemes

The Company makes contributions for teaching and non-teaching staff. £968,353 (2020 - £278,091) was payable for the year. Contributions totalling £142,452 (2020 - £25,268) were unpaid at the year end and are included within creditors.

26 Financial instruments

Group	2021 £	2020 £
Financial assets measured at fair value	**1,745,910**	1,463,595

Included within financial instruments held at fair value is investments.

27 Reconciliation of net income to net cash flow from operating activities

	Note	Group 2021 £	Group 2020 £
Net income for the reporting period (as per the statement of financial activities)		**632,045**	128,743
Adjustments for:			
Depreciation	13	**1,438,859**	1,479,511
Gains/ losses on investments	14	**(267,174)**	46,536
Dividends and interest	6	**(31,843)**	(33,213)
Interest payable		**56,338**	36,009
Decrease in debtors		**25,732**	16,187
Decrease/(increase) in creditors		**330,717**	(1,171,078)
Increase/(decrease) of cash at investment manager		**88,336**	(19,143)
Net cash provided by operating activities		**2,273,010**	483,552

28 Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £	School 2021 £	School 2020 £
Bank balances included in cash at bank and in hand	**690,564**	400,792	**630,882**	328,383
Bank overdrafts	**(622,282)**	(1,709,367)	**(622,282)**	(1,709,367)
	68,282	(1,308,575)	**8,600**	(1,380,984)

29 Analysis of net debt

	At 1 September 2020 £	Cash flows £	Non-cash flows £	At 31 August 2021 £
Cash balances	400,792	289,772	-	**690,564**
Overdraft	(1,709,367)	1,087,085	-	**(622,282)**
Bank loans due in under one year	(200,000)	-	-	**(200,000)**
Bank loans due in more than one year	(1,800,000)	73,633	-	**(1,726,367)**
Net Debt	(3,308,575)	**1,450,490**	**-**	**(1,858,085)**

Report of the Independent Auditor to the Governors of The Abbey School, Reading

Opinion on the financial statements

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 2021 and of the Group's incoming resources and application of resources;
- 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.

We have audited the financial statements of The Abbey School ("the Parent Charitable Company") and its subsidiary ("the Group") for the year ended 31 August 2021 which comprise the Consolidated Statement of Financial Activities (incorporating income and expenditure accounts), Consolidated and Charity Balance Sheets, Consolidated Statement of Cash Flows 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)[1].

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and Parent Charitable Company 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.

Conclusions related 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 and 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.

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. 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.

Other Companies Act 2006 reporting

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

- the information given in the Annual Report by the Council, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Strategic report and the Directors' Report, which are included in the Annual Report by the Council, have been prepared in accordance with applicable legal requirements.

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

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 by the Parent Charitable Company, 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 Directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of Governors

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 determines 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group, the Parent Charitable Company and the industry in which it operates, we identified that the principal laws and regulation that directly affect the financial statements to be the Companies Act 2006, the Charities Act 2011, Charities SORP and relevant Tax legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

In addition the Group and Parent Charitable Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: Employment Law, Data Protection and Health and Safety Legislation. 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.

Audit procedures capable of detecting irregularities including fraud performed by the engagement team included:

- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud. Areas of identified risk are then tested substantively;
- Discussion with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Reading minutes of meetings of those charged with governance to identify any actual or potential frauds or any potential weaknesses in internal control which could result in fraud susceptibility;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence;
- In addressing the risk of fraud in income recognition we considered management's incentives and opportunities for fraudulent manipulation of the financial statements and designed specific audit tests to respond to this risk, in particular tests to address the completeness of income risk; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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

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 the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:
Heather Wheelhouse
DA15AED75D45453...

Heather Wheelhouse (Senior Statutory Auditor)
for and on behalf of BDO LLP, statutory auditor
Reading, UK

Date: 10 December 2021

BDO LLP is a limited liability partnership registered in England & Wales (with number OC305127)

THE ABBEY SCHOOL, READING

England & Wales - Charity number 309115

Accounts

The Abbey School, Reading
(A company limited by guarantee)

Annual Report and Consolidated Financial Statements

Year Ended

31 August 2020

Registered Number 0133676 (England and Wales)
Charity Number 309115

The Abbey School, Reading

Report and financial statements
for the year ended 31 August 2020

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The Abbey School, Reading

Report of the Chair of the Governors for the year ended 31 August 2020

The extraordinary events at the end of the last year must inevitably dominate this, my third, annual report. Or so I thought as I set about presenting it. But while of course they are important, they do no more, I find, than colour its background, for what stands out is once again a set of achievements that are as impressive as they are gratifyingly familiar.

In their studies our girls have yet again performed wonderfully. Their exam results are testament to what we already knew - not only that they are supremely able girls who work hard and focus their efforts well, but also that they are superbly taught by a team of fantastic subject experts who understand exactly how to engage students, how to develop their ability, and how to keep providing inspiration across as much as fourteen years of education. Our teachers love teaching, and it shows. Their hard work and dedication turned what could have been a fraught and uncomfortable experience when exam grades were finally awarded into smooth progression for each of our girls as they move forward to the best next stage of their education.

Outside of the classroom, the laboratory, and the studio we also support our students in an extraordinarily wide range of activities. Since March, it's true, there has been less sport, fewer trips, and fewer opportunities for the girls to perform on the playing field, or the stage, or the concert platform. But this remains an important part of Abbey life and the educational experience we offer, and it is not surprising therefore that wonderfully innovative alternatives have been developed by our staff. Our blended learning, which began towards the end of the Easter term and continued throughout the Summer term, was widely appreciated by the students and their families. It was further evidenced when we saw in September the delight on the faces of the girls returning to school, a delight matched by our own joy and satisfaction in being able to open our doors and welcome them back. It had been a challenging time, needless to say, preparing for that first day of term.

We have said farewell to three Head teachers this year. Mrs Dent left at Easter, after fourteen years, as teacher, Head of Sixth Form, Deputy Head and an illustrious period as Executive Head. Under her wise and imaginative leadership the school has gained a national reputation in education for girls. Our estate has been enhanced, our numbers joining in year 7 have increased and we have a stronger presence in our community. Mrs Cresswell, Head of the Senior School, left at Christmas. This had been a new role that she shaped skilfully, bringing a stronger approach to our pastoral care as well as a rigour to our academic offering. Mrs Dick-Cleland retired as Head of the Junior School where our girls first develop the love of learning and enquiry that will serve them well their whole lives. Her passionate belief in that approach has brought the Junior School also to national attention. We have much to be grateful for to each of these remarkable women and I thank them all.

The Abbey School is a community - a community of views, a community of interests, a community of talents. Our teachers are, without question, quite outstanding; our administration staff are similarly brilliant at what they do, and our other support teams, looking after our buildings and grounds and the day to day needs of well over a thousand people are terrific. All of this is supported by an IT team who have created and maintain a system that is as bewildering as it is impressive. Everyone works with enthusiasm, everyone brings their best selves to the school each day. There is no doubt that this has been invaluable to us over the past nine difficult months, and will no doubt continue to be so for the foreseeable future. The team of Governors, which I have the honour to lead, has been endlessly supportive this year, to me, to one another and to our school leaders.

So we begin this new academic year with two new Head Teachers. Mrs Nisha Kaura is our Junior School Head and Mr Will le Fleming is Executive Head of the whole school and Head of the Senior School. The Governing Council was delighted to be able to make two such excellent appointments. Both were our first choices and we were delighted that leadership at The Abbey was their first choice too.

This introduction leads you on to our Annual Report, which illustrates with figures and further narrative this extraordinary and exceptionally tough year. We have big plans for our future, some of which may take a little longer than we had previously hoped to turn into a reality, but we will continue to ensure that everything about the Abbey experience is right for our students, right for their families, right for our staff, and right for the community of which we are part. Our Abbey values - courage, honesty and kindness - have stood us in good stead this year and we will continue to be inspired by them as we look forward to a great year ahead.



Elizabeth Harrison
Chair of Governors

The Abbey School, Reading

Governors, Officers and Advisers
for the year ended 31 August 2020

GOVERNORS

The Governors and their committees (represented by numbers) were as follows:

Mrs E A Harrison BA (Hons) MBA JP [1, 2, 3, 4, 5, 7]	
Mrs J Anderson MA (Ed) BSc PG DIP	(Resigned 2nd December 2019)
Mrs J Butler FCA [1, 5]	
Ms S Burgess BA MA [4]	
Mrs S Colebrook BSc PGCE [2, 8]	
Mrs J L Cornell BA [2, 3, 4, 5]	
Mr S Dimmick LLB [3, 5]	
Mr M Emmanuel [1, 3]	
Ms Robyn Field BA	(Appointed 29th June 2020)
Dr I C Kemp MB MRCP MRCGP DCH Dobst RCOG	(Resigned 2nd December 2019)
Dr C F Print DBA ADipC ACMA CGMA	(Resigned 2nd December 2019)
Mr J Sheehan [3, 5, 6]	
Mr C Singer BSc FIA [1]	
Mr P Uppal BSc MEng	(Resigned 2nd December 2019)
Mrs E West LLB [2, 9]	
Mr D N Williams BA MA PGCE [2, 4, 9]	

Key:

1. Members of the Finance and General Purposes Committee
2. Members of the Leadership in Girls Education Committee
3. Members of the Estates Development Committee
4. Members of the Community Committee
5. Members of the Governance Committee
6. Lead Governor for Risk, Audit, and Compliance
7. Lead Governor for Human Resources
8. Lead Governor for Child Protection
9. Lead Governor for Early Years

Nominee members of the Council

The Bishop of Oxford
Vacancy

At the Annual General Meeting held on 7 December 2020 the following Governors retired by rotation and were re-elected:

Mr J Sheehan
Mrs E West
Mr N Williams
Mr C Singer

The Governors are also Directors of the Company and Trustees of the Charity.

