

QUEEN ALEXANDRA COLLEGE
REPORT AND FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED 31 JULY 2019

Registered Numbers:

Company: 03387540
Charity: 1065794

QUEEN ALEXANDRA COLLEGE
REPORT AND FINANCIAL STATEMENTS
FOR THE ELEVEN MONTHS ENDED 31 JULY 2019

CONTENTS

	Pages
Chair's Introductory Statement	1
Report of the Governors	4
Auditor's Report	15
Consolidated Statement of Financial Activities and Income and Expenditure Account	18
College Statement of Financial Activities and Income and Expenditure Account	19
Consolidated Balance Sheet	20
College Balance Sheet	21
Consolidated Cash Flow Statement	22
Notes on the Financial Statements	23

QUEEN ALEXANDRA COLLEGE CHAIR'S INTRODUCTORY STATEMENT

Preparing for the Future

The 2018/19 academic year has been a year of consolidation ahead of exciting changes at Queen Alexandra College. Beverley Jessop has been our Principal and Chief Executive for a year and is leading the implementation of a new strategy to ensure that the College continues to flourish in an environment of continued funding pressures.

We have also been actively supporting the Association of Colleges in their "Love our Colleges" campaign to increase funding for further education. Colleges transform millions of lives each year, shape communities, and boost the economy, yet they are the only part of the education system that has been subject to year-on-year cuts. Teachers in colleges are paid 20% less than in schools, and many support staff have seen little or no pay increase for several years. Increases in funding announced by the Chancellor in August are welcomed, but are for 16-19 year olds only and are largely focused on new T Levels. They are, in any case, not enough to right decades of underfunding.

I should like to welcome a number of new people to the Board of Governors as we move towards a period when some of the longer-serving members reach the end of their terms. This is part of our succession plan, which will help to improve the diversity of the Board and better to reflect the local community.

We have continued to increase the number of students as part of our sustainability plan, without reducing the quality of our educational offer. The continued growth in student numbers, all of whom have time scheduled in the gym, was one of the reasons for the decision to close the FeelGood Fitness Centre to external members from the end of August 2019. Both the gym and the sports hall are still bookable by community groups and continue to provide a valuable service.

The July 2019 Sight Village Central was another huge success. Over 1,400 visitors attended over the two days of the exhibition and it was also pleasing to see a number of international exhibitors making the trip to share their products/services. Sight Village exhibitions in other parts of the country continue to be a success, as does the business selling carbon fibre canes. The All Formats transcription services goes from strength to strength and has ambitious plans for the future. It not only provides a valuable service but also helps to fund the college.

Access to the College

During 2018/19, our open day events brought record numbers of potential students to the College: we welcomed 277 families in total from 27 different Local Authorities. We also saw 114 young people attend QAC through a bespoke group visit arranged by their school, with 22 separate bookings made by 17 different schools. This further reinforces the positive work undertaken in terms of developing strong external links and relations. Our 'Information Days for Professionals' events, which became CPD accredited in May 2019, continue to provide visitors with the opportunity to discover more about QAC and develop and strengthen relationships with a variety of professionals and organisations.

The success of the "Access to College" programme for young people with special needs that were not engaged in education or employment, continued into its third year with 20 youngsters benefitting from this service. We have also made preparations to be able to offer a limited level of respite care, which will also increase access opportunities.

Our thanks go to Midland Mencap for offering Clubs to students over the last year, specific interest groups will be run through QAC in the future and we hope Midland Mencap will continue to promote and host their community work through and at QAC in the future.

**QUEEN ALEXANDRA COLLEGE
CHAIR'S INTRODUCTORY STATEMENT (continued)**

Staff and Leadership

The College benefits from experienced and dedicated staff and Governors and continuing to develop this strength is a key part of the strategic plan. QAC would not be a successful college without the professionalism and commitment of our staff and their belief in the potential of our students. The college has a strong commitment to learning and development for our staff and supports a comprehensive range of in-house training and external professional development each year. This includes corporate induction, role-based mandatory and statutory training, accredited qualifications, individual professional development and wellbeing activities. In 2018-19 this included over 85 in-house training events and twilight sessions across a range of subject areas including Safeguarding (Safeguarding and refresher training, Prevent, County Lines Awareness), Disability Awareness (e.g. Autism Awareness, Practical VI Awareness, Sighted Guide training, Makaton), Medication (e.g. Diabetes & Insulin, Epilepsy & Buccal, Medication Administration) and Health and Safety (e.g. Fire Marshal training, Emergency First Aid, Moving & Handling), with over 2,000 attendees across the sessions. We have also provided funding for qualifications ranging from Level 2 to Master's Level, supporting the development of core skills, leadership and management skills and specialist expertise.

The College continues to be overseen by the Board of Governors, supported by our Governance Director, and reinforced by key sub-committees covering Curriculum & Quality, Finance & General Purposes, Student Services and Search & Governance. Our Audit Committee includes two independent members, one of whom is its chair, which provides additional scrutiny. Our internal and external auditors have given appropriate assurance as to the effectiveness of our systems of internal control.

During the year we saw the resignation of our support Staff Governor Jane Morel and I should like to express our thanks to her for the work she put in. I should also like to thank our patrons Mikail Huggins, John Hilbourne and Dave Heeley for their work during the year.

Our Remarkable Students

The students are of course central to everything we do at the college. We have worked hard to ensure that each student has a personalised experience at QAC, not only in the differentiation of the work they do in lessons, but in meeting their other needs and allowing them to express themselves. They are exceptional at helping and supporting each other and many become involved in a wide range of activities. The college experience, where students have substantially more freedom of choice than they may have had at school, is supported by an extensive behavioural team that can provide mentoring and other help when students need this, so that they are better able to achieve their potential.

We have expanded our work experience and internship opportunities during the year and work with a number of partners to give students meaningful experience. Work experience placements vary to suit the individual student's needs but all can be involved in some way. This is in addition to the excellent achievement rates (92%) on our main programmes.

Success stories include former Performing Arts student, Poppy, making her screen debut in BBC drama 'Call the Midwife' and College band QAC Collective performing at Birmingham Town Hall.

Recognition

QAC was shortlisted for a prestigious TeS FE Award during 2018/19. Although we did not win the 'Specialist Provider of the Year' category it was a great achievement to be amongst the potential winners, the first time QAC has been recognised in such a way.

QAC achieved the AoC Beacon Awards 2018/19 Standard in December 2018 and is now recognised as a Beacon Award commended college. The AoC Beacon Awards celebrate the best and most innovative practice among UK further education (FE) colleges. The 'Support for Students Award', supported by RCU and AoC, seeks to celebrate outstanding examples of student support provided by a College for a significant group, across a whole provision or college wide approach.

QUEEN ALEXANDRA COLLEGE
CHAIR'S INTRODUCTORY STATEMENT (continued)

Both Gillian Leno and Andrew Travers of our PHSE team have been nominated for national diversity awards highlighting the excellent work they do in supporting our students. They both have expertise in sexual health and Andrew has established an LGBTQ support group at QAC. Their commitment to the wellbeing of our students has been exemplary. We were extremely proud of The QAC Collective and Music Enrichment Group, who supported by staff, performed at Birmingham Town Hall as part of Midland Mencap celebratory event.

Looking Ahead

Our strategic plan, which is available in printed form for those wanting to know more, sets out our ambitious plans for expansion of the services we offer. The pilot internship programme based at our new site at Pinewood is due to roll out to more students next year and we intend to grow our supported living and community services. This is an exciting time for the college, but we are also aware of the absolute priority of maintaining the quality of provision and ensuring that new services share the values and ethos of the college. The investment in training and our staff is essential to these plans.



Ian Richards
Chair of Governors
18 December 2019

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

The Governors, who are also the Trustees, present their report and the audited financial statements of Queen Alexandra College (the 'College' or the 'Company') for the period ended 31 July 2019.

CONSTITUTION AND PRINCIPAL ACTIVITIES

Queen Alexandra College (QAC) is a Specialist College for young people and adults with disabilities.

The company is limited by guarantee and has no share capital. The liability of each member shall not exceed £1. The company was incorporated on 17 June 1997 (Company No: 03387540) and is governed by its Memorandum and Articles of Association, as amended by special resolutions dated 29 September 1997, 13 July 1998 and 6 December 1999. The Company is a registered charity, number 1065794.

The College was part of Birmingham Royal Institution for the Blind (BRIB) until 31 December 1997 when its operations were transferred to a separate company.

Principal connected organisations are as follows:

Birmingham Royal Institution for the Blind (BRIB)

Birmingham Royal Institution for the Blind owns the main campus premises occupied by the College. They charge rent for the use of the premises and make grants to support the work of the College. The main grant to the College of £535,627 (2018; £584,320) is given to cover the rent charged in respect of the College main premises in accordance with an agreement dated 31 December 1997. In addition BRIB gave a grant of £14,098 (2018; £15,408) to cover an element of the rent charged in respect of Oakwood House and further grants of £1,519 to support with smaller individual initiatives (2018; £355). The College provides accounting services to BRIB under a service level agreement. The BRIB Board is made up of nine Governors, three of whom are appointed by Focus Birmingham, three by Queen Alexandra College and three by the members of BRIB.

