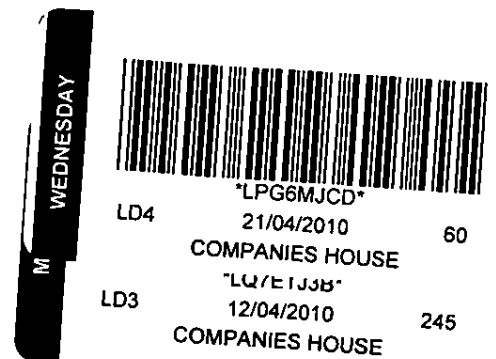


QUEEN ALEXANDRA'S HOUSE ASSOCIATION
(A Registered Charity and a
Company Limited by Guarantee)

REPORT OF THE COUNCIL
AND
FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

Company Registered No 42575
Charity Registered No 312824



QUEEN'ALEXANDRA'S HOUSE ASSOCIATION

REPORT OF THE COUNCIL

YEAR ENDED 31 DECEMBER 2009

The Council present their annual report and financial statements for the year ended 31 December 2009. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005 in preparing the report and financial statements of the charity.

REFERENCE AND ADMINISTRATIVE DETAILS

President

H R H PRINCESS ALEXANDRA, THE HON LADY OGILVY, G C V O

Members of the Council

The members of the Council are the Charity Trustees of the Association and are listed below

Mrs J D H Slater (Chairman)	Mrs P McConnell
W Clarke Esq	A Rose Esq
Mrs A M Gillon (17 March 2009)	Mrs Gaynor Sage
Mrs H M Hart (24 November 2009)	Mrs M Villiers
A Harvey Esq	Ms A Vincent
Mrs Leonie Lazarus	

Members of the Council are re-appointed every fifth year by representative bodies

House Committee, Principal and Professional Advisers

House Committee

Mrs L Lazarus Chairman
Mrs H Hart
Mrs Weld
Mrs Whitlock

Solicitors

Messrs Marks Miller
London

Architects

Messrs Ansell & Bailey
London

Principal and Company Secretary

Mrs C J Raymond (to October 2009)
Mrs A Brown (from 1 November 2009)

Auditors

haysmacintyre
London

STRUCTURE, GOVERNANCE AND MANAGEMENT

Status and administration

The organisation is a charitable company limited by guarantee, number 42575. The charitable company is governed by its Memorandum and Articles of Association, dated 26 November 1894.

Recruitment, induction and Training of Trustees

The directors of the company are also charity trustees for the purposes of charity law, and under the company's articles are known as members of Council. Under the requirements of the Memorandum and Articles of Association, the members of Council are elected to service for a year, after which they must be re-elected at the next General Meeting. All members of the Council give their time voluntarily and receive no benefits from the charity. Any member of Council can recommend a new member to be appointed. However, the appointment will not be ratified unless it has been unanimously agreed at a Council meeting. All new members are provided with information on the responsibility of being a Trustee and, from time to time, are sent details of courses and seminars which may be relevant to their responsibilities.

QUEEN ALEXANDRA'S HOUSE ASSOCIATION

REPORT OF THE COUNCIL (Continued)

YEAR ENDED 31 DECEMBER 2009

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure

The Members of Council, who represent among themselves HRH Princess Alexandra, the 1851 Commissioners, the Royal College of Music and the Department of Education and Science, make the major decisions affecting the affairs of the charity. Council meetings are held at least three times a year. The House Committee meets three times a year to discuss with the Principal running of the House. A member of the Student Body is invited to attend the House Committee.

Implementation of Council decisions is the responsibility of the Principal and her management team. The Principal reports at Council Meetings on operational matters.

Risk Management

The Council have reviewed the major risks to which the Association is exposed, in particular those related to the operation and finances, and are satisfied that systems are in place to mitigate our exposure to the major risks. A compliance register is kept.

Public Benefit

We have referred to the guidance on public benefit contained in the Charity Commission's literature when reviewing our aims and objectives, and in planning our future activities.

OBJECTIVES AND ACTIVITIES

The principal activity of the Association is the provision of accommodation for women students engaged in full time education. As a result of the expansion of women's training in the 1870s there was a pressing need for more facilities for the accommodation of girls. The House was built in 1884 as a custom-built hostel from money provided by several benefactors, including Sir Francis Cook, Chairman of Cook's of St Paul's Churchyard, and Henry Doulton of Doulton & Co, the pottery and tilemaker. The beneficiaries of their largesse were from the very beginning girls *in statu pupillari*, priority being given to students of music. The aims were to provide reasonably priced and secure hostel places with full board for girls and young women coming to London from the provinces or from overseas. If this was a practical and necessary aim in the 1880s, it is even more important now, when the cost of accommodation limits severely the availability of safe and suitable places where students may lodge so near central London. An added feature of the house was that it was designed to give students of the arts a centre where they could perform and practice and rehearse. This is very much to the public benefit, as there is very little practice and performance space available in central London. The Chairman at the Foundation was Princess Alexandra, Princess of Wales. Later Queen Mary and the Duchess of Kent succeeded to the presidency, followed by Princess Alexandra.

What is the accommodation in Queen Alexandra's House?

When the house was built in 1884 there were rooms for 130 girls, in 1976 a large part of the building including most of the public rooms was leased to the English National Ballet in order to comply with fire regulations. In 2009, as a result of careful adaptation over the last few years there are 110 rooms with good internet facilities available, which often attain maximum levels of occupancy. From the very foundation of the House there have been many overseas students who have come to London to study and have discovered in QAH a safe and comfortable haven from which to attend their courses. In the 1960s there were students from many Commonwealth countries including Canada, Kenya and India, to these and to many students from all parts of the United Kingdom there have been added in 2009 students from China and Japan. It has always been the policy of the House to make no race and colour distinction. All are welcome.

ACHIEVEMENTS AND PERFORMANCE

There are girls from the student bodies of many institutions. In 2009 there are 33 students from the Royal College of Music alone, but other institutions are represented: the Royal Academy, Imperial College and the Royal College of Art, the Royal Ballet School and the English National Ballet School, as well as finishing schools, English Language schools and other centres of Education. Careful supervision of the girls by the Principal and her staff, which includes 24-hr manning of the reception desk, and thorough pastoral care if a student falls ill, is very welcome to the residents' parents and guardians. Residents have access to the Principal at all times, and one student is co-opted on to the House Committee to voice concerns and complaints on the side of the student body. The Principal seeks always to work in partnership where possible with other hostels so as to secure the widest range of services available to potential residents.

QUEEN ALEXANDRA'S HOUSE ASSOCIATION

REPORT OF THE COUNCIL (Continued)

YEAR ENDED 31 DECEMBER 2009

ACHIEVEMENTS AND PERFORMANCE (continued)

The Friends' Organisation

This organisation, founded in 197 has 200 members and supports the House by fundraising through organisation of events and meetings. In 2008 a successful gala was held, attended by the President, Princess Alexandra, who continues the tradition of royal interest in the activities of the House by asking for progress reports and by attending several gatherings at QAH in the last ten years.

Maintenance of the House

Queen Alexandra's House is a Grade 2 listed building in the middle of the 1851 complex in Kensington Gore, which includes the Albert Hall. Much effort and activity is directed at its maintenance, as a purpose-built hostel which is a magnificent building and part of London's heritage.

FINANCIAL REVIEW

The Statement of Financial Activities discloses net outgoing resources of £66,583 (2008 £34,938 net incoming resources)

Reserves policy

The Council's policy is to maintain general reserves at approximately the level of one term's expenditure. This has not been possible recently and it is the Council's intention to re-build the reserves to the target level as soon as possible.

At 31 December 2009 the reserves amounted to £21,362 (2008 £87,945)

Investments Policy

The Council have the power to invest in such assets as they see fit. No investments were held.

FUTURE PLANS

The Association plans to attain maximum levels of occupancy in future years. This it intends to achieve by maintaining its premises in a good state of repair and providing excellent catering and other facilities to ensure the comfort of its residents. In order to achieve the flexibility to make progress possible it is the Council's intention to re-build the reserves to target level as soon as possible.

STATEMENT OF MEMBERS OF COUNCIL RESPONSIBILITIES

The Council of Management (who are also the directors of the company) are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Council of Management to prepare financial statements for each financial year. Under that law, the Council of Management have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Council of Management must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company for that year. In preparing the financial statements, the Council of Management are required to

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

QUEEN ALEXANDRA'S HOUSE ASSOCIATION

REPORT OF THE COUNCIL (Continued)

YEAR ENDED 31 DECEMBER 2009

STATEMENT OF MEMBERS OF COUNCIL RESPONSIBILITIES (continued)

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

So far as each of the Council of Management is aware at the time the report is approved

- there is no relevant audit information of which the company's auditors are unaware, and
- the Council of Management have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

A resolution proposing the re-appointment of Haysmacintyre as auditors to the company will be put to the annual general meeting.

On behalf of the Board

Kensington Gore
London SW7

9 March 2010


Council Member (Miranda Villiers)

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF

QUEEN ALEXANDRA'S HOUSE ASSOCIATION

We have audited the financial statements of Queen Alexandra's House Association for the year ended 31 December 2009 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. These financial statements have been prepared under the historical cost convention.

This report is made solely to the company's members, as a body, in accordance with Sections 495 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Members of Council and auditors

The trustees' (who are also the directors of the company for the purposes of company law) responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Statement of Members of Council's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view, have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and have been prepared in accordance with the Companies Act 2006. We also report to you whether in our opinion the information given in the Report of the Council is consistent with those financial statements.

In addition we report to you if, in our opinion, the charity has not kept adequate accounting records, if the charity's financial statements are not in agreement with the accounting records and returns, if we have not received all the information and explanations we require for our audit, or if certain disclosures of trustees' remuneration specified by law are not made.

We read the Report of the Council and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view of the state of the charity's affairs as at 31 December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- the financial statements have been prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Council is consistent with the financial statements.

Emphasis of Matter: Going Concern

In forming our opinion, we have considered the adequacy of the disclosures made in the accounting policies note to the accounts on page 8 concerning the uncertainty over forecast occupancy levels. In view of the significance of this uncertainty, we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

.....
David Sewell (Senior Statutory Auditor)
for and on behalf of haysmacintyre

Fairfax House
15 Fulwood Place
London WC1V 6AY



9..... March 2010

BALANCE SHEET

31 DECEMBER 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible Fixed Assets	2	53,882	35,607
CURRENT ASSETS			
Debtors and prepayments		14,393	4,776
Balances at bank		105,146	201,433
Cash in hand		1,234	1,726
		<u>120,773</u>	<u>207,935</u>
CREDITORS - due within one year			
Sundry creditors	3	56,481	69,413
Fees received in advance		45,255	37,258
Fee deposits		51,557	48,926
		<u>153,293</u>	<u>155,597</u>
NET CURRENT (LIABILITIES)/ASSETS		(32,520)	52,338
NET ASSETS		<u>£21,362</u>	<u>£87,945</u>
Represented by			
UNRESTRICTED FUNDS			
General		21,315	87,898
Designated Funds	5	47	47
		<u>£21,362</u>	<u>£87,945</u>

Approved and authorised for issue by the Council of Management on 9 March 2010 and signed on its behalf by

 (Miranda Villiers)

) MEMBERS
) OF THE
) COUNCIL
 (Angela Gillon)

The accompanying notes form part of these accounts

QUEEN ALEXANDRA'S HOUSE ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2009

INCOME AND EXPENDITURE		Unrestricted Funds		Total	Total
	Note	General	Designated	2009	2008
		£	£	£	£
INCOMING RESOURCES					
Incoming Resources from Charitable Activity:					
Accommodation fees receivable		648,955	-	648,955	582,154
Incoming Resources from Generated Funds:					
Hire of rooms		10,813	-	10,813	22,201
Donations		8,840	-	8,840	100
Fundraising events		-	-	-	18,482
Investment income and bank interest		224	-	224	4,501
Other income		4,013	-	4,013	3,977
Total incoming resources		672,845	-	672,845	631,415
RESOURCES EXPENDED	4				
Costs of Generating Funds:					
Fundraising costs		-	-	-	7,913
Charitable Activity:					
Provision of accommodation		641,995	71,029	713,024	576,899
Governance costs		26,404	-	26,404	11,665
TOTAL RESOURCES EXPENDED		668,399	71,029	739,428	596,477
Net (outgoing)/incoming resources before transfers		4,446	(71,029)	(66,583)	34,938
Transfers between funds	5	(71,029)	71,029	-	-
NET MOVEMENT IN FUNDS		(66,583)	-	(66,583)	34,938
BALANCES BROUGHT FORWARD		87,898	47	87,945	53,007
BALANCES CARRIED FORWARD		£21,315	£47	£21,362	£87,945

Income and expenditure account information is clearly identified above

All incoming resources and resources expended derive from continuing activities

The accompanying notes form part of these accounts

QUEEN ALEXANDRA'S HOUSE ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2009

1 ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities issued in March 2005, applicable accounting standards and the Companies Act 2006. The particular accounting policies adopted are described below.

a. Basis of Accounting:

The accounts have been prepared under the historical cost convention.

b. Going Concern

The trustees consider that it is appropriate to prepare the accounts on a going concern basis for the reasons stated below.

Financial and cashflow forecasts have been prepared for the year to December 2010 reflecting maintained occupancy levels and less expenditure on repairs of the building. On the basis of these forecasts, the trustees believe that the charity will be able to meet its liabilities as they fall due. However these forecasts are very sensitive to changes in occupancy levels, the forecasting of which is inherently uncertain. The financial statements do not include any adjustments that would result from the failure to meet the forecast results or projected cashflows.

c. Depreciation:

In line with the requirements of the Accounting Standard, Financial Reporting Statement No 15, Expenditure on fixed assets is capitalised where the cost (or the value if donated) is in excess of £5,000, otherwise it is written off through the Statement of Financial Activities. Costs of replacements of Major equipment and Pianos are charged to designated funds set aside for that purpose by appropriations from Revenue.

The lease of the Association's property expires in 2893. The council do not consider any useful purpose would be served by obtaining an independent valuation, because it is subject to owner restrictions, which make it inalienable.

Tangible fixed assets are depreciated at rates calculated to write off the cost, less estimated residual value of each asset evenly over its expected life, as follows -

Long leasehold improvements	- 2% per annum
Furniture, fittings and equipment	- 33 1/3% per annum
Plant	- 10% per annum

d. Designated Funds:

Amounts are set aside each year on the basis of expected requirements for major repairs to premises, replacement of major equipment and pianos for use by resident students. A transfer is made from General to Designated Funds and the cost of the repairs or replacements are charged against the fund.

e. Incoming Resources:

This comprises fees receivable from the house activities and investment income.

f. Resources Expended:

These are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered. Charitable expenditure relates to costs incurred in delivering the charity's activities and services to its beneficiaries. Governance costs are costs incurred in meeting the constitutional and statutory requirements of the charity.

All costs are directly attributable to the activities under which they have been analysed.

QUEEN ALEXANDRA'S HOUSE ASSOCIATION

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 DECEMBER 2009

2. FIXED ASSETS	Improvements to Long Leasehold Property £	Furniture and Fittings £	Plant And Equipment £	Total £
The movement on tangible fixed assets is as follows				
Book value at 1st July 1948 and subsequent additions at cost				
At 1 January 2009	22,355	8,817	125,805	156,977
Additions	-	-	31,289	31,289
At 31 December 2009	22,355	8,817	157,094	188,266
Depreciation				
At 1 January 2009	22,354	8,816	90,200	121,370
Charge for the year	-	-	13,014	13,014
At 31 December 2009	22,354	8,816	103,214	134,384
Net Book Value				
At 31 December 2009	£1	£1	£53,880	£53,882
At 31 December 2008	£1	£1	£35,605	£35,607
3. CREDITORS - due within one year			2009 £	2008 £
Sundry creditors				
Taxation and social security costs			4,512	9,419
Other creditors and accruals			51,969	59,994
			£56,481	£69,413
4. ANALYSIS OF TOTAL RESOURCES EXPENDED			Total 2009 £	Total 2008 £
	Staff Costs £	Other £	Depreciation £	
Costs of Generating Funds				
Fundraising costs	-	-	-	7,913
Charitable Activity:				
Provision of accommodation				
Premises	19,619	213,714	13,014	246,347
Welfare and catering	164,220	163,678	-	327,898
Related administrative support costs	69,368	69,411	-	138,779
	253,207	446,803	13,014	713,024
Governance costs	-	26,404	-	26,404
	£253,207	£473,207	£13,014	£596,477

QUEEN'ALEXANDRA'S HOUSE ASSOCIATION

NOTES TO FINANCIAL STATEMENTS (Continued)

YEAR ENDED 31 DECEMBER 2009

4. ANALYSIS OF TOTAL RESOURCES EXPENDED (continued)	2009 £	2008 £
Staff costs include		
Wages and salaries	236,196	222,249
Social security costs	17,011	16,817
	<u>£253,207</u>	<u>£239,066</u>
 The average number of employees during the year was	 14	 14
Governance costs include		
Auditors' remuneration		
Audit fees	6,700	£6,500
Accountancy and other services	12,450	£5,150
	<u></u>	<u></u>

The members of council received no emoluments or reimbursed expenses during the year (2008 Nil)

5 DESIGNATED FUNDS	Balance 1 January 2009 £	Transfer from/(to) General Fund £	Incoming Resources £	Resources Expended £	Balance 31 December 2009 £
Listed building maintenance fund	45	58,015	-	(58,015)	45
Major equipment fund	2	13,014	-	(13,014)	2
	<u>£47</u>	<u>£71,029</u>	<u>£ -</u>	<u>£(71,029)</u>	<u>£47</u>

6. CASH FLOW STATEMENT

The members of council have taken advantage of the provisions in Financial Reporting Statement No 1 not to prepare a cash flow statement

7. TAXATION

The Association is a registered charity and no taxation is payable on its income