The Abbey School, Reading

Governors, Officers and Advisers
for the year ended 31 August 2020 *(continued)*

OFFICERS

The Executive Head (to 30 April 2020)	Mrs Rachel Dent BA (Southampton), QTS (Reading)
The Executive Head (from 1 August 2020)	Mr Will le Fleming BA, MA (Cambridge)
Head of Senior School (to 31 March 2020)	Mrs Jan Cresswell BA (Durham)
Head of Junior School (to 31 August 2020)	Mrs Nicola Dick-Cleland BA (Hons, Oxon) GTP/QTS (Reading)
Head of Junior School (from 1 September 2020)	Mrs Nisha Kaura BSc (Surrey), PGCW, Med (Buckingham)
Head of Finance and Resources	Mrs Nadine Doble BSC (Cardiff), ACMA
Head of External Relations	Mr Craig Andrew BA Hons (Rhodes), HDE MBA, LVO

ADDRESSES

Senior School
17 Kendrick Road
Reading
RG1 5DZ

Junior School (Years 2-6)
30 Christchurch Road
Reading
RG2 7AR

Junior School (Reception & Year 1)
12 Christchurch Gardens
Reading
RG2 7AH

Junior School (Nursery)
2 Vicarage Road
Reading
RG2 7AJ

The School's registered office is 17 Kendrick Road, Reading, Berkshire, RG1 5DZ.

ADVISERS

Bankers:	HSBC UK Bank plc 26 Broad Street Reading RG1 2BU
Solicitors:	Blandy & Blandy 1 Friar Street Reading RG1 1DA
Auditor:	BDO LLP Thames Tower, Station Road Reading RG1 1AZ
Investment advisers:	Charles Stanley & Company Ltd Dukes Bridge Chambers 1 Duke Street Reading RG1 4SA
Insurance brokers:	Marsh Brokers Ltd Schools Division Capital House 1-5 Perrymount Road Haywards Heath, West Sussex RH16 3SY

The Abbey School, Reading

Annual report by Council
for the year ended 31 August 2020

The Governors of The Abbey School, Reading present their annual report for the year ended 31 August 2020 under the Companies Act 2006 and the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter comply with the requirements of the Act, the Trust Deed and the Charities Statement of Recommended Practice (SORP).

REFERENCE AND ADMINISTRATIVE INFORMATION

The Abbey School, Reading is a Company Limited by Guarantee and was registered on 31 January 1914. The Company registration number is 133676.

It is also a Charity, registration number 309115.

The Governors, Officers, Key Addresses and Advisers are set out on Pages 2 and 3.

The company has a wholly owned subsidiary, Abbey Commercial Enterprises Limited, the School's trading arm.

The school is an active member of the Headmasters and Headmistresses Conference (HMC), the Girls' Schools Association, the Independent Association of Prep Schools (IAPS), the Association of the Governing Bodies of Independent Schools and the Independent Schools' Bursars Association.

For the year 2019-2020 the Head was one of three local heads on the Headteachers' Engagement Group set up by the Berkshire West Safeguarding Children Partnership.

Volunteers

There is no shortage of volunteer support throughout the School, from parents assisting in reading classes in the Junior School, to helping out in the second-hand clothes shop, in the library and on school trips. Former pupils, Governors and other interested adults have also given freely of their time. All of this is very much valued by the School. Governors take this opportunity to say how much they appreciate the continuing and valuable support of volunteers to the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

The School is governed by its Memorandum and Articles of Association, dated 4 December 2006 as amended by special resolution dated 7 December 2015.

Governing Body

The Governors are all Directors of the company and appoint new Governors either to fill a casual vacancy or by way of additions to the board. The total number of Governors shall be not less than twelve and not more than twenty-four. Of these, as far as is practicable, one Governor shall be the nominee of The Bishop of Oxford, one a nominee to represent the alumnae of the school and one a nominee of the parents of girls at the school. The nominee positions are ratified at a full Governors' meeting. Each Governor, other than the nominees, is elected for four years and retiring Governors can stand for re-election for one further term at the next Annual General Meeting.

Those who held office during the year are listed on Page 2.

Organisational management

The members of the Governing Body are legally responsible for the overall management and control of the School. The Governing Body meets at least three times a year. Much of the preparation for these meetings is undertaken by the Finance and General Purposes Committee (F&GP Committee) which meets before each Governors' meeting. The Chairman of the F&GP Committee is Mrs J Butler. The other principal committees are:

The Abbey Community Committee	chaired by Mrs J L Cornell,
Estates Development Committee	chaired by Mr M Emmanuel,
Governance Committee	chaired by Mr S Dimmick
Leadership in Girls Education Committee	chaired by Mrs S Colebrook,

In addition to these committees five Governors support the school by taking the lead on Risk, Audit and Compliance ('RAC'), Child Protection, Human Resources, Health & Safety, and Early Years.

Committee members and Lead Governors are listed on Page 2.

The day to day running of the School is delegated to the Head who is assisted in this by other members of the Executive Board: the Head of the Junior School, the Head of Finance and Resources, and the Head of External Relations. The Head and other members of the Executive Board attend meetings of the Governing Body and its Committees.

Recruitment and Training of Governors

The Governance Committee considers potential new Governors for eligibility, competence, specialist skills and availability. New Governors are given an induction into the workings of the School, including its policies and procedures, and are given a tailored induction pack. Training and bespoke courses are regularly offered to all Governors.

Corporate Governance

The governing body is mindful of the principles and recommended practice set out in the Charity Governance Code for larger charities, and believes that it applies, much evidenced in this annual report, the specified principles of organisational purpose, leadership, integrity, decision making, risk and control, board effectiveness, diversity, openness and accountability.

Risk Management

The Governing Body is responsible for ensuring that the risks faced by the Charity are properly assessed. It is aware of the importance of protecting the business as far as possible from operational and reputational damage, as well as from the risks of unpredictable crisis and disaster. Risks are examined each year when updating the Risk Register and the Rolling 5 year Business plan.

The generic key controls used by the School to manage risk include:

- Annual review of the Risk Register, in detail by the lead Governor on Risk Audit and Compliance, and reviewed by Council
- Formal agendas and minutes to support decisions on all Committee and Governing Body activities
- Terms of Reference for all Committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational and governance structure and lines of reporting
- Formal written policies
- Vetting procedures as required by law for the protection of vulnerable people
- Clear hierarchical authorisation and approval levels

The above structure formalises the risk management processes established for the Charity.

Risk Management *(continued)*

Through these processes, the Governors identify the major risks to which the Charity is exposed and review the systems and procedures established to manage them. Nevertheless, it is recognised that such systems can provide only reasonable but not absolute assurance that major risks have been adequately addressed and can be managed.

Pay policy for senior staff

The pay of senior staff is reviewed annually, and includes comparisons with other independent schools. Being located in the South East where there are significant costs in relation to housing The Abbey keeps abreast of pay and employment conditions elsewhere.

OBJECTIVES AND AIMS

Charitable Objectives

The objects of the School are set out in the Memorandum of Association. The main object is summarised as the running of a School to provide a general education which includes religious instruction in the doctrines and duties of the Church of England.

The Charity's Aims

The Abbey School's aim as an educational charity for girls aged 3 – 18 is to provide a community for its pupils and staff in which learning flourishes and where all pupils reach the highest standards academically and personally. The School aims for the highest quality of academic tuition and the development of wider sporting, artistic and social skills in all its pupils. The School offers an environment where every pupil can develop and fulfil their potential in order to help build their self-confidence and also to gain a lifelong desire to contribute to the wider community. Church of England by foundation, The Abbey retains its Christian tradition, while embracing the diversity of its multi-cultural pupil body.

Key Objectives

The School's strategy aims to achieve the highest academic performance commensurate with cultivating a well-rounded development of the personality in its pupils. It is also to widen public access as much as possible to its system of Schooling, within the constraints of its funding as an independent education provider.

So while The Abbey is a school where academic success, at whatever level, is valued and celebrated, Abbey girls are also expected to give of their best not only in their academic studies but also in all the other varied aspects of school life. All pupils are encouraged to become involved in extra-curricular activities with a focus on the provision of public benefit at all levels of society. The School also promotes pupil involvement in outside charities that fulfil their own charitable objectives, and passes on any financial contributions received from this to the outside charities.

