

**QUEENSWOOD SCHOOL LIMITED**

Company Registration No. 40561

Charity Registration No. 311060

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
31ST AUGUST 2017**



Queenswood School Limited  
Annual Report of the Governors  
For the year ended 31st August 2017

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# QUEENSWOOD SCHOOL LIMITED

## ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2017

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### GOVERNORS AND CHARITY TRUSTEES

Queenswood Governors are the charity trustees of Queenswood School Limited ("the Charity") and they are:

Mr E M Sautter MA (Chair)  
Mr H J de Sausmarez BA FCIS (Vice Chair)  
Mr R Baines BSc CIMA CEng MICE  
Mr T C Garnham BSc  
Dr O McGuinness BSc, MB BS, FRCP, DCH, DRCOG  
Mr S Morris MA, PGCE, NPQH  
Miss K O Harvey (Nominated by the Old Queenswoodians Association)  
Mr A D Poppleton BEng, CEng, FIET, FBSC  
The Revd T Swindell FCA  
Mrs P M Wrinch  
The Revd Dr D M Chapman BSc, MA, MPHIL, PHD

The following Governors retired during the period since 1 September 2016 on the dates shown:

Mrs V R Neale (Nominated by the Old Queenswoodians Association) (17<sup>th</sup> June 2017)  
Mrs J Sotiriou (Nominated by the Queenswood Parents Association) (17<sup>th</sup> June 2017)

Elected members are appointed by the Board on recommendation of the Chair and Vice Chair and they are supplemented by Governors nominated by the Board of Management for Methodist Independent Schools Trust, the Methodist Church, the Queenswood Parents Association (parent body) and the Old Queenswoodians Association (former pupils). Other than the nominated Governors who hold office for as long as they remain nominated, service on the Board is for an initial period of 3 years. At the end of an elected Governor's first term of office, he or she shall be eligible for re-election by the other Governors for a further term of three years. The same shall apply at the end of the elected Governor's second and third terms of office. The Chair, who is subject to annual re-election by the board, may remain a Governor for longer than 12 years.

Abbreviated biographies for the current members of the Governing Body are:

#### **EDMUND M SAUTTER MA**

A graduate of Cambridge University, a solicitor and retired Partner with Mayer Brown International, now working in their Risk & Compliance team. Married with two daughters, both of whom are Old Queenswoodians. Elected a Governor of Queenswood in 2007, he is Chair of the Queenswood Enterprises Ltd Board. In 2013 he also became a co-opted Governor at Bancroft's School where he sits on the Finance Committee.

#### **H JAMES DE SAUSMAREZ BA, FCIS**

Director and Head of Investment Trusts at Janus Henderson Investors. He is a graduate of Leeds University and originally trained as a Chartered Secretary. He is a Common Councilman on the City of London Corporation, a member of the St Paul's Cathedral Council, where he sits on their Audit and Risk Committee, and a member of the London Diocese Investment Strategy Group. He is a Past Master of the Worshipful Company of Joiners and Ceilers, Court Assistant of the Worshipful Company of Chartered Secretaries and Administrators and a former Governor of Bishop Stopford School Enfield. His daughter is an Old Queenswoodian and he has been a Chapel Trustee since 2007 and is now Chair of that Trust. Elected a Governor of Queenswood in 2011, he is Chair of the Finance Committee.

#### **RALPH BAINES BSc, CIMA, CEng, MICE**

A consultancy career covering 20 years with Deloitte Consulting and PricewaterhouseCoopers and now runs his own business consultancy company specialising in supporting clients to deliver change and improvement priorities. He has experience in both public and private sectors across a range of industries. Married with a son and two daughters, both of which are Old Queenswoodians. Elected a Governor of Queenswood in 2013.

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**TIM C GARNHAM BSc**

With over 30 years' experience in the property industry he is Development Director of Trust Real Estate, responsible for the company's development programme. Having been with the company for 17 years Tim stepped down as joint Chief Executive of Minerva Limited which specialised in London offices, mixed use and high end residential. He was formerly Deputy Managing Director of the Trafalgar House Property Group, where he was responsible for the UK development programme including a number of major London developments. He is a Non-Executive Director and Chair of the Remuneration Committee of London and Continental Railways, a Trustee of The Garrard Family Foundation, a Liveryman of The Worshipful Company of Farriers and a Member of Guards Polo Club. Married with three children, two of whom are Old Queenswoodians. Elected a Governor of Queenswood in June 2012, he is Chair of the Facilities Committee.

**DR OONAGH MCGUINNESS BSc (HONS), MB BS, FRCP, DCH, DRCOG**

Currently working for East & North Hertfordshire NHS Trust, an Associate Specialist in Acute Medicine and Ambulatory Care. Graduated with a degree in Medicine from Imperial College, London (St Mary's Hospital Medicine School) in 1990. Fellow of the Royal College of Physicians. She has held a variety of posts in and around London including internal medicine, paediatrics, obstetrics, gynaecology, emergency medicine and general practice which involved a role as a police surgeon. Oonagh is married with two daughters, one current and one former pupil at Queenswood. Elected a Governor of Queenswood in Spring 2015.

**MR SIMON MORRIS MA, PGCE, NPQH**

Headmaster of Kingswood School, Bath since 2008, having previously been Deputy Headmaster at St John's School, Leatherhead and Boarding Housemaster and Head of Modern Languages at The Leys School, Cambridge. A Cambridge University graduate, Simon has been a governor in schools in both maintained and private sectors. Simon is married with three children. Elected a Governor in Spring 2015.

**REVEREND DR D M CHAPMAN BSc, MA, MPHIL, PHD**

District Chair of the Bedfordshire, Essex and Hertfordshire District of the Methodist Church. After graduating with a mathematics degree, he worked for the GEC-Marconi Company in St Albans and Milton Keynes in radar design management. He trained for ministry at Wesley House, Cambridge, and has a doctorate in theology from the University of Cambridge. He served in three ministerial appointments in Methodist circuits in London and Sussex before being appointed District Chair in 2016. He is a member of the Methodist Faith and Order Committee and co-chairs the joint international commission for theological dialogue between the World Methodist Council and the Roman Catholic Church. David is married with three adult children. Nominated as a Governor by the Methodist Church in September 2016.

**ANDREW D POPPLETON BEng, CEng, FIET, FBSC**

A Senior Managing Director at Accenture (a Management Consultancy formally known as Andersen Consulting). In his 28 years at Accenture, he has worked across multiple industries delivering technology enabled business transformation projects for clients. Studied at Kings College London and graduated in 1989 with an engineering degree. Married with one son and two daughters, both of whom have been pupils at Queenswood. Elected a Governor of Queenswood in 2013.

**THE REVEREND TIMOTHY A SWINDELL FCA**

Currently the Lead Connexional Treasurer for The Methodist Church in Great Britain, Executive Chair of commercial operations of Methodist Central Hall Westminster and a Methodist Minister with pastoral responsibilities in the Enfield Circuit in North London. Previously Senior Executive Officer for the Methodist Independent Schools Trust, with experience of being a governor of several independent and state maintained schools. Ordained as a presbyter in 2010 following a career in the insurance industry, he is a Chartered Accountant with degrees in Business Administration and Contextual Theology. He was nominated as a Governor by the Methodist Independent Schools Trust in December 2012 and became an elected governor in December 2014.

**MRS PATRICIA M WRINCH**

Old Queenswoodian (1972-1980). Retired Head of HR Operations for Reed Business Information. Associate of the Chartered Institute of Personnel Development. Acting Chair of Old Queenswoodians' Association 2000-2007. Elected a Governor of Queenswood in 2007.

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**KATE HARVEY LLB (HONS), PGLDIP, LLM**

Kate was a pupil at Queenswood from 1999-2006, starting as a Day Boarder before boarding in the Sixth Form. After her A Levels, Kate read Law at the University of Exeter and completed the Bar Vocational Course and an LLM in Professional Legal Practice at the City Law School, qualifying as a barrister. Alongside her studies, Kate became involved in the Old Queenswoodians' Association, initially as an Elected Member, before becoming Honorary Secretary and a Trustee of the Old Queenswoodians' Association's Bursary and Scholarship Trust. Since graduating, Kate has worked in Higher Education regulation and governance and is currently Head of Student Conduct and Appeals at King's College London, where she is also studying for the Associateship of King's College. Kate is a supporter of Target Ovarian Cancer and a Governor at Lordship Lane Primary School, where she also serves as Chair of the Finance & Resources Committee.

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**OFFICERS**

<b>Principal</b>	Mrs J Cameron BSc Hons
<b>Bursar &amp; Clerk to the Governors</b>	Ian Williams BEng, CEng, ACMA, CGMA

**ADDRESS**

<b>Registered Office</b>	Queenswood School Limited Shepherd's Way Brookmans Park Hatfield Herts AL9 6NS
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<b>Website</b>	<a href="http://www.queenswood.org">www.queenswood.org</a>
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**ADVISERS**

<b>Bankers</b>	HSBC Bank plc The Peak 333 Vauxhall Bridge Road London SW1V 1EJ
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<b>Solicitors</b>	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
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<b>Auditors</b>	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
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<b>Investment Advisers</b>	Quilter Cheviot One Kingsway London WC2B 6AN
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<b>Insurance Brokers</b>	Marsh Brokers Limited Capital House 1-5 Perrymount Road Haywards Heath West Sussex RH16 3SY
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# QUEENSWOOD SCHOOL LIMITED

## ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2017

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The Governors of Queenswood School present their annual report for the year ended 31 August 2017 under the Charities Act 2011, together with the audited accounts for the year, and confirm that the latter have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

### REFERENCE AND ADMINISTRATIVE INFORMATION

The Governors are listed on Page 1. The executive officers, principal address of the Charity and particulars of the Charity's professional advisers are given on Page 4.

### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Charity Structure

Queenswood School Limited was incorporated as a private limited company (Registration No. 40561) on 22 February 1894. The Company was registered as a charity (Registration No. 311060) by a Trust Deed dated 18 November 1953.

#### Group Structure and Relationships

The Charity wholly owns a non-charitable trading subsidiary, Queenswood Enterprises Limited (Company Registration No. 1840914). The subsidiary's activities comprise the administration of residential and non-residential lettings for sporting and other activities, the operation of the school shop and ancillary trading activities. The Board of Queenswood Enterprises Limited comprises:

Mr E M Sautter (Chair)  
Mr I Williams

Queenswood School Limited is connected through common, parallel or related objects, and by virtue of common control and unity of administration, to the Queenswood School Chapel Trust (Charity Registration No. 311060). The principal aim of the Queenswood School Chapel Trust is manage and maintain the fabric of the Chapel building so that it will be used as a place of worship by the pupils of Queenswood School and any others who may wish to attend the services held in the Chapel.

#### Governing Document

The Charity is governed by its Trust Deed and Articles of Association. The Articles of Association were last amended in 2010.

#### Governing Body

The governing body comprises the Governors as charity trustees of the Charity who are also Directors of the Company.

#### Governors' Responsibilities

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

Company law requires governors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming/outgoing 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

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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 Governors are responsible for keeping proper accounting records that 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. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Recruitment, Induction and Training of Governors

The Charity's elected Governors are appointed at a meeting of the Governors' Board on the basis of nominations received from the Chair and Vice Chair whose recommendations for eligibility are based on relevant attributes including personal competence, specialist skills and availability. All prospective Governors visit the School to meet representatives of the Board and senior management prior to nomination. An induction programme is arranged at the School for new Governors and they are provided with access to the Governors Portal containing the Articles of Association, Governors' and key School policies, a copy of the Risk Register and other documentation relevant to their responsibilities as trustees. Specific training and induction is given with regard to safeguarding responsibilities. In addition, they are furnished with the Charity's most recent set of financial accounts. All Governors are encouraged to attend, from time to time, seminars arranged by AGBIS and other professional bodies as well as familiarisation days provided at the School. A record of training is maintained by the Clerk to the Governors.

### Organisational Management

The Governors determine the general policy and are legally responsible for the overall management and control of the School through the Principal and School Executive Team. The full Board meets at least three times a year. Supporting and reporting to the Board, there are three committees who also meet once per term. As at 31<sup>st</sup> August 2017 the membership of these committees was:

#### Finance Committee

Mr H J de Sausmarez (Chair)  
Mr E M Sautter  
The Revd T Swindell

#### Facilities Committee

Mr T C Garnham (Chair)  
Mr A D Poppleton  
Miss K Harvey

#### Education Committee

Mr S Morris (Chair)  
Mr R Baines  
Dr O McGuinness  
The Revd Dr D M Chapman  
Mr E M Sautter  
Mrs P M Winch

Meetings of the above committees are and will be attended by the Principal, Bursar and other senior members of staff as appropriate.

The following Governors have been designated by the Governing Body to have responsibility for specific areas:

Mr T C Garnham – Health and Safety  
Dr O McGuinness – Pastoral Welfare and Safeguarding Children  
Mr E M Sautter – Public Benefit and Bursary Policy  
The Revd T Swindell, The Revd Dr D M Chapman and Mr H J de Sausmarez also serve as Chapel Trustees

### Remuneration of Key Personnel

Remuneration of key personnel is established at appointment stage by the Principal and/or the Board of Governors. It is thereafter reviewed on an annual basis by the Chair and Vice Chair of Governors who is also Chair of the Finance Committee.

## OBJECTS AND ACTIVITIES

### Charitable Objects

The objects of the Charity are:



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- To continue to operate the girls' boarding and day school known as "Queenswood", subject to the Trust Deed and the Company's Articles of Association, guided by Christian principles whilst recognising the value of different cultures and faiths
- To maintain the present standards and tradition of the School and to continue to seek to improve and advance education for girls by all appropriate means including the establishment of funds for scholarships, bursaries and prizes

### Public Benefit Aims and Intended Impact

Within these objects, the School's public benefit aim is to provide an outstanding academic education for all pupils irrespective of their parents' financial means. In addition, the School offers a wide range of other activities designed to produce well-equipped and caring citizens of the future, the leaders of tomorrow, who will serve their communities well and with a clear sense of responsibility. This aim is supported by an active programme of pastoral care within a spiritual framework, as well as by comprehensive facilities and a range of activities to promote physical and recreational interest.

### Delivery of Public Benefit

In accordance with the Charitable Objects of the Charity, and having due regard to the Charity Commission's guidance on Public Benefit, the School continues to widen public access to the excellent education that girls aged 11 – 18 receive at Queenswood.

In order to support this objective and to ensure that no one is excluded from the opportunity to benefit from this education, the Governors make available fully means-tested bursary awards of up to 100% fee remission in appropriate circumstances. A scholarship can be, and frequently is, complemented by a bursary.

Queenswood continues to strengthen its links with a number of local primary schools for whom it makes available, at no charge, its facilities such as the swimming pool and the theatre, as well as outdoor and indoor sports areas. Queenswood offers a gifted and talented day for local year 5 primary school children.

### Objectives for the Year

The key objectives for 2016/2017, as outlined in the School Development Plan, were:

- To continue to develop Queenswood as a reflective and progressive School where every individual is respected and valued
- To educate girls in the broadest sense: to give them the skills to thrive academically whilst embracing the essential non-academic skills and experiences required for modern life
- To provide an encouraging environment in which individuality and self-confidence are encouraged within a harmonious and diverse community
- To attract and retain excellent staff, to ensure that staff can contribute to the best of their ability towards developing Queenswood and that they can do so within a supportive and caring community
- To consolidate Queenswood's brand and strengthen its profile both in the UK and overseas, emphasising the school's academic strength and encouraging further competition for admission
- To build long term relationships with members of the community in order to raise funds to support the education of existing and future generations of Queenswood girls
- To strengthen and underpin the status of Queenswood as a leading girls' independent school, achieved by strong financial management and a coordinated and strategic approach to the development and maintenance of facilities and services

### Strategies to Achieve the Year's Objectives

These included:

- Instil and nurture independent learning through all year groups
- Review academic staff training and professional development opportunities
- Review of academic curriculum and pedagogy
- Develop pupil enrichment to enhance the all round experience of the girls
- Develop further the integration of boarders and day girls within their own houses
- Review and continue to improve boarding accommodation
- Keep under review the effectiveness of Queenswood's marketing and communications strategy and materials
- Strengthen the links between the School and external constituents including parents, the OQs and friends of Queenswood and the wider community

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- Support award of bursaries through the fundraising objectives of the Bursary Fund
- Develop and implement a priority-based facilities improvement programme to include a thorough condition survey of the site
- Enhance environmental awareness and responsibility throughout the School

### Principal Activities of the Year

The Charity provides boarding and day education for girls from the ages of 11 to 18 in a single 120 acre site four miles from Hatfield. This year, pupils enrolled at year end comprised 172 boarders (2016: 177) and 252 day girls (2015: 241).

### Volunteers

A number of current and past parents continued to provide many hours of voluntary service during the year. The Board would like to take this opportunity to express its appreciation for their generous and valuable support.

## STRATEGIC REPORT

### REVIEW OF ACHIEVEMENTS AND PERFORMANCE FOR THE YEAR

#### Operational Performance of the School

Within a caring and supportive framework, girls enjoy a dynamic academic curriculum, and intellectual achievement is highly valued. Students of the highest ability thrive here (for example, in recent years, Queenswoodians have been offered places at Oxford, Cambridge and Russell Group Universities, as well as leading Universities in China and the United States of America, they have read English, Geography, Law, Linguistics, Modern Foreign Languages and Natural Sciences). It is not only the brightest who thrive here however as the School accepts pupils with a range of abilities.

The School is very proud of how much it measurably raises the academic profile of all the girls and insists that each girl's academic success is supported by a diverse and exciting co-curricular programme. A recent parent put it succinctly: 'Queenswood provides the results without the tears'. The School is famous for its sport, particularly tennis, but right across the creative and performing arts and through department-led academic enrichment, Queenswood offers excitement, choice and excellence.

The teaching and pastoral staff at Queenswood help girls to develop resilience and adaptability and to challenge themselves. They want to instil a sense of perspective in the girls when they triumph and when they find things hard. Queenswood girls leave the School with ambition, determination, friends, qualifications and values to last a lifetime.

All departments and staff are actively engaged in the School's performance, whether this is from a purely academic contribution or one that involves co-curricular activities or sport. The impact of these contributions is largely personal and in many cases is hard to measure, but below gives a flavour of some of the activities that have made a real impact over this last academic year:

#### 2016/17 Examination Results

##### A-Level / Pre-U Results

Queenswood's Sixth Formers celebrated another superb set of A-level and Pre-U results. 78% of grades were A\*-B in the 23 subjects offered, with over a third of the cohort achieving at least three A grades, or the equivalent. All of the Further Mathematicians achieved an A\* grade, all but one grade in Modern Languages was an A\* or A, as was the case in Drama and Theatre Studies. These splendid results have secured places for the girls on a range of undergraduate courses at highly prestigious universities, including History and Italian at Oxford, Mathematics at University College London, Civil Engineering at Imperial College London, Law at Durham and Art History at St Andrew's. Overseas places were won in mainland China, Hong Kong and the USA.

##### GCSE / IGCSE Results

With 89% A\*-B, Queenswood students are proud of another very impressive set of GCSE results. There were strong results across the 25 subjects taught. Almost 60% of the cohort achieved an A\* in English Literature, whilst in Mathematics, 70% of all candidates achieved an A\* or A grade. Once again, the Latin students celebrated 100% A\* and A grades. Over 40% of the year group achieved at least 8 A\*/A grades, with one candidate amassing 11 A\* grades – a complete set.

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### Music Department

The Department has witnessed another outstanding year of music-making by Queenswood girls both in and out of school. There have been many highlights with the most notable being:

- Amnesty International Masterclass at Queenswood
- Queenswood Singers Concert at Hanbury Manor
- Four concerts in Liguria, Italy – San Remo, Alessio, Dolceacqua and Bordighera
- Piano Competition judged by internationally acclaimed pianist, James Kirby
- Recording sessions at Angel Studios – and production of the Angel Sessions CD
- Gold Singing Competition judged by world famous opera singer Susan Bickley
- Queenswood Musician of the Year judged by London Symphony Orchestra Principal oboe – Roy Carter.
- Rebetiko – Greek and Middle Eastern Music Workshop, Carnival Day and concert.
- Lower School Singing Competition

### Drama and Dance

Highlights of the year included:

- Drama scholars' production of *DNA* by Dennis Kelly
- Upper School Production, *A Christmas Carol*
- LAMDA *Speech and Drama Hour*
- *House Performing Arts*
- A2 Devised Performance, *The Musical About Musicals and the Concept of What It Means to be a Musical: The Musical!*
- AS Devised Performance, *Beatlemania!*
- GCSE Drama, *A Comedy About A Bank Robbery*
- The annual 1,2,3 *Dance Show: Books*
- Lower School Production, *Brenda Bly: Teen Detective*

### Sport

Queenswood girls continue to participate and enjoy success in a wide range of sporting activities whether as teams or individuals. This year we have competed as a school in the following: Golf, Fencing, Trampolining, Gymnastics, Athletics, Hockey, Indoor Hockey, Cross Country, Netball, Tennis, Rounders, Swimming, Football, Badminton and Cricket. Highlights include:

- Queenswood won the Team Tennis National Schools Championship (Aberdare Cup) for a 5<sup>th</sup> consecutive year
- Queenswood World School Tennis Finals in Brazil – 3<sup>rd</sup> Place
- Aegon National Schools Tennis U13 Regional Finalists
- 10 County tennis Players, 9 Tennis players ranked in top 20 nationally
- On the Hockey Pitch Queenswood teams won two of the county cup trophies and were runners-up in two others. Three teams reached Regional finals winning county and regional rounds on the way. U16 Indoor Team competed in the National Indoor Finals of U19 ISHC
- Individual hockey honours were exceptional with 15 County Players, 7 regional players and 2 international players
- Fencing continues to thrive – we have 7 girls placed in top 3 at County championships, 7 at Regional Youth Champions and 5 fencers taking part in the British Championships. We have three National standard fencers and a County Ladies champion.
- One National Show jumping finalist
- One athlete took part in the English Schools Track and field Championships
- INTER and JNR Athletics Teams reached regional finals
- National Indoor High Jump Champion

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- Trampoline – Next Steps District and county Champions
- Gymnastics – U13 National ISGA Qualifiers
- U13 Cricket – Lady Taverners District runners-up
- County League Finals Inters were placed 4<sup>th</sup> and Jnrs reached plate finals
- In Badminton all teams were in the top three in the Herts and Middlesex leagues. U14 and U16 teams were district champions. U16s won county and regional finals of the national schools' championships and were the first Queenswood team to reach the National Finals. 2 County Badminton players
- District Cross Country runners-up. 3 girls selected for their respective counties
- Two cross country runners selected for English Schools finals. District Cross Country Champions. Inters reached Regional Cross Country Finals
- Elite Sportswomen (National level in the following sports – Sailing, Hockey, 800m, 300m, High Jump, 200m, 100m, Horse Riding and Rounders)
- Netball – all teams placed in top 3 of district leagues, seven teams were champions
- Netball – One County Satellite player
- Cricket - Runners-up U13 and U15 District Championships
- Swimming – Jnr County League finalists
- Swimming – 5 County standard Swimmers, 2 regional swimmers
- Football – One girl selected for ISFA team
- Football – District Champions in one age group, runners up in two
- JNR Football – U12s Reached Regional Finals of National Competition
- 19 girls qualified as Sports Leaders

## **FUTURE PLANS**

### **Objectives for the Forthcoming Year**

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity' (PB2).

The key objectives for 2017/2018, as outlined in the School Development Plan, are:

#### **General Overarching Priority**

- To continue to develop Queenswood as a reflective and progressive School where every individual is respected and valued

#### **Academic**

- To educate girls in the broadest sense: to give them the skills to thrive academically whilst embracing the essential non-academic skills and experiences required for modern life

#### **Welfare and Boarding**

- To provide an encouraging environment in which individuality and self-confidence are encouraged within a safe environment and a harmonious and diverse community

#### **Staff**

- To attract and retain excellent staff, to ensure that staff can contribute to the best of their ability towards developing Queenswood and that they can do so within a supportive and caring community

#### **Marketing**

- To consolidate Queenswood's brand and strengthen its profile both within the UK and overseas, emphasising the School's expertise in adding value and in encouraging excellence, both academically and in co-curricular fields. To aim for a pupil roll of 450 pupils with at least 50% boarders and encourage further competition for admission

#### **Foundation**

- To build long term relationships with members of the community in order to raise funds to support the education of existing and future generations of Queenswood girls

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#### Finance, Estates and Services

- To strengthen and underpin the status of Queenswood as a leading girls' independent school, achieved by strong financial management and a coordinated and strategic approach to the development and maintenance of facilities and services

#### Strategies to Achieve the Forthcoming Year's Objectives

These include:

- Independent Learning (To instil and nurture independent learning beginning in Year 7)
- Review of academic curriculum and pedagogy
- Review and continue to improve boarding accommodation
- Develop pupil enrichment to enhance the all-round experience of the girls
- Evaluate the management of staff personal development training and its effectiveness
- Review Queenswood's brand and ensure consistency of delivery
- Support the bursary awards through the fundraising objectives of the Bursary Fund
- Develop and implement a three year Strategic Business Plan for Queenswood School
- Develop and implement priority-based facilities improvement programme to include a thorough condition survey of the site

#### FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Total incoming resources amounted to £11,925,000 with total resources expended amounting to £11,581,000. The net operating result of the Group for the year was a surplus of £439,000 (2016: £720,000 surplus). Total funds have increased in value by £439,000.

The total reserves at 31 August 2017 were £19,184,000. £1,055,000 relates to the revaluation reserve, £988,000 are restricted reserves, and £23 represents share capital. The remainder, £17,141,000, are general reserves, represented by fixed assets substantially made up of land and buildings.

#### Support Staff Pension Schemes

The School recognises £594,000 of pension provision on its Balance Sheet in relation to the closed pension schemes. £422,000 of the provision is attributable to The Growth Plan Pension. The School will review this liability on an annual basis.

The School has taken the decision to resolve its liability in respect of the Independent Schools' Pension Scheme (relating to £172k of provision) and is working with Jardine Lloyd Thompson Employee Benefits (actuarial advice) and DLA Piper (legal advice) in resolving itself of this liability, through a final Section 75 payment.

#### **Reserves Policy**

Free reserves are defined as reserves which are freely available and exclude restricted funds, designated funds and any fixed assets.

In common with other independent schools, the Governors have invested substantial sums into the school site in recent years and have a continuing programme of refurbishment, development and investment to develop and maintain excellent facilities for our pupils. Although the free reserves are at a negative balance, this illustrates the extent of investment in the School, which is a common practice by independent schools which have to finance their own capital investment plans. The Governors consider that given the value of fixed assets owned by the School (including some assets not being utilised for core School needs), the available banking facility, and the increase in current and projected student rolls, there is no urgent need to build up a free reserve. The Governors recognise that the level of reserves fluctuates during periods of investment in the school and arrangements with our bank are in place to provide an adequate 'safety net' when and if required. The Reserves Policy is reviewed on an annual basis with due consideration of risks.

# QUEENSWOOD SCHOOL LIMITED

## ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2017

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### Donations and Restricted Funds

The School has been extremely fortunate to receive bequests, donations and gifts over many years. It is not possible to list the many individual benefactors but the following are of note:

#### Philip Hodges Estate

- Mr Philip Hodges, son of Old Queenswoodian Mrs Margaret Heaphy, passed away in 2013. He bequeathed the majority of his Estate to Queenswood and to date we have received in excess of £1.5m in unrestricted funds.

#### Winifred Turner Legacy

- Mrs Winifred Carrie Turner (an Old Queenswoodian) passed away in 1975 and bequeathed a generous portion of her estate to Queenswood. The School took the decision to make this a restricted fund and have allowed this to continue to grow in order to facilitate future bursarial support.
- The School will draw this award down in the forthcoming year in order to provide direct financial support to pupils holding a Queenswood Bursary. In order to honour both her legacy and generosity the School will name a Bursary in her honour, for perpetuity.

#### Crystal Rushbrooke Bequest

- Mrs Crystal Rushbrooke was a former teacher at Queenswood and the first Headmistress of Mymwood Preparatory School. It was agreed with the family to make this a restricted fund that would "allow the Principal and her successors to have a good degree of flexibility in the disposal of income to enable pupils to remain at Queenswood where financial constraints might otherwise have prevented this".
- The School has allowed this to continue to grow in order to facilitate bursarial support. The School will draw this award down in the forthcoming year in order to provide direct financial support to pupils holding a Queenswood Bursary. In order to honour both her legacy and generosity the School will name a Bursary in her honour, for perpetuity.

#### Handoo Trust

- Mrs Ramma Shankardass (née Handoo), a former Queenswoodian, made a generous gift to Queenswood School in 2010 with the intention of funding two awards. The first of which is The Handoo Award for Excellence, a generous financial gift granted on an annual basis to a girl who has made the greatest all round contribution to the School. The second is the Handoo Bursary. Sadly Mrs Ramma Shankardass passed away in March 2011, her husband Mr Kumar Shankardass generously continued to contribute to this fund until he sadly passed away in March 2017. The trust continues to operate in order to grow the bequest and ensure that it is suitably administered under the close supervision of Professor Ratna Kapur, the senior representative of the Shankardass family.

### Risk Management

The Board of Governors is responsible for the management of the risks faced by the Charity. A Risk Register, detailing significant risks relating to the successful continuity of the Charity's objects, is maintained. Consideration of individual risks is delegated to the appropriate committee which reports back to the full Board.

The key controls used by the Charity include:

- Agendas and minutes for all Board and Committee meetings
- Terms of reference for all Committees
- Strategic planning, budgeting and management accounting procedures
- Established organisational structure, clear lines of reporting, and appropriate consultation
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for the protection of the vulnerable

Through the established risk management procedures, the Governors are satisfied that the major risks identified have been adequately mitigated as far as is practicably possible. It is recognised that systems can only provide reasonable, but not absolute, assurance that major risks have been adequately managed.

Key risks include:

**QUEENSWOOD SCHOOL LIMITED**  
**ANNUAL REPORT OF THE GOVERNORS**  
**for the year ended 31 August 2017**

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- Changes in the UK economy or an overseas economy from which the School recruits
- A change in Government leading to legislative changes, either within the Education sector generally or the Independent Schools sector more specifically
- Competition from other providers of Independent School Education
- Any situation which would give rise to a significant decline in pupil roll
- Reduction in hire of letting facilities

**Statement of Disclosure to Auditors**

- So far as the Governors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- The Governors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

**Auditors**

Kingston Smith LLP have indicated their willingness to continue in office and, in accordance with the provisions of the Companies Act, it is proposed that they be re-appointed auditors for the ensuing year.

The Strategic Report, which forms part of the Annual Report, is approved by the Governors in their capacity as Directors in company law of Queenswood School.

**By Order of the Board**



**Ian Williams**  
Clerk to the Governors

Date: 27<sup>th</sup> April 2018

**QUEENSWOOD SCHOOL LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**QUEENSWOOD SCHOOL LIMITED**  
**for the year ended 31 August 2017**

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**Opinion**

We have audited the financial statements of (Queenswood School Limited) for the year ended 31 August 2017 which comprises of the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 August 2017 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of 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 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.

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 which 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 any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's and parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**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 trustees 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



**QUEENSWOOD SCHOOL LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**QUEENSWOOD SCHOOL LIMITED**  
**for the year ended 31 August 2017**

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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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report 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 group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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:

- 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's 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.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on pages 5 and 6, 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, and for such internal control as the trustees 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 trustees are responsible for assessing the group and 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 trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

**QUEENSWOOD SCHOOL LIMITED**  
**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF**  
**QUEENSWOOD SCHOOL LIMITED**  
**for the year ended 31 August 2017**

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

*Kingston Smith LLP*

Shivani Kothari (Senior Statutory Auditor)  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Date *21st May 2018*

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

Queenswood School Limited  
Consolidated Statement of Financial Activities (including income and expenditure account)  
For the year ended 31st August 2017

	Note	Unrestricted Funds	Restricted Funds	Total 2017	Total 2016
		£	£	£	£
<b>INCOME FROM:</b>					
Donations and legacies	4	2,102	50,000	52,102	402,980
Charitable activities					
School Fees	3	11,053,745	-	11,053,745	10,833,385
Other trading activities					
Trading turnover: Queenswood Enterprises Ltd		536,910	-	536,910	610,791
Investments					
Investment income	6	32,176	19,032	51,208	54,733
Other income	5	231,261	-	231,261	165,282
<b>Total Income</b>		<b>11,856,194</b>	<b>69,032</b>	<b>11,925,226</b>	<b>12,067,171</b>
<b>EXPENDITURE ON:</b>					
<b>Generating Funds:</b>					
Trading expenditure - Queenswood Enterprises Ltd		192,944	-	192,944	276,236
Fundraising for voluntary resources		35,805	-	35,805	112,145
		<b>228,749</b>	<b>-</b>	<b>228,749</b>	<b>388,381</b>
<b>Charitable Activities</b>					
School activities		11,409,430	-	11,409,430	10,768,417
Movement on pension provision		(57,000)	-	(57,000)	279,000
<b>Total Resources Expended</b>	9	<b>11,581,179</b>	<b>-</b>	<b>11,581,179</b>	<b>11,435,798</b>
<b>Net Income/(Expenditure) before gains</b>		<b>275,015</b>	<b>69,032</b>	<b>344,047</b>	<b>631,373</b>
<b>Net gains/(losses) on investments</b>		<b>37,697</b>	<b>57,717</b>	<b>95,414</b>	<b>89,052</b>
<b>Net Income/(Expenditure)</b>		<b>312,712</b>	<b>126,749</b>	<b>439,461</b>	<b>720,425</b>
<b>Transfers between funds</b>	19	<b>385,425</b>	<b>(385,425)</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds for the year</b>		<b>698,137</b>	<b>(258,676)</b>	<b>439,461</b>	<b>720,425</b>
Fund balances at 1 September 2016		17,498,026	1,246,917	18,744,943	18,024,518
<b>FUND BALANCES at 31 August 2017</b>	19	<b>18,196,163</b>	<b>988,241</b>	<b>19,184,404</b>	<b>18,744,943</b>

All activities derive from continuing operations.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

No consolidated or individual company profit and loss accounts have been prepared as the items required to be disclosed within those financial statements are incorporated into the Statement of Financial Activities.

Further details of restricted funds and unrestricted funds are given in notes 19 and 20.

The accompanying notes form part of these financial statements.

There is no material difference between the profit or loss on ordinary activities before taxation and the retained profit or loss for the year stated above and their historical cost equivalents.

Queenswood School Limited  
Consolidated Balance Sheet at 31st August 2017

	Note	2017	2017	2016	2016
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		19,454,470		19,471,945
Investments	11		<u>2,177,038</u>		<u>2,035,202</u>
			21,631,508		21,507,147
<b>CURRENT ASSETS</b>					
Stocks	12	26,685		58,828	
Debtors	14	429,178		564,537	
Cash at bank and in hand		<u>1,446,008</u>		<u>1,170,844</u>	
		1,901,871		1,794,209	
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	15a)	<u>(2,755,995)</u>		<u>(2,821,537)</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>(854,124)</u>		<u>(1,027,328)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			20,777,384		20,479,819
<b>CREDITORS: falling due after more than one year</b>	15c)		(998,980)		(1,083,876)
<b>Provisions</b>	16		<u>(594,000)</u>		<u>(651,000)</u>
<b>TOTAL NET ASSETS</b>			<u><u>19,184,404</u></u>		<u><u>18,744,943</u></u>
<b>FUNDS OF THE SCHOOL</b>					
Called up share capital	17		23		23
<b>Restricted funds</b>	18		988,241		1,246,917
<b>Unrestricted:</b>	19				
Revaluation reserve			1,054,856		1,054,856
General			<u>17,141,284</u>		<u>16,443,147</u>
<b>TOTAL FUNDS</b>	19		<u><u>19,184,404</u></u>		<u><u>18,744,943</u></u>

Approved by the Governors and authorised for issue on 27<sup>th</sup> April 2018  
and signed on their behalf by:

E M Sautter 

H. J. de Sausmarez 

Company Registration No. 00040561

The accompanying notes form part of these financial statements.

Queenswood School Limited  
Balance Sheet at 31st August 2017

	Note	2017	2017	2016	2016
		£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	10		19,454,470		19,471,945
Investments	11		<u>2,377,038</u>		<u>2,235,202</u>
			21,831,508		21,707,147
<b>CURRENT ASSETS</b>					
Stocks	12	26,664		36,055	
Debtors	14	586,278		680,373	
Cash at bank and in hand		<u>739,942</u>		<u>509,257</u>	
		1,352,884		1,225,685	
<b>LIABILITIES</b>					
Creditors: Amounts falling due within one year	15a)	<u>(2,689,725)</u>		<u>(2,732,790)</u>	
<b>NET CURRENT ASSETS/(LIABILITIES)</b>			<u>(1,336,841)</u>		<u>(1,507,105)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			20,494,667		20,200,042
<b>CREDITORS: Amounts falling due after more than one year</b>	15c)		(998,980)		(1,083,876)
<b>Provisions</b>	16		<u>(594,000)</u>		<u>(651,000)</u>
<b>TOTAL NET ASSETS</b>			<u><u>18,901,687</u></u>		<u><u>18,465,166</u></u>
<b>FUNDS OF THE SCHOOL</b>					
Called up share capital	17		23		23
Restricted funds	18		988,241		1,246,917
Unrestricted:	19				
Revaluation reserve			1,054,856		1,054,856
General			<u>16,858,567</u>		<u>16,163,370</u>
<b>Total Funds</b>	19		<u><u>18,901,687</u></u>		<u><u>18,465,166</u></u>

Approved by the Governors and authorised for issue on 27th April 2018  
and signed on their behalf by:

E M Sautter 

H. J. de Sausmarez 

Company Registration No. 00040561

The accompanying notes form part of these financial statements.

Queenswood School Limited  
Consolidated Cash Flow Statement  
For the year ended 31st August 2017

	Note	2017	2017	2016	2016
		£	£	£	£
<b>Net cash generated from operating activities</b>	21		1,022,441		1,635,231
<b>Cash flows from investing activities</b>					
Purchase of tangible fixed assets		(752,061)		(618,184)	
Purchase of investments		(185,264)		(212,951)	
Proceeds from sale of investments		435,161		800,078	
Investment income		51,208		54,733	
<b>Net cash generated from/(used in) investing activities</b>			(450,956)		23,676
<b>Net increase/(decrease) in cash and cash equivalents</b>			571,485		1,658,907
<b>Cash and cash equivalents at the start of the year</b>			2,135,999		477,092
<b>Cash and cash equivalents at the end of the year</b>			<u>2,707,484</u>		<u>2,135,999</u>
<b>Cash and cash equivalents consists of:</b>					
			2017	2016	
			£	£	
Cash in hand, and at bank			1,446,008	1,170,844	
Cash held in investments			<u>1,261,476</u>	<u>965,155</u>	
			<u>2,707,484</u>	<u>2,135,999</u>	

Queenswood School Limited  
Notes to the Financial Statements  
For the year ended 31st August 2017

**Accounting policies**

**A Company information**

The Queenswood School Limited ("the charity") is limited by shares and incorporated in England and Wales. The registered office is Queenswood, Hatfield, Hertfordshire, AL9 6NS.

**B Basis of preparation**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company and its subsidiary are a public benefit group as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with 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 (The FRS 102 Charities SORP), the Companies Act 2006, the Charities Act 2011 and Charities Accounts (Scotland) Regulations 2006 as amended by The Charities Accounts (Scotland) Amendment (No. 2) Regulations 2014.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

These financial statements are prepared on the going concern basis, under the historical cost convention as modified by the revaluation of investments and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principle accounting policies, which have been applied consistently throughout the year, are set out below.

The governors have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The governors have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the governors have considered the charitable group's forecasts and projections and have taken account of pressures on fee income. After making enquiries the governors have concluded that there is a reasonable expectation that the charitable group has adequate resources to continue in operational existence for the foreseeable future. The charitable group therefore continues to adopt the going concern basis in preparing its financial statements.

***Basis of consolidation***

The consolidated financial statements incorporate the results, assets and liabilities of Queenswood School Limited and all of its subsidiaries for the year. A separate statement of financial activities for the charity itself is not presented because the charity has taken advantage of the exemption afforded by paragraph 304 of the SORP and section 408 of the Companies Act.

**C Income and Expenditure**

All incoming and outgoing resources are accounted for on the accruals basis, except where otherwise stated. Legacies are recognised in the SOFA, where the charity being notified of an impending distribution and the amount there is reasonable certainty of the legacy being received. Financial liabilities are recognised when the charity incurs a legal or constructive obligation to deliver cash or another financial asset to another party.

**D School fees**

Fees are recognised in the period for which the service is provided. Fee income is stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions received from Restricted Funds for Scholarships, Bursaries and other grants.

**E Donations**

Donations are included in the year in which they are received and are included as "unrestricted funds" unless otherwise stipulated. Donations restricted by the specific wishes of the donors are taken to "restricted funds."

Queenswood School Limited  
Notes to the Financial Statements  
For the year ended 31st August 2017 (continued)

**F Resources expended**

Resources expended are accounted for on an accruals basis. They are recognised when there is a constructive or legal obligation to pay for expenditure. Certain expenditure is apportioned to cost categories based on the estimated amount attributable to that activity in the year. These estimates are based on staff time or on floor area as appropriate. The irrecoverable element of VAT is included with the item of expense to which it relates.

**G Taxation**

Under Section 505 of the Income and Corporation Taxes Act 1988 the Company is exempt from certain taxes. Full account is taken of tax credits attaching to donation under gift Aid and dividends. The Company's subsidiary is subject to corporation tax.

No provision is made for deferred taxation under FRS19 as the trading subsidiary (Queenswood Enterprises Ltd) covenants its annual taxable surplus to the Company.

**H Tangible fixed assets**

All tangible fixed assets held by the charity are for charitable purposes and are shown in the Balance Sheet at cost less accumulated depreciation and accumulated impairment losses. All assets costing more than £1,000 are capitalised, those costing less are written off in the year of acquisition unless they form part of a larger project. Depreciation is provided on all tangible fixed assets on a straight line basis calculated to write off the cost over their expected useful lives as follows:

Plant and motor vehicles	- over 5 years
Computer Equipment	- over 2 years

Freehold land and buildings are functional assets and are therefore shown at cost. Their value is maintained by a full programme of repair and renovation and the book value is substantially less than the present value for insurance purposes of approximately £57m. Therefore, no provision for depreciation on the freehold land and buildings is made. The freehold buildings are reviewed annually for any potential impairment.

All assets of the charity are held for charitable use with the exception of those held by Queenswood Enterprises.

**I Fixed assets investments**

Listed investments are stated at market value at year end. The SOFA includes realised and unrealised gains and losses arising from the revaluation of the investments in the year.

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the SOFA.

**J Stocks**

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

**K Leases**

Rentals payable under operating leases, including any lease incentive received, are charged to the SOFA on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**L Financial assets**

The Company 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.

Financial assets are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.



Queenswood School Limited  
Notes to the Financial Statements  
For the year ended 31st August 2017 (continued)

**L Financial Assets**

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets are classified into specified categories. The classification depends on the nature and purpose of the financial assets and is determined at the time of recognition.

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Other financial assets classified as fair value through profit or loss are measured at fair value.

**Loans and receivables**

Trade debtors, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

**Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in profit or loss.

**Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

**M Financial liabilities**

Basic financial liabilities are initially measured at transaction price, unless the arrangement constitutes a financing transaction,

**Other financial liabilities**

Other financial liabilities, are initially measured at fair value, net of transaction costs. They are subsequently measured at

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest

**Derecognition of financial liabilities**

Financial liabilities are derecognised when, and only when, the company's obligations are discharged, cancelled, or they

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**N Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**P Retirement benefits**

The Group contributes to three main pension schemes for the benefit of its employees; the Teachers Pension Scheme, and two schemes run by The Pensions Trust, as well as two other schemes for individual staff. These pension schemes are defined benefit multi employer schemes. The funds are held independently of the Group's funds. In accordance with FRS102 28.40A the group accounts for these scheme as defined contribution schemes. See note 22 for full details.

**2 Critical accounting estimates and judgements**

In the application of the company's accounting policies, the council required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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 both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

**Critical judgements**

**Useful economic lives**

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

**Provisions**

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the aging profile of debtors and historical experience. See note 14 for the net carrying amount of the debtors.

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<b>3</b>	<b>Income from charitable activities</b>	<b>2017</b>	<b>2016</b>
	<b>School Fees</b>	<b>£</b>	<b>£</b>
	<i>Unrestricted Funds</i>		
	Gross fees	12,310,881	12,077,429
	Less;		
	Total bursaries, scholarships and grants	(997,555)	(1,000,776)
	Other discounts	<u>(259,581)</u>	<u>(243,268)</u>
		<u>(1,257,136)</u>	<u>(1,244,044)</u>
		11,053,745	10,833,385
	Add back: Bursaries paid for by restricted funds	-	-
		<u>11,053,745</u>	<u>10,833,385</u>

In total 126 (2016: 145) pupils received some form of financial assistance towards fees.

<b>4</b>	<b>Donations and legacies</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	Unrestricted funds received	2,102	294,553
	Restricted funds received	<u>50,000</u>	<u>108,427</u>
		<u>52,102</u>	<u>402,980</u>

<b>5</b>	<b>Other Income</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<i>Unrestricted Funds</i>		
	<b>Other Incoming Resources</b>		
	Rent receivable	104,913	89,847
	Other	<u>126,348</u>	<u>75,435</u>
		<u>231,261</u>	<u>165,282</u>

<b>6</b>	<b>Investment Income</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<i>Unrestricted Funds</i>		
	On listed investments	22,780	36,816
	Interest on cash deposits	9,250	1,157
	Other interest	146	869
	<i>Restricted Funds</i>		
	On listed investments	<u>19,032</u>	<u>15,891</u>
	<b>Total Investment Income</b>	<u>51,208</u>	<u>54,733</u>

<b>7</b>	<b>Expenditure</b>	<b>2017</b>	<b>2016</b>
		<b>£</b>	<b>£</b>
	<i>Unrestricted funds</i>		
	Group direct charitable expenditure includes:		
	Depreciation	384,110	256,711
	Loss on disposal of tangible fixed asset	385,425	-
	Auditors' remuneration (net of VAT):		
	For audit - School	12,350	12,350
	- Enterprises	5,800	5,800
	For other services	<u>10,973</u>	<u>7,250</u>

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8	<b>Employees</b>	2017	2016
	<b>a) Average monthly number of employees (full-time equivalent)</b>		
	The average number of persons employed by the group during the year was:		
	Teaching staff		
	- Full time	58	59
	- Part time (FTE)	17	19
	Administration, technicians, estate and maintenance staff		
	- Full time	65	62
	- Part time (FTE)	36	39
		176	179
		176	179
	<b>b) Analysis of total employee costs</b>	2017	2016
		£	£
	Staff costs during the year:		
	Salaries	6,207,762	6,215,961
	Redundancy costs	73,812	97,523
	Social security costs	593,553	548,226
	Pension costs	819,227	797,374
		7,694,354	7,659,084
	Training, health & safety, recruitment	76,947	146,600
	Movement in pension provision	(57,000)	279,000
		7,714,301	8,084,684
		7,714,301	8,084,684
	<b>c) Employee costs</b>		
	The number of higher paid employees was:	2017	2016
	£60,001 - £70,000	3	4
	£70,001 - £80,000	-	1
	£80,001 - £90,000	1	-
	£90,001 - £100,000	1	-
	£110,001 - £120,000	1	1

Pension contributions amounting to £87,668 (2016: £64,276) were made for six (2016: six) higher paid employees. Four members of the key management personnel are also provided with free accommodation in order to enable them to undertake specific duties for the school (2016: four).

#### **Governors' Remuneration**

No Governor received any emoluments in the year ended 31 August 2017 (2016: nil) and Governors are not included in the number of persons employed given above. Two Governors were reimbursed expenses in 2017 totalling £146 (2016: One Governor had reimbursed expenses of £15,419 which related entirely to the Queenswood Ball).

Key management personnel include the Governors and the senior executives which are made up of the principal, the bursar and the deputy heads. The total pay and benefits received by key management personnel were £549,184 (2016: £576,049).

Queenswood School Limited  
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<b>9</b>	<b>Analysis of Total Resources Expended 2017</b>	<b>Staff Costs (incl Training) £</b>	<b>Other £</b>	<b>Depreciation £</b>	<b>Total 2017 £</b>
	<b>Costs of generating funds</b>				
	Trading expenditure - Queenswood Enterprises Ltd	-	192,944	-	192,944
	Fundraising for voluntary resources	31,169	4,636	-	35,805
	<b>Charitable Activities</b>				
	Education and boarding	5,146,156	480,631	-	5,626,787
	Welfare	708,363	386,886	-	1,095,249
	Premises	530,024	1,368,067	384,110	2,282,201
	Technology	209,052	257,591	-	466,643
	Administration costs	1,048,311	758,097	-	1,806,408
	Governance costs	98,225	33,917	-	132,142
	<b>Pension provision</b>				
	Movement in provision	(57,000)	-	-	(57,000)
		<u>7,714,300</u>	<u>3,482,769</u>	<u>384,110</u>	<u>11,581,179</u>
	<b>Analysis of Total Resources Expended 2016 (comparative)</b>	<b>Staff Costs (incl Training) £</b>	<b>Other £</b>	<b>Depreciation £</b>	<b>Total 2016 £</b>
	<b>Costs of generating funds</b>				
	Trading expenditure - Queenswood Enterprises Ltd	-	276,236	-	276,236
	Fundraising for voluntary resources	52,570	59,575	-	112,145
	<b>Charitable Activities</b>				
	Education and boarding	5,124,794	425,297	-	5,550,091
	Welfare	731,487	372,206	-	1,103,693
	Premises	554,418	1,112,571	256,711	1,923,700
	Technology	204,227	302,807	-	507,034
	Administration costs	1,038,108	523,627	-	1,561,735
	Governance costs	100,080	22,084	-	122,164
	<b>Pension provision</b>				
	Movement in provision	279,000	-	-	279,000
		<u>8,084,684</u>	<u>3,094,403</u>	<u>256,711</u>	<u>11,435,798</u>

Queenswood School Limited  
Notes to the Financial Statements  
For the year ended 31st August 2017 (continued)

**10 Tangible Fixed Assets**

Group	Freehold Land and Buildings £	Assets Under Construction	Plant and Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
<b>Cost or Valuation</b>						
At 31st August 2016	18,328,268	385,425	2,724,422	259,388	430,682	22,128,185
Additions	186,570	138,849	285,152	93,476	48,014	752,061
Disposals	-	(385,425)	-	-	(22,732)	(408,157)
At 31st August 2017	18,514,838	138,849	3,009,574	352,864	455,964	22,472,089
<b>Depreciation</b>						
At 31st August 2016	-	-	2,189,044	176,323	290,873	2,656,240
Charge for the year	-	-	272,606	61,297	50,208	384,111
	-	-	-	-	(22,732)	(22,732)
At 31st August 2017	-	-	2,461,650	237,620	318,349	3,017,619
<b>Net Book Value</b>						
At 31st August 2017	18,514,838	138,849	547,924	115,244	137,615	19,454,470
At 31st August 2016	18,328,268	385,425	535,378	83,065	139,809	19,471,945

Assets under construction mainly relate to planning, architectural design and other professional costs for Queenswood Hall.

Company	Freehold Land and Buildings £	Assets Under Construction £	Plant and Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
<b>Cost or Valuation</b>						
At 31st August 2016	18,328,268	385,425	2,696,231	257,615	430,682	22,098,221
Additions	186,570	138,849	285,152	93,476	48,014	752,061
Disposals	-	(385,425)	-	-	(22,732)	(408,157)
At 31st August 2017	18,514,838	138,849	2,981,383	351,091	455,964	22,442,125
<b>Depreciation</b>						
At 31st August 2016	-	-	2,160,853	174,550	290,873	2,626,276
Charge for the year	-	-	272,606	61,297	50,208	384,111
Disposals	-	-	-	-	(22,732)	(22,732)
At 31st August 2017	-	-	2,433,459	235,847	318,349	2,987,655
<b>Net Book Value</b>						
At 31st August 2017	18,514,838	138,849	547,924	115,244	137,615	19,454,470
At 31st August 2016	18,328,268	385,425	535,378	83,065	139,809	19,471,945

Queenswood School Limited  
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For the year ended 31st August 2017 (continued)

10 Tangible Fixed Assets (continued)	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Cost	<u>16,425,364</u>	<u>16,425,364</u>	<u>16,425,364</u>	<u>16,425,364</u>

Freehold land and buildings at cost or valuation includes £2,395,421 at 31st March 1979 revalued on the basis of re-instatement cost less allowance for age after taking account of subsequent disposals. In accordance with FRS 102 - this valuation has been treated as an historic cost as at the date of conversion. The buildings have been insured on a declared value of £57,182,000 (2016:) £57,182,000.

Following an impairment review by the Governors considering the value of the buildings and their state of repair, no impairment has been identified.

Assets under construction mainly relate to planning, architectural design and other professional costs for Queenswood Hall.

11 Fixed Asset Investments	Group	Unlisted	Company	Total
	Listed		Listed	
	Investments	Investments	Investments	Investments
	£	£	£	£
As at 1 September 2016	1,070,047	200,000	1,070,047	1,270,047
Additions	185,264	-	185,264	185,264
Disposals at opening market value	(409,840)	-	(409,840)	(409,840)
Unrealised gains on investments	<u>70,091</u>	<u>-</u>	<u>70,091</u>	<u>70,091</u>
As at 31 August 2017	915,562	200,000	915,562	1,115,562
Cash held as investments	<u>1,261,476</u>	<u>-</u>	<u>1,261,476</u>	<u>1,261,476</u>
	<u>2,177,038</u>	<u>200,000</u>	<u>2,177,038</u>	<u>2,377,038</u>

Fixed Asset Investments	Group	Unlisted	Company	Total
	Listed		Listed	
	Investments	Investments	Investments	Investments
	£	£	£	£
As at 1 September 2015	1,568,122	200,000	1,568,122	1,768,122
Additions	212,951	-	212,951	212,951
Disposals at opening market value	(808,530)	-	(808,530)	(808,530)
Unrealised gains on investments	<u>97,504</u>	<u>-</u>	<u>97,504</u>	<u>97,504</u>
As at 31 August 2016	1,070,047	200,000	1,070,047	1,270,047
Cash held as investments	<u>965,155</u>	<u>-</u>	<u>965,155</u>	<u>965,155</u>
	<u>2,035,202</u>	<u>200,000</u>	<u>2,035,202</u>	<u>2,235,202</u>

	2017	2016
	£	£
Cost of listed investments	<u>743,442</u>	<u>953,798</u>

The disposals proceeds received in the year from the disposal of listed fixed asset investments totalled £435,161 (2016: £800,078)

All listed investments held are in UK equity funds

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**11 Fixed Asset Investments (continued)**

The company owns 100% of the equity of the following subsidiary, which was incorporated in England and Wales.

Subsidiary company	Holding	Nature of business
Queenswood Enterprises Limited	Ordinary shares	Management of the letting of Queenswood School Ltd's facilities to external clients.

The aggregate amount of capital and reserves and the results of this undertaking for the last relevant financial year were as follows:

	Capital and reserves		Profit for the year	
	2017	2016	2017	2016
	£	£	£	£
Queenswood Enterprises Limited	<u>282,717</u>	<u>479,776</u>	<u>2,941</u>	<u>3,585</u>

During the financial year Queenswood School Limited made management recharges of £207,604 (2016: £208,082) to Queenswood Enterprises Limited in respect of facilities and staff costs. Also during the year Queenswood Enterprises made a gift aid donation of £133,422 (2016: £122,889) to Queenswood School Limited. At the balance sheet date Queenswood Enterprises Limited owed Queenswood School Limited £219,771 (2016: £200,401).

**12 Stocks**

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Goods for resale	<u>26,685</u>	<u>58,828</u>	<u>26,664</u>	<u>36,055</u>

**13 Financial Instruments**

	Group		Company	
	2017	2016	2017	2016
<b>Carrying amount of financial assets</b>				
Debt instruments measured at amortised cost	<u>263,017</u>	<u>473,645</u>	<u>459,930</u>	<u>589,481</u>
<b>Carrying amount of financial liabilities</b>				
Measured at amortised cost	<u>2,571,777</u>	<u>2,647,970</u>	<u>2,528,582</u>	<u>2,587,842</u>

**14 Debtors**

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Due within one year:				
School fees	453,230	650,387	453,230	650,387
Provision for doubtful debts	(246,802)	(276,802)	(246,802)	(276,802)
Trade debtors	56,589	100,060	33,731	15,495
Prepayments and accrued income	151,985	76,716	112,172	76,716
Tax & Social Security	14,176	14,176	14,176	14,176
Amounts due from group undertakings	<u>-</u>	<u>-</u>	<u>219,771</u>	<u>200,401</u>
	<u>429,178</u>	<u>564,537</u>	<u>586,278</u>	<u>680,373</u>



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**15 Creditors**

**a) Amounts falling due within one year:**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Current instalments due on deposits (note 15d)	333,702	391,922	333,702	391,922
Trade creditors	182,836	238,848	182,836	217,040
School fees in advance	1,874,839	1,722,345	1,838,193	1,722,345
Other taxation and social security costs	161,143	144,948	161,143	144,948
Other creditors	107,464	102,048	107,464	102,048
Accruals and deferred income	72,936	192,807	66,387	154,487
VAT payable	23,075	28,619	-	-
	<u>2,755,995</u>	<u>2,821,537</u>	<u>2,689,725</u>	<u>2,732,790</u>

**b) Movement on deferred income**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Deferred income brought forward	1,754,115	1,571,276	1,722,345	1,544,461
Released in year	(1,754,115)	(1,571,276)	(1,722,345)	(1,544,461)
New provision added	<u>1,874,839</u>	<u>1,754,115</u>	<u>1,838,193</u>	<u>1,722,345</u>
Deferred income carried forward	<u>1,874,839</u>	<u>1,754,115</u>	<u>1,838,193</u>	<u>1,722,345</u>

The deferred income balance relates to remittances received in respect of school fees for future years.

**c) Amounts falling due after more than one year:**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
School fees deposits	<u>998,980</u>	<u>1,083,876</u>	<u>998,980</u>	<u>1,083,876</u>
	1,332,682	1,475,798	1,332,682	1,475,798
Less: Amounts due within one year (note 16a)	<u>(333,702)</u>	<u>(391,922)</u>	<u>(333,702)</u>	<u>(391,922)</u>
	<u>998,980</u>	<u>1,083,876</u>	<u>998,980</u>	<u>1,083,876</u>

**d) Maturity of financial liabilities**

The fee deposits and fees in advance mature as follows:

Within one year	333,702	391,922	333,702	391,922
Between two and five years	929,980	705,756	929,980	705,756
After five years	<u>69,000</u>	<u>378,120</u>	<u>69,000</u>	<u>378,120</u>

**16 Provisions for liabilities and charges**

	<b>Group</b>		<b>Company</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Pension provision</b>				
At 1 September 2016	651,000	372,000	651,000	372,000
(Decrease)/ Increase	<u>(57,000)</u>	<u>279,000</u>	<u>(57,000)</u>	<u>279,000</u>
At 31 August 2017	<u>594,000</u>	<u>651,000</u>	<u>594,000</u>	<u>651,000</u>

The school has been actively considering its response to the increasing pension deficits within its support staff pension schemes for a number of years.

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**16 Provisions for liabilities and charges (continued)**

The school recognises £594,000 (2016: £651,000) of pension provision on its Balance Sheet in relation to the closed pension schemes. £422,000 (2016: £467,000) of the provision is attributable to The Growth Plan Pension, the school will review this liability on an annual basis.

The school recognises £172,000 (2016: £184,000) of pension provision relating to the Independent Schools' Pension Scheme. The school has stated its intention to resolve its liability in terms of the Independent Schools' Pension Scheme, the final decision for this will be taken in the early part of 2018.