Focus Birmingham

Focus Birmingham was also part of BRIB until 31 December 1997 when it became a separate charity to provide and promote services to blind and partially sighted people in the community. It too has been granted a long lease by BRIB on part of its Harborne site, benefits from funding commitments made by BRIB and, together with QAC, appoints three Governors to the BRIB Board (see above). The College provides a contracted maintenance service to Focus Birmingham.

RESERVES

The College has unrestricted funds and a number of restricted funds. The unrestricted funds include accumulated surpluses and the restricted funds consist of monies received for specific purposes, less expenditure to date.

GOVERNORS

The administration of the College is effected by a Board of Governors (who are Trustees of the charity and directors of the Company) and those who held office during the period, and to the date of this report, were:

* Ian Richards (Chair)	Amanda McGeever (Vice Chair)
Rosemary Adams (wef 06.06.19)	Paula Moran (wef 25.02.19)
Andrew Billingham (wef 25.02.19)	Jane Morel (resigned 08.07.19)
*Chris Bradshaw	Andrew Morris
Dr Anne Green	Lorraine Moses-Copeman
Dr Ewan Hamnett	Professor John Penny
Bill Houle	Dr A Julie Reed
Khalid Javaid (wef 12.09.19)	Gareth Robinson
Beverley Jessop	Ben Turner (wef 28.11.18)
Janet McCall	Patrick Wing (wef 01.09.18)
Dr Steve McCall	

None of the Governors has any beneficial interest in the College and all served without remuneration.

Two of the Governors (* above) currently represent the College on the BRIB Board, which comprises nine Governors in total.

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

Insurance is purchased to protect the College from losses arising from neglect or default of its Governors, officers and employees, and to indemnify the Governors, officers and employees against the consequences of neglect or default on their part. The amount paid for the period was included within the College's overall Combined Commercial Policy and the cost cannot be separately identified (2018; annual premium was £5,225). The limit of indemnity is £5,000,000 (2018; £2,000,000).

Governors have set terms of office and a maximum total term.

Governors sit on sub-committees which advise the full Board on matters of policy and management. Each committee meets at regular intervals throughout the year. The following served on these committees at the date of this report.

Finance and General Purposes Committee

Andrew Morris (Chair)
Bill Houle
Khalid Javaid (wef 12.09.19)
Beverley Jessop
Professor John Penny
Ian Richards
Gareth Robinson

Student Services Forum

Amanda McGeever (Chair)
Ewan Hamnett
Lorraine Moses-Copeman
Dr A Julie Reed
Patrick Wing (wef 08.07.19)

Curriculum & Quality Committee

Dr Anne Green (Chair)
Rosemary Adams (wef 08.07.19)
Chris Bradshaw
Janet McCall
Dr Steve McCall
Ian Richards
Elly Tobin (Independent)
Beverley Jessop
Ben Turner (wef 28.11.18)

Audit Committee

Richard Percival (Chair) (Independent)
Helen Edmonds (Independent)
Amanda McGeever
Paula Moran (wef 08.07.19)
Professor John Penny

Search & Governance Committee

Ian Richards (Chair)
Dr Anne Green
Bill Houle
Amanda McGeever
Andrew Morris

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

OFFICERS AND ADVISERS

Principal and Chief Executive	Beverley Jessop
Company Secretary	Alison Lydon
External Auditors	BDO LLP Two Snowhill Birmingham B4 6GA
Internal Auditors	Mazars LLP 45 Church Street, Birmingham B3 2RT
Principal Bank	Lloyds Bank PLC PO Box 908 125 Colmore Row Birmingham B3 2DS
Insurance Advisers	FE Protect Cherryfield Drive Kirkby Liverpool L32 8SF
Investment Managers	Smith & Williamson 3 rd Floor 9 Colmore Row Birmingham B3 2BJ
Registered Office	49 Court Oak Road Harborne Birmingham B17 9TG

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

STRATEGIC REPORT

PUBLIC BENEFIT & REVIEW OF ACTIVITIES

Queen Alexandra College (QAC) is an independent specialist residential College (ISC) based in Birmingham. It provides education and training for students with a wide range of disabilities and learning difficulties. QAC operates all of its services within the values of 'Respect, Collaboration, Integrity, Enabling, Inclusion and Excellence'. The mission statement of QAC is 'To create challenging learning opportunities for people with a visual impairment and/or other disabilities to realise their potential to work and to live independently'.

The College's students and clients divide into two main groups: those aged 16 to 25 who are funded by the Education and Skills Funding Agency (ESFA) and between 25-30 Local Education Authorities and clients attending Independence Plus (IP) funded by Social Services/personal payments. The College also accesses a range of funding from external sources including statutory and charitable bodies. The College continues to offer a level of respite provision and plans to expand this further in future. Prior to being offered a place at the College, all individuals benefit from a thorough assessment of their needs to ensure they are placed on the most appropriate programme. The assessments, in combination with the Education Health and Care plans (EHCP) are also intended to identify the appropriate level of holistic support needs for each student (many requiring 1 to 1, 1 to 2, or 1 to 3 staff to student ratios). The College welcomes students and clients from all backgrounds. An individual's economic status, gender, ethnicity, race, religion, sex or sexual orientation do not form part of our assessment processes.

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

The College achieved its mission during the period by providing education, training and independent living skills to 265 students (including 28 Residential) - an increase of 14 on the previous Academic Year. Recruitment remains strong, with numbers increasing by 25% over the last three years.

The curriculum at QAC is designed to maximise adult life opportunities for all students. Opportunities may be through increased independence, higher academic achievement or through skills that enable employment. The curriculum covers academic, therapeutic and support provision, all of which are essential components for success for QAC students. All QAC students are in receipt of an Educational, Health and Care plan (EHCP).

The college offers a broad range of courses from pre-entry to level 3 in the following vocational areas: Art and Design, Sports, Trades, Vehicle Mechanics, Health and Social Care, Performing Arts, Media, Hospitality and Information & Communication technologies (ICT). The Preparation for Life (PfL) pathway offers a diverse range of tasters and independence skills development and for some students, leads into LEAP (Learning for Employment and Progression) which will specialise in certain areas and have a focus on employment or higher vocational study. Supported Internships are well established at QAC, with work experience being expected for all students from year 1 onwards. The Access to College programme, a bespoke 1-year programme supports school non-attenders back into learning and has gained in popularity year on year with the local authorities and young people.

The college has a diversity of specialist support services, which are an essential and integral part of each student's curriculum offer, ensuring individual student needs are met and achievements maximised. Support Services consist of speech and language therapy, occupational therapy/specialist sensory; physiotherapy, counselling and mentoring, educational and clinical psychology, Positive Behaviour Support; a rehabilitation and travel training department; Braille, dyslexia and assistive & augmented technology services. In addition, there is a Resource Centre, a Health Care Centre and a range of College 'buddy dogs'.

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

The extended curriculum and enrichment activities offered to both day and residential students consist of a range of activities which develop community, social and independence skills, promote sports, the arts; leisure activities and develop wellbeing, confidence and friendships.

The College provided 28 places to residential ESFA funded students and employs approximately 35 residential support staff. The residential provision at QAC continues to be graded as 'good' by CQC (Care Quality Commission) who make unannounced inspections throughout the period. The College also provided 29 places to Independence Plus clients based in houses in the local community.

Success on accredited programmes in 2017/18 remained outstanding at 95% (94% in 2016/17- 1% improvement on the previous year). Success in accredited English and Mathematics courses also improved significantly to 86% (10% improvement over last year) and 96% (11% improvement over last year) respectively.

Target achievement continues to be measured for non-accredited learning programmes and QAC is now in its fourth year of using the RARPA ('Recognising and Recording Progress and Achievement') system. The success rate remains high and has increased on the previous year. The use of non-accredited programmes as 'full offer' continues as a growing area at QAC in line with changing student needs.

The college was inspected by Ofsted in July 2016 and judged to be GOOD. QAC has updated its self-assessment against the new Education Inspection Framework (EIF), which commenced in September 2019

There is a robust safeguarding process in place with 6 staff having responsibility for safeguarding, one of whom is the lead designated safeguarding officer, with others acting as deputies. Staff teams are effectively trained in managing safeguarding issues with a regular, mandatory ongoing programme of training on all aspects of safeguarding in place, both via online training and workshop sessions. A Governor safeguarding lead liaises with the college safeguarding team and ensures safeguarding updates are reported regularly and remain high on the Governors' agenda. A clear audit trail of safeguarding is maintained and reported regularly to the Governors, which ensures due process is followed by the college. Our safeguarding training (induction and ongoing) includes training in all aspects of our Prevent Duty.

In June 2019, the Governors decided to close the FeelGood Fitness Centre to external members from the end of August 2019 to better use the gym as a student-facing facility. Both the gym and the sports hall will be bookable by community groups and continue to provide a valuable service to QAC students and staff alike.

Student involvement is high with students continuing to have the opportunity to apply for the positions of Student Council reps and College Ambassador and take part in a selection interview process with underpinning employment skills being developed. Such roles enhance their self-confidence and ability to engage competently with professional people with students making excellent use of established opportunities to participate and be involved in College activities and forums. The students play an important part in the college around marketing and fundraising campaigns. Through the promotion of the student voice, students contribute to the day-to-day operation of the College such as college 'values' planning, ideas for new enrichment groups, important considerations linked to building developments and improved food choices.