Measurement of Objectives

In furtherance of these objectives the Governors, as charity trustees, have complied with their duty in section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general guidance concerning the operation of the public benefit requirement under that Act.

Strategic Report

The Head and the Executive Board continue to lead the School, and work with the Governing Body to create and pursue a new rolling 5 year strategic plan. This will develop the existing plan's 4 key business priorities: to energise our people, enable our business, engage our stakeholders, and enhance our environment.

The School has reviewed its use of space and has in place a plan, still capable of being refined, for the Senior School site. The Junior School has this year seen the completion of a major building project incorporating new learning spaces as well as a dramatically improved frontage onto the street.

Also part of its strategy, the School continuously looks to raise bursary funds to ensure that girls can continue in the future to enjoy an Abbey education whatever their financial circumstances.

ACHIEVEMENTS AND PERFORMANCE

Summary

The Abbey is a selective all-girls school for pupils aged 3 -18. The School has at present 1000 girls and, despite the impact of Covid-19, provides a lively, vibrant learning environment. It not only takes pride in the quality of its teaching, but considers itself to be exceptional in the importance it places on the relationship between the teachers and the girls.

The School supports a wide range of girls who are all academically able, and offers both the International Baccalaureate Diploma Programme and A levels within the Sixth Form. This year's IB Diploma results were again outstanding. The IB is marked out of 45, and our students' average score was 40 (the world average was 29, and the typical Oxbridge offer level is 38). This year's A Level results were also a source of pride, with 94% of grades at A*-B. At GCSE, a remarkable 99.6% of grades awarded were 9-6 (A*-B).

As well as striving for academic excellence, girls are encouraged actively to participate in some form of extra-curricular activity. Strong emphasis is placed on art, drama, music, and sport where a number of girls compete at national levels.

In addition to the above, the School focuses clearly on each individual pupil's enrichment and personal development. The achievement of academic success, evidenced throughout the school, has to be balanced with a desire to understand one's 'best self' and constantly to develop intellectual thirst.

In all, the Abbey remains a school delivering a world class education.

Beneficiaries of the School's charitable work - partnerships with local schools and the community

The International Baccalaureate course includes a 'Creativity, Activity and Service' component, and once again our students have undertaken a wide range of volunteering activities. These include works carried out for the Royal Berkshire Hospital, and local offices of Amnesty International, Foodbank, Run for Heroes, Flu clinic, and MacMillan Cancer Support.

Likewise, the Duke of Edinburgh's Award Scheme includes a volunteering strand - 6 months of volunteering for Silver and 12 months for Gold. Girls undertook a variety of activities, depending on their personal interests. Popular activities were once again volunteering at the refugee homework club and working in charity shops at the weekend, but the wide range included helping locally in the community with, or as, Energy Envoys, Brownies, Girl Guides and Scouts, helping special needs children, teaching/coaching/assisting with sports, shopping for vulnerable people, churches, park runs, second hand school uniform sales, Zooniverse, animal rescue centre, preserving waterways, litter picking, Blue Cross, Age Concern, local library, community choir, and community café. The Scheme has confirmed to the School that over 3,700 hours of local community service have been recorded.

At the nearby Blessed Hugh Faringdon Catholic School one of the members of our staff room helps out with their university applicants.

Beneficiaries of the School's charitable work - partnerships with local schools and the community *(continued)*

Reading Refugee Support

Many girls volunteer at the Abbey's after-school Homework Club, run in conjunction with Reading Refugee Support Group to support refugee families and help refugee children catch up at school. The children come to the Abbey twice a week (girls and boys) to receive support from our Upper Fifth and Sixth Form students. While the children are working, their parents are offered refreshments and take the opportunity to socialise. This is a highly valued service that delivers real educational benefit for the pupils attending, who often cannot receive the support they need at home due to language difficulties and the challenge of understanding the British curriculum. In order to ensure the continued success of the homework club, the Abbey makes a minibus available to transport the families to and from the school.

Beneficiaries of the School's charitable work - charity donations and other input

Pupils and staff at the Abbey school are strongly encouraged to be involved in supporting outside charities. Many fundraising events and activities are arranged throughout the year supporting charities such as Jeans for Genes, Breast Cancer charities, Children in Need, Macmillan, St Mungo's, and Launchpad.

Our sixth form selected as their charity of the year Ufulu which works with girls and women in Malawi. A quiz night and other fundraising activity enabled the girls to donate an important £3,500 during the year.

Our year nine group run a Charity challenge where girls raise money in their form groups for a four-week period. This year, as last, they raised close to £1,000 for Mary's Meals.

The year seven and eight girls once again took part in the annual Microloan competition. This runs throughout November, and all of the profits earned by the girls are donated to the Microloan Foundation, an organisation that offers small business loans to women in Africa who are aiming to bring their families out of poverty by running home businesses. This year the girls raised and donated over £1,000.

At Christmas the girls once again ran our in-house Christmas fair, and our Carol Service at Reading Minster raised over £700 for World Vision, which supports the education of children in developing countries.

Other charities which benefited, some of them substantially, from donations collected by our pupils included Bahamas Red Cross, the Rotary Shoebox Appeal, Water Aid, Teenage Cancer Trust, Daisy's Dream, Save the Children, Comic Relief, the UNHCR, Kids for Kids, Bottles of Hope, and The Memory Project.

At the start of the year the Junior School took part in 'The World's Biggest Coffee Morning'. Parents and carers came to our dining room and the event raised funds for MacMillan Cancer Care. Soon afterwards, following the Harvest Festival Service, fresh produce was taken to Reading's nearby 'The Senior Cooks' who provide meals for the elderly and vulnerable members of the community. Further produce was taken to Wokingham Foodbank. Other Autumn donations were also made to the Salvation Army, Launchpad Reading, Wear Pink for Breast Cancer, the Royal British Legion, Children in Need, neighbouring Christ Church, and the Alexander Devine Children's Hospice.

At the start of the Spring term several events raised funds, and donations were made to Breast Cancer Now, The Samaritans, Rosie's Rainbow Fund, Sport Relief, and Read for Good. Towards the end of term the Junior School had a major clear out of surplus stationery, and a substantial load of exercise books was freighted to Chimpeni School in Malawi.

In the Summer the year 6 girls redirected funds collected for a cancelled school trip to the local First Days charity which equips less privileged children with the essential items they need for their early years at school.

In all the School's students donated over £21,000 to charitable causes during the year.

Community Use of facilities

The Abbey School supports its charitable objects within the community by making its facilities available for public benefit.

This includes our formal partnership with South Street Theatre, where our students interact with South Street Theatre Group each week during term time and they in turn involve our pupils in community workshop activities.

In addition, The Abbey School continues to share the school's sports facilities including the all-weather hockey pitches, gymnasium and use of the indoor swimming pool with local schools and community groups. Amongst the beneficiaries are:

- Swim England Synchro Assessments
- Reading University Water Polo Team
- GB Paralympic Rowing Team - capsize drills
- Berkshire Fire & Rescue - use of pool for safety training
- Reading University Mixed Hockey Team
- Phoenix and Ranelagh Hockey Club
- Scarlet Runners Hockey Team
- Reading Lacrosse Club
- linkai Judo Tournament and training days
- Reading Bowling Club
- Reading Korean School
- Hispanolandia Spanish Language school
- Parenthesis Choir
- West Forest Sinfonia
- Berkshire Maestros
- School of the Arts
- Stagecoach Reading East
- Reading School

Energy and Carbon Reporting

Energy consumption in kWh 3,170,816
Associated emissions in tonnes CO_2e 643.01
Intensity ratio - tonnes CO_2e per pupil 0.67

Measures taken to improve energy efficiency include:

- Isolation of heating systems at one site to prevent heating the whole building when only part occupied
- Installation of smart meters at various locations
- Installation of building management system at one site to generate consumption data for future control, to identify faults, and to react to external conditions

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per pupil, the recommended ratio for the sector.

Engagement with employees

Information on matters concerning staff is generally disseminated by email, or related verbally by managers to those members of staff who may not be active email users. The school also maintains an internal website which contains news, policies, and other information - this is accessible to all staff. During the year the school considered an important matter of concern to many of its staff and consultations took place to obtain the views of employees likely to be affected. The process was supported by external consultants to whom the school arranged for staff to have access. More generally regular, frequent, meetings take place at which the school's managers are able to make employees aware of how the school is performing, and to discuss matters which affect it. With regard to disability the school's active policy is to promote equal opportunities and oppose discrimination on the grounds of disability.

Engagement with suppliers, the parent body, and other business relationships

We recognise the need to maintain and foster good relationships with our suppliers, the parent body, and others, and we monitor closely our dialogues with all of them. Our key business managers have all been in post for a number of years and have developed strong and positive relationships with those with whom we deal. Payments due to us are by and large collected efficiently and, when necessary, with sensitivity, and we pay staff and suppliers promptly and accurately, with supporting information always provided for clarity. On matters of schooling we engage positively with our pupils and their parents through a variety of activities and communications. Many of these processes are two way, we listen carefully to the voices of our highly articulate pupils and the valued feedback and opinions of their parents.

Promoting the success of the school

The Governors and the school's executives seek successful outcomes from all of the activities they pursue. In determining the most appropriate way of achieving the desired results, their decisions take account of the interests of, and the impact on, the pupils, the parent body, staff, suppliers, the environment, the local community, and all others likely to be affected. We strive continually not only to maintain but also to enhance our hard won reputation for integrity and high standards of both conduct and achievement.

Financial Assistance

The School has a policy on financial assistance, including bursaries of up to 100%, and this is advertised on its website, and at open days. The Bursary Fund was established over 30 years ago with the specific aim of generating funds in order to offer places to pupils who would otherwise not have access to education at the school. The value of the fund is £1million and will be maintained at this figure.

Academic scholarships worth 10% of tuition fees are offered (which can be supplemented with a means-tested Bursary). Specialist scholarships are offered at the point of entry to the Senior School. This scholarship programme will be reviewed during the coming year.

The Head has the authority to award Scholarships to very able pupils. Parents who cannot afford to pay the fees in full or in part can apply for a means-tested Abbey School Financial Bursary. The Abbey School Scholarship and Bursary policy allows up to a total of 6% of the current level of annual gross fee income for these awards. All awards are tenable subject to satisfactory attendance, conduct and progress.

Temporary financial assistance may be available to parents who find themselves with short term financial difficulties. This is means-tested and offered at the discretion of the Head.

Wider access to Schooling was achieved in 2019/20 with a total of £309,117 (2018/19 - £318,323) awarded in scholarships, grants, prizes and other awards. 53 hardship cases received financial support amounting to £484,497 (2018/19 - 59, £576,698) towards fees, equivalent to 27 full senior fee places.

40% of the pupils of the senior School (2018/19 - 49%) received some form of financial assistance with their fees. This figure does not include staff discounts.

Staff fee discounts and benefits

A fee discount of up to 30% is offered to staff with daughters at the School. In 2019/2020 28 members of staff received this discount at a total value of £124,000 (in 2018/2019, 37 members of staff, at a total value of £159,804).

A salary sacrifice scheme for School fees remains in place for such members of staff until April 2021 when it will cease in accordance with HMRC regulations.

Other pupil benefits

The Childcare Vouchers Scheme is available, as is a 5% third sibling discount.

Income from investments

Income from investments is reinvested, while operating surplus is used to maintain the scholarship and bursary funds, including temporary financial assistance. The investment fund is available to support the bursary fund when required.

FINANCIAL REVIEW

Financial Results

The consolidated Statement of Financial Activities on page 21 shows the Net Movement in Funds for 2020 as a surplus of £128,743 (2018/19 - £602,404).

The School had a surplus for the year of £149,764 (2018/19 - £598,318). The surplus before depreciation and interest is 10.4% (2019 - 11.5%).

The Balance Sheet on page 23 shows Net Current Liabilities of £3,121,673 (2019 - £5,016,708). During the year, as planned, the School took a £2m bank loan to fund its ongoing programme of planned capital investment, of which £1.8m falls due after more than one year.

In the opinion of the Governors the market value of the land and buildings of the School is not less than the book value in the accounts.

Investment policy and performance

The overall investment objectives of the School are to create sufficient funds through income and capital in order to enable the School to carry out its purposes consistently, year by year, and with due and proper consideration for future needs. They include the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained.

The School's investment performance is measured regularly against a benchmark, currently named the MSCI PIMFA Private Investor Balanced Index. For this year our total return of -2.03% was slightly higher than the Index, which was -2.13%.

The School's investments are managed by Charles Stanley and Company Limited under the supervision of Governors. At 31 August 2020 investments, of which the majority were UK listed equities, with a market value of £1,463,595 (2019 - £1,493,484), represented designated funds. Their market value at 31 August 2020, reflecting global market depression in the face of Covid-19, contributed to a net investment loss of £46,536 (2019 – gain £39,743).

The Governors are authorised by the Memorandum of Association to invest monies not immediately required for the School's purposes in investments, securities or property as may be thought fit. This will be reviewed closely in the light of the fluctuations caused by Covid-19.

Reserves Policy

The Governors' policy is to build up funds out of annual operating surpluses, subject to the prior demands of further capital expenditure to equip the School with the up to date facilities needed to maintain the standard of educational services currently provided.

The Governors aim to maintain general reserves equivalent to at least 3 months of operating expenditure for the school. Excluding the designated Bursary Reserve of £1m, general reserves at 31 August 2020 were £14.9 m, which represents 10 months of unrestricted operating expenditure. These reserves ensure the school can fulfil and complete its charitable obligations and commitments.

Notes 22 and 23 show the allocation of the reserves between those designated for specific purposes and those available for the day to day requirements of the School.

COVID-19 – IMPACT AND THREAT TO THE FUTURE

As every reader of this report will be aware, the year was gravely disrupted by Covid-19. With very little advance notice the school sites closed prematurely just before the end of the Spring term and, with the exception of the Junior School, remained closed for the Summer. Teaching, remarkably, continued, mostly 'remotely' through skilful use of technology, although the task of writing summer exam scripts fell this year to teachers, in order to produce Centre Assessed Grades, rather than to pupils.

The school's business model was likewise severely tested. Ahead of other local schools, the Governors announced their determination to set a substantial discount on the Summer term fees for all parents, and they monitored carefully the resulting loss of income and dramatic change in the profile of income and expenditure. All teachers remained at work on full salary, and the school paid 100% salaries to all staff, including those who were put on furlough for whom the government provided 80% support. The school also topped up from 80% to 100% the salaries of its dedicated catering team who are the employees of its external caterers.

Looking ahead, the impact of the ongoing global Covid-19 outbreak brings the threat of unprecedented challenges. The Governors and executive team continue to monitor the outbreak, including UK Government advice, and note that the school faces a prolonged period of uncertainty. While the evolving nature of the pandemic means it is not possible accurately to quantify its financial impact, we believe the school is in a good financial position to help manage this risk. Steps are being taken, on an ongoing basis, to minimise the impact on our activities, and we remain in close contact with our parent body to understand and help minimise the adverse effects the pandemic may have on them. A robust infrastructure is in place to enable our staff to work remotely if necessary and our key priority will be to carry on providing our services to pupils and their families right through the academic year.

More fundamentally, however, the Governors have also, separately, examined the school's financial ability to maintain these very services.

GOING CONCERN

The Governors review the School's financial performance and plans at each Council meeting (usually 4 per year) along with our principal financial risks. In March, and again in June and September, they were satisfied that the School had sufficient resources to continue operating for the foreseeable future, and the accounts for the year ended 31 August 2020 have been prepared in the knowledge that the School is a financially viable organisation.

The effect of Covid-19 was most recently assessed by the Governors' Finance and General Purposes Committee in October and again in November 2020, reviewing our ongoing forecasts and projections to ensure that the School remains financially viable. With regard to the next accounting period, the year ending 31 August 2021, the most significant areas that are likely to affect the School's net assets are our ability to maintain firstly pupil numbers and secondly the continuing provision of education, whether on site or remotely or, more probably, with a mixture of the two. The key elements here are our level of income and control of costs. Following the year end at 31 August 2020 our pupil numbers for the current year have fallen, partly no doubt as a result of the effects of Covid-19, but also in line with expectations already identified well before Covid-19 as older year groups with higher numbers departed and younger year groups with lower numbers joined.

GOING CONCERN *(continued)*

Looking to our ongoing and future activities, the Governors take encouragement from the experiences of both the Summer 2020 and Autumn 2020 terms and believe the School has demonstrated great resilience over the last few months. After the site closed in March teaching, following a brief pause for the Easter holiday, continued with remote lessons being successfully set up thanks to the hard work and dedication of teachers, pupils, their parents, and our IT and other support departments. During the Summer term the Executive looked carefully at expenditure and achieved a number of short and longer term savings, and the Autumn term started with the school sites fully operational while observing and applying the social distancing and other constraints of Covid-19. As Governors we have accepted the need to adjust the timing, but not the ambition, of our future building plans so that the School's financial resources and cash flow are not put under too great stress.

The School has a strong asset base and generates a positive cash flow from its operations, and the Governors will continue to monitor and review financial and operating plans with the School's executive team to maintain a robust financial footing as we move forward. We are of the opinion that the charity will continue to have sufficient resources to meet its liabilities as they fall due and as such we remain satisfied that The Abbey School can continue operating for the foreseeable future and our accounts have been prepared in the knowledge that the School is a financially viable organisation.

OTHER RISKS AND UNCERTAINTIES

An unexpected fall in pupil numbers would represent a significant risk to the School, and could result in inappropriate investment decisions being made as a result of over-optimistic financial planning. Our regular review of current and projected pupil numbers provides a check that our budgets for future years are realistic. Any significant reduction in numbers would prompt immediate review action.

The full economic impact of the UK government's decision to withdraw from membership of the European Union is as yet unknown. Economic uncertainty is a significant factor for parents considering education in the Independent School Sector and the Governing Body, through the Risk, Audit and Compliance Committee will continue to monitor this potential risk, and all committees, as a standing item, will consider the impact of Brexit on their area of responsibility.

Beyond Covid-19, other aspects of Health and Safety represent a significant area for risk management. The risks range from fire and other damage to infrastructure to personal risks (most notably when away from the campus on trips and expeditions). There is a regular risk audit, and continuity plans are in place to ensure the school continues to function effectively in the event of a major incident such as fire or flood.

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.

FUTURE OBJECTIVES

The Governors and the Executive Board once again look forward positively to the challenges that lie ahead, and remain committed to keeping The Abbey at the forefront of education. We are in the process of refreshing our five year rolling plan which will reflect objectives set by our new Executive Head.

The current plan, crafted to shape the School's development in physical, educational and philosophical terms, was developed by the Executive Board with significant contribution and support from the Governors, and was guided by input from parents and staff. Its five year focus has been on four key areas:

- energising our people and maintaining a culture that is 'Courageous, Honest and Kind'
- enhancing our environment so that the fabric of the school reflects the quality within it
- engaging our stakeholders in The Abbey Community and beyond in marking over 130 years of experience in education
- enabling our organisation to play an important role locally and nationally

The next phase of our plan will carry forward our commitment to The Abbey Community – our teachers, our girls, and our parents, as well as our local Reading community. The objectives within the plan will ensure we continue to:

- produce top results as a world-class educational establishment
- widen access to the School through our 1887 Fund for scholarships and bursaries
- support outreach initiatives with our local communities
- encourage innovation
- provide breadth in all aspects of education across the School.

The Abbey School, Reading

Governors responsibilities
for the year ended 31 August 2020

STATEMENT OF RESPONSIBILITIES OF COUNCIL

The Governors (who are also directors of The Abbey School for the purposes of company law and trustees for the purpose of charity law) are responsible for preparing the Governors' Annual Report (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 judgements 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.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are Governors at the time when this Governors Report is approved has confirmed that:

- so far as that Governor is aware, there is no relevant audit information of which the School's auditor are unaware; and

- that Governor has taken all steps that ought to have been taken as a Governor in order to be aware of any relevant audit information needed by the School's auditors in connection with preparing their report and to establish that the School's auditors are aware of that information.

AUDITOR

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

This Annual Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Governing Body of The Abbey School at a Special General Meeting on 7 December 2020, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf.

By order of the Governors

Elizabeth Harrison

E A Harrison
Chair of Governors

Date:

Opinion on financial statements

We have audited the financial statements of The Abbey School, Reading for the year ended 31 August 2020 which comprise the Consolidated Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheets, the Consolidated Cash Flow Statement 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 FRS 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 charitable group and parent affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with 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 charitable company 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 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 audit 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 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.

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.

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.

Opinions 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 Report of the Governors (including 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 Report of the Governors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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 Strategic Report or the Report of the Governors.

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 and sufficient accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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 Governors

As explained more fully in the Governors' Responsibilities Statement set out on page 15, the Governors (who are also the directors of the charitable company for the purpose 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 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder. 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 consolidated financial statements.

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

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Heather Wheelhouse (Senior Statutory Auditor)
for and on behalf of BDO LLP, statutory auditor
Reading

Date: 25 January 2021

BDO LLP is a limited liability partnership registered in England & Wales (with number OC305127)

The Abbey School, Reading

Consolidated Statement of Financial Activities (incorporating an Income & Expenditure Account) for the year ended 31 August 2020

	Note	Unrestricted funds General funds £	Designated funds £	Restricted funds £	Total 2020 £	Total 2019 £
INCOME FROM:						
Government grants	4c	429,809	-	-	429,809	-
Charitable activities						
School fees	4a	15,602,258	-	-	15,602,258	16,568,432
Ancillary income	7	835,415	-	-	835,415	1,019,559
Other trading activities						
Trading income	14	73,216	-	-	73,216	91,403
Non-ancillary income	5	90,489	-	-	90,489	26,228
Investments	6	-	33,213	-	33,213	38,493
Donations		21,283	-	36,292	57,575	36,437
Total income		17,052,470	33,213	36,292	17,121,975	17,780,552
EXPENDITURE ON:						
Charitable activities	8	16,418,191	485,070	7,586	16,910,847	17,149,400
Raising funds	9	11,788	16,433	-	28,221	44,697
Trading costs	14	7,628	-	-	7,628	23,794
Total expenditure		16,437,607	501,503	7,586	16,946,696	17,217,891
Net income/ (expenditure) before gains/(losses) and transfers		614,863	(468,290)	28,706	175,279	562,661
Net (loss)/gain on investments	14	-	(46,536)	-	(46,536)	39,743
Transfers between funds	22	(514,826)	514,826	-	-	-
Net movement in funds		100,037	-	28,706	128,743	602,404
Total funds brought forward	22	14,750,660	1,000,000	-	15,750,660	15,148,256
Total funds carried forward	22	14,850,697	1,000,000	28,706	15,879,403	15,750,660

All amounts relate to continuing activities. All gains and losses recognised in the year are included in the statement of financial activities.

The notes on pages 23 to 43 form part of these accounts.

The Abbey School, Reading

Consolidated Statement of Financial Activities (incorporating an Income & Expenditure Account) for the year ended 31 August 2019

	Note	Unrestricted funds General funds £	Designated Funds £	Restricted funds £	Total 2019 £
INCOME AND ENDOWMENTS FROM:					
Charitable activities					
School fees	4a	16,568,432	-	-	16,568,432
Ancillary income	7	1,019,559	-	-	1,019,559
Other trading activities					
Trading income	14	91,403	-	-	91,403
Non-ancillary income	5	26,228	-	-	26,228
Investments	6	-	38,493	-	38,493
Donations		21,943	-	14,494	36,437
Total income		17,727,565	38,493	14,494	17,780,552
EXPENDITURE ON:					
Charitable costs	8	16,558,208	576,698	14,494	17,149,400
Raising funds					
Trading costs	14	23,794	-	-	23,794
Portfolio management costs		-	11,708		11,708
Non-ancillary costs		22,024	-	-	22,024
Financing costs	9	10,965	-	-	10,965
Total expenditure	8	16,614,991	588,406	14,494	17,217,891
Net income/(expenditure) before gains/(losses) and transfers		1,112,574	(549,913)	-	562,661
Net gains on investments	14	-	39,743	-	39,743
Net income		1,112,574	(510,170)	-	602,404
Transfers between funds	22	(510,170)	510,170	-	-
Net movement in funds		602,404	-	-	602,404
Total funds brought forward	22	14,148,256	1,000,000	-	15,148,256
Total funds carried forward	22	14,750,660	1,000,000	-	15,750,660

All amounts relate to continuing activities.

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

The notes on pages 23 to 43 form part of these accounts.

The Abbey School, Reading

Balance sheets
at 31 August 2020

Company number 0133676	Note	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Fixed assets					
Tangible assets	13	**19,374,674**	19,393,654	**19,374,674**	19,393,654
Investments	14	**1,463,595**	1,493,484	**1,463,597**	1,493,486
		20,838,269	20,887,138	**20,838,271**	20,887,140
Current assets					
Debtors	15	**401,071**	417,258	**417,228**	415,066
Cash at bank and in hand	28	**400,792**	430,933	**328,383**	355,342
		801,863	848,191	**745,611**	770,408
Creditors: amounts falling due within one year	16	**(3,923,536)**	(5,864,899)	**(3,913,874)**	(5,854,727)
Net current liabilities		**(3,121,673)**	(5,016,708)	**(3,168,263)**	(5,084,319)
Total assets less current liabilities		**17,716,596**	15,870,430	**17,670,008**	15,802,821
Creditors: amounts falling due after more than one year	17	**(1,837,193)**	(119,770)	**(1,837,193)**	(119,770)
Net assets		**15,879,403**	15,750,660	**15,832,815**	15,683,051
Funds					
General funds	22	**14,850,697**	14,750,660	**14,804,109**	14,683,051
Designated funds	22	**1,000,000**	1,000,000	**1,000,000**	1,000,000
		15,850,697	15,750,660	**15,804,109**	15,683,051
Restricted funds	22	**28,706**	-	**28,706**	-
Total	22	**15,879,403**	15,750,660	**15,832,815**	15,683,051

The charitable company has taken advantage of section 408 of the Companies Act 2006 not to publish its own statement of financial activities. The parent company's net income for the year was £149,764 (2019 - £598,318).

The financial statements were approved and authorised for issue by the Board of Governors of The Abbey School, Reading on 7 December 2020 and signed on their behalf by:

Elizabeth Harrison

E A Harrison

Julie Butler

J Butler

The notes on pages 23 to 43 form part of these accounts.

The Abbey School, Reading

Consolidated statement of cash flows for the year ended 31 August 2020

	Note	Group 2020 £	Group 2019 £
Cash flows from operating activites			
Net cash provided by operating activities	27	**483,552**	2,252,466
Cash flows from investing activities			
Dividends and interest		**33,213**	39,493
Purchase of tangible fixed assets		**(1,404,348)**	(2,818,698)
Purchase of investments		**(247,752)**	(248,406)
Receipts from sale of investments		**250,248**	310,289
Net cash used in investing activities		**(1,368,639)**	(2,718,322)
Cash flows from financing activities			
Receipt of new bank loan		**2,000,000**	-
Interest paid		**(36,009)**	(14,614)
Net cash used in financing activities		**1,963,991**	(14,614)
Increase/(decrease) in cash and cash equivalents in the year		**1,078,904**	(480,470)
Cash and cash equivalents at the beginning of the year		**(2,387,479)**	(1,907,009)
Total cash and cash equivalents at the end of the year	28	**(1,308,575)**	(2,387,479)

The notes on pages 23 to 43 form part of these accounts.

1 Company information

The Abbey School is a charitable company limited by guarantee (registered number 0133676 and charity number 309115), incorporated in England and Wales under the Companies Act 2006. The registered office is 17 Kendrick Road, Reading, Berkshire, RG1 5DZ.

2 Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice: "Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland" (The Charities SORP 2nd Edition effective 1 January 2019) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Companies Act 2006 and the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Group's accounting policies (see note 3).

The following principal accounting policies have been applied consistently:

Basis of consolidation

The group accounts consolidate the accounts of The Abbey School, Reading and its subsidiary undertaking, Abbey Commercial Enterprises Limited on a line by line basis. The accounts are made up to 31 August 2020. No separate statement of financial activities or income and expenditure has been presented for the charitable company alone as permitted by the Companies Act 2006 and the 2015 Charities SORP. The parent company's net income for the year is £149,764 (2019 - £598,318).

The results of the subsidiary undertaking for the year are disclosed in note 14 of the accounts.

FRS102 allows qualifying entities certain disclosure exemptions. The charity, only, has taken advantage of the exemptions for the following disclosure requirement:

- Section 7 "Statement of Cash Flows" - presentation of an entity only Statement of Cash Flow and related notes and disclosures; and
- from the financial instruments disclosures, required under FRS 102 para 11.40 to 11.48A and para 12.26 to 12.29, as the information is provided in the Group financial disclosures.

2 Accounting policies *(continued)*

Going concern

The Governors note that the group has net current liabilities of £3,121,673 (2019 £5,016,708) at the balance sheet date. They have considered the current year's positive net movement in funds, the projected gross operating surplus and cash flow projections for future years. These indicate that within, and without exceeding, the arrangements established with their bankers the school will be able to meet its liabilities as they fall due. The school has agreed and drawn down from the bank a development loan; this was converted to a term loan after the balance sheet date.

The Governors have no reason to believe that the current banking facilities will not be continued when they are reviewed in May 2021. They confirm that there is no material uncertainty as to the future of the school, and accordingly they continue to adopt the going concern basis in preparing the financial statements as outlined in the statement of Governors' responsibilities.

Fund accounting

General funds 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 comprise unrestricted funds that have been set aside by the Governors for particular purposes. Details of these reserves, as applicable to the charity, are set out in note 22.

Restricted funds are funds where specific conditions imposed by the donor would restrict the use of unspent funds or where the terms of the appeal restrict the use of the funds.

Investment income and gains are allocated to the appropriate fund.

2 **Accounting policies** *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Payments received from the government for furloughed employees are a form of grant. This grant money is receivable as compensation for expenses already incurred, and where this is not in respect of future related costs, is recognised in income in the period in which it becomes receivable and the related expense is incurred.

Fees and similar income

Fees receivable, charges for services and use of premises are accounted for in the period in which the service is provided. Fees receivable are stated after deducting allowances, bursaries and other remissions granted by the school. Means tested bursaries which provide financial assistance to parents, are treated as expenditure from the designated fund within the statement of financial activities.

Fees received for education to be provided in future years are carried forward as advance fee scheme payments and fees received in advance in the balance sheet. These fees are released to the statement of financial activities over the period in which the school provides the services in future years.

Donations

Donations received for the general purposes of the School are credited to unrestricted funds. Donations subject to specific wishes of the donors are credited to the relevant restricted fund.

Resources expended

Resources expended are accounted for on an accrual basis. Resources expended are allocated to specific activities without the need for apportionment. The irrecoverable element of VAT is included within the item of expense to which it relates.

Expenditure in respect of the other support costs of the School includes recruitment costs and general office costs including governance costs.

Scholarships and bursaries

Scholarships and bursaries are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional. Such scholarships and bursaries are recognised as expenditure when the conditions attached are fulfilled. Temporary financial assistance is charged to the statement of financial activities in the year in which it is granted.

Tangible fixed assets and depreciation

Expenditure on fixed assets is capitalised except for expenditure incurred on the replacement of assets of low value with a short life. Subsequent costs of repair, renovation and replacement expenditure are written off as incurred in the consolidated statement of financial activities, unless it is probable that such costs will generate future economic benefits. Depreciation is provided on all tangible fixed assets, except freehold land, in order to write off their cost less residual value over their useful lives at the following annual rates:

	Straight line basis	
Freehold buildings	2%	per annum on cost
Freehold improvements	10%	per annum on cost
Motor Vehicles	25%	per annum on cost
Equipment:		
Computer equipment	33%	per annum on cost
Other equipment	10%	per annum on cost

Items costing less than £1,000 are written off as an expense as acquired.

Investments

Investments are stated at market value with the gain or loss recognised in the statement of financial activities.

Investment income from dividends, bank balances and fixed interest securities is accounted for on an accruals basis.

Operating leases

Rentals applicable to operating leases are charged to the statement of financial activities on a straight line basis over the period in which the cost is incurred.

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. The group has elected to apply the provisions of Section 11 Basic Financial Instruments' and Section 12 'Other Financial instruments Issues' of FRS 102 to all of its financial instruments.

Pension Scheme

The charitable company contributes to the Teachers' Pension Scheme, which is a defined benefit scheme, at rates set by the Scheme Actuary and advised to the Board by the Scheme Administrator. The scheme is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme attributable to the charitable company. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme and contributions are accounted for when advised by the scheme administrator.

The charitable company also contributes into a defined contribution scheme for non-teaching staff for which the contributions are charged in the statement of financial activities in the year in which they are payable. The pension costs charged in the year for the Teachers' Pension Scheme are based on the contributions made to the centralised Government pension scheme run by the Department of Education as stated in note 25 to these financial statements.

2 Accounting policies *(continued)*

Advance fee scheme

Amounts received under the school's former Advance Fee Scheme contracts for education not yet utilised to settle school fees were recorded as current liabilities where the education will be provided 12 months from the reporting date and as long-term liabilities where the education was to be provided in subsequent years.

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 2020 have been included within current liabilities. The prior year pupil fee deposits balance has been similarly represented.

3 Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The group makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Significant estimates included within the financial statements include provision for fee debtors, which require a judgement by management regarding the likelihood of recovery. Management review and assess fee debtors on an individual basis and provide for fee debtors as appropriate.

Depreciation is another key estimate in the accounts which requires management judgement over the useful life of the assets. The policy has been set out in the notes above.

4a School fees

	Unrestricted 2020 £	Unrestricted 2019 £
School fees receivable consist of:		
Gross fees	**17,493,062**	17,051,671
Less: Scholarships and other awards	**(922,023)**	(1,059,937)
Less: Summer term (Covid-19) discount	**(1,453,278)**	-
Net fees receivable	**15,117,761**	15,991,734
Add: Bursaries paid out of designated funds	**484,497**	576,698
	15,602,258	16,568,432

4b Grants and awards

In addition to the scholarships and other awards noted above, the School provided means-tested bursaries to provide financial assistance to parents.

The total awards are as follows:

	Unrestricted 2020 £	Unrestricted 2019 £
Revenue account (scholarships)	**437,526**	483,239
Designated funds (means-tested bursaries)	**484,497**	576,698
Total grants and awards	**922,023**	1,059,937

4c Income from government grants

	Unrestricted 2020 £	Unrestricted 2019 £
Government furlough scheme	**429,809**	-

5 Non ancillary income

	Unrestricted 2020 £	Unrestricted 2019 £
Property rentals	**32,300**	23,500
HM Court and Tribunals Service income	**51,660**	-
Miscellaneous income	**6,529**	2,728
	90,489	26,228

6 Income from investments

	Unrestricted 2020 £	Unrestricted 2019 £
UK listed investments	**33,213**	38,493

Income from investments was designated in the current and previous financial year.

7 Ancillary income

	Unrestricted 2020 £	Unrestricted 2019 £
After school care	**64,049**	92,172
Trips income	**252,791**	356,087
Fees for extra-curricular courses and examinations	**437,835**	465,607
Fees in lieu of notice	**7,404**	31,614
Registration fees	**30,884**	35,972
Tuck shop income	**10,816**	10,293
Miscellaneous income	**31,636**	27,814
	835,415	1,019,559

8 Expenditure on charitable activities

	Staff costs £	Other £	Depreciation £	Total 2020 £
Charitable activities				
Teaching costs	**8,805,483**	**490,595**	**279,962**	**9,576,040**
Welfare costs	**62,664**	**822,841**	**-**	**885,505**
Premises costs	**849,932**	**1,111,661**	**1,193,779**	**3,202,191**
Support costs	**1,564,221**	**776,666**	**4,980**	**2,345,867**
Trip costs and other travel	**-**	**284,162**	**-**	**284,162**
Grants, awards and prizes	**-**	**485,070**	**-**	**485,070**
Governance costs	**-**	**24,106**	**-**	**24,106**
Finance costs	**-**	**78,073**	**-**	**78,073**
Provision for bad debts	**-**	**76,652**	**-**	**76,652**
	11,282,300	**4,149,826**	**1,478,721**	**16,910,847**

Total expenditure on charitable activities was £16,910,847 (2019 - £17,149,400) of this £7,586 (2019 - £14,494) was restricted, £485,070 (2019 - £576,698) was designated and £16,418,191 (2019 - £16,558,208) was unrestricted.

	Staff costs £	Other £	Depreciation £	Total 2019 £
Charitable activities				
Teaching costs	8,435,761	575,558	276,473	9,287,792
Welfare costs	94,310	1,036,447	-	1,130,757
Premises costs	804,768	1,089,879	1,071,580	2,966,227
Support costs	1,712,027	999,833	4,648	2,716,508
Trip costs and other travel	-	434,719	-	434,719
Grants, awards and prizes	-	587,013	-	587,013
Governance costs	-	26,384	-	26,384
	11,046,866	4,749,833	1,352,701	17,149,400

9 Expenditure on raising funds

	2020 £	2019 £
Portfolio management costs	**16,433**	11,708
Non-ancillary costs	**11,788**	22,024
Financing costs	**-**	10,965
	28,221	44,697

Total expenditure on raising funds was £28,221 (2019 - £44,697) of this £16,433 (2019 - £11,708) related to designated funds and £11,788 (2019 - £32,989) related to unrestricted funds.

10 Staff costs

	2020 £	2019 £
Wages and salaries	**8,779,419**	8,851,884
Social security	**835,750**	840,584
Pension contributions	**1,518,891**	1,141,586
Other non-payroll staff costs	**148,240**	212,812
	11,282,300	11,046,866

The number of employees whose emoluments (excluding pension contributions) exceeded £60,000 was:

	2020 Number	2019 Number
£60,000 - £70,000	**3**	3
£70,000 - £80,000	**2**	2
£80,000 - £90,000	**3**	5
£90,001 - £100,000	**2**	-
£140,000 - £150,000	**1**	1

The total employer contributions in the year towards pension scheme contributions for the above 11 (2019 - 11) staff members were £149,482 (2019 - £112,546).

During the year, severance pay was awarded to 2 employees with payments for compensation and pay in lieu of notice totalling £31,002 (2019 - 4 employees, £21,939). This included an agreement with Mrs J Creswell, Head of The Abbey Senior School, relating to her departure. The value of this agreement was £30,000.

10 Staff costs *(continued)*

The average number of employees during the year was as follows:

	2020 Number	2019 Number
Teaching	**261**	262
Welfare	**28**	26
Premises	**18**	20
Support	**46**	51
	353	359

The split between part time and full time staff was as follows:

	2020 Number Full time	2020 Number Part time	2019 Number Full time	2019 Number Part time
Teaching	**109**	**152**	111	151
Welfare	**5**	**23**	6	20
Premises	**15**	**3**	14	6
Support	**26**	**20**	31	20
	155	**198**	162	197

Aggregate employee costs of the senior leadership team, as identified on page 3, including salary, benefits, pension contributions and national insurance) in the year totalled £620,383 (2019 - £598,696).

The governors received no remuneration or other benefit for the year (2019 - £ Nil). The governors were reimbursed for no expenses in the year (2019 - £1,439 for travel).

The employer's liability insurance of the charitable company includes indemnity insurance for the governors.

11 Net Income/(expenditure)

	2020 £	2019 £
Net income/(expenditure) includes:		
Operating lease charges	57,894	103,205
Depreciation	1,479,511	1,353,492
Auditors' remuneration - Audit		
- Audit fees	22,320	19,100
- Other	4,260	5,812

12 Taxation

The charitable company is a registered charity, and as such is entitled to tax exemptions on income and gains, properly applied for its charitable purposes.

13 Tangible assets – Group and School

	Freehold property and improvements £	Assets under construction £	Motor vehicles £	Equipment £	Total £
Cost					
At 1 September 2019	24,482,125	1,841,930	23,338	6,294,081	32,641,474
Additions	1,348,788	56,183	-	55,560	1,460,531
Disposals	(106,191)	-	-	(2,256,563)	(2,362,754)
Transfer between classes	1,898,113	(1,898,113)	-	-	-
At 31 August 2020	**27,622,835**	**-**	**23,338**	**4,093,078**	**31,739,251**
Depreciation					
At 1 September 2019	8,154,417	-	12,338	5,081,065	13,247,820
Charge for year	1,067,265	-	3,300	408,946	1,479,511
Disposals	(106,191)	-	-	(2,256,563)	(2,362,754)
At 31 August 2020	**9,115,491**	**-**	**15,638**	**3,233,448**	**12,364,577**
Net book value					
At 31 August 2020	**18,507,344**	**-**	**7,700**	**859,630**	**19,374,674**
At 31 August 2019	16,327,708	1,841,930	11,000	1,213,016	19,393,654

14 Fixed asset investments

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Listed investments (see below)	**1,463,595**	1,493,484	**1,463,595**	1,493,484
Abbey Commercial Enterprises Limited (see below)	**-**	-	**2**	2
	1,463,595	1,493,484	**1,463,597**	1,493,486

Subsidiary undertaking

The Abbey School owns 100% of the ordinary share capital of Abbey Commercial Enterprises Limited (company number 06334617). This company was incorporated in England and Wales and was established to carry out the non-educational activities associated with the School.

Trading results extracted from its audited financial statements are shown below:

	2020 £	2019 £
Turnover	**73,216**	91,403
Administration expenses	**(7,628)**	(4,794)
Management charge from the Abbey School	**(19,000)**	(19,000)
Profit on ordinary activities before taxation	**46,588**	67,609
Tax on profit on ordinary activities	**-**	-
Profit on ordinary activities after taxation	**46,588**	67,609
Net assets	**46,590**	67,611

All activities have been consolidated on a line by line basis in the SOFA. Any taxable net profit is gifted to the charity. The total expenses include a management charge paid by Abbey Commercial Enterprises of £19,000 (2019 - £19,000), which is eliminated on consolidation. At the year end the balance outstanding was a debtor in The Abbey School of £23,874 (2019 - £19,000).

14 Fixed asset investments *(continued)*

Listed investments

	2020 Market value £	2019 Market value £
At 1 September	1,386,338	1,408,478
Additions	247,752	248,406
Disposals	(250,248)	(310,289)
(Loss)/gain on revaluation for the year	(46,536)	39,743
At 31 August	**1,337,306**	1,386,338
Cash held by investment manager	**126,289**	107,146
Total	**1,463,595**	1,493,484
Historical cost of investments	**1,292,761**	1,273,618

Investments which comprise more than 5% of the market value of investments are:

	Market value £	Cost £
J P Morgan Asset Management UK Ltd	**74,920**	**60,692**
Findlay Park Funds Plc	**74,691**	**46,956**

15 Debtors

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Trade debtors	**61,590**	41,743	**53,873**	30,001
Amounts due from own subsidiary	**-**	-	**23,874**	19,000
Other debtors	**46,762**	4,280	**46,762**	4,280
Prepayments	**292,719**	371,235	**292,719**	361,785
	401,071	417,258	**417,228**	415,066

Amounts due from owned subsidiary are interest free and repayable on demand.

16 Creditors: amounts falling due within less than one year

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Bank overdraft	**1,709,367**	2,818,412	**1,709,367**	2,818,412
Bank loan (see note 18)	**200,000**	-	**200,000**	-
Trade creditors	**322,123**	1,159,956	**322,123**	1,159,956
Deposits held	**648,868**	630,136	**648,868**	630,136
Other taxes and social security costs	**407,197**	364,981	**403,412**	363,383
Other creditors	**89,246**	229,679	**89,246**	229,280
Accruals	**121,785**	128,952	**115,908**	120,777
Advance fee scheme payments (see note 19)	**42,577**	76,890	**42,577**	76,890
Fees received in advance	**382,373**	455,893	**382,373**	455,893
	3,923,536	5,864,899	**3,913,874**	5,854,727

At the end of 2020, there was a bank overdraft with HSBC, which were secured by legal charges over two freehold properties.

Fees received in advance relates to fees for the next academic year which some parents pay in advance. Deposits held relate to acceptance deposits which are considered as owed within one year given that only one terms notice is required to be given by pupils.

17 Creditors: amounts falling due after more than one year

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Bank loan (see note 18)	**1,800,000**	-	**1,800,000**	-
Fees received in advance	**-**	40,000	**-**	40,000
Advance fee scheme payments (see note 19)	**37,193**	79,770	**37,193**	79,770
	1,837,193	119,770	**1,837,193**	119,770

18 Bank loan

Group and School

The loan is repayable as follows:

	2020 £	2019 £
Within 1 year	**200,000**	-
Within 2 to 5 years	**800,000**	-
More than 5 years	**1,000,000**	-
Total due in more than one year	**1,800,000**	-
Total balance repayable at the year end	**2,000,000**	-

Bank loan with HSBC is secured by a charge over the School's property.

19 Advance fee scheme

Group and School

Parents historically have deposited a lump sum with the School as an advance on future fees. This option is no longer available to parents. Each arrangement is in respect of an agreed amount to be credited against future fee bills for an agreed number of terms. The unused balance of the advance is repayable on request. It is intended that the advance fees will be applied as follows:

	2020 £	2019 £
Within 1 year	**42,577**	76,890
Within 2 to 5 years	**37,193**	79,770
	79,770	156,660

The figures for advanced fee payments are included within the balance sheet for school fees paid in advance (notes 16 and 17). The balance represents the accrued liability under these arrangements. Movements during the year were:

	£	£
Balance at 1 September 2019	156,660	284,391
Amounts utilised in the payment of fees	(76,890)	(127,731)
Balance at 31 August 2020	**79,770**	**156,660**

20 Operating lease commitments

At 31 August 2020 the group had total future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Due within one year	**53,503**	99,072
Due between one and five years	**4,391**	56,211
	57,895	155,283

21 Capital commitments

At 31 August 2020 the School had the following capital commitments:

	2020 £	2019 £
Contracts for future capital expenditure not provided in the financial statements	**91,100**	577,966

22 Funds

Group – current year

	Balance at 1 September 2019	Income	Expenditure	Transfers	Gains and (losses)	At 31 August 2020
Unrestricted funds						
General unrestricted	14,750,660	17,052,470	(16,437,607)	(514,826)	-	**14,850,697**
Designated – The Bursary Fund	1,000,000	33,213	(501,503)	514,826	(46,536)	**1,000,000**
Total Unrestricted funds	**15,750,660**	**17,085,683**	**(16,939,110)**	**-**	**(46,536)**	**15,850,697**
Restricted funds	-	36,292	(7,586)	-	-	**28,706**
Total funds	**15,750,660**	**17,121,975**	**(16,946,696)**	**-**	**(46,536)**	**15,879,403**

22 Funds *(continued)*

School – current year

	Balance at 1 September 2019	Income	Expenditure	Transfers	Gains and (losses)	At 31 August 2020
Unrestricted funds						
General unrestricted	14,683,051	17,065,863	(16,429,979)	(514,826)	-	**14,804,109**
Designated – The Bursary Fund	1,000,000	33,213	(501,503)	514,826	(46,536)	**1,000,000**
Total Unrestricted funds	**15,683,051**	**17,099,076**	**(16,931,482)**	**-**	**(46,536)**	**15,804,109**
Restricted funds	-	36,292	(7,586)	-	-	**28,706**
Total funds	**15,683,051**	**17,135,368**	**(16,939,068)**	**-**	**(46,536)**	**15,832,815**

Income from The Bursary Fund is used to offer financial assistance to individual pupils when necessary.

The Governors have decided to make an annual transfer from the unrestricted funds so that a balance of £1 million remains earmarked for use on bursaries within this fund.

Restricted funds are those received for specific purposes including donations received for building appeals, various teaching departments and fixed assets. Once the restriction has been fulfilled than a transfer from restricted to unrestricted funds is made.

Group – prior year

	Balance at 1 September 2018	Income	Expenditure	Transfers	Gains and (losses)	At 31 August 2019
Unrestricted funds						
General unrestricted	14,148,256	17,727,565	(16,614,991)	(510,170)	-	**14,750,660**
Designated – The Bursary Fund	1,000,000	38,493	(588,406)	510,170	39,743	**1,000,000**
Total Unrestricted funds	**15,148,256**	**17,766,058**	**(17,203,397)**	**-**	**39,743**	**15,750,660**
Restricted funds	-	14,494	(14,494)	-	-	**-**
Total funds	**15,148,256**	**17,780,552**	**(17,217,891)**	**-**	**39,743**	**15,750,660**

22 Funds *(continued)*

School – prior year

	Balance at 1 September 2018	Income	Expenditure	Transfers	Gains and (losses)	At 31 August 2019
Unrestricted funds						
General unrestricted	14,084,737	17,733,170	(16,624,686)	(510,170)	-	**14,683,051**
Designated – The Bursary Fund	1,000,000	38,493	(588,406)	510,170	39,743	**1,000,000**
Total Unrestricted funds	**15,084,737**	**17,771,663**	**(17,213,092)**	**-**	**39,743**	**15,683,051**
Restricted funds	-	14,494	(14,494)	-	-	**-**
Total funds	**15,084,737**	**17,786,157**	**(17,227,586)**	**-**	**39,743**	**15,683,051**

23 Analysis of net assets between funds

Group

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2020 Total £
Unrestricted funds:					
Revenue account	**19,374,674**	**-**	**(2,686,784)**	**(1,837,193)**	**14,850,697**
Designated funds	**-**	**1,463,595**	**(463,595)**	**-**	**1,000,000**
Restricted funds	**-**	**-**	**28,706**	**-**	**28,706**
	19,374,674	**1,463,595**	**(3,121,673)**	**(1,837,193)**	**15,879,403**

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2019 Total £
Unrestricted funds:					
Revenue account	19,393,654	-	(4,523,224)	(119,770)	14,750,660
Designated funds	-	1,493,484	(493,484)	-	1,000,000
	19,393,654	1,493,484	(5,016,708)	(119,770)	15,750,660

23 Analysis of net assets between funds

School

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2020 Total £
Unrestricted funds:					
General account	**19,374,674**	**-**	**(2,733,372)**	**(1,837,193)**	**14,804,109**
Designated funds	**-**	**1,463,597**	**(463,597)**	**-**	**1,000,000**
Restricted funds	**-**	**-**	**28,706**	**-**	**28,706**
	19,374,674	**1,463,597**	**(3,168,263)**	**(1,837,193)**	**15,832,815**

	Fixed assets £	Investments £	Net current liabilities £	Long term liabilities £	2019 Total £
Unrestricted funds:					
General account	19,393,654	-	(4,590,833)	(119,770)	14,683,061
Designated funds	-	1,493,486	(493,486)	-	1,000,000
	19,393,654	1,493,486	(5,084,319)	(119,770)	15,683,051

24 Related party transactions

Transactions with Governors

Owing to the nature of the school's operations and the composition of its governing body being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations with which a Governor may have an interest. All transactions involving these organisations are in accordance with the school's normal procedures.

Mr S Dimmick has now retired as a partner at the school's Solicitors, Blandy & Blandy. During the year the school was invoiced £30,570 (2019 - £18,138) by Blandy & Blandy for legal work carried out on the school's behalf. At the year-end, a balance of £Nil (2019 - £Nil) was owed to Blandy & Blandy.

Mr M Emmanuel is a director at French Horn Hotel Limited. During the year, the School was invoiced £3,378 (2019 - £498) by French Horn Hotel Limited for a function in the year. At the year end, a balance of £Nil (2019 - £Nil) was owed to French Horn Hotel Limited.

25 Pensions

a) Teachers' Pension Scheme

The school 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 £1,240,800 (2019 - £893,614) and at the year-end £154,355 (2019 - £124,526) was payable in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' Pension Scheme Regulations 2014. 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 using membership data as at 31 March 2019 and using this valuation, confirmed an employer contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

b) Other schemes

The Company also makes contributions for non-teaching staff into a separately administered defined contribution scheme. Employers contributions totalling £278,091 (2019 - £247,972) were payable to this fund for the year. Contributions totalling £25,268 (2019 - £26,161) were unpaid at the year end and are included within creditors.

26 Financial instruments

Group	2020 £	2019 £
Financial assets measured at fair value	**1,463,595**	1,493,484

Included within financial instruments held at fair value is investments.

27 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	Note	Group 2020 £	Group 2019 £
Net income for the reporting period (as per the statement of financial activities)		**128,743**	602,404
Adjustments for:			
Depreciation	13	**1,479,511**	1,353,492
Losses/(gains) on investments	14	**46,536**	(39,743)
Dividends and interest	6	**(33,213)**	(38,493)
Interest payable		**36,009**	14,614
Decrease in debtors		**16,187**	120,737
(Decrease)/increase in creditors		**(1,171,078)**	327,958
Increase of cash at investment manager		**(19,143)**	(88,503)
Net cash provided by operating activities		**483,552**	2,252,466

28 Analysis of cash and cash equivalents

	Group 2020 £	Group 2019 £	School 2020 £	School 2019 £
Bank balances included in cash at bank and in hand	**400,792**	430,933	**328,383**	335,342
Bank overdrafts	**(1,709,367)**	(2,818,412)	**(1,709,367)**	(2,818,412)
	(1,308,575)	(2,387,479)	**(1,380,984)**	(2,463,070)

29 Analysis of net debt

	At 1 September 2019 £	Cash flows £	Non-cash flows £	At 31 August 2020 £
Cash balances	430,933	(30,141)	-	**400,792**
Overdraft	(2,818,412)	1,109,045	-	**(1,709,367)**
Bank loans	-	(2,000,000)	-	**(2,000,000)**
Net Debt	**(2,387,479)**	**(921,096)**	-	**(3,308,575)**