

QUEENSWOOD SCHOOL LIMITED

Company Registration No. 40561
Charity Registration No. 311060

ANNUAL REPORT
AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31ST AUGUST 2018



Queenswood School Limited
Annual Report of the Governors
For the year ended 31st August 2018

	Page
Report of the Governors	1-13
Audit Report	14-16
Consolidated Statement of Financial Activities	17
Consolidated Balance Sheet	18
Balance Sheet	19
Consolidated Cashflow	20
Notes to the Financial Statements	21-40

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

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
The Revd Dr D M Chapman BSc, MA, MPHIL, PHD
Mr T C Garnham BSc
Miss K O Harvey (Nominated by the Old Queenswoodians Association)
Dr O McGuinness BSc, MB BS, FRCP, DCH, DRCOG
Mr S Morris MA, PGCE, NPQH
Mrs N Penny (Nominated by the Queenswood Parents Association – appointed 4th May 2018)
Mr A D Poppleton BEng, CEng, FIET, FBSC
The Revd T Swindell FCA
Mrs P M Winch

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 three 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 twelve 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.

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. James 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. Ralph 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.

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

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

Methodist circuits in London and Sussex before being appointed District Chair in 2016. David 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.

TIM C GARNHAM BSc

With over 30 years' experience in the property industry he is Development Director and Partner 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.

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 first Honorary Secretary and a Trustee of the Old Queenswoodians' Association's Bursary and Scholarship Trust, and most recently, Governor Representative for the Association. Kate works in Higher Education administration, regulation and governance, and is currently Assistant Director (Academic Services) at Brunel University London. 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.

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

Currently working for East & North Hertfordshire NHS Trust as 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, now both former pupils 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.

NATALIE PENNY

Former Interior Designer. A mother of two daughters, who are currently pupils at Queenswood. The creator of Natalie Naturally LLP, a plant-based food blog, vegan recipe writer and food photographer. Chair of the Queenswood Parents' Association and elected a Governor of Queenswood in May 2018.

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

A Senior Managing Director at Accenture, a global management consultancy. In his 29 years at Accenture, he has worked across multiple industries delivering technology enabled business transformation projects for clients. He has also served on the Accenture UK & Ireland Board for six years and is a Trustee of the UK Accenture Pension Scheme. 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.

QUEENSWOOD SCHOOL LIMITED
ANNUAL REPORT OF THE GOVERNORS
for the year ended 31 August 2018

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. Current Chair of the Old Queenswoodians' Association. Elected a Governor of Queenswood in 2007.

QUEENSWOOD SCHOOL LIMITED
ANNUAL REPORT OF THE GOVERNORS
for the year ended 31 August 2018

OFFICERS

Principal	Mrs J Cameron BSc Hons
Bursar & Clerk to the Governors	Ian Williams BEng, CEng, ACMA, CGMA

ADDRESS

Registered Office	Queenswood School Limited Shepherd's Way Brookmans Park Hatfield Herts AL9 6NS
Website	www.queenswood.org

ADVISERS

Bankers	HSBC Bank plc The Peak 333 Vauxhall Bridge Road London SW1V 1EJ
Solicitors	Veale Wasbrough Vizards Orchard Court Orchard Lane Bristol BS1 5WS
Auditors	Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Investment Advisers	Quilter Cheviot One Kingsway London WC2B 6AN
Insurance Brokers	Hettle Andrews & Associates Ltd Eleven Brindleyplace 2 Brunswick Square Brindleyplace Birmingham B1 2LP

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

The Governors of Queenswood School present their Annual Report for the year ended 31 August 2018 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 to 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

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

- 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 31st August 2018 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
Mrs N Penny

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 Wrinch

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
Mr H J de Sausmarez, The Revd T Swindell and The Revd Dr D M Chapman 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.

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

OBJECTS AND ACTIVITIES

Charitable Objects

The objects of the Charity are:

- 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 to 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. We justifiably proud of our link to Lakeside School, a local school for pupils with severe learning disabilities, who we help stage an annual theatrical show. We also host an annual Cream Tea Party for residents of a number of local care homes, this involves both entertainment and serving of refreshments.

Objectives for the Year

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

- To offer an excellent education through a broad and balanced curriculum, and continually seek to improve academic standards
- To promote the happiness and self-esteem of the girls by valuing them as individuals, whatever their particular interests
- To foster a love of learning, enquiry and debate
- To promote international, cultural and political understanding
- To promote spiritual and moral values, and increase girls' awareness of, and their responsibilities to, the wider world
- To provide opportunities for girls to challenge themselves in a wide range of co-curricular activities including the humanities, the arts, the sciences and sport
- To prepare Queenswood girls, not just for University and higher education, but for life
- To encourage parents to support all aspects of the life of the School, and to involve parents fully in the education of their daughters through the use of timely, informative and effective communications

Strategies to Achieve the Year's Objectives

These included:

- A review and restructure of the School Management Team
- Review and restructure of boarding, house system and tutoring
- Appointment of Director of External Relations – member of the School Leadership Team
- Implementation of Weekly Boarding Package

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

- Introduction of new scholarships for 6th Form Pupils
- Review and introduction of SMART Technology in all classrooms

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 the School introduced new flexible boarding packages, at the year end the roll was as below:

	2017/18	2016/17
Boarder	147	172
Boarder 1 Night	38	
Boarder 2 Night	20	
Boarder 3 Night	11	
Day	195	252
	411	424

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, reading 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:

2017/18 Examination Results

A-Level/Pre-U Results

Pupils, parents and teachers celebrated another strong set of A-Level results at Queenswood this year. Exactly 20% of girls achieved at least three A*/A grades and 61.7% of all entries achieved A*-B grades across 27 A-Level or Pre-U subjects. As usual, Mathematicians did extremely well with 100% achieving A*-B in Further Maths and 82.6% achieving A*-B in Maths. Girls are looking forward to beginning a new chapter in their lives at top universities in

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

the UK and across the world. Courses to be studied include Economics (Cambridge), Maths (UCL and Kings), Philosophy (Durham), Chemical Engineering (Loughborough), Veterinary Science (Bristol) and Music (Royal Academy of Music).

GCSE/IGCSE Results

The 2018 Year 11 cohort performed very well across all subject areas with top grades 9, 8, 7 and A*/A achieved in 61.3% of entries and 96.7 % at grades 9-4 or A*-C. Results for History and Modern Languages were particularly strong this year, with 85.2% achieving grades A* and A across six subjects. Three girls achieved marks that placed them in the top 1% of all results for Edexcel International GCSE Mathematics. 24 out of the 64 girls (37.5%) achieved top grades in eight or more subjects – grades 9, 8 and 7 or their equivalent grades in letters, A*/A (in common with most independent schools, Queenswood has a mix of GCSEs graded in numbers as well as GCSEs and IGCSEs graded in letters).

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:

- Queenswood Piano Competition adjudicated by internationally acclaimed pianist Graham Caskie
- Carol Service at St Albans Abbey
- Gold Singing Competition adjudicated by renowned West End Singer/Actor Alastair Brookshaw
- Trip to the Barbican Centre to hear the London Symphony Orchestra in concert and meet members of the orchestra
- Queenswood Musician of the Year Competition adjudicated by Miranda Francis – Head of the Junior Department, Royal College of Music
- Lower School Singing Competition adjudicated by West End Musical Director David Beer
- Rebetiko – Greek and Middle Eastern Workshop Day and Concert
- Workshop Day at Amnesty International

Drama and Dance

Highlights of the year included:

- *House Performing Arts*
- Upper School Production, *The 25th Annual Putnam County Spelling Bee*
- LAMDA *Speech and Drama Hour*
- Drama Scholars' production of *Les Misérables*
- A2 Scripted Performance, *Girls Like That* by Evan Placey
- AS Devised Performance, *The Landlady*
- *Frantic Assembly* Physical Theatre workshop
- GCSE Drama, *Oh What a Lovely War!*
- The annual *1,2,3 Dance Show*
- Lower School Production, *Dracula Spectacula!*
- Year 10 GCSE Drama Day in London: *Backstage tour of National Theatre and 2 plays: Fatherland and The Woman in Black*
- QYDC (Queenswood Youth Dance Company) Speech Day Performance *'This is Me', The Greatest Showman*

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 5th consecutive year
- Queenswood World School Tennis Finals in Brazil – 3rd place
- Aegon National Schools Tennis U13 Regional Finalists
- 10 county Tennis players, 9 Tennis players ranked in top 20 nationally
-

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

- 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
- Trampolining – Next Steps District and County Champions
- Gymnastics – U13 National ISGA Qualifiers
- U13 Cricket – Lady Taverners District runners-up
- County League Finals Inters were placed 4th and Juniors 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 – Junior 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 Governors have considered the Charity Commission's guidance on public benefit, including the guidance 'public benefit: running a charity' (PB2).

The key objectives for 2018/2019 remain the same as the previous year, these are:

- To offer an excellent education through a broad and balanced curriculum, and continually seek to improve academic standards
- To promote the happiness and self-esteem of the girls by valuing them as individuals, whatever their particular interests
- To foster a love of learning, enquiry and debate
- To promote international, cultural and political understanding
- To promote spiritual and moral values, and increase girls' awareness of, and their responsibilities to, the wider world
- To provide opportunities for girls to challenge themselves in a wide range of co-curricular activities including the humanities, the arts, the sciences and sport
- To prepare Queenswood girls, not just for University and higher education, but for life

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

- To encourage parents to support all aspects of the life of the School, and to involve parents fully in the education of their daughters through the use of timely, informative and effective communications

Strategies to Achieve the Forthcoming Year's Objectives

These include:

- To build Queenswood Hall, a new multi-purpose facility.
- Personalised Learning Centre to be opened to focus on helping girls of all abilities, including academic scholars
- Review of academic curriculum, to include length of lessons and classroom time
- Continue to improve boarding accommodation
- Review Queenswood's brand and ensure consistency of delivery
- Continue to ensure that the School is actively engaged in technology in the classroom through ongoing development and training of staff
- Review of the co-curricular programme
- Launch a new school website

FINANCIAL REVIEW AND RESULTS FOR THE YEAR

Total incoming resources amounted to £11,260,000 with total resources expended amounting to £12,421,000 (£1,639,000 of this was in relation to our exit from the Independent Schools Pension Scheme]. The net operating result of the Group for the year was a deficit of £1,181,000 (2017: £439,000 surplus). Total funds have decreased in value by £1,181,000.

The total reserves at 31 August 2018 were £18,003,000. £1,055,000 relates to the revaluation reserve, £437,000 are restricted reserves and £23 represents share capital. The remainder, £16,512,000, are general reserves, represented by fixed assets substantially made up of land and buildings.

Teacher Pension Scheme

The school is aware that the Government is making changes to the Teacher Pension Scheme and we are assessing our options.

Support Staff Pension Schemes

The School recognises £371,000 of pension provision on its Balance Sheet in relation to the closed pension scheme. This is fully attributable to The Growth Plan Pension. The School will review this liability on an annual basis.

The School exited the Independent School Pension Scheme, effective from 28th February 2017, and paid its Section 75 liability of £1,599,000 in March 2018, thereby relieving itself of any future or ongoing liabilities.

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.

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:

QUEENSWOOD SCHOOL LIMITED

ANNUAL REPORT OF THE GOVERNORS

for the year ended 31 August 2018

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.
- The School has utilised these monies to pay towards the building of Queenswood Hall, our new sports facility.

Winifred Turner Legacy

- In accordance with last year's accounts, we have closed this fund and utilised the proceeds to pay bursaries in year. The School will issue a Winifred Turner Bursary to honour this generous bequest in perpetuity,

Crystal Rushbrooke Bequest

- In accordance with last year's accounts, we have closed this fund and utilised the proceeds to pay bursaries in year. The School will issue a Crystal Rushbrooke Bursary to honour this generous bequest in perpetuity,

Handoo Trust

- Mrs Ramma Shankardass (née Handoo), an Old Queenswoodian, made a generous gift to Queenswood School in 2010 with the intention of funding two awards. The first of these 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 and 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. On the trustees is Professor Ratna Kapur, the appointed 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 and Framework, 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 reviews these on a cyclical basis. The Board then reviews this centrally on a termly basis.

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:

- Changes in the UK economy or an overseas economy from which the School recruits
- Increase in pension costs and/or contributions
- 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

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

QUEENSWOOD SCHOOL LIMITED
ANNUAL REPORT OF THE GOVERNORS
for the year ended 31 August 2018

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: 30 Jan 19

QUEENSWOOD SCHOOL LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEENSWOOD SCHOOL LIMITED
for the year ended 31 August 2018

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF QUEENSWOOD SCHOOL LIMITED

Opinion

We have audited the financial statements of Queenswood School Limited (the 'company') for the year ended 31 August 2018 which comprise the Group Statement of Financial Activities, 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 FRS 102 'The Financial Reporting Standard Applicable in the UK and 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 2018 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 and the Charities Act 2011.

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.

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 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

QUEENSWOOD SCHOOL LIMITED
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEENSWOOD SCHOOL LIMITED
for the year ended 31 August 2018

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 and the Charities Act 2011 require 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; or

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, 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

We have been appointed as auditor under the Companies Act 2006 and section 151¹ of the Charities Act 2011 and report in accordance with those Acts.

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 2018

- 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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

Kingston Smith LLP
Shivani Kothari (Senior Statutory Auditor)

for and on behalf of Kingston Smith LLP, Statutory Auditor

27th February 2019

Devonshire House
60 Goswell Road
London
EC1M 7AD

Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

Queenswood School Limited
Consolidated Statement of Financial Activities (including income and expenditure account)
For the year ended 31st August 2018

	Note	Unrestricted Funds	Restricted Funds	Total 2018	Total 2017
		£	£	£	£
INCOME FROM:					
Donations and legacies	4	1,321	10,561	11,882	52,102
Charitable activities					
School Fees	3	10,459,361	-	10,459,361	11,053,745
Trading turnover: Queenswood Enterprises Ltd		546,001	-	546,001	536,910
Investments					
Investment income	6	14,459	8,979	23,438	51,208
Other income	5	218,927	-	218,927	231,261
Total Income		11,240,069	19,540	11,259,609	11,925,226
EXPENDITURE ON:					
Generating Funds:					
Trading expenditure - Queenswood Enterprises Ltd		199,204	-	199,204	192,944
Fundraising for voluntary resources		32,834	-	32,834	35,805
		<u>232,038</u>	<u>-</u>	<u>232,038</u>	<u>228,749</u>
Charitable Activities					
School activities		10,772,970	-	10,772,970	11,042,467
Movement on pension provision		(223,000)	-	(223,000)	(57,000)
Exit from Independent School Pension Scheme		1,638,501	-	1,638,501	366,963
Total Resources Expended	9	<u>12,420,509</u>	<u>-</u>	<u>12,420,509</u>	<u>11,581,179</u>
Net Income/(Expenditure) before gains		(1,180,440)	19,540	(1,160,900)	344,047
Net gains/(losses) on investments		<u>(30,482)</u>	<u>10,207</u>	<u>(20,275)</u>	<u>95,414</u>
Net Income/(Expenditure)		(1,210,922)	29,747	(1,181,175)	439,461
Transfers between funds	20	581,332	(581,332)	-	-
Net movement in funds for the year		<u>(629,590)</u>	<u>(551,585)</u>	<u>(1,181,175)</u>	<u>439,461</u>
Fund balances at 1 September 2017		<u>18,196,163</u>	<u>988,241</u>	<u>19,184,404</u>	<u>18,744,943</u>
FUND BALANCES at 31 August 2018	20	<u>17,566,573</u>	<u>436,656</u>	<u>18,003,229</u>	<u>19,184,404</u>

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 20 and 21.

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 2018

	Note	2018	2018	2017	2017
		£	£	£	£
FIXED ASSETS					
Tangible assets	10		22,500,105		19,454,470
Investments	11		<u>379,992</u>		<u>2,177,038</u>
			22,880,097		21,631,508
CURRENT ASSETS					
Stocks	12	24,788		26,685	
Debtors	14	653,217		542,673	
Cash at bank and in hand		<u>1,940,590</u>		<u>1,446,008</u>	
		2,618,595		2,015,366	
LIABILITIES					
Creditors: Amounts falling due within one year	15a)	<u>(3,700,610)</u>		<u>(2,869,490)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>(1,082,015)</u>		<u>(854,124)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			21,798,082		20,777,384
CREDITORS: falling due after more than one year	15c)		(3,423,853)		(998,980)
Provisions	16		<u>(371,000)</u>		<u>(594,000)</u>
TOTAL NET ASSETS			<u>18,003,229</u>		<u>19,184,404</u>
FUNDS OF THE SCHOOL					
Called up share capital	18		23		23
Restricted funds	21		436,656		988,241
Unrestricted:	20				
Revaluation reserve			1,054,856		1,054,856
General			<u>16,511,694</u>		<u>17,141,284</u>
TOTAL FUNDS	20		<u>18,003,229</u>		<u>19,184,404</u>

Approved by the Governors and authorised for issue on 30 Jan 19
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 2018

	Note	2018	2018	2017	2017
		£	£	£	£
FIXED ASSETS					Retated see note 25
Tangible assets	10		22,500,105		19,454,470
Investments	11		<u>579,992</u>		<u>2,377,038</u>
			23,080,097		21,831,508
CURRENT ASSETS					
Stocks	12	24,788		26,664	
Debtors	14	1,039,177		691,077	
Cash at bank and in hand		<u>977,556</u>		<u>739,942</u>	
		2,041,521		1,457,683	
LIABILITIES					
Creditors: Amounts falling due within one year	15a)	<u>(3,610,669)</u>		<u>(2,803,220)</u>	
NET CURRENT (LIABILITIES)			<u>(1,569,148)</u>		<u>(1,345,537)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			21,510,949		20,485,971
CREDITORS: Amounts falling due after more than one year	15c)		(3,423,853)		(998,980)
Provisions	16		<u>(371,000)</u>		<u>(594,000)</u>
TOTAL NET ASSETS			<u><u>17,716,096</u></u>		<u><u>18,892,991</u></u>
FUNDS OF THE SCHOOL					
Called up share capital	18		23		23
Restricted funds	19		436,656		988,241
Unrestricted:	20				
Revaluation reserve			1,054,856		1,054,856
General			<u>16,224,561</u>		<u>16,849,871</u>
Total Funds	20		<u><u>17,716,096</u></u>		<u><u>18,892,991</u></u>

Approved by the Governors and authorised for issue on 30 Jan 19
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 2018

	Note	2018	2018	2017	2017
		£	£	£	£
Net cash generated from operating activities	21		2,175,114		1,022,441
Cash flows from investing activities					
Purchase of tangible fixed assets		(3,482,058)		(752,061)	
Purchase of investments		(54,678)		(185,264)	
Proceeds from sale of investments		581,082		435,161	
Investment income		23,438		51,208	
Net cash generated from/(used in) investing activities			(2,932,216)		(450,956)
Net increase/(decrease) in cash and cash equivalents			(757,102)		571,485
Cash and cash equivalents at the start of the year			2,707,484		2,135,999
Cash and cash equivalents at the end of the year			<u>1,950,382</u>		<u>2,707,484</u>

Cash and cash equivalents consists of:

	2018	2017
	£	£
Cash in hand, and at bank	1,940,590	1,446,008
Cash held in investments	<u>9,792</u>	<u>1,261,476</u>
	<u>1,950,382</u>	<u>2,707,484</u>

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018

1 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 2018 (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 £59m. 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

Assets held under finance leases, which are leases where substantially all the risks and rewards of ownership of the asset have passed to the group, and hire purchase contracts are capitalised in the balance sheet and are depreciated over the shorter of the lease term and the asset's useful lives. A corresponding liability is recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments in the balance sheet. Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability.

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.

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

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.

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 amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

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

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

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.

O Retirement benefits

The Group contributes to the Teachers Pension Scheme for teaching staff, this is a defined benefit pension. For non-teaching staff the Group contributes to Friends Life and another scheme run by The Pensions Trust, both of these are defined contribution schemes. The funds for these schemes are held independently of the Group's funds. In accordance with FRS 102 28.40A the group accounts for these schemes as defined contribution schemes. See note 24 for full details. During the year the Group made a Section 75 payment to exit the Independent School Pension Scheme and clear itself of future related liabilities. See SOFA 'Exit from Independent School Pension Scheme'.

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.

2 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.

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

3	Income from charitable activities	2018	2017
	School Fees	£	£
	<i>Unrestricted Funds</i>		
	Gross fees	11,958,641	12,310,881
	Costs of generating funds		
	Total bursaries, scholarships and grants	(1,212,290)	(997,555)
	Other discounts	<u>(286,990)</u>	<u>(259,581)</u>
		<u>(1,499,280)</u>	<u>(1,257,136)</u>
		<u><u>10,459,361</u></u>	<u><u>11,053,745</u></u>
In total 137 (2017: 126) pupils received some form of financial assistance towards fees.			
4	Donations and legacies	2018	2017
		£	£
	Unrestricted funds received	1,321	2,102
	Restricted funds received	<u>10,561</u>	<u>50,000</u>
		<u><u>11,882</u></u>	<u><u>52,102</u></u>
5	Other Income	2018	2017
		£	£
	<i>Unrestricted Funds</i>		
	Other Incoming Resources		
	Rent receivable	88,951	104,913
	Other	<u>129,976</u>	<u>126,348</u>
		<u><u>218,927</u></u>	<u><u>231,261</u></u>
6	Investment Income	2018	2017
		£	£
	<i>Unrestricted Funds</i>		
	On listed investments	8,209	22,780
	Interest on cash deposits	6,250	9,250
	Other interest	-	146
	<i>Restricted Funds</i>		
	On listed investments	<u>8,979</u>	<u>19,032</u>
	Total Investment Income	<u><u>23,438</u></u>	<u><u>51,208</u></u>
7	Expenditure	2018	2017
		£	£
	<i>Unrestricted funds</i>		
	Group direct charitable expenditure includes:		
	Depreciation	443,831	384,110
	Profit/ (Loss) on disposal of tangible fixed assets	32,408	(385,425)
	Auditors' remuneration (net of VAT):		
	For audit - School	13,200	12,350
	- Enterprises	5,760	5,800
	For other services	<u>2,335</u>	<u>10,973</u>

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

8	Employees	2018	2017
	a) Average monthly number of employees (full-time equivalent)		
	The average number of persons employed by the group during the year was:		
	Costs of generating funds		
	- Full time	54	58
	- Part time (FTE)	20	17
	Administration, technicians, estate and maintenance staff		
	- Full time	66	65
	- Part time (FTE)	36	36
		176	176
		176	176
	b) Analysis of total employee costs	2018	2017
		£	£
	Staff costs during the year:		
	Salaries	6,305,673	6,207,762
	Redundancy costs	42,004	73,812
	Social security costs	610,466	593,553
	Pension costs	2,371,596	1,169,209
		9,329,739	8,044,336
	Pension cost above includes a payment of £1,599,000 to exit from the from Independent School Pension Scheme.		
	Training, health & safety, recruitment	84,868	76,947
	Movement in pension provision	(223,000)	(57,000)
		84,868	76,947
	Total staffing costs	9,191,607	8,064,283
	c) Employee costs		
	The number of higher paid employees was:	2018	2017
	£60,001 - £70,000	3	3
	£70,001 - £80,000	-	-
	£80,001- £90,000	1	1
	£90,001 - £100,000	2	1
	£110,001 - £120,000	-	1

Pension contributions amounting to £63,587 (2017: £87,668) were made for six (2017: six) higher paid employees.

Governors' Remuneration

No Governors received any emoluments in the year ended 31 August 2018 (2017: nil) and Governors are not included in the number of persons employed given above. Two Governors were reimbursed expenses in 2018 totalling £225 (2017: Two Governors had reimbursed expenses of £146).

Key Management Personnel

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 £546,290 (2017: £549,184). 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 (2017: four).

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

9	Analysis of Total Resources Expended 2018	Staff Costs (incl Training) £	Other £	Depreciation £	Total 2018 £
	Costs of generating funds				
	Trading expenditure - Queenswood Enterprises Ltd	-	199,204	-	199,204
	Fundraising for voluntary resources	26,788	6,046	-	32,834
	Charitable Activities				
	Education and boarding	5,101,910	567,883	-	5,669,793
	Welfare	760,759	373,910	-	1,134,669
	Premises	551,042	1,031,683	443,831	2,026,556
	Technology	210,159	194,136	-	404,295
	Administration costs	1,073,442	355,272	-	1,428,714
	Governance costs	91,505	17,438	-	108,943
	Pension provision				
	Movement in provision	(223,000)	-	-	(223,000)
	Exit from Independent School Pension Scheme	1,599,000	39,501	-	1,638,501
		<u>9,191,605</u>	<u>2,745,572</u>	<u>443,831</u>	<u>12,420,509</u>
	Analysis of Total Resources Expended 2017 (comparative)	Staff Costs (incl Training) £	Other £	Depreciation £	Total 2017 £
	Costs of generating funds				
	Trading expenditure - Queenswood Enterprises Ltd	-	192,944	-	192,944
	Fundraising for voluntary resources	31,169	4,636	-	35,805
	Charitable Activities				
	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	391,134	-	1,439,445
	Governance costs	98,225	33,917	-	132,142
	Pension provision				
	Movement in provision	(57,000)	-	-	(57,000)
	Exit from Independent School Pension Scheme	349,981.82	16,981	-	366,963
		<u>8,064,282</u>	<u>3,132,787</u>	<u>384,110</u>	<u>11,581,179</u>

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

10 Tangible Fixed Assets

Group	Freehold Land and Buildings £	Assets Under Construction	Plant and Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
Costs of generating funds						
At 31st August 2017	18,514,838	138,849	3,009,574	352,864	455,964	22,472,089
Additions	690,524	1,926,727	488,020	238,806	137,981	3,482,058
Transfers	2,190	(2,190)	-	-	-	-
Disposals	-	-	(337,451)	-	(202,947)	(540,398)
At 31st August 2018	19,207,552	2,063,386	3,160,143	591,670	390,998	25,413,749
Depreciation						
At 31st August 2017	-	-	2,461,650	237,620	318,349	3,017,619
Charge for the year	-	-	304,736	77,948	61,147	443,831
Disposals	-	-	(375,530)	-	(172,276)	(547,806)
At 31st August 2018	-	-	2,390,856	315,568	207,220	2,913,644
Net Book Value						
At 31st August 2018	19,207,552	2,063,386	769,287	276,102	183,778	22,500,105
At 31st August 2017	18,514,838	138,849	547,924	115,244	137,615	19,454,470

Assets under construction relate to building, planning, architectural design and other professional costs for Queenswood Hall. Included within the net book value of Plant and Equipment of £769,287 is £292,865 relating to assets held under Finance Leases.

Company	Freehold Land and Buildings £	Assets Under Construction	Plant and Equipment £	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost or Valuation						
At 31st August 2017	18,514,838	138,849	2,981,383	351,091	455,964	22,442,125
Additions	690,524	1,926,727	488,020	238,806	137,981	3,482,058
Transfers	2,190	(2,190)	-	-	-	-
Disposals	-	-	(337,451)	-	(202,947)	(540,398)
At 31st August 2018	19,207,552	2,063,386	3,131,952	589,897	390,998	25,383,785
Depreciation						
At 31st August 2017	-	-	2,433,459	235,847	318,349	2,987,655
Charge for the year	-	-	304,736	77,948	61,147	443,831
Disposals	-	-	(375,530)	-	(172,276)	(547,806)
At 31st August 2018	-	-	2,362,665	313,795	207,220	2,883,680
Net Book Value						
At 31st August 2018	19,207,552	2,063,386	769,287	276,102	183,778	22,500,105
At 31st August 2017	18,514,838	138,849	547,924	115,244	137,615	19,454,470

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

Tangible Fixed Assets (continued)

Group		Company	
2018	2017	2018	2017
£	£	£	£
<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 £58,897,460 (2017:) £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 building, planning, architectural design and other professional costs for Queenswood

11 Fixed Asset Investments

	Group Listed Investments £	Unlisted Investments £	Company Listed Investments £	Total Investments £
As at 1 September 2017	915,562	200,000	915,562	1,115,562
Additions	54,678	-	54,678	54,678
Disposals at opening market value	(608,752)	-	(608,752)	(608,752)
Unrealised gains on investments	<u>8,712</u>	<u>-</u>	<u>8,712</u>	<u>8,712</u>
As at 31 August 2018	370,200	200,000	370,200	570,200
Cash held as investments	<u>9,792</u>	<u>-</u>	<u>9,792</u>	<u>9,792</u>
	<u>379,992</u>	<u>200,000</u>	<u>379,992</u>	<u>579,992</u>

Fixed Asset Investments

	Group Listed Investments £	Unlisted Investments £	Company Listed Investments £	Total 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>965,155</u>	<u>-</u>	<u>1,261,476</u>	<u>1,261,476</u>
	<u>1,880,717</u>	<u>200,000</u>	<u>2,177,038</u>	<u>2,377,038</u>

	2018 £	2017 £
Historical Cost of listed investments	<u>321,303</u>	<u>743,442</u>

All listed investments held are in UK equity funds

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

Fixed Asset Investments (continued)

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

Costs of generating funds	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 Restated see note 25		Profit for the year Restated see note 25	
	2018	2017	2018	2017
	£	£	£	£
Queenswood Enterprises Limited	<u>287,125</u>	<u>291,407</u>	<u>(4,283)</u>	<u>13,473</u>

During the financial year Queenswood School Limited made management recharges of £217,657 (2017: £207,604) to Queenswood Enterprises Limited in respect of facilities and staff costs. Also during the year Queenswood Enterprises made a gift aid distribution of £133,422 (2017: £122,889*) to Queenswood School Limited. At the balance sheet date Queenswood Enterprises Limited owed Queenswood School Limited £313,376 (2017: £86,349*). Please refer to note 25.

12	Stocks	Group		Company	
		2018	2017	2018	2017
		£	£	£	£
	Goods for resale	<u>24,788</u>	<u>26,685</u>	<u>24,788</u>	<u>26,664</u>
13	Financial Instruments	Group		Company	
		2018	2017	2018	2017
	Carrying amount of financial assets				
	Debt instruments measured at amortised cost	<u>485,606</u>	<u>376,512</u>	<u>916,730</u>	<u>564,729</u>
	Carrying amount of financial liabilities				
	Measured at amortised cost	<u>3,505,135</u>	<u>2,685,272</u>	<u>3,465,024</u>	<u>2,642,077</u>
14	Debtors	Group		Company	
		2018	2017	2018	2017
		£	£	£	£
	Due within one year:		As restated		As restated
	School fees	671,974	566,725	671,974	566,725
	Provision for doubtful debts	(249,856)	(246,802)	(249,856)	(246,802)
	Trade debtors	63,488	56,589	56,505	33,731
	Prepayments and accrued income	153,435	151,985	108,271	112,172
	Tax & Social Security	14,176	14,176	14,176	14,176
	Amounts due from group undertakings	<u>-</u>	<u>-</u>	<u>438,107</u>	<u>211,075</u>
		<u>653,217</u>	<u>542,673</u>	<u>1,039,177</u>	<u>691,077</u>

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018
(continued)

15 Creditors	Group		Company	
a) Amounts falling due within one year:	2018	2017	2018	2017
	£	£	£	£
Current instalments due on deposits (note 15d)	274,639	333,702	274,639	333,702
Trade creditors	202,248	182,836	201,656	182,836
School fees in advance	2,048,681	1,874,839	2,048,681	1,838,193
Hire purchase and finance Leases	50,813	-	50,813	-
Bank loan	220,000	-	220,000	-
Other taxation and social security costs	145,645	161,143	145,645	161,143
Other creditors	82,840	107,464	82,840	107,464
Accruals and deferred income	625,914	186,431	586,395	179,882
VAT payable	49,830	23,075	-	-
	<u>3,700,610</u>	<u>2,869,490</u>	<u>3,610,669</u>	<u>2,803,220</u>

b) Movement on deferred income	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Deferred income brought forward	1,874,839	1,754,115	1,838,193	1,754,115
Released in year	(1,874,839)	(1,754,115)	(1,838,193)	(1,754,115)
New provision added	<u>2,048,681</u>	<u>1,874,839</u>	<u>2,048,681</u>	<u>1,838,193</u>
Deferred income carried forward	<u>2,048,681</u>	<u>1,874,839</u>	<u>2,048,681</u>	<u>1,838,193</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:	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
School fees deposits	1,490,030	1,332,682	1,490,030	1,332,682
Bank Loan	2,186,410	-	2,186,410	-
Finance Lease	<u>292,865</u>	<u>-</u>	<u>292,865</u>	<u>-</u>
	<u>3,969,305</u>	<u>1,332,682</u>	<u>3,969,305</u>	<u>1,332,682</u>
Less: Amounts due within one year				
School fees deposits	(274,639)	(333,702)	(274,639)	(333,702)
Bank Loan	(220,000)	-	(220,000)	-
Finance Lease	<u>(50,813)</u>	<u>-</u>	<u>(50,813)</u>	<u>-</u>
	<u>(545,452)</u>	<u>(333,702)</u>	<u>(545,452)</u>	<u>(333,702)</u>
	<u>3,423,853</u>	<u>998,980</u>	<u>3,423,853</u>	<u>998,980</u>

The school has a 10 year flexible loan facility starting in July 2018 repayable in equal monthly instalments with an interest rate of 1.95% per annum over the Bank of England base rate.

d) Maturity of financial liabilities

The fee deposits and fees in advance mature as follows:

Within one year	274,639	333,702	274,639	333,702
Between two and five years	1,104,391	929,980	1,104,391	929,980
After five years	<u>111,000</u>	<u>69,000</u>	<u>111,000</u>	<u>69,000</u>

The bank loan is repayable as follows:

Within one year	220,000	-	220,000	-
Between two and five years	880,000	-	880,000	-
After five years	<u>1,086,410</u>	<u>-</u>	<u>1,086,410</u>	<u>-</u>

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018
(continued)

16 Provisions for liabilities and charges

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Pension provision				
At 1 September 2017	594,000	651,000	594,000	651,000
(Decrease)/ Increase	(223,000)	(57,000)	(223,000)	(57,000)
At 31 August 2018	<u>371,000</u>	<u>594,000</u>	<u>371,000</u>	<u>594,000</u>

The school recognises £371,000 (2017: £594,000) of pension provision on its Balance Sheet in relation to the closed pension scheme (2017:2 schemes). £371,000 (2017: £422,000) of the provision is attributable to The Growth Plan Pension, the school will review this liability on an annual basis.

During the year a decision was taken to make a Section 75 Payment in order to exit the Independent Schools' Pension Scheme. A Section 75 payment of £1.6m was made during the year and as a result the school no longer has a liability in respect of the Independent Schools' Pension Scheme (2017:172,000)

17 Obligations under finance leases and hire purchase contracts

The School occasionally uses finance leases and hire purchase contracts to acquire plant and machinery. Future minimum lease payments due under finance leases and Hire Purchase contracts:

	2018	2017
	£	£
Amounts payable:		
Within one year	66,883	-
In two to five years	<u>267,533</u>	<u>-</u>
	334,416	-
Less Finance charges allocated to future periods	<u>41,551</u>	<u>-</u>
	<u>292,865</u>	<u>-</u>

18 Share Capital

	2018	2017
	£	£
Allotted, called up and fully paid:		
23 Governors' shares of £1 each	<u>23</u>	<u>23</u>

Queenswood School Limited
Notes to the financial statements
For the Year ended 31st August 2018
(Continued)

19 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:						
Restricted funds	-	379,992	56,664	-	-	436,656
Unrestricted funds:						
General reserves	22,500,105	-	(1,082,015)	(3,423,853)	(371,000)	17,623,237
	<u>22,500,105</u>	<u>379,992</u>	<u>(1,025,351)</u>	<u>(3,423,853)</u>	<u>(371,000)</u>	<u>18,059,893</u>

20 Unrestricted Funds Movements

Group	At 31st August 2017 £	Incoming Resources £	Resources Expended £	Investment Gains £	Transfers £	At 31st August 2018 £
Unrestricted:						
Called up share capital	23	-	-	-	-	23
General	17,141,284	11,240,069	(12,420,509)	(30,482)	581,332	16,511,694
Revaluation reserve	1,054,856	-	-	-	-	1,054,856
Restricted reserves	988,241	19,540	-	10,207	(581,332)	436,656
	<u>19,184,404</u>	<u>11,259,609</u>	<u>(12,420,509)</u>	<u>(20,275)</u>	<u>-</u>	<u>18,003,229</u>

Company	At 31st August 2017 As restated £	Incoming Resources £	Resources Expended £	Investment Gains £	Transfers £	At 31st August 2018 £
Unrestricted:						
Called up share capital	23	-	-	-	-	23
General	16,849,871	11,045,147	(12,221,307)	(30,482)	581,332	16,224,561
Revaluation reserve	1,054,856	-	-	-	-	1,054,856
Restricted	988,241	19,540	-	10,207	(581,332)	436,656
	<u>18,892,991</u>	<u>11,064,687</u>	<u>(12,221,307)</u>	<u>(20,275)</u>	<u>-</u>	<u>17,716,096</u>

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018
(continued)

21 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 2017	Incoming resources	Resources expended	Investment Gains	Transfers	At 31st August 2018
Costs of generating funds						
Winifred Turner Legacy	299,140	-	-	-	(299,140)	-
Crystabel Rushbrooke Bequest	202,946	-	-	-	(202,946)	-
Prizes, Scholarships and Bursaries	70,129	6,031	-	-	-	76,160
The Handoo Gift	338,463	8,979	-	10,207	-	357,649
Queenswood Hall	74,716	4,530	-	-	(79,246)	-
Other	2,847	-	-	-	-	2,847
	<u>988,241</u>	<u>19,540</u>	<u>-</u>	<u>10,207</u>	<u>(581,332)</u>	<u>436,656</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 2018 a transfer of £79,246 was made to the general fund to cover related expenditure, (in 2017 a transfer of £385,425 was made to the General Reserve to offset a write off of previously capitalised costs).

During the year both the Winifred Turner Legacy and Crystabel Rushbrooke Bequests were transferred into the General Fund to support the school's Bursary expenditure for the year.

Other restricted donations of £6,031 (nil) were received in the year for Bursaries.

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

	2018 £	2017 £
Net incoming resources for the year to date	(1,181,175)	439,461
Adjustments for:		
Interest received	(23,438)	(51,208)
Gains on investment	20,275	(95,414)
Operating surplus	<u>(1,184,338)</u>	<u>292,839</u>
Depreciation and impairment of tangible fixed assets	436,423	769,536
Movements in working capital:		
Increase/(decrease) in provisions	(223,000)	(57,000)
Decrease/(Increase) in debtors	(111,861)	135,361
Increase/(decrease) in creditors	3,255,993	(150,438)
(Increase)/decrease in stock	<u>1,897</u>	<u>32,143</u>
	<u>2,175,114</u>	<u>1,022,441</u>

23 Financial Commitments

At 31st August 2018 the group has annual commitments under non cancellable operating leases as follows:

	2018 Equipment £	2017 Equipment £
Less than one year	42,747	53,819
Between two and five years	110,107	110,210
	<u>152,854</u>	<u>164,029</u>

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

24 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 £545,694 (2017: £544,938) and at the year-end £nil (2017 - £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.

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

24 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 2018 £	31 August 2017 £	31 August 2016 £
Present Values of Provision	371,000	422,000	467,000

Reconciliation of opening and closing provisions	Year ended 31 August 2017 £	Year ended 31 August 2016 £
Provision at start of the year	422,000	467,000
Unwinding of the discount factor (interest expenses)	4,000	5,000
Deficit contribution paid	(49,000)	(48,000)
Remeasurements - impact of any change in assumptions	(6,000)	-
Remeasurements - amendments to the contribution schedule		2,000
Provision at the end of the period	<u>371,000</u>	<u>422,000</u>

Income and expenditure impact	Year ended 31 August 2016 £	Year ended 31 August 2016 £
Interest expense	4,000	5,000
Remeasurements - impact of any change in assumptions	(6,000)	-
Remeasurements - amendments to the contribution schedule		2,000

Assumptions	31 August 2018 % per annum	31 August 2017 % per annum	31 August 2016 % per annum
Rate of discount	1.68	1.2	1.08

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.

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018 (continued)

24 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 2018 £	31 August 2017 £	31 August 2016 £
Year 1	51,000	49,000	48,000
Year 2	52,000	51,000	49,000
Year 3	54,000	52,000	51,000
Year 4	55,000	54,000	52,000
Year 5	57,000	55,000	54,000
Year 6	59,000	57,000	55,000
Year 7	61,000	59,000	57,000
Year 8	5,000	61,000	59,000
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)
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The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018
(continued)

Pension Costs (cont)

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 2018 £	31 August 2017 £	31 August 2016 £
Present Values of Provision	-	172,000	184,000

Reconciliation of opening and closing provisions	Year ended 31 August 2018 £	Year ended 31 August 2017 £
Provision at start of the year	172,000	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
Remeasurements - amendments to the contribution schedule	(172,000)	-
Provision at the end of the period	-	172,000

Income and expenditure impact	Year ended 31 August 2018 £	Year ended 31 August 2017 £
Interest expense		3,000
Remeasurements - impact of any change in assumptions		- 2,000
Remeasurements - amendments to the contribution schedule	-	-

Assumptions	31 August 2018 % per annum	31 August 2017 % per annum	31 August 2016 % per annum
Rate of discount	1.96	1.56	1.34

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.

Queenswood School Limited
Notes to the Financial Statements
For the year ended 31st August 2018
(continued)

24 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 2018 £	31 August 2017 £	31 August 2016 £
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 contribution scheme. Contributions on behalf of staff within the scheme are made to Friends Life. Total contributions made to Friends Life during the year were £193,408 (2017: £210,272). The total pension contributions which were still outstanding as at the year end were £27,951 (2017: £50,035).

Queenswood School Limited
Notes to the Financial Statements
for the Year Ended 31st August 2018

25 Prior Year Adjustment

The accounts have been restated as a result of the recent interpretation of FRS 102 clarified by the Financial Reporting Council which has resulted in the annual gift aid payment being treated as a distribution from equity. The impact of this is that the retained earnings as at the 1st September 2017 for the Company accounts has decreased by £1,842

26 Capital commitments

Amounts contracted for but not provided in the financial statements amounted to £698,653 for the group and company (2017:nil)