

QUEEN MARY, UNIVERSITY OF LONDON FOUNDATION
(Company Limited by guarantee)

Annual Report and Financial Statements

For the year ended 31 July 2018

Company Registration Number 05718176
Charity Registration Number 1113376

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TRUSTEES' REPORT

The Trustees present their annual report along with the audited financial statements of Queen Mary, University of London Foundation for the year ended 31 July 2018. The Trustees' Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption. This is the Foundation's tenth period of account. The financial statements have been prepared in accordance with the accounting policies set out on pages 16 and 17 and comply with the charity's memorandum and articles of association and applicable law.

Reference and Administrative Details

The Trustees and Directors who were in office during the year and up to the date of signing of the financial statements were:

Sir N L J Montagu (to 11 September 2017)
Mr S Linnett (to 14 October 2017)
Professor S J Gaskell (to 11 September 2017)
Professor P E Ogden (to 11 September 2017)
Lord Clement-Jones (from 11 September 2017)
Professor C Bailey (from 11 September 2017)

Company Secretary

Ms Sarah Cripps (to 31 January 2018)
Ms Claire Kilner (from 12 March 2018)

Company Registration Number

05718176

Charity Registration Number

1113376

Principal Address & Registered Office

Queen Mary University of London
Mile End Road
London
E1 4NS

Independent Auditor

Deloitte LLP
Statutory Auditor
3 Victoria Square
Victoria Street
St Albans AL1 3TF

Solicitors

Farrer & Co LLP
66 Lincoln Inn Fields
London
WC2A 3LH

Banker

Royal Bank of Scotland
Charing Cross Commercial Centre
3rd Floor – Cavell House
2a Charing Cross Road
London
WC2H 0NN

TRUSTEES' REPORT continued

Structure, Governance and Management

Constitution

Queen Mary, University of London Foundation (the Foundation) was established in 2006 to promote, for the public benefit, the provision of education, teaching and research and the publication of the results of such research at Queen Mary University of London (QMUL) and any other charitable bodies with which QMUL acts in co-operation.

Queen Mary, University of London Foundation is a company limited by guarantee and a charity registered under charity number 1113376.

The Charity is governed by the Trustees.

The Charity is a company limited by guarantee. The members of the Charity guarantee that if the Charity is dissolved while he, she or it remains a member or within 12 months afterwards, to pay up to £10 towards the costs of dissolution and the liabilities incurred by the Charity while he, she or it was a member.

Organisation and Appointment of Trustees

The Trustees, who also act as Directors of the limited company, who served during the year and since the year end are set out on page 3.

In addition to the ex officio Trustees, the Memorandum and Articles of Association state that there may be up to 3 persons appointed by the Trustees who may be either staff of QMUL or members of its Council.

The Memorandum and Articles of Association state that there may be up to 9 persons appointed by the Trustees who are neither members of Council nor staff of QMUL. No such persons have been appointed by the Trustees to date.

Induction of new Trustees

There is a process of induction for new Trustees which includes the provision of key information on the Foundation and guidelines on the responsibilities of Trustees and Directors.

Organisational Structure and Decision Making

The Trustees retain responsibility for all policy and decision making. The Board of Trustees meets to discuss and make decisions on the management and operation of the Foundation. The Company Secretary of the Foundation and officers, who are employees of QMUL, undertake the administration of the Foundation. The day to day management of the Foundation does not involve any significant requirement for executive decision making. The Foundation does not directly employ staff; a donation in kind is made to the Foundation by QMUL for the work that is undertaken by its staff.

Identification of Risks

The Trustees have not deemed it necessary to set up separate Finance and Audit and Risk Committees but review the risks associated with the funds held at the Foundation Board meetings. The Board awards grants from the annual fund directly to projects within QMUL and the Students Union which are monitored and transferred to those bodies, as appropriate, on behalf of the Board by the Development and Alumni directorate, the Director of which is Company Secretary to the Board. Permanent endowment funds and grants which are not expected to be expended within a year, which have been donated for QMUL purposes, are also donated to QMUL to be managed and expended in line with their original restrictions.

TRUSTEES' REPORT continued

This allows the funds to benefit from QMUL's investment strategy for the endowment portfolio. At any one time, there will be a small portfolio of funds within the Foundation which is invested through the Royal Bank of Scotland.

The Trustees are mindful of their responsibilities in accepting philanthropic gifts into the Foundation and have agreed that the Foundation will abide by QMUL's published policy on this issue.

Objectives, Activities and Performance

Objectives of the Foundation

The objectives of the Foundation, as detailed by its Memorandum and Articles of Association, are to promote for the public benefit education and scholarship by, in particular, promoting and supporting the provision of education, teaching and research and the publication of the results of such research at QMUL and any other charitable bodies with which QMUL acts in co-operation. The Foundation seeks to complement the work of QMUL.

QMUL will build on its distinctive position as a leading research-based higher education institution with a strong commitment to engagement in its London location. QMUL will achieve this through:

- The highest standards of research, as judged by international comparators, in a broad range of subject areas;
- The provision of the finest possible education to our undergraduate and postgraduate students, located both within and outside the UK; and
- Commitment to the idea of QMUL as a community of scholars, mutually supportive and working both to further knowledge creation and benefit the wider society.

In pursuance of the above objective, the Foundation currently supports QMUL in achieving the aims set out in its current 'Strategic Plan 2014 – the next five years'. The Foundation provides the administrative framework through which donations and legacies can be received to further QMUL's strategic objectives.

Public Benefit

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The Trustees are keenly aware of their responsibilities to ensure that income is spent on the purposes for which it was given. Thus, income from the Annual Fund has been donated to QMUL to support a range of scholarships, hardship funding and projects which provide new opportunities for students. The funding for each of these areas has been given in line with the wishes of the donors to the Foundation, who may specify whether they wish to provide financial support for students (both undergraduate and postgraduate), support new projects or allow the gift to be used in either of these ways at the discretion of the Trustees.

The Foundation received income from a number of sources to support specific activities at QMUL outside of the Annual Fund, ranging from additional student financial support to funding for research in the field of energy and natural resources law. Again, the corresponding sums and any interest accrued have either already been donated to QMUL to support the donor's intended beneficiary/beneficiaries or will be donated at the appropriate time in the next financial year.

Activities

The Foundation has received and disbursed monies relating to the following projects:

TRUSTEES' REPORT continued

The Annual Fund

The Foundation received £121,129 (£169,618: 2016-17) in cash income during the year towards the three areas of the Annual Fund (QM Fund; Barts & the London Fund; Dental Centenary Fund). This comprised a combination of cash and direct debit gifts received from alumni, staff and friends following the 2017 telephone campaign – which took place throughout November 2017 - and other mass-market fundraising activities. These funds also include ongoing payments from Direct Debits established during previous telephone campaigns in 2011, 2012, 2013, 2014, 2015 and 2016.

The 2017 telephone campaign raised £77,935 in pledges, the majority of which have been confirmed in one-off donations and the establishment of Direct Debits which will be received over the next five years. The gift per call in this telephone campaign was £63 and 16% of alumni called pledged a donation, both slight decreases on the 2016 campaign but this had been anticipated with a focus on the recruitment of new, younger donors.

Barts Cancer Institute

New gifts amounting to £13,509 (£9,524: 2016-17) were received during the financial year from various online fundraising platforms in relation to a range of activities including auctions and sponsored events.

Centre for Commercial Law Studies

A number of single and regular gifts amounting to £2,218 (£1,156: 2016-17) were received in support of the Roy Goode Scholarship Fund.

School of Law

A campaign was established in 2015/16 to fund scholarships, international mobility grants and expanding the reach of the Legal Advice Centre, to celebrate the 50th Anniversary of the School. New gifts amounting to £1,868 (£13,503: 2016/17) were received during the financial year.

School of Economics and Finance

The campaign established to launch the Peston Chair in Economics, to celebrate the 50th Anniversary of the School has now closed. A total of £25,299 was raised.

Fundraising from charitable trusts and foundations

The creation of the major gifts team within the Development Directorate had previously led to increased activity in engaging charitable trusts and foundations whose giving aligns with QMUL's activities. However, this financial year saw no donations from this source as the majority of gifts are now being received directly by the university.

Scholarships, Bursaries & other student support

The previous Principal and his wife made final payments totalling £8,236 into the Simon & Deirdre Gaskell Scholarships through Give As You Earn. The Simon & Deirdre Gaskell Scholarships support masters students and students in the faculties of public health and life sciences. A total of £138,999 has been raised.

Legacies

A legacy of £10,000 was received from the estate of Mr Patrick Nott: £1,000 for the maintenance of the clock façade and £9,000 for educational purposes.

TRUSTEES' REPORT continued

Disbursements

The Trustees were sent an Annual Fund Disbursements Proposal in August 2018 to approve grants totalling £173,180 to be awarded from Annual Fund income that was received by 31 July 2018. The grants will be made from donations to the Annual funds within the Queen Mary Fund, the Barts & The London Fund and the Dental Centenary Fund to support the following areas:

• QM Hardship Bursaries	£ 75,000
• QM Scholarships for outstanding performance	£ 12,000
• QM Expeditions Fund	£ 6,670
• QMSU Projects	£ 15,000
• BL Hardship Bursaries	£ 28,500
• BL Scholarships for outstanding performance	£ 10,000
• BL Research Scholarships	£ 5,310
• BL Student Experience projects	£ 20,700

Financial Review

During the year ended 31 July 2018 income of £575,193 (£759,869: 2016-17) was received, grants were made to individuals of £149,676 (£50,472: 2016-17), and to QMUL and Queen Mary Students' Union of £271,977 (£127,196: 2016-17).

The financial statements for 2017-18 reflect the actual costs of generating voluntary income (excluding bank charges) of £406,759, a 13% increase compared with £358,908 for year ended 31 July 2017. This figure comprises consultancy and the salaries of student callers involved with delivering the Annual Fund telephone campaign; the costs of staff time directly associated with income generation, and advancement services linked to research and database activities. These actual costs are donated to the Foundation by QMUL.

At 31 July 2018, the funds of the Foundation stood at £233,070 compared with £494,315 at 31 July 2017. All but £1,714 of these funds have restricted use.

Reserves Policy

The majority of the funds within the Foundation are directed towards specific activities and projects. The Trustees aim to ensure that these restricted funds are expended in line with their restrictions as soon as practical.

The Trustees consider that there is no requirement to build up unrestricted reserves as staffing and accommodation costs are met by a donation in kind from QMUL.

Reserves for the year totalled £233,070 (£494,315: 2016-17). This comprised restricted funds totalling £216,352 (£479,214: 2016-17), endowment funds totalling £15,004 (£15,049: 2016-17) and unrestricted funds totalling £1,714 (£52: 2016-17).

During the course of the year, the Trustees made no other decisions in relation to the Reserves Policy.

Investment Policy

The Foundation currently holds all its funds in a Royal Bank of Scotland high interest bearing account until such time as the funds are needed. The account provides a standard rate of interest while providing immediate access to funds.

TRUSTEES' REPORT continued

Contingent Liabilities

Currently, The Foundation has no contingent liabilities.

Plans for Future Periods

A new Director of Development has been in post since March 2018, following a series of Interim Directors between November 2016 and January 2018.

The Annual Fund will continue to support new opportunities to benