

**Registered Company Number: 04384765**

**Registered Charity Number: 1096244**

## **BLUECOAT SPORTS**

### **REPORT AND FINANCIAL STATEMENTS YEAR ENDED 31 AUGUST 2016**

**BLUECOAT SPORTS  
REPORT AND FINANCIAL STATEMENTS  
YEAR ENDED 31 AUGUST 2016**

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**Officers and Professional Advisers**

**Directors and Charity Trustees**

Members of the Board of Trustees are the charity trustees of Bluecoat Sports under charity law and the directors of the charitable company. The members of the Board who served during the year and subsequently are detailed below.

Keith Lugton, FIA (Chairman)  
Stewart Coia, HCIMA (to 28 September 2015)  
Patrick Dearsley, MA (Cantab)  
Roger Eades, ACMA  
James Maclean, BSc Hons (from 25 May 2016)  
Danny Sloan, DIPM FCIM  
Keith Willder, MBE

**Company Secretary**

Jacqui Duggan

**Registered Office**

The Counting House  
Christ's Hospital  
Horsham  
West Sussex  
RH13 0YP

**Auditor**

Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London  
EC4Y 8EH

**Banker**

Barclays Bank plc  
2 Carfax  
Horsham  
West Sussex  
RH12 1DN

**Solicitor**

Irwin Mitchell LLP  
Belmont House  
Station Way  
Crawley  
West Sussex  
RH10 1JA

**Treasury Manager**

Royal London Asset Management Ltd  
55 Gracechurch Street  
London  
EC3V 0UF

# **BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2016**

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The Trustees of Bluecoat Sports (the Charitable Company, known as Bluecoats) present their annual report for the year ended 31 August 2016 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

## **STRUCTURE, AIMS AND GOVERNANCE**

### **Constitution and objects**

The Charitable Company was established in 2002. It is constituted as a company limited by guarantee registered in England, number 04384765, and is registered with the Charity Commission under charity number 1096244. The Charitable Company's activities are governed by its Memorandum and Articles of Association dated 1 March 2002, as amended by the special resolution dated 1 March 2012.

The Charitable Company's objects as set out in the Memorandum of Association are to:

- provide facilities to Christ's Hospital School (the School) for physical education and training for personal and teamwork development;
- promote physical health and fitness amongst the pupils of the School;
- provide facilities to local schools, local authority organisations and charities for the purposes of physical education and training for personal and teamwork development; and
- promote physical health and fitness amongst the wider community.

## **AIMS, OBJECTIVES AND ACTIVITIES**

### **Aims**

The Charitable Company's aim for the public benefit is to provide safe, secure and up-to-date sporting and exercise facilities for pupils at Christ's Hospital, local schools and charities and the wider community.

## **GOVERNANCE AND MANAGEMENT**

### **Board of Trustees**

The Board of Trustees (the Board) consists of at least three and not more than six individuals. All but one (the independent Trustee) are nominated by Christ's Hospital School. The independent Trustee is nominated by the Board of Bluecoats and must not be a Trustee or employee of Christ's Hospital or any of its subsidiary undertakings.

### **Recruitment, Induction and Training of Trustees**

New Trustees are required to attend an induction meeting which explains the objectives of the Charity and the responsibilities of the Trustees.

### **Organisational management**

The members of the Board, as the charity trustees, are legally responsible for the overall management and control of Bluecoats. The Board meets at least three times a year, acts in the sole interest of Bluecoats and is independent of any other relevant body.

The day-to-day running of Bluecoats is delegated to a Senior Management Team, comprising the Centre Manager, who reports to the Bursar of the School, and two Assistant Managers. The Bursar is also a Trustee of the Charitable Company.

### **Related Parties**

The Charitable Company is a 'controlled' charity insofar as Christ's Hospital School controls the appointment of the majority of the Trustees.

# **BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2016**

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## **STRATEGIC REPORT**

### **STRATEGIES TO ACHIEVE THE PRIMARY OBJECTIVES**

During the year, the number of classes and activities on offer has remained steady. We continue to hire out the pool and teach a local school and children with special needs on a weekly basis.

A continued programme of staff development has seen staff members promoted from national apprentice schemes to permanent posts and then gain further promotions and qualifications, enhancing the skills and expertise of the Bluecoats' team.

During the year the facilities have been enhanced and improved. Completed projects include the replacement of the Sports Hall floor and a new tiled floor surface to the pool surrounds and spectator area plus the construction of an all-weather hockey pitch.

### **ACHIEVEMENTS AND PERFORMANCE**

#### *Provide facilities to Christ's Hospital School*

The main focus of Bluecoats' activities remains the provision of sporting facilities and improvement of the health and wellbeing of the pupils at the School. Approximately 70% of the time available in the core facilities (pool, fitness suite, sports hall and gymnasium) is taken up by the School during term time.

Pupils of the School have achieved some notable successes during this academic year. All of these pupils used Bluecoats' facilities for a major part of their training. The Trustees congratulate these pupils on their efforts and their successes and thank the staff of Bluecoats for their support for all the pupils of the School.

#### *Athletics*

Joshua Persad (100m & 200m) and Elliot Bayley (javelin) won gold medals at the Surrey Championships. In the English Schools Track and Field Cup the junior girls, inter girls and inter boys qualified for the regional finals. There were representative honours for 11 athletes who qualified for Sussex in the Inter-Counties Championship: three of the 11 qualified for the English Schools' Finals in Gateshead with Sam Odu winning a Bronze medal in the U14 80m Hurdles.

#### *Badminton*

An exceptional season with only one defeat. The squad was boosted by the arrival of Osman Kwok (ranked number three in Hong Kong in his age group) and Sussex player Amber Cooper.

#### *Basketball*

The first team achieved 15 wins this season, an all-time best, and achieved another first by qualifying from the group stages of the National cup. Ozzy Owete beat the schools points record with 268 points in the season.

#### *Cricket*

There were four centuries this season, one each from Tom Carter and Gus Freeman and two from Solomon Woodall. Sam Hannon took six wickets in an innings for the first XI and Arthur Pinkney's five wickets for the U14A team against Caterham, included a hat-trick. Maxwell Singh-Kingdom took six wickets for the U13A team against Reigate and the pick of the bunch, Stephen Marsh, took 7-33 against the Old Blues.

In the Martin Berrill Sports Cricket League, the U15A team was crowned champion, as was the first XI. CH won the overall title in the Martin Berrill Sports Cricket League for 2016.

Representative honours:

Gus Freeman	Kent
Lottie Woodall	Buckinghamshire
Solomon Woodall	Buckinghamshire

**BLUECOAT SPORTS  
TRUSTEES' REPORT  
YEAR ENDED 31 AUGUST 2016**

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*Cross-Country*

Cameron Finley, Ollie Ball and Rosie Vallance all represented Sussex at the South-East Inter-counties competition at Bexhill.

*Fives*

In the National Girls Fives Championships, Aiysha Alli successfully defended her U13 singles title. Liza Thwaites and Aiysha Alli won the U13 doubles title. Stella Saunt-Hills and Caroline Kloefer finished runners-up in the U16 doubles final and Mary Ward ended her School's Fives career by winning the U18 singles plate title.

*Football*

The first and second XIs both finished third in their SKIL leagues, a record for both teams, with only last round defeats stopping them coming second and first respectively. The U14As did very well to finish third. It was also good to see the emergence of girls' football.

*Hockey*

The second XI, fourth XI and U13C teams only lost two games apiece. The U13B team was the top goal scoring team, but team of the season went to the U15B with only one game lost. The first XI reached the quarter finals of the new National Independent Schools Hockey Cup.

*Representative honours*

U16	Charlotte O'Callaghan	Sussex
	Lottie Woodall	Sussex

*Netball*

All teams competed in the SISNA Tournaments, with the best placed team being the first VII which finished third. The first and second VIIs both had impressive playing records this season, only losing three matches each.

*Pool*

Congratulations to Joe Nulty who was selected to represent the England U18 pool team.

*Rounders*

The U14 and U13 teams demonstrated great tactical awareness and had a number of exciting and competitive matches. A special mention must go to the U15 teams who made fantastic progress and held their nerve in several close matches.

*Rugby*

The U13A and the U14A XVs were the most successful teams, followed closely by the U15A. Lennox Anwanyu and Sam Odu were selected by Harlequins to train with the All Blacks during the World Cup. The U13s were crowned Sevens County Champions and the U14s reached the final of the Sussex Schools XV championship. The U15s also became Sussex Sevens champions. After two years of reaching the semi-finals at Rosslyn Park, the CH Girls VII's squad was only narrowly beaten in the final of the National Sevens competition.

*Representative honours:*

Lennox Anwanyu	Harlequins Elite Player Development Group
Jesse Agwae	Harlequins Developing Player Programme
Matthew Attalah	Harlequins Developing Player Programme
Sam Odu	Harlequins Developing Player Programme
Joshua Persad	Harlequins Developing Player Programme
Arron Shaw	Harlequins Developing Player Programme

*Squash*

The senior boys and girls squash teams continued to improve. Girls' captain Rhiannon Daniel was the standout player in the first team. It was good to see some younger players such as Peter Batchelar and Joe Grela Bekele break into the boys' first team.

# **BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2016**

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## *Swimming*

The U16 boys' team had an exceptional season and won nearly every gala it entered. The highlight of the year was the senior boys gaining entry to the Bath Cup and Otter Medley at the Olympic Pool in Stratford. This is a prestigious event which has been running since 1910 and involves over 70 teams.

## *Tennis*

The U18 and U15 boys' teams finished third in their Sussex League competitions. The girls also had a good season with the seniors enjoying success. The U14s looked to have strength in depth and the Under 15s are now ready to step up to play senior tennis next season.

## *Promote physical health and fitness amongst the pupils of the School*

All pupils are inducted into the fitness suite by a Bluecoats fitness instructor. We have a robust monitoring system to ensure that all pupils using the facilities have undergone suitable instruction and that they have the information and tools to achieve their health and fitness goals. In conjunction with the School's PE Department, Bluecoats provides a multitude of extra-curricular activities to promote health and wellbeing, including aerobic, mind and body and core stability exercise classes.

Optional activities for pupils have included badminton, swimming, fitness training, dancing, squash, martial arts, yoga and step aerobics. During social periods in the evenings, the main halls are used for football, basketball, badminton and cricket training by both pupils and staff.

## *Provide facilities to local schools, local authority organisations and charities for the purposes of physical education and training for personal and teamwork development*

Bluecoats continues to be popular with local schools and community clubs, such as the Horsham-based Ready and Able Club, Warnham Village Primary School and Amphibians triathletes. All of these users benefit from discounted rates.

Bluecoats has a Regional Development Squash Squad which trains monthly, and hires out the astroturf to several local football clubs.

Over the Easter and summer holiday periods the facilities are available to the language schools that are accommodated on the Christ's Hospital site, ensuring that these schools are able to offer a wide range of extra-curricular activities to their students.

## *Promote physical health and fitness amongst the wider community*

Bluecoats provides services to approximately 3,200 members from the local community. In addition, all adult exercise classes, children's courses and classes (including swimming lessons) are open to the general public at prices set in accordance with the local market.

The facilities are utilised by a variety of national and regional sportsmen and in addition Bluecoats runs four adult squash teams which compete in the Sussex leagues.

To promote health and fitness to the wider community, Bluecoats has engaged in a number of local and national events with great success. In March 2016, Bluecoats hosted the Sport Relief Swimathon for the ninth year in a row, recruiting 98 swimmers, which made Bluecoats one of the top attended pools in the South East.

Over the summer, the Sussex Road Relay, Mel's Milers 10k run, Pennthorpe Swimming Gala and several Amateur Swimming Association training days were all held at the Club, helping to raise the profile of both Bluecoats and Christ's Hospital.

This year, the Summer Kids' Club, part of Ofsted's Voluntary Childcare Register, again provided activities for children. Following last year's success, Bluecoats has continued to provide an enhanced programme for the children of members and non-members during the summer so that parents can attend exercise classes whilst their children take part in a variety of activities including the crèche, Mini Kids' Club, trampolining and multi sports.

A programme of staff training and development continues to enhance the skills of staff at Bluecoats and attendance at internal training sessions has remained high in the key operational areas. Structured training has improved the customer service skills of a number of staff.

# **BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2016**

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## **PUBLIC BENEFIT**

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and fee charging.

The fee charged to the School is discounted by 25% (circa £100k) in comparison to the commercial rate and there are no additional charges to pupils who use the facilities for social activities which include use of the fitness suite, social areas and sports halls.

In 2015-16, only 19% of pupils attending the School paid full fees, 8% paid full day fees, 2% received staff discounts, 13% attended at no cost and the remaining 58% made a contribution which, in most cases, was far below the full fee. Bluecoats thus delivers public benefit in making its facilities available to these pupils, none of whom are charged directly for their use of the Centre, either as part of the curriculum or outside School hours.

Membership fees for the community are on a par with local leisure facilities and non-members are able to attend many of the activities for a small charge which is comparable with local leisure facilities.

Local community groups also benefit from substantial discounts compared to the commercial rate with significant discounts for the Ready and Able Club which pays 5% of the commercial rate. Again, Bluecoats delivers public benefit in making its facilities available to the members of these groups, none of whom are charged directly for their use of the Centre.

## **FINANCIAL REVIEW**

### *Results for the year*

Income for the year was £1.81 million (2015: £1.78 million), with net incoming resources of £285,000 (2015: £320,000). This was in excess of the budgeted figure, due to increased membership income and commensurate activity levels.

### *Investment policy*

Bluecoats maintains sufficient cash in its current account to meet day-to-day requirements. Amounts surplus to this are deposited with Royal London Asset Management and via the School's group cash pooling facility at acceptable risk and attracting interest at more favourable rates than Bluecoats' current account. At 31 August 2016, £700,000 (2015: £nil) was held in the group cash pooling facility. There are no plans to invest in any longer-term instruments or for higher returns where increased risk is a factor.

## **RESERVES LEVEL AND POLICY**

The policy is to hold free reserves of up to two months' running costs (£240,000 to £260,000). At 31 August 2016, Bluecoats had reserves of £1.21 million. These are represented by the net book value of fixed assets of £270,000, a designated development fund of £681,000 and free reserves of £256,000. Free reserves are held to enable Bluecoats to continue to provide an educational facility for pupils of the School and sports facilities for the public. The designated fund has been established to provide for future development of the Centre, including the provision of a new all-weather pitch in 2016-17 and the refurbishment of changing room facilities over the next two years.

## **REMUNERATION POLICY**

The Board considers and approves remuneration levels for all staff, including key management personnel. A decision is taken annually with due regard to local market forces and fitness industry norms and the need to ensure that the team is fairly and equitably rewarded and motivated.

## **TRUSTEES AND PROFESSIONAL ADVISERS**

The Trustees and professional advisers during the year are those listed on page 1.



# **BLUECOAT SPORTS TRUSTEES' REPORT YEAR ENDED 31 AUGUST 2016**

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## **FUTURE PLANS**

Bluecoats will continue to enhance the services which it offers to its customers and combine the objectives of the School with the fitness aspirations of the local community to provide a first rate facility. In February 2016, the Board approved funding towards the cost of refurbishing the changing rooms.

Maintaining the building is an important part of the future. The Bluecoat Sports Planned Maintenance Programme (PMP) Working Group which consists of School, Foundation and Bluecoat Sports representatives completed the first year of works which included the new tiling to the swimming pool, new flooring in the sports hall and preparation for a refurbishment to the changing rooms.

## **RISK MANAGEMENT**

The Board is responsible for the management of the risks faced by the Charitable Company. Detailed considerations of risk are delegated to senior staff. Risks are identified, assessed and controls established throughout the year. A formal review of the Charitable Company's risk management processes is undertaken on an annual basis.

The key controls include:

- Strategic planning, budgeting and management accounting;
- Established organisational and governance structure and lines of reporting;
- Formal written policies;
- Formal agendas for Board activity;
- Hierarchical authorisation and approval levels.

In addition, the Trustees are committed to safeguarding and promoting the welfare of children and young people and we expect all staff and volunteers to share this commitment. All successful candidates must consent for Bluecoats to seek two written references and must provide documentary proof of qualifications and proof of their identity. Any offer of employment is conditional on all of these being satisfactory.

## **Principal risks and uncertainties**

The principal risks facing Bluecoats relate to the health and safety of the pupils and members and the welfare of the pupils. Robust procedures, with regular checks and balances, are in place to ensure that these risks are minimised.

Through the risk management processes established by Bluecoats, the Trustees are satisfied that the major risks identified have been adequately mitigated. It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also the directors of Bluecoat Sports for the purposes of company law) are responsible for preparing the Trustees' Annual 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees 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 of the incoming resources and application of resources, including the income and expenditure, of the Charitable Company for that period. In preparing these financial statements, the Trustees 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



**BLUECOAT SPORTS  
TRUSTEES' REPORT  
YEAR ENDED 31 AUGUST 2016**

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- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

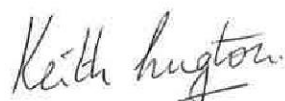
The Trustees are responsible for ensuring that Bluecoat Sports keeps adequate accounting records that are sufficient to show and explain the Charitable Company's transactions, disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as the Trustees are aware, there is no relevant audit information of which the Charitable Company's auditor is unaware and we have taken all the steps that we ought to have taken as Trustees in order to make ourselves aware of any relevant audit information and to establish that the Charitable Company's auditor is aware of that information.

**AUDITOR**

Crowe Clark Whitehill LLP has expressed its willingness to continue as auditor for the next financial year.

This Trustees' Report, prepared under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 11 November 2016, including in their capacity as company directors approval of the Strategic Report contained therein, and is signed on its behalf by



Keith Lugton  
Chairman  
11 November 2016

**BLUECOAT SPORTS  
AUDITOR'S REPORT  
YEAR ENDED 31 AUGUST 2016**

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**Independent Auditor's Report to the Member of Bluecoat Sports**

We have audited the financial statements of Bluecoat Sports for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland.

This report is made solely to the charitable company's member, 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 member those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's member as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report, incorporating the Strategic Report, to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**BLUECOAT SPORTS  
AUDITOR'S REPORT  
YEAR ENDED 31 AUGUST 2016**

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**Matters on which we are required to report by exception**

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

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

*N May*

Nicola May  
Senior Statutory Auditor  
For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
**London**

*6<sup>th</sup> December 2016*

**BLUECOAT SPORTS**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 AUGUST 2016**

	Notes	2016	2015
		£	£
<b>INCOME FROM:</b>			
<b>Charitable activities</b>			
Sports Centre income		1,773,373	1,740,551
Other ancillary income		18,909	26,491
<b>Investments</b>		3,248	2,652
<b>Other trading activities</b>		12,154	10,517
<b>TOTAL INCOMING RESOURCES</b>		<u>1,807,684</u>	<u>1,780,211</u>
<b>EXPENDITURE ON:</b>			
<b>Charitable activities</b>	2	1,488,195	1,433,637
<b>Raising funds</b>	2	34,750	26,862
<b>TOTAL EXPENDITURE</b>	2	<u>1,522,945</u>	<u>1,460,499</u>
<b>NET INCOME</b>		284,739	319,712
<b>TOTAL FUNDS BROUGHT FORWARD</b>		922,246	602,534
<b>FUND BALANCE</b>		<u>1,206,985</u>	<u>922,246</u>

The notes on pages 14 to 21 form part of these financial statements.

**BLUECOAT SPORTS  
BALANCE SHEET  
AT 31 AUGUST 2016**

	Notes	2016	2015
<b>FIXED ASSETS</b>		£	£
Tangible assets	5	<u>270,353</u>	<u>322,266</u>
<b>CURRENT ASSETS</b>			
Stock	6	9,200	10,438
Debtors	7	753,832	41,605
Short term deposits		215,054	738,002
Cash at bank and in hand		<u>138,813</u>	<u>47,489</u>
		<b>1,116,899</b>	<b>837,534</b>
<b>CREDITORS</b>			
Due within one year	8	<b>(180,267)</b>	<b>(237,554)</b>
<b>NET CURRENT ASSETS</b>		<u><b>936,632</b></u>	<u><b>599,980</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>1,206,985</b></u>	<u><b>922,246</b></u>
<b>FUNDS</b>			
<b>Unrestricted funds</b>			
Designated	9	951,353	678,266
General	9	<u>255,632</u>	<u>243,980</u>
		<u><b>1,206,985</b></u>	<u><b>922,246</b></u>

The notes on pages 14 to 21 form part of these financial statements.

Approved by the Board of Trustees on 11 November 2016 and signed on its behalf by:



Keith Lugton  
Chairman  
11 November 2016

**BLUECOAT SPORTS**  
**CASH FLOW STATEMENT**  
**YEAR ENDED 31 AUGUST 2016**

	Notes	2016	2015
<b>NET CASH (OUTFLOW)/ INFLOW FROM OPERATIONS</b>	<b>14</b>	<b>£ (389,988)</b>	<b>£ 428,202</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment income		<b>3,248</b>	<b>2,652</b>
Purchase of tangible fixed assets		<b>(44,884)</b>	<b>(225,381)</b>
<b>CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR</b>		<b>(431,624)</b>	<b>205,473</b>
Cash and cash equivalents at 1 September		<b>785,491</b>	<b>580,018</b>
<b>CASH AND CASH EQUIVALENTS at 31 AUGUST</b>		<b>353,867</b>	<b>785,491</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>			
Cash at bank		<b>138,813</b>	<b>47,489</b>
Short term deposits		<b>215,054</b>	<b>738,002</b>
		<b>353,867</b>	<b>785,491</b>

The notes on pages 14 to 21 form part of these financial statements.



**BLUECOAT SPORTS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 AUGUST 2016**

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## **1. ACCOUNTING POLICIES**

### **Accounting convention**

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - effective 1 January 2015. In preparing the accounts, the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. In their estimation, the impact of transitioning is not material to the financial statements and therefore the restatement of comparative items is not required. The transition date was 1 September 2014.

These Financial Statements have been drawn up on the historical cost accounting basis.

Based on the business plans, including forecasts of income and cash flows, the Trustees have a reasonable expectation that the Charitable Company has adequate resources to continue its activities for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the financial statements as outlined in the Statement of Trustees' Responsibilities on page 7.

Bluecoat Sports is a Charitable Company limited by guarantee (Company number 04384765) and registered in England. It is a Public Benefit Entity registered with the Charity Commission in England and Wales under Charity number 1096244. Bluecoat Sports operates from its registered office at The Counting House, Christ's Hospital, Horsham, West Sussex, RH13 0YP.

### **Critical accounting judgements and key sources of estimation uncertainty**

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

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

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

The following paragraphs describe the specific policies adopted for recognition of significant categories of incoming resource and expenditure.

### **Sports Centre income**

Sports Centre income relates to continuing activities and comprises membership subscriptions, guest fees and hire of facilities in the year, exclusive of Value Added Tax and is accounted for when receivable.

### **Investment income**

Investment income currently comprises bank interest and is accounted for on an accruals basis.

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**Deferred income**

Fee income invoiced in advance of courses is deferred to the year in which the courses are delivered.

**Fixed assets**

A number of fixed assets are in the ownership of Christ's Hospital Foundation, the cost of use being charged on a monthly basis to the Charitable Company.

Expenditure on individual items costing more than five thousand pounds has been capitalised.

Fixed assets are depreciated in equal annual instalments over their economic lives as follows:

Plant and equipment	20% or 33⅓% on cost
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**Stock**

Stock is stated at the lower of cost and net realisable value.

**Lease commitments**

Rentals paid under operating leases are charged to income on a straight line basis over the lease term.

**Expenditure**

Expenditure is accrued as soon as a liability is considered probable, discounted to present value for longer-term liabilities. Expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year.

Governance costs comprise the costs of strategic planning for future development, internal and external audit, any legal advice for the Board, and all the costs of complying with constitutional and statutory requirements, such as the costs of Committee meetings, preparing statutory accounts, and satisfying public accountability.

**Taxation**

The activities of Bluecoat Sports are exempt from Income and Corporation Tax but are registered for Value Added Tax (VAT). The majority of these activities are classified as exempt or non-business activities for VAT purposes and consequently it is not possible to reclaim the majority of the VAT incurred on purchases.

**Pension schemes**

Members of staff were entitled to belong to the Christ's Hospital Pension Scheme, a defined benefit scheme, to which contributions are made by both employees and employers. The assets of the scheme are held separately from those of Bluecoat Sports and other employers in the scheme. This scheme was closed to new members with effect from 31 March 2005.

The Christ's Hospital Pension Scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities of the Scheme that are attributable to the Charitable Company on a consistent and reasonable basis. Therefore, as required by FRS 102, the Charitable Company accounts for this scheme as if it were a defined contribution scheme.

For staff not in this defined benefit scheme, the Charitable Company offers a stakeholder pension scheme. This is a unit linked defined contribution scheme from Standard Life, under which the Charitable Company contributes up to a maximum of 10% of pensionable pay.

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**Financial instruments**

Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost. Financial assets held at amortised cost comprise cash at bank and in hand, together with short term deposits, trade and other debtors. A specific provision is made for debts for which recoverability is in doubt. Cash at bank and in hand is defined as all cash held in instant access bank accounts and used as working capital. Financial liabilities held at amortised cost comprise all creditors except social security and other taxes and provisions.

**2. ANALYSIS OF TOTAL EXPENDITURE**

	STAFF COSTS	OTHER COSTS	DEPRECIATION	TOTAL 2016	TOTAL 2015
	£	£	£	£	£
<b>Raising funds</b>					
Fundraising and publicity	-	34,750	-	34,750	26,862
	-	34,750	-	34,750	26,862
<b>Charitable activities</b>					
Providing sporting facilities	720,877	17,751	-	738,628	728,629
Premises costs	1,694	318,129	-	319,823	310,317
Equipment costs	-	127,041	96,797	223,838	172,445
Other costs	85,114	99,709	-	184,823	205,083
Finance costs	-	9,663	-	9,663	10,548
Governance costs	-	11,420	-	11,420	6,615
	807,685	583,713	96,797	1,488,195	1,433,637
<b>Total expenditure</b>	807,685	618,463	96,797	1,522,945	1,460,499

**3. STAFF COSTS**

	2016 £	2015 £
Wages and salaries	637,002	629,243
Coaches' fees	113,690	102,361
National Insurance costs	30,750	35,359
Pensions	26,243	25,478
	807,685	792,441

In addition, salaries totalling £2,500 (2015: £2,000) were recharged to the Charitable Company by Christ's Hospital Enterprises Ltd.

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**3. STAFF COSTS (continued)**

The average number of full-time equivalents (FTE) analysed by function was:

	<b>2016</b>	<i>2015</i>
	<b>Average</b>	<i>Average</i>
Activities department	<b>3</b>	<i>3</i>
Class instructors	<b>3</b>	<i>2</i>
Fitness suite	<b>7</b>	<i>5</i>
Recreation assistants	<b>6</b>	<i>7</i>
Swim school	<b>2</b>	<i>2</i>
Management and administration	<b>13</b>	<i>15</i>
	<b>34</b>	<i>34</i>

No employee earned over £60,000 (2015: nil).

There were 3 key management personnel (2015: 3) in the year to 31 August 2016. Their aggregate employee benefits were £106,792 (2015: £99,549).

**4. AUDITOR'S REMUNERATION**

	<b>2016</b>	<i>2015</i>
	<b>£</b>	<i>£</i>
Audit fee	<b>6,615</b>	<i>6,615</i>
Fees for other services	<b>3,546</b>	<i>-</i>
	<b>10,161</b>	<i>6,615</i>

**5. TANGIBLE FIXED ASSETS**

	<b>Plant &amp; equipment £</b>
<b>Cost</b>	
At 1 September 2015	<b>732,617</b>
Additions at cost	<b>44,884</b>
	<b>777,501</b>
At 31 August 2016	<b>777,501</b>
<b>Depreciation</b>	
At 1 September 2015	<b>410,351</b>
Charge for year	<b>96,797</b>
	<b>507,148</b>
At 31 August 2016	<b>507,148</b>
Net book value at 31 August 2016	<b>270,353</b>
Net book value at 31 August 2015	<b>322,266</b>

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<b>6. STOCK</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Stock for sale	1,177	3,437
Raw materials and consumables	8,023	7,001
	<u>9,200</u>	<u>10,438</u>
<b>7. DEBTORS</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade debtors	17,363	1,039
Due from Christ's Hospital Enterprises Limited	25,797	22,580
Due from Christ's Hospital School	699,509	-
Other debtors	11,163	17,986
	<u>753,832</u>	<u>41,605</u>
<b>8. CREDITORS: Due within one year</b>	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade creditors	20,702	50,268
Deferred income	97,363	95,965
Tax and National Insurance	15,130	11,943
Due to Christ's Hospital School	-	26,424
Due to Christ's Hospital Foundation	1,631	1,596
Other creditors	45,441	51,358
	<u>180,267</u>	<u>237,554</u>
<u>Deferred income</u>		
Income deferred in the current year:		
- Swim School course fees	52,129	45,052
- Other fees	45,233	50,913
	<u>97,363</u>	<u>95,965</u>
<u>Summary of movements in deferred income</u>		
Balance at 1 September 2015	95,965	
Released to income in the year	(95,965)	
New fees	97,363	
Balance at 31 August 2016	<u>97,363</u>	

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<b>9. MOVEMENT OF FUNDS</b>	<b>Balance at 1 September 2015 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Balance at 31 August 2016 £</b>
<b>Designated funds</b>					
Liquid assets					
Development fund	356,000	-	-	325,000	681,000
Fixed assets					
Capital fund	322,266	44,884	(96,797)	-	270,353
	<u>678,266</u>	<u>44,884</u>	<u>(96,797)</u>	<u>325,000</u>	<u>951,353</u>
General funds	243,980	1,762,800	(1,426,148)	(325,000)	255,632
<b>TOTAL FUNDS</b>	<u><b>922,246</b></u>	<u><b>1,807,684</b></u>	<u><b>(1,522,945)</b></u>	<u><b>-</b></u>	<u><b>1,206,985</b></u>

**10. ALLOCATION OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible fixed assets £</b>	<b>Net current assets £</b>	<b>Total £</b>
General funds	-	255,632	<b>255,632</b>
Designated funds:			
Capital Fund	270,353	-	<b>270,353</b>
Development Fund	-	681,000	<b>681,000</b>
	<u><b>270,353</b></u>	<u><b>936,632</b></u>	<u><b>1,206,985</b></u>

The Development Fund was established to provide for future development of the Centre, specifically the all-weather pitch and the refurbishment of the changing rooms.

**11. RELATED PARTY TRANSACTIONS**

The Charitable Company rented the sports centre and laundry to Christ's Hospital School for £288,750 (2015: £288,750) and £9,450 (2015: £9,450) respectively.

Christ's Hospital School recharged expenses totalling £38,000 (2015: £38,000) to the Charitable Company.

Other expenses totalling £28,000 (2015: £28,000) were recharged to Christ's Hospital Enterprises Limited.

No Trustee received any remuneration during the year (2015: £nil).



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**12. CHRIST'S HOSPITAL PENSION SCHEMES**

The Charitable Company is a participating employer in the Christ's Hospital Pension Scheme (the Scheme), a defined benefit scheme, to which contributions are made by both employees and employers. The Scheme was closed to new members with effect from 31 March 2005.

The Scheme is a multi-employer scheme and as such the Charitable Company is unable to identify its share of the underlying assets and liabilities as each employer is exposed to actuarial risks associated with the current and former employees of the other entities participating in the Scheme.

Member contributions are 6.5% of salary for those members who have an accrual rate of 1/80<sup>th</sup> of final salary for each year of service, and 4% for those who have an accrual rate of 1/100<sup>th</sup>. Contributions payable by employers are 13.3%, plus an annual deficit-reduction contribution, which is paid by Christ's Hospital Foundation. The deficit-reduction payment is in accordance with an agreed schedule, allowing the deficit to be eliminated by 30 September 2029. The basis of contribution to the Scheme is specified in a schedule of contributions agreed with the Scheme trustees and certified by the actuary on 29 November 2011.

The last full actuarial valuation of the Scheme was carried out with an effective date of 31 March 2014.

Employer contributions for the year ended 31 August 2016 were £13,624 (2015: £13,025).

For staff not in this Scheme, the Charitable Company offers a stakeholder pension scheme. This is a unit linked defined contribution scheme from Standard Life, under which the Charitable Company contributes 5% more than the employee contributions up to a maximum of 10% of pensionable pay. From 1 August 2014, new and existing staff who had not previously opted to join a pension scheme, and are eligible to do so, have been auto enrolled into the Standard Life scheme with employer contributions at the statutory minimum of 1%. Employer contributions totalling £12,619 (2015: £12,453) were paid in respect of this pension scheme for the year.

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**13. FINANCIAL INSTRUMENTS**

	<b>Total 2016 £</b>	<i>Total 2015 £</i>
Financial assets measured at amortised cost (a)	<b>1,107,699</b>	827,096
Financial liabilities measured at amortised cost (b)	<b>(67,774)</b>	(129,646)
	<b><u>1,039,925</u></b>	<u>697,450</u>

(a) Financial assets include cash, short term deposits, trade debtors, other debtors, accrued income and amounts due from members of the Christ's Hospital Foundation group.

(b) Financial liabilities include trade and other creditors and amounts due to members of the Christ's Hospital Foundation group.

**14. RECONCILIATION OF NET INCOME TO NET CASH (OUTFLOW)/ INFLOW  
FROM OPERATIONS**

	<b>Total 2016 £</b>	<i>Total 2015 £</i>
Net income	<b>284,739</b>	319,712
Non-operating cashflows eliminated:		
Investment income	<b>(3,248)</b>	(2,652)
Depreciation	<b>96,797</b>	65,892
(Decrease)/ increase in creditors	<b>(57,287)</b>	36,378
(Increase)/ decrease in debtors	<b>(712,227)</b>	10,809
Decrease/ (increase) in stock	<b>1,238</b>	(1,937)
Net cash (outflow)/ inflow from operations	<b><u>(389,988)</u></b>	<u>428,202</u>