Residential students also have a significant role to play and a residential focus group was established as an action leading from the previous year's student feedback. This focus group has had a positive impact on aspects of residential life such as getting Wi-Fi across all houses, new furniture and establishing rules of etiquette and acceptable noise levels. As part of the group, students must work collaboratively to improve the quality of the learner experience across the residential living aspects of their college life. The chair of the focus group was elected by its members and all discussion outcomes communicated through a regular newsletter.

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

The extended curriculum and enrichment activities offered to both day and residential students consist of a range of activities, which continue to develop community, social and independence skills, promote sports, the arts, leisure activities and develop wellbeing, confidence and friendships

Success at QAC is not measured solely in terms of outcome success rates. Students have a comprehensive Individual Learning Plan with a range of negotiated challenging targets. Progress is measured on a regular basis and new targets are set and agreed as appropriate; value added and distance travelled are important measures of achievement. Annual reviews were continued for all students with a focus on the transition journey through College into independence, further education and employment.

THE FUTURE

The College's traditional funding streams remain uncertain. Changes in funding models, differing interpretations by local authorities of funding and SEN (Special Education Needs) legislation, together with a policy of funding specialist provision after other options have been explored have resulted in less certainty in student numbers and levels of income. This in turn leads to difficulties in budgeting, more students with complex needs being sent to independent specialist Colleges, and a reduction in residential numbers. Despite these challenges, QAC continued to grow and flourish in the last eleven months.

Governors and the Management Team have undertaken a major exercise to develop QAC's new 5 year strategy to the end of 2024/25. QAC's aim is to be recognised as a leading, national specialist provider for independence, education and training and employment. The College will do this through 3 strategic pathways

1. Residential Services
2. Curriculum Services
3. Community Services

In achieving its aims, QAC will provide the following across all services:

1. A highly skilled, flexible and fulfilled workforce
2. Effective financial strength, that is sustainable and has flexibility to achieve its goals
3. The highest standards and recognition for Equality, Diversity and Inclusion
4. The highest standards and recognition for investing in high quality staff
5. All learners, clients and staff supported within safe and well-resourced environments

Each of these pathways and objectives has a number of clear actions and targets.

The Governors are confident that the strategy is ambitious but achievable and that the College's sound financial position will enable it to overcome any uncertainties and to maintain the service it provides to an ever-increasing range of clients.

The College will continue to challenge its students and clients, working with them to enhance their lives, promote their achievements and overcome their disabilities.

FINANCIAL SUMMARY

The consolidated financial results of the College and its subsidiary company (QAC Enterprises Limited) for the period ended 31 July 2019 show net movement in funds of a surplus of £492,090 compared to a surplus of £207,581 in the previous financial year and generated a positive cash flow of £571,764 (2018; inflow of £664,342).

These accounts are prepared for the 11 months to 31 July 2019. During the year, Governors approved a change in QAC's year-end date from 31 August to 31 July to align with other FE and Specialist Colleges.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS (continued)

Income increased from £11,785,438 to £12,002,884 between 2017/18 and 2018/19. The College received higher levels of Local Authority and Education and Skills Funding Agency income, reflecting our success in expanding our student intake and retention. However, the figures are not strictly comparable as 2018/19 was an 11-month period.

Expenditure decreased from £11,649,202 to £11,601,999. Again, the figures are not strictly comparable, as 2018/19 was an 11-month period. Going forward, it remains a challenge to fund continued increases in staffing and related costs against a background of constrained sources of funding.

QAC uses a number of internal financial Key Performance Indicators (KPIs), including underlying cash flow, aged debts, fundraising income and staff costs/ overheads as a proportion of income. These are scored as RAG (Red, Amber, and Green) based on the management accounts and are reported to the Board of Governors throughout the year. QAC consistently achieved or exceeded its financial targets in the last year, the key ones being;

- College and Group Surplus/ (Deficit) – GREEN rating
- Underlying cash flow before working capital movements – GREEN rating
- Staff costs as a percentage of income – GREEN rating

RESERVES POLICY

As at 31 July 2019, the College and its subsidiary company have unrestricted general funds of £10,476,163, (2018; £9,702,449) and restricted funds of £1,209,300 (2018; £1,490,924). Total reserves, including restricted funds, are £11,685,463 (2018; £11,193,373).

The analysis of net assets between funds is set out in Note 18 to the Financial Statements. Of the total unrestricted reserves of £10,476,163, £7,085,518 is held as tangible fixed assets, leaving free reserves (including investments) of £3,390,645 (2018; £2,496,561).

The Governors carried out a review of QAC's reserves policy in light of QAC's developing 5-year strategic plan and the current funding climate. Following that review the Governors concluded that QAC should aim to have free reserves held in long term investments (including cash held by investment managers) equal to, or in excess of £1,750,000 (2018; £1,000,000). This enables QAC to protect its services, and therefore those whom the charity aims to support in the event of significant risks arising. It also supports QAC's strategic plan if needed. At 31 July 2019, free reserves held in long-term investments represented 112% of this figure (2018; 105%).

At their discretion, Governors may designate further unrestricted funds for specific purposes. Governors review the appropriateness of reserves policy annually based on an assessment of the key risks faced by the Charity.

INVESTMENT POLICY

The Governors have an agreed investment policy for the College aimed at providing long-term capital growth with medium risk. Smith & Williamson act as Investment Managers to the College to manage investments under this policy.

INVESTMENTS

Queen Alexandra College owns the whole of the issued share capital of 100 shares of £1 each of QAC Enterprises Limited, a company incorporated in England & Wales (Company Number 1986389). The company operates three distinct businesses: a specialist transcription services ("All Formats"), the sale of canes for the visually impaired and the "Sight Village" series of exhibitions for the blind and visually impaired. All profits from the businesses are Gift Aided to the College. The turnover for the period ended 31 July 2019 was £537,249 (2018; £545,541) and expenditure was £285,859 (2018; £329,512). The Gift Aid payment was £251,390 (2018; £216,029). QAC Enterprises Limited had net assets and reserves of £10,100 at the year-end (2018; £10,100).

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS (continued)

Queen Alexandra College also owns the whole of the issued share capital of 1 share of £1 of QAC Sight Village Limited and the whole of the issued share capital of 1 share of £1 of Sight Village Limited. These companies are incorporated in England & Wales and have remained dormant since their incorporation on 6 February 2010 and 16 July 2012 respectively.

RISK ASSESSMENT AND MANAGEMENT

The Governors have considered risks and risk management throughout the period as part of the business of the full Board and sub-committee meetings. QAC has a formal risk management process for the College and QAC Enterprises - this is managed by the College Management Team and Governors via the Audit Sub-Committee.

The Governors have assessed the major risks to which the College is exposed, in particular, those related to the operations and finances of the organisation, and are satisfied that systems and processes are in place to mitigate the College's exposure to these major risks.

The Board of Governors have identified the following key strategic risks to the charity. Actions to mitigate against these risks are also detailed:

Risk: National and Local Government Initiatives resulting in a reduction in income and a risk to the financial stability of QAC.

Mitigation: This risk is managed by monitoring of proposed legal and regulatory changes, regular communication with key funding bodies and careful resource planning via QAC's strategic plan.

Risk: Fire, Health and Safety and the Environment

Mitigation: This risk is managed through a wide range of measures including publicised policies and procedures, regular monitoring and scrutiny from Board level downwards, employing skilled and experience staff as well as external advisers and an ongoing programme of training and awareness.

Risk: Challenging behaviour of some students

Mitigation: This risk is managed through the College's dedicated behaviour support team and targeted behaviour planning, monitoring and support to students and staff

BOARD OPERATION AND MEMBERSHIP

The composition of the Board is assessed by a Search & Governance Committee, which reviews the methods of recruiting new Governors and advises the Board as to new appointments. Governor induction procedures seek to ensure that all new appointments to the Board gain a good understanding of different aspects of College life. Many Governors visit the College outside formal meetings to ensure that they remain in touch with students and staff. Governor training needs are periodically reviewed and appropriate training undertaken.

The Board receives regular and timely information on the overall financial performance of the College and subsidiaries together with other information such as performance against targets, learning outcomes, admissions and destinations, safeguarding and Prevent issues, complaints, proposed capital expenditure, quality matters and personnel matters. The Board drives the strategy and quality of the College and monitors outcomes. Scrutiny is also provided by specific Governors with responsibility for health & safety, safeguarding and diversity. Further scrutiny is provided by its Committees. Each of the committees through which business is conducted has terms of reference, which have been approved by the Board as well as an annual business cycle. All decisions of a material nature are made or ratified by the Board and a schedule of matters reserved for the Board has also been approved by the Board to ensure clarity in this regard.

The pay for key management personnel is proposed to the Board by the Finance and General Purposes committee following discussion, which takes into account relevant benchmark information including the Association of Colleges (AoC) pay survey as well as the performance of the individuals concerned and the financial position of the College as a whole.

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

The College has undertaken a detailed internal review of its compliance with the Charities Governance Code for Larger Charities and applies all the principles to its work. The College also complies with the bulk of the relevant recommended practice of the Code. Governors undertook an assessment against the code in November 2019 and the College has a plan to implement / evidence any additional recommended practice points during the forthcoming year.