**17 Share Capital**

Allotted, called up and fully paid:  
23 Governors' shares of £1 each

	2017 £	2016 £
	23	23

**18 Allocation of the Charity Net Assets**

	Fixed Assets £	Investments £	Net Current Assets £	Long Term Liabilities £	Provisions £	Total £
The net assets are held for the various funds as follows:						
<b>Restricted funds</b>	-	829,382	158,859	-	-	988,241
<b>Unrestricted funds:</b>						
General reserves	19,454,470	1,347,656	(1,012,983)	(998,980)	(594,000)	18,196,163
	<u>19,454,470</u>	<u>2,177,038</u>	<u>(854,124)</u>	<u>(998,980)</u>	<u>(594,000)</u>	<u>19,184,404</u>

**19 Unrestricted Funds Movements**

Group	At 31st August 2016 £	Incoming Resources £	Resources Expended £	Investment Gains £	Transfers £	At 31st August 2017 £
Unrestricted:						
Called up share capital	23	-	-	-	-	23
General	16,443,147	11,856,194	(11,581,179)	37,697	385,425	17,141,284
Revaluation reserve	1,054,856	-	-	-	-	1,054,856
Restricted reserves	1,246,917	69,032	-	57,717	(385,425)	988,241
	<u>18,744,943</u>	<u>11,925,226</u>	<u>(11,581,179)</u>	<u>95,414</u>	<u>-</u>	<u>19,184,404</u>

  

Company	At 31st August 2016 £	Incoming Resources £	Resources Expended £	Investment Gains £	Transfers £	At 31st August 2017 £
Unrestricted:						
Called up share capital	23	-	-	-	-	23
General	16,163,370	11,660,310	(11,388,235)	37,697	385,425	16,858,567
Revaluation reserve	1,054,856	-	-	-	-	1,054,856
Restricted	1,246,917	69,032	-	57,717	(385,425)	988,241
	<u>18,465,166</u>	<u>11,729,342</u>	<u>(11,388,235)</u>	<u>95,414</u>	<u>-</u>	<u>18,901,687</u>

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**20 Restricted Funds Movements**

Restricted funds comprise the following unexpended balance of donations and grants held on trust to be applied for bursaries to fund girls' education in Queenswood School Limited, and sums set aside for future development.

	At 1st September 2016	Incoming resources	Resources expended	Investment Gains	Transfers	At 31st August 2017
Winifred Turner Legacy	279,125	5,452	-	14,563	-	299,140
Crystabel Rushbrooke Bequest	187,508	4,375	-	11,063	-	202,946
Prizes, Scholarships and Bursaries	70,129	-	-	-	-	70,129
The Handoo Gift	247,167	59,205	-	32,091	-	338,463
Queenswood Hall	460,141	-	-	-	(385,425)	74,716
Other	2,847	-	-	-	-	2,847
	<u>1,246,917</u>	<u>69,032</u>	<u>-</u>	<u>57,717</u>	<u>(385,425)</u>	<u>988,241</u>

The Handoo Gift relates to a specific donation which has been treated as restricted funds to the express purpose of applying the generated interest to a Handoo bursary.

Queenswood Hall relates to donations made as restricted funds to the construction of a new School hall. During the year a transfer of £385,425 was made to the the General Reserve to offset a write off of previously capitalised costs.

Other restricted donations of £nil (2016: £2,250) were received in the year for capital works, which were funded out of unrestricted reserves, accordingly these reserves have been released from the restricted fund to the unrestricted fund

**21 Reconciliation of changes in resources to Net Cash (outflows)/Inflows from Operating Activities**

**2017**  
**£**

**2016**  
**£**

Net incoming resources for the year to date	439,461	720,425
Adjustments for:		
Interest received	(51,208)	(54,733)
Gains on investment	(95,414)	(89,052)
Operating surplus	<u>292,839</u>	<u>576,640</u>
Depreciation and impairment of tangible fixed assets	769,536	256,710
Movements in working capital:		
Increase/(decrease) in provisions	(57,000)	279,000
Decrease/(Increase) in debtors	135,361	151,166
Increase/(decrease) in creditors	(150,438)	384,039
(Increase)/decrease in stock	<u>32,143</u>	<u>(12,324)</u>
	<u>1,022,441</u>	<u>1,635,231</u>

**22 Financial Commitments**

At 31st August 2016 the group has annual commitments under non cancellable leases as follows:

	2017 Equipment £	2016 Equipment £
Less than one year	53,819	80,604
Between two and five years	<u>110,210</u>	<u>42,403</u>
	<u>164,029</u>	<u>123,007</u>

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## 23 Pension Costs

### Teaching staff

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 £544,938 (2016: £535,761) and at the year-end £nil (2016 - £nil) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by the Teachers' 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 following scheme valuations undertaken by the Government Actuary's Department. The latest actuarial valuation of the TPS was prepared as at 31 March 2012 and the valuation report, which was published in June 2014, confirmed an employer contribution rate for the TPS of 16.4% from 1 September 2015. Employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 16.48%.

This employer rate will be payable until the outcome of the next actuarial valuation, which is due to be prepared as at 31 March 2016 and completed in 2018, with any resulting changes to the employer rate expected to take effect from 1 April 2019. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

The next revision to the employer contribution rate is not expected to take effect until 1 April 2019. This will follow on from the next actuarial valuation which is due at 31 March 2016. This valuation will also determine the opening balance of the cost cap fund and provide an analysis of the cost cap as required by the Public Service Pensions Act 2013.

### The Pension Trust - The Growth Plan

The company participates in the scheme, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

### Deficit contributions

From 1 April 2016 to 30 September 2025: £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April)

From 1 April 2016 to 30 September 2028: £54,560 per annum (payable monthly and increasing by 3% each on 1st April)

Unless a concession has been agreed with the Trustee the term to 30 September 2025 applies.

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**23 Pension Costs (cont)**

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision	31 August 2017 £	31 August 2016 £	31 August 2015 £
Present Values of Provision	422,000	467,000	372,000

Reconciliation of opening and closing provisions	Year ended 31 August 2017 £	Year ended 31 August 2016 £
Provision at start of the year	467,000	372,000
Unwinding of the discount factor (interest expenses)	5,000	8,000
Deficit contribution paid	(48,000)	(48,000)
Remeasurements - impact of any change in assumptions	(2,000)	24,000
Remeasurements - amendments to the contribution schedule		111,000
Provision at the end of the period	<u>422,000</u>	<u>467,000</u>

Income and expenditure impact	Year ended 31 August 2016 £	Year ended 31 August 2016 £
Interest expense	5,000	8,000
Remeasurements - impact of any change in assumptions	(2,000)	24,000
Remeasurements - amendments to the contribution schedule		111,000

Assumptions	31 August 2017 % per annum	31 August 2016 % per annum	31 August 2015 % per annum
Rate of discount	1.2	1.08	2.25

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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**23 Pension Costs (cont)**

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Year ending	31 August 2017 £	31 August 2016 £	31 August 2015 £
Year 1	49,000	48,000	48,000
Year 2	51,000	49,000	50,000
Year 3	52,000	51,000	51,000
Year 4	54,000	52,000	53,000
Year 5	55,000	54,000	55,000
Year 6	57,000	55,000	56,000
Year 7	59,000	57,000	58,000
Year 8	61,000	59,000	34,000
Year 9	5,000	61,000	-
Year 10	-	5,000	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

**The Pension Trust - The Independent Schools Scheme**

The company participates in the scheme, a multi-employer scheme which provides benefits to some 66 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out on 30 September 2011. This valuation showed assets of £119.4m, liabilities of £161.2m and a deficit of £41.8m.

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £110.0m, liabilities of £147.4m and a deficit of £37.4m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 September 2016 to 31 August 2029: £2,341,000 per annum (payable monthly and increasing by 3% each on 1st September)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

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## 23 Pension Costs

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present Values of Provision	31 August 2017 £	31 August 2016 £	31 August 2015 £
Present Values of Provision	172,000	184,000	-

Reconciliation of opening and closing provisions	Year ended 31 August 2017 £	Year ended 31 August 2016 £
Provision at start of the year	184,000	-
Unwinding of the discount factor (interest expenses)	3,000	-
Deficit contribution paid	(13,000)	-
Remeasurements - impact of any change in assumptions	(2,000)	15,000
Remeasurements - amendments to the contribution schedule	-	169,000
Provision at the end of the period	<u>172,000</u>	<u>184,000</u>

Income and expenditure impact	Year ended 31 August 2017 £	Year ended 31 August 2016 £
Interest expense	3,000	-
Remeasurements - impact of any change in assumptions	(2,000)	15,000
Remeasurements - amendments to the contribution schedule	-	169,000

Assumptions	31 August 2017 % per annum	31 August 2016 % per annum	31 August 2015 % per annum
Rate of discount	1.56	1.34	2.61

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

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**23 Pension Costs (cont)**

The following schedule details the deficit contributions agreed between the company and the scheme at each year end period:

Year ending	31 August 2017 £	31 August 2016 £	31 August 2015 £
Year 1	13,000	13,000	-
Year 2	14,000	13,000	-
Year 3	14,000	14,000	-
Year 4	15,000	14,000	-
Year 5	15,000	15,000	-
Year 6	15,000	15,000	-
Year 7	16,000	15,000	-
Year 8	16,000	16,000	-
Year 9	17,000	16,000	-
Year 10	17,000	17,000	-
Year 11	18,000	17,000	-
Year 12	18,000	18,000	-
Year 13		18,000	-

The company must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

**Defined contribution scheme**

The school additionally operates a defined contributin scheme. Contributions on behalf of staff within the scheme are made to Friends Life. Total contributions made to Friends Life during the year were £210,272 (2016: £23,348). The total pension contributions which were still outstanding as at the year end were £50,035 (2016: £23,348).