The Code requires Charities to disclose if the Trustee's Maximum Term of Office exceed 9 years. The maximum term of office for College Governors is currently set at 10 years based on numerous factors including specialist skills requirements for some positions. In order to allow for orderly succession planning, some Governors are completing their final term based on the date last appointed. During this transition period the size of the Board is larger than normal as succession plans are completed.

FIXED ASSETS

All tangible fixed assets are held for the purpose of carrying out the College's main objectives. The Governors believe the market value of the College's freehold land and buildings to be more than their net book value, although no independent valuations have been obtained, as it is considered that the cost of obtaining these is out of proportion to the usefulness of the information.

Although it was in operational use throughout the 2018/19 period, Governors approved the sale of 494-498 Bearwood Road at their 4th July meeting. The property is currently under offer. Following the decision to sell the property, the book value of the building plus any surplus fixtures and fittings was reduced to their estimated selling price and transferred to Current Assets.

DISABLED EMPLOYEES

Queen Alexandra College aims to ensure its recruitment, development and retention practice is exemplary. The College is a 'Disability Confident Employer', a 'Mindful Employer' and has been recognised as a level two 'Investor in Diversity'. We are very clear to ensure appropriate support to disabled people at the application stage (to ensure access needs for interview are met) through to successful interview and support as an employee. Our practice ensures no particular group or individual is treated more or less favourably based on the characteristics defined in the Equality Act 2010. Equality and Diversity is embedded into the College's management and the College's Equality and Diversity report is formally reviewed by Governors annually.

The College will do its utmost to ensure individual needs are met in the workplace, whether through assistive technology, ergonomics, counselling, flexible working or other individual requirement. All employees, disabled or non-disabled are offered equality of training, career development and promotion opportunities.

EMPLOYEE CONSULTATION

Numerous consultation processes take place throughout the College year. A Joint Consultative Committee made up of managers and employee union representatives meet to discuss not only terms and conditions of employment but factors affecting the organisation as a whole. There are management/staff 'feedback' and 'diary meetings' which take place weekly as well as staff survey and consultations. Employees also provide input into policies and the Principal shares strategic and external influences, which affect the College business with the whole staff group.

The College's Staff Forum ("Staff Voice") brings together interested staff from all areas of QAC to participate in decision-making and has continued to prove successful and attract favourable comments from staff.

FUNDRAISING

Section 162a of the Charities Act 2011 requires Charities to make a statement regarding fundraising activities.

Although the College does not undertake widespread fundraising from the general public, it does undertake fundraising to support specific projects (largely from Charitable Trusts and Foundations) as well as its day-to-day activities. The College is very grateful to all donors and sponsors. Such amounts receivable are presented in the accounts as "Donations and Legacies".

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

The day-to-day management of all income generation is delegated to the College Management Team. The College has a Fundraising Policy, which is approved by Governors and reviewed regularly; with Governors, receiving regular reports on fundraising activity and performance. The College has a dedicated fundraising team, which is led by a qualified fundraiser, who is a member of the Institute of Fundraising. The College manages all fundraising in house without involvement of commercial participators, external fundraisers or any other third party.

The College is registered with the Fundraising Regulator and complies fully with the Regulator's Standards and Code of Fundraising Practice. QAC does not make unsolicited approaches to members of the public and always gets consent from individuals before approaching them for support/ involvement.

QAC has received no complaints in relation to fundraising activities and the policy requires staff to behave reasonably at all times.

VOLUNTEERS

The College is committed to providing opportunities for volunteering, placements and work experience to people from all walks of life. Many ex-students come back to volunteer, as do trainee teachers, social workers and people who just want to give something back to society or test out a new career in education or care. We provide projects for organisations looking to deliver to Corporate Social Responsibility agendas and have enjoyed productive partnerships with local and national businesses that enhance the overall experience of our students. Volunteer application forms are available on our website.

POLICY ON THE PAYMENT OF TRADE CREDITORS

In the majority of cases, the terms agreed with suppliers are for payment within thirty days of their invoice date. Trade creditors at 31 July 2019 were £360,510 (2018; £239,811).

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Governors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Governors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the College 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 College and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The College has prepared detailed budgets which indicate that the College has sufficient resources in order to meet its liabilities as they fall due and on that basis, the Governors are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS (continued)**

STATEMENTS AS TO DISCLOSURE OF INFORMATION TO AUDITORS

All of the current Governors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's Auditors for the purpose of their audit and to establish that the Auditors are aware of that information. The Governors are not aware of any relevant information of which the Auditors are not aware.

AUDITORS

A resolution to reappoint BDO LLP will be proposed at the forthcoming Annual General Meeting.

The Board of Governors approve the Annual Report and, in their capacity as company directors approve the Strategic Report incorporated therein.

On behalf of the Governors,



Alison Lydon
Secretary
18 December 2019

Registered Office
49 Court Oak Road
Harborne
Birmingham B17 9TG

Registered Company Number 03387540

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEEN ALEXANDRA COLLEGE

Opinion

We have audited the financial statements of Queen Alexandra College ("the Parent Charitable Company") and its subsidiaries ("the Group") for the period ended 31 July 2019 which comprise the Consolidated Statement of Financial Activities and Income and Expenditure Account, the College Statement of Financial Activities and Income and Expenditure Account, Consolidated and the College Balance Sheets, the Consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)*.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 July 2019 and of the Group's incoming resources and application of resources, and the Parent Charitable Company's incoming resources and application of resources for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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 related 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 or the 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 Report and Financial Statements, other than the financial statements and our auditor's report thereon. The other information comprises: Chair's Introductory Statement and Report of the Governors. 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEEN ALEXANDRA COLLEGE (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' 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 the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustee's report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, 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 determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEEN ALEXANDRA COLLEGE (continued)**

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

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of Our Report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

BDO LLP

Kyla Bellingall (Senior Statutory Auditor)
for and on behalf of BDO LLP, Statutory Auditor
Birmingham
United Kingdom

Date: 14 January 2020

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

QUEEN ALEXANDRA COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE
ACCOUNT FOR THE ELEVEN MONTHS ENDED 31 JULY 2019

Income	Notes	Eleven Months			Year		
		Unrestricted Funds	Restricted Funds	31 Jul 2019 Total	Unrestricted Funds	Restricted Funds	31 Aug 2018 Total
		£	£	£	£	£	£
Charitable Activities	3	10,566,846	-	10,566,846	10,283,981	-	10,283,981
Donations and legacies							
Grant: BRIB Rent		549,711	-	549,711	599,728	-	599,728
Other Donations and Grants		5,197	122,152	127,349	10,032	96,792	106,824
		554,908	122,152	677,060	609,760	96,792	706,552
Other Trading Activities							
Sales in Enterprises		537,005	-	537,005	545,181	-	545,181
Other Trading Income		173,255	-	173,255	204,883	-	204,883
		710,260	-	710,260	750,064	-	750,064
Investment Income							
Interest		5,311	-	5,311	560	-	560
Investment Income		43,407	-	43,407	45,638	-	45,638
		48,718	-	48,718	46,198	-	46,198
Other Income							
(Loss) / Profit on Disposal of Fixed Assets		-	-	-	(1,357)	-	(1,357)
Total Income		11,880,732	122,152	12,002,884	11,688,646	96,792	11,785,438
Expenditure							
Charitable Activities	4	10,694,024	326,587	11,020,611	10,924,167	130,497	11,054,664
Raising Funds	5	581,388	-	581,388	594,538	-	594,538
Total Expenditure		11,275,412	326,587	11,601,999	11,518,705	130,497	11,649,202
Net Income/(Expenditure) before movements on Investment Assets		605,320	(204,435)	400,885	169,941	(33,705)	136,236
Gains/(Losses) on Investment Assets		91,205	-	91,205	71,345	-	71,345
Net Income/(Expenditure)	15	696,525	(204,435)	492,090	241,286	(33,705)	207,581
Transfers between Funds		77,189	(77,189)	-	60,282	(60,282)	-
Net movement in Funds		773,714	(281,624)	492,090	301,568	(93,987)	207,581
Funds at 31 August 2018		9,702,449	1,490,924	11,193,373	9,400,881	1,584,911	10,985,792
Funds at 31 July 2019	15	10,476,163	1,209,300	11,685,463	9,702,449	1,490,924	11,193,373

There are no recognised gains or losses other than those shown above.

None of the Group's material activities were discontinued during the eleven months ended 31 July 2019.

The notes on pages 23 to 35 form part of these financial statements.

QUEEN ALEXANDRA COLLEGE
COLLEGE STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE ELEVEN MONTHS ENDED 31 July 2019

		Eleven Months			Year		
	Notes	Unrestricted Funds	Restricted Funds	31 Jul 2019 Total	Unrestricted Funds	Restricted Funds	31 Aug 2018 Total
Income		£	£	£	£	£	£
Charitable Activities	3	10,566,846	-	10,566,846	10,283,981	-	10,283,981
Donations and legacies							
Grant: BRIB Rent		549,711	-	549,711	599,728	-	599,728
Other Donations and Grants		256,587	122,152	378,739	226,061	96,792	322,853
		806,298	122,152	928,450	825,789	96,792	922,581
Other Trading Activities							
Other Trading Income		223,144	-	223,144	256,580	-	256,580
Investment Income							
Interest		5,311	-	5,311	560	-	560
Investment Income		43,407	-	43,407	45,638	-	45,638
		48,718	-	48,718	46,198	-	46,198
Other Income							
(Loss)/Profit on Disposal of Fixed Assets		-	-	-	(1,357)	-	(1,357)
Total Income		11,645,006	122,152	11,767,158	11,411,191	96,792	11,507,983
Expenditure							
Charitable Activities		10,694,268	326,587	11,020,855	10,924,527	130,497	11,055,024
Raising Funds		345,418	-	345,418	316,723	-	316,723
Total Expenditure		11,039,686	326,587	11,366,273	11,241,250	130,497	11,371,747
Net Income/(Expenditure) before movements on Investment Assets		605,320	(204,435)	400,885	169,941	(33,705)	136,236
Gains/(Losses) on Investment Assets		91,205	-	91,205	71,345	-	71,345
Net Income/(Expenditure)	15	696,525	(204,435)	492,090	241,286	(33,705)	207,581
Transfers between Funds		77,189	(77,189)	-	60,282	(60,282)	-
Net movement in Funds		773,714	(281,624)	492,090	301,568	(93,987)	207,581
Funds at 31 August 2018		9,692,449	1,490,924	11,183,373	9,390,881	1,584,911	10,975,792
Funds at 31 July 2019	15	10,466,163	1,209,300	11,675,463	9,692,449	1,490,924	11,183,373

There are no recognised gains or losses other than those shown above.

None of the Charity's material activities was discontinued during the eleven months ended 31 July 2019.

The surplus for the eleven months for Companies Act 2006 purposes excludes unrealised gains on investments of £95,442 (2018; £59,403) and amounts to a surplus of £396,648 (2018; surplus £148,178).

The notes on pages 23 to 35 form part of these financial statements.

**QUEEN ALEXANDRA COLLEGE
CONSOLIDATED BALANCE SHEET
31 JULY 2019**

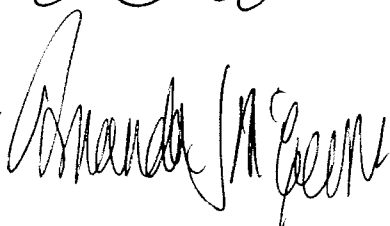
	Notes	31 Jul 2019 £	£	31 Aug 2018 £	£
Fixed Assets					
Tangible Assets:	8				
Land and Buildings – Freehold		1,090,460		1,654,942	
Land and Buildings – Leasehold		5,497,028		5,624,162	
Fixtures Fittings and Equipment		785,050		1,030,522	
Motor Vehicles		49,207		69,259	
Computer Equipment		<u>276,543</u>		<u>190,411</u>	
			7,698,288		8,569,296
Investments	9		<u>1,905,197</u>		<u>1,737,562</u>
Total Fixed Assets			<u>9,603,485</u>		<u>10,306,858</u>
Current Assets					
Property Held for Sale	10	467,800		-	
Stock		12,416		12,325	
Debtors	11	949,877		729,765	
Short term Deposits		964,536		956,001	
Cash at Bank and In Hand		<u>1,054,803</u>		<u>491,574</u>	
Total Current Assets		<u>3,449,432</u>		<u>2,189,665</u>	
Liabilities					
Creditors: Amounts falling due within one year	12	<u>(1,367,454)</u>		<u>(1,287,563)</u>	
Net Current Assets/(Liabilities)			<u>2,081,978</u>		<u>902,102</u>
Total Assets less Current Liabilities			11,685,463		11,208,960
Creditors : Amounts falling due after more than one year	13		<u>-</u>		<u>(15,587)</u>
Total Net Assets			<u>11,685,463</u>		<u>11,193,373</u>
Funds					
Unrestricted Funds	15	10,476,163		9,702,449	
Restricted Funds	15	<u>1,209,300</u>		<u>1,490,924</u>	
			<u>11,685,463</u>		<u>11,193,373</u>

The Financial Statements on pages 18 to 35 were approved and authorised for issue by the Governors on 18 December 2019 and signed on their behalf by:

Ian Richards
Chair



Amanda McGeever
Vice Chair



The notes on pages 23 to 35 form part of these financial statements.

Registered Company Number 03387540

QUEEN ALEXANDRA COLLEGE
COLLEGE BALANCE SHEET
31 JULY 2019

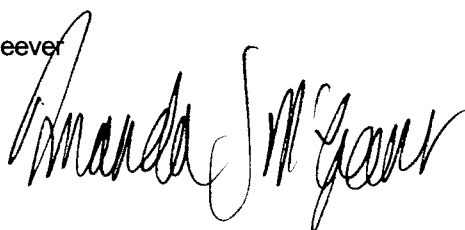
	Notes	31 Jul 2019 £	31 Jul 2019 £	31 Aug 2018 £	31 Aug 2018 £
Fixed Assets					
Tangible Assets:	8				
Land and Buildings - Freehold		1,090,460		1,654,942	
Land and Buildings - Leasehold		5,497,028		5,624,162	
Fixtures, Fittings and Equipment		785,050		1,030,522	
Motor Vehicles		49,207		69,259	
Computer Equipment		276,543		190,411	
			7,698,288		8,569,296
Investments	9		1,905,299		1,737,664
Total Fixed Assets			<u>9,603,587</u>		<u>10,306,960</u>
Current Assets					
Property Held for Sale	10	467,800		-	
Stock		2,314		4,163	
Debtors	11	1,044,764		717,829	
Short term Deposits		964,536		956,001	
Cash at Bank and In Hand		927,039		452,261	
Total Current Assets		<u>3,406,453</u>		<u>2,130,254</u>	
Liabilities					
Creditors: Amounts falling due within one year	12	<u>(1,334,577)</u>		<u>(1,238,254)</u>	
Net Current Assets/(Liabilities)			2,071,876		892,000
Total Assets less Current Liabilities			<u>11,675,463</u>		<u>11,198,960</u>
Creditors : Amounts falling due after more than one year	13		-		(15,587)
Total Net Assets			<u><u>11,675,463</u></u>		<u><u>11,183,373</u></u>
Funds					
Unrestricted Funds	15		10,466,163		9,692,449
Restricted Funds	15		1,209,300		1,490,924
			<u><u>11,675,463</u></u>		<u><u>11,183,373</u></u>

The Financial Statements on pages 18 to 35 were approved and authorised for issue by the Governors on 18 December 2019 and signed on their behalf by:

Ian Richards
Chair



Amanda McGeevor
Vice Chair



The notes on pages 23 to 35 form part of these financial statements.

Registered Company Number 03387540

**QUEEN ALEXANDRA COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE ELEVEN MONTHS ENDED 31 JULY 2019**

	Eleven Months 31 Jul 2019 £	Year 31 Aug 2018 £
Cash flows from Operating Activities	894,082	826,984
Cash flows from Investing Activities:		
Dividends and Interest from Investments	48,718	46,198
Proceeds from the Sale of Fixed Assets	-	14,000
Purchase of Fixed Assets	(294,606)	(248,373)
Proceeds from Sale of Investments	150,558	220,048
Purchase of Investments	(226,988)	(194,515)
Change in Cash and Cash Equivalents in the reporting period	<u>571,764</u>	<u>664,342</u>
Cash and Cash Equivalents at the beginning of the reporting period	1,447,575	783,233
Cash and Cash Equivalents at the end of the reporting period	<u><u>2,019,339</u></u>	<u><u>1,447,575</u></u>

Notes to the Consolidated Cash Flow Statement

1. Reconciliation of Net Income to Net Cash Flow from Operating Activities

Net Income/(Expenditure) for the reporting period	492,090	207,581
Adjustments for:		
Depreciation Charge	500,892	552,251
Impairment Charge	212,959	-
(Gains) /Losses on Investments	(91,205)	(71,345)
Dividends and Interest from Investments	(48,718)	(46,198)
Loss/(Profit) on the Sale of Fixed Assets	-	1,357
(Increase)/ Decrease in Stocks	(91)	22,160
(Increase)/Decrease in Debtors	(220,112)	126,049
Increase/(Decrease) in Creditors	48,267	35,129
Net Cash Provided by Operating Activities	<u><u>894,082</u></u>	<u><u>826,984</u></u>

2. Analysis of Change in Cash and Cash Equivalents

	At 31 Aug 2018 £	Cash Flows £	At 31 July 2019 £
Cash at Bank and in Hand	491,574	563,229	1,054,803
Short term Deposits	956,001	8,535	964,536
	<u><u>1,447,575</u></u>	<u><u>571,764</u></u>	<u><u>2,019,339</u></u>

The notes on pages 23 to 35 form part of these financial statements

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
ELEVEN MONTHS ENDED 31 JULY 2019**

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain assets and in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charity's governing documents, and applicable Accounting Standards. The year-end date has been changed from 31 August to 31 July to align with other FE and Specialist Colleges.

Queen Alexandra College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

(b) Going Concern

The College has prepared detailed budgets which indicate that the College has sufficient resources in order to meet its liabilities as they fall due and on that basis, the Governors are satisfied that it remains appropriate to prepare the financial statements on the going concern basis.

(c) Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In preparing these financial statements, the Governors are required to make judgements, estimates and assumptions about the carrying amounts 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 those estimates and underlying assumptions are continually reviewed.

The following is a critical judgement that the Governors have made in the process of applying the accounting policies: Determining whether leases entered into by the group either as lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

Other Key sources of estimation uncertainty:

- Tangible fixed assets (see note 8). Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of these assets are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as life cycle and maintenance programmes are taken into account. Residual value assessments consider issues such as the remaining life of the asset and project disposal values.
- Property Held for Sale (see note 10). The property at 494-498 Bearwood Road is no longer used by the Charity and is under offer for sale. It is held as a current asset at its net recoverable value.
- Trade debtors (see note 11). At each reporting date, trade debtors are assessed for recoverability if there is any evidence of impairment, the carrying amount of the debtor is reduced to its recoverable amount. The impairment loss is recognized immediately in the income statement.

(d) Basis of Consolidation

The group financial statements consolidate the financial statements of the College and QAC Enterprises Limited. Intra group transactions are fully eliminated on consolidation. The Governors consider that the presentation of the consolidated statement of financial activities and income and expenditure account, prepared on a line-by-line basis, gives a true and fair view of the group's results.

(e) Tangible Fixed Assets

Tangible fixed assets are recorded at cost on 31 December 1997, when they were allocated to the College by Birmingham Royal Institution for the Blind, plus additions since, at cost. Expenditure of less than £1,000 on plant, furniture, fixtures and fittings and educational equipment is charged to revenue in the period of acquisition. The equivalent figure for computer equipment is £500.

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

1. ACCOUNTING POLICIES (continued)

Fixed assets funded by specific donations are capitalised and depreciated in line with the normal depreciation rates shown below. Specific donations to acquire such assets are brought into the Statement of Financial Activities when receivable and included in restricted funds. Depreciation is charged within the Statement of Financial Activities under the appropriate fund heading.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset less its estimated residual value over its expected useful life as follows:

Freehold land	Nil
Freehold and Leasehold Property	2% on cost, or if shorter the remaining period of the lease
Fixtures and Fittings	10% - 20% on cost
Computer Equipment	33 1/3% on cost
Motor Vehicles	20% on cost

The carrying value of the Charity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If events or changes in circumstances indicate an impairment, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of fair value less costs to sell the asset and its value in use. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activity.

(f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is virtually certain that the income will be received and the amount can be measured reliably. Income from ESFA and Local Authority Fees, Government and other grants whether 'capital' grants or 'revenue' grants is recognised when the charity has entitlement to the funds and it is virtually certain that the income will be received. Income from other sources is recognised when the charity has entitlement to the funds. Income received in advance of provision of a specified service is deferred until the criteria for income recognition are met.

(g) Expenditure

Expenditure is accounted for on an accruals basis. The cost of irrecoverable Value Added Tax is included with the item of expense to which it relates. Charitable activities include expenditure associated with the charity's Objects including both the direct costs and support costs relating to these activities. Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds including income from QAC Enterprises. Overheads are not apportioned between charitable, fund generating and governance activities as the sums involved are deemed immaterial and all the functions other than charitable activities have the primary function of supporting those charitable activities.

(h) Operating Leases

Operating lease costs are charged to the Statement of Financial Activities as incurred. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

(i) Financial Instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(j) Stocks and Assets Held for Sale

Stocks and Assets Held for Sale are stated at the lower of cost or net realisable value.

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

1. ACCOUNTING POLICIES (continued)

(k) Investments

Investments are stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Investments in subsidiaries are shown at cost.

(l) Pension Costs

Retirement benefits to teaching staff are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme and the assets are held separately from those of the College. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the College in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS scheme is therefore treated as a defined contribution scheme and contributions are recognised as they are paid each year.

The College also operates two separate defined contribution schemes for non-teaching staff. The cost to the group of pension contributions is shown in note 7 to the financial statements and the group had no arrears of contributions at the year-end.

(m) Funds

Restricted Funds

These consist of monies received by the College for specific purposes less expenditure to date.

Unrestricted Funds

This fund represents the accumulated surpluses arising from the College's activities.

(n) Voluntary Help and Gifts in Kind

No financial value has been attributed to the voluntary help received by the College during the year. Any other gift in kind is valued when received and is included in the Statement of Financial Activities.

(o) Recognition of Liabilities

All known liabilities at 31 July 2019 have been provided for in these accounts.

2. CHARITABLE STATUS

Queen Alexandra College is a registered charity and is exempt from Income Tax and Capital Gains Tax provided its income and gains are applied for charitable purposes.

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

3. CHARITABLE ACTIVITIES INCOME

	Eleven Months 31 Jul 2019 £	Year 31 Aug 2018 £
Income from Charitable Activities:		
Education and Skills Funding Agency Student Funding	2,749,322	2,388,464
Education and Skills Funding Agency Free Meals Funding	33,539	8,455
Education and Skills Funding Agency Capital Maintenance Funding	98,117	68,351
Total Education and Skills Funding Agency	2,880,978	2,465,270
Local Authorities Student Funding	6,782,288	6,617,174
Other Employment Programmes Income	18,135	17,760
Youth Promise Plus Funding	-	296,901
Independence Plus Client Social Services/Private Income	718,047	711,682
Respite Care & Private Student Fee Income	52,715	37,884
Student Transport Fees	39,844	64,912
Catering Income	71,628	70,159
Other Charitable activities Income	3,211	2,239
Total Income from Charitable Activities	10,566,846	10,283,981

4. CHARITABLE ACTIVITIES EXPENDITURE

	Eleven Months 31 Jul 2019 £	Year 31 Aug 2018 £
Expenditure from Charitable Activities		
Unrestricted Funds		
Direct Teaching and Support Staff Costs	5,933,939	6,409,025
Indirect Staff Costs to support Charitable Activities	1,485,762	1,098,059
Other Employee Related Costs	113,444	132,657
Premises Costs	972,473	1,070,372
Catering and Cleaning	674,345	667,682
Depreciation	431,013	464,328
Equipment Maintenance	59,625	78,461
Exam Fees and Courses	14,201	14,915
Subscriptions	12,545	13,313
Student Transport and Other Allowances	333,442	399,570
Student Bursaries	20,194	18,856
Medical Costs	16,011	15,073
Learning Equipment , Consumables and Activities	49,380	42,609
Educational Subcontract Fees	33,279	34,992
Student Support Professional Fees	42,863	43,595
Staff Travel Expenses	8,438	13,910
College Transport	24,931	25,907
Printing, Stationery, Postage and Computing Consumables	288,255	208,529
Marketing and Advertising	38,837	42,483
Miscellaneous	12,454	13,774
Legal, Professional & Consulting Fees and Charges	77,509	72,222
External Audit Fees	20,957	18,336
Development	9,806	7,320
Volunteers' Expenses	18,125	14,404
Books and Publications	2,196	3,775
	10,694,024	10,924,167
Restricted Funds		
Depreciation	87,323	87,923
Impairment charge	195,515	-
Learning Equipment and Consumables	41,171	42,574
Staff Costs	2,578	-
	326,587	130,497
Total Expenditure from Charitable Activities	11,020,611	11,054,664

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

4. CHARITABLE ACTIVITIES EXPENDITURE (continued)

Insurance is purchased to protect the College from losses arising from neglect or default of its Governors, officers and employees, and to indemnify the Governors, officers and employees against the consequences of neglect or default on their part. The amount paid for the year was included within the College's overall Combined Commercial Policy and the cost cannot be separately identified (2018; annual premium was £5,225). The limit of indemnity is £5,000,000 (2018; £2,000,000).

5. COST OF RAISING FUNDS

	Eleven Months 31 July 2019	Year 31 Aug 2018
	£	£
Enterprises		
Salaries	190,590	200,451
Premises Costs	15,463	17,180
Cost of Goods Sold	58,160	95,193
Audit and Accounting Fees	3,662	3,537
Other Costs	17,984	13,151
	<hr/> 285,859	<hr/> 329,512
Other Costs of Raising Funds		
Staff Costs	194,996	182,009
Catering Costs	2,396	6,904
Management Charges Investment Funds	7,675	8,051
Cost of Goods Sold	13,340	9,240
Other Costs	77,122	58,822
	<hr/> 295,529	<hr/> 265,026
Total Costs of Raising Funds	<hr/> <hr/> 581,388	<hr/> <hr/> 594,538

6. NET INCOME

	Eleven Months 31 Jul 2019	Year 31 Aug 2018
	£	£
Net Income is stated after charging:		
Operating Leases:		
Rent	657,382	648,762
Hire of Equipment	5,077	9,908
Staff Costs	7,807,865	7,889,545
Auditors' Remuneration: External Audit Services	23,411	20,607
Other services	10,432	1,266
Depreciation of Owned Assets	500,892	552,251
Impairment Charge	212,959	-
	<hr/> <hr/> 212,959	<hr/> <hr/> -

7. STAFF COSTS

	Eleven Months 31 Jul 2019	Year 31 Aug 2018
	£	£
Staff Costs:		
Wages and Salaries	6,824,597	6,903,279
Social Security Costs	540,863	579,947
Other Pension Costs	309,587	292,276
Agency staff costs	132,818	114,043
	<hr/> <hr/> 7,807,865	<hr/> <hr/> 7,889,545

Staff Costs of £7,807,865 (2018; £7,889,545) include ex gratia and redundancy costs of £140,719 (2018; £93,436).

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

7. STAFF COSTS (continued)

	Eleven Months 31 Jul 2019 Number	Year 31 Aug 2018 Number
The average weekly number (full time equivalent) of employees during the period was as follows:		
Teaching and Support Staff	169	164
Care Staff	94	82
Office and Management	36	45
QAC Enterprises	7	6
Maintenance Staff	8	7
	314	304

The number of employees included above whose earnings (including taxable benefits in kind, ex gratia and redundancy costs) exceeded £60,000 were:

	Eleven Months 31 Jul 2019 Number	Year 31 Aug 2018 Number
£60,000 to £69,999	-	1
£70,000 to £79,999	-	1
£80,000 to £89,999	2	1
£150,000 to £159,999	-	1

The College also made pension contributions in respect of 2 (2018; 4) of the 2 (2018; 4) employees noted above. Contributions into the defined contribution scheme for higher paid employees amounted to £16,794 (2018; £21,976).

The key management personnel of the College are the Principal, Deputy Principal (new position created in the year), the Vice Principal – Academic, the Vice Principal – Corporate Services (both positions removed during the year), the Director of Governance and the Director of Finance and Resources. The employee benefits of key management personnel were £333,892 (2018; £439,486)

No remuneration was paid to any Governor. During the year 2 Governors were reimbursed £40 for travel and other expenses (2018; £nil). All expenses are incurred wholly and exclusively in carrying out duties as Governors of the College and are in accordance with the College constitution.

8. FIXED ASSETS

Group and College	Freehold Land and Buildings £	Leasehold Land and Buildings £	Fixtures and Fittings £	Motor Vehicles £	Computer Equipment £	Total £
Cost						
31 August 2018	2,109,393	6,934,569	2,654,585	254,294	2,288,808	14,241,649
Additions			117,012	-	193,631	310,643
Transfer to Current Assets	(611,785)	-	-	-	-	(611,785)
31 July 2019	1,497,608	6,934,569	2,771,597	254,294	2,482,439	13,940,507
Depreciation						
31 August 2018	454,451	1,310,407	1,624,063	185,035	2,098,397	5,672,353
Provided in the Year	37,303	127,134	208,904	20,052	107,499	500,892
Impairment charge	59,379	-	153,580	-	-	212,959
Transfer to Current Assets	(143,985)	-	-	-	-	(143,985)
31 July 2019	407,148	1,437,541	1,986,547	205,087	2,205,896	6,242,219
Net Book Values						
31 July 2019	1,090,460	5,497,028	785,050	49,207	276,543	7,698,288
31 August 2018	1,654,942	5,624,162	1,030,522	69,259	190,411	8,569,296

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

8. FIXED ASSETS (continued)

The Net Book Value of Assets that are subject to depreciation as at 31 July 2019 was £7,623,613 (2018: £8,494,621). The Impairment charge of £212,959 relates to the Property Held for Sale 494-498 Bearwood Road. This property has been transferred to current assets at 31 July 2019.

9. INVESTMENTS

Group and College

Queen Alexandra College owns the whole of the issued share capital of 100 shares of £1 each of QAC Enterprises Limited, a company incorporated in England & Wales (Company Number 1986389). The company operates three distinct businesses: a specialist transcription services ("All Formats"), the sale of canes for the visually impaired and the "Sight Village" series of exhibitions for the blind and visually impaired. All profits from the businesses are Gift Aided to the College. The turnover for the period ended 31 July 2019 was £537,249 (2018: £545,541) and the Gift Aid payment was £251,390 (2018: £216,029). QAC Enterprises had net assets and reserves of £10,100 at the year-end (2018: £10,100).

Queen Alexandra College also owns the whole of the issued share capital of 1 share of £1 of QAC Sight Village Limited and the whole of the issued share capital of 1 share of £1 of Sight Village Limited. These companies are incorporated in England & Wales and have remained dormant since their incorporation on 6 February 2010 and 16 July 2012 respectively.

Investments

Unrestricted Fund

Movements in the Investment Fund managed by Smith & Williamson were:

	Eleven Months 31 Jul 2019	Year 31 Aug 2018
	£	£
Market Value at beginning of the period	1,737,562	1,691,750
Additions to investment at cost	226,988	194,515
Disposals at market value	(150,558)	(220,048)
Net realised and unrealised investment gains	91,205	71,345
Total Investment Fund	<u>1,905,197</u>	<u>1,737,562</u>
Shares in subsidiary companies	102	102
Closing Balance	<u><u>1,905,299</u></u>	<u><u>1,737,664</u></u>

At 31 July 2019 one (2018: one) investment represented in excess of 5% of the portfolio. This was Polar Capital Technology Trust Ordinary GBP0.25 shares at £107,424 (2018: £99,216) which is 5.64% (2018: 5.71%) of the portfolio. Cash held by the Investment Fund managers Smith & Williamson at 31 July 2019 of £56,791 (2018: £98,257) has been included on the balance sheet under short-term deposits within current assets.

	31 Jul 2019	31 Aug 2018
	£	£
Listed Securities	1,905,197	1,737,562
Total Investments in Investment Fund	<u>1,905,197</u>	<u>1,737,562</u>
QAC Enterprises Limited	100	100
QAC Sight Village Limited	1	1
Sight Village Limited	1	1
Total Investments	<u><u>1,905,299</u></u>	<u><u>1,737,664</u></u>

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

10. PROPERTY HELD FOR SALE

Although it was in operational use throughout the 2018/19 period, Governors approved the sale of 494-498 Bearwood Road at their 4th July meeting. The property is currently under offer. Following the decision to sell the property, the book values of the building plus any surplus fixtures and fittings were reduced to their estimated selling price, after expected disposal costs, of £467,800. The original purchase of the property was largely funded by a Demographic Growth Capital Fund 2012-2013 grant from the Department for Education. The Department for Education has provided written approval that the property can be sold on condition that the receipt is appropriately reinvested to support ongoing education provision for which there is a clear need. The property is held as a restricted fund asset and the sales proceeds will also be held in a restricted fund until they are appropriately reinvested.

11. DEBTORS: Amounts falling due within one year

	31 Jul 2019		31 Aug 2018	
	Group £	College £	Group £	College £
Amount due from BRIB	11,929	11,929	1,134	1,134
Trade Debtors	308,297	164,465	116,415	60,448
Amounts due from Subsidiary	-	292,464	-	154,562
Prepayments	198,187	190,747	179,477	158,137
Accrued Income	423,639	377,334	432,706	343,515
Other Debtors	7,825	7,825	33	33
	<u>949,877</u>	<u>1,044,764</u>	<u>729,765</u>	<u>717,829</u>

12. CREDITORS: Amounts falling due within one year

	31 Jul 2019		31 Aug 2018	
	Group £	College £	Group £	College £
Trade Creditors	360,510	340,450	239,811	225,022
Amount due to BRIB	10,845	10,845	-	-
Amount due to Subsidiary	-	244	-	-
Other Loan	15,587	15,587	15,587	15,587
Tax and Social Security	194,098	194,098	168,786	166,752
Pensions Contributions	55,815	55,815	44,644	44,644
Other Creditors	5,360	5,360	32,511	32,511
Accruals	529,151	525,324	250,264	243,557
Fees in Advance	196,088	186,854	535,960	510,181
	<u>1,367,454</u>	<u>1,334,577</u>	<u>1,287,563</u>	<u>1,238,254</u>

Deferred income relates to income from the Education and Skills Funding Agency, Local Authorities and other sources received in advance. The movement on the deferred income account during the period was:

	Group £	College £
Balance at 1 September 2018	535,960	510,181
Amounts released in the year	(506,503)	(480,724)
Amounts deferred in the year	166,631	157,397
Balance at 31 July 2019	<u>196,088</u>	<u>186,854</u>

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

13 CREDITORS: Amounts falling due after more than one year

	31 Jul 2019		31 Aug 2018	
	Group £	College £	Group £	College £
Other loan	-	-	15,587	15,587
	-	-	15,587	15,587

The loan was an interest free Energy Efficiency loan from Salix Finance Limited for the purpose of upgrading LED Lighting around the campus.

The loan is repayable as follows:

	31 Jul 2019		31 Aug 2018	
	Group £	College £	Group £	College £
Between one and two years	-	-	15,587	15,587
	-	-	15,587	15,587

14. FINANCIAL INSTRUMENTS

	31 Jul 2019		31 Aug 2018	
	Group £	College £	Group £	College £
Financial Assets				
Financial Assets measured at fair value through SOFA	1,905,197	1,905,197	1,737,562	1,737,562
Cash & Cash Equivalents	2,019,339	1,891,575	1,447,575	1,408,262
Financial Assets that are Debt Instruments Measured at Amortised Cost	751,690	561,553	550,288	405,130
	4,676,226	4,358,325	3,735,425	3,550,954
Financial Liabilities				
Financial Liabilities Measured at Amortised Cost	921,453	897,566	553,760	532,264

Financial assets measured at fair value through the SOFA comprise fixed asset investments in a trading portfolio of listed company shares and unlisted securities, which are valued at the quoted market price. Financial instruments measured at amortised cost comprise trade debtors, accrued income and other debtors. Financial assets also include cash and cash equivalents. Financial liabilities measured at amortised cost comprise trade creditors, other creditors, other loans and accruals.

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

15. RECONCILIATION OF MOVEMENT IN GROUP AND COLLEGE FUNDS

	Unrestricted Fund £	Restricted Funds £	31 Jul 2019 Total £	31 Aug 2018 Total £
As at 31 August 2018				
College	9,692,449	1,490,924	11,183,373	10,975,792
Subsidiary	10,000	-	10,000	10,000
Group	9,702,449	1,490,924	11,193,373	10,985,792
Movement in the Period				
Net Income/(Expenditure)				
College	696,525	(204,435)	492,090	207,581
Subsidiary	-	-	-	-
Group	696,525	(204,435)	492,090	207,581
Transfers between funds				
College	77,189	(77,189)	-	-
Subsidiary	-	-	-	-
Group	77,189	(77,189)	-	-
As at 31 July 2019				
College	10,466,163	1,209,300	11,675,463	11,183,373
Subsidiary	10,000	-	10,000	10,000
Group	10,476,163	1,209,300	11,685,463	11,193,373

The balances on Restricted Funds and their movement during the period are as follows:

	At 31 August 2018	Income	Depreciation	Impairment	Other Expenditure	Transfers	At 31 July 2019
	£	£	£	£	£	£	£
Social Demographic Fund	767,089	-	(69,498)	(195,515)	-	-	502,076
ISP Maintenance Fund	380,178	-	(10,221)	-	-	-	369,957
Community Café Fund	216,140	-	(7,604)	-	-	-	208,536
Music Development Fund	21,768	-	-	-	(3,867)	700	18,601
Umberslade Funds	18,481	5,550	-	-	(1,289)	(1,807)	20,935
Twenty Twenty Fund	17,062	-	-	-	(7,020)	(8,800)	1,242
Sports and Recreation Fund	14,220	2,000	-	-	(2,450)	(6,131)	7,639
Community Integration Fund	4,585	3,310	-	-	(1,985)	331	6,241
Curve Treadmill Fund	3,000	3,000	-	-	-	(6,000)	-
Duke of Edinburgh Fund	2,573	-	-	-	(2,334)	-	239
Holbeache Farm Fund	2,639	-	-	-	-	-	2,639
Karten Media Centre Fund	548	-	-	-	-	-	548
LJC Student Sports Fund	4,166	-	-	-	(350)	-	3,816
Mazars Trust & Gardening Funds	3,238	700	-	-	(1,406)	400	2,932
Outdoor Climbing and Exercise Fund	2,733	3,698	-	-	(1,150)	(3,100)	2,181
Indoor Climbing Fund	-	43,006	-	-	(740)	(26,323)	15,943
Sensory Garden Fund	4,348	-	-	-	(198)	-	4,150
Sensory Cabin Fund	-	7,522	-	-	(180)	1,694	9,036
Student Equipment Fund	4,730	-	-	-	(515)	-	4,215
Student Services Fund	704	-	-	-	(603)	-	101
Visually Impaired Equipment	2,960	2,795	-	-	-	(4,449)	1,306
Yoga and Meditation Fund	962	6,470	-	-	(2,575)	-	4,857
Others (29 funds)	18,800	44,101	-	-	(17,087)	(23,704)	22,110
TOTAL	1,490,924	122,152	(87,323)	(195,515)	(43,749)	(77,189)	1,209,300

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

15. RECONCILIATION OF MOVEMENT IN GROUP AND COLLEGE FUNDS (continued)

All of the restricted fund balances which are greater than £50,000 at 31 July 2019 are in respect of funds which have been used for large capital projects where there is an ongoing restriction in respect of the use of the assets purchased. There has been £77,189 transferred from restricted funds to unrestricted funds in respect of assets purchased during the year and the restriction has been satisfied by the purchase of the asset.

16. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in minimum lease payments falling due in the following periods

	31 Jul 2019		31 Aug 2018	
	Land and Buildings	Equipment & Fixtures	Land and Buildings	Equipment & Fixtures
	£	£	£	£
not later than one year	672,900	4,001	649,700	5,768
within 2-5 years	67,656	1,253	22,938	4,792

Included in lease commitments not later than one year is a lease from BRIB for the College's main premises £584,320 (2018; £584,320). Under an agreement dated 31 December 1997 BRIB has undertaken to provide an annual grant to cover this cost.

17. CAPITAL COMMITMENTS

	31 Jul 2019	31 Aug 2018
	£	£
Authorised and contracted for but not provided for in the financial statements.	176,874	32,340

The commitments for capital projects at 31 July 2019 of £176,874 include £58,518 in respect of fencing and £64,454 in respect of IT projects.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund	Restricted Funds	Total
	£	£	£
Group			
Fund balances at 31 July 2019 are represented by:			
Tangible Fixed Assets	7,085,518	612,770	7,698,288
Investments	1,905,197	-	1,905,197
Current Assets	2,822,114	627,318	3,449,432
Current Liabilities	(1,336,666)	(30,788)	(1,367,454)
	10,476,163	1,209,300	11,685,463
College			
Fund balances at 31 July 2019 are represented by:			
Tangible Fixed Assets	7,085,518	612,770	7,698,288
Investments	1,905,299	-	1,905,299
Current Assets	2,779,135	627,318	3,406,453
Current Liabilities	(1,303,789)	(30,788)	(1,334,577)
	10,466,163	1,209,300	11,675,463

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

	Unrestricted Fund £	Restricted Funds £	Total £
Group			
Fund balances at 31 August 2018 are represented by:			
Tangible Fixed Assets	7,205,888	1,363,408	8,569,296
Investments	1,737,562	-	1,737,562
Current Assets	2,060,159	129,506	2,189,665
Current Liabilities	(1,285,573)	(1,990)	(1,287,563)
Creditors : Amounts falling due after more than one year	(15,587)	-	(15,587)
	<u>9,702,449</u>	<u>1,490,924</u>	<u>11,193,373</u>

College

Fund balances at 31 August 2018 are represented by:

Tangible Fixed Assets	7,205,888	1,363,408	8,569,296
Investments	1,737,664	-	1,737,664
Current Assets	2,000,748	129,506	2,130,254
Current Liabilities	(1,236,264)	(1,990)	(1,238,254)
Creditors: Amounts falling due after more than one year	(15,587)	-	(15,587)
	<u>9,692,449</u>	<u>1,490,924</u>	<u>11,183,373</u>

19. RELATED PARTIES

The principal connected organisations are as follows:

Birmingham Royal Institution for the Blind (BRIB)

During the period Birmingham Royal Institution for the Blind charged Queen Alexandra College £575,392 (2018; £627,700) in respect of rent and made grants of £551,244 (2018; £600,055) to the College in respect of rent and other support. Queen Alexandra College also received a total of £3,424 (2018; £3,000) from BRIB in respect of accounting services provided by the College under a Service Level Agreement.

At the period end the net amount owed by BRIB to the College was £1,084 (2018; £1,134).

Focus Birmingham

Queen Alexandra College received a total of £1,695 (2018; £2,829) from Focus Birmingham in respect of maintenance services provided to its sites by contract and other sundry services and paid Focus Birmingham £nil (2018; £90) in respect of training and sundry services. During the period QAC received £2,500 (2018; £2,500) from Focus Birmingham in respect of Fitness memberships for its staff.

At the period end the net amount owed by Focus Birmingham to the College was £4,527 (2018; £nil).

The National Association of Specialist Colleges

Bev Jessop is a Director of The National Association of Specialist Colleges (NATSPEC). During the year NATSPEC charged the College £5,957 (2018; £6,320) in respect of membership subscriptions and training/conferences. Queen Alexandra College received during the period £344 (2018; £520) from NATSPEC in respect of services supplied. At the period-end there were no balances outstanding with NATSPEC (2018; £nil).

Warwickshire College Group

Chris Bradshaw is a Governor at Warwickshire College Group. During the period QAC garden products totalling £504 from the Group (2018; no purchases). At the period-end there were no balances outstanding with the Warwickshire College Group (2018; £nil).

QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS (continued)
ELEVEN MONTHS ENDED 31 JULY 2019

19. RELATED PARTIES (continued)

Association of Colleges

Elly Tobin is a Director of The Association of Colleges (AOC). During the period AOC charged the College £3,417 (2018; £2,044) in respect of membership subscriptions and training/ conferences. At the period-end there were no balances outstanding with AOC (2018; £nil).

Governor Donations

There were no donations from Governors in the period, other than individual sponsorships and tickets for fundraising events (2018; £nil).

The College has taken advantage of the exemptions conferred by FRS102 not to disclose transactions with members of the group headed by Queen Alexandra College on the grounds that 100% of the voting rights in the Charity are controlled within that group and the Charity is included in the consolidated financial statements.

20. POST BALANCE SHEET EVENTS

There are no post balance sheet events that require adjustment or disclosure in these financial statements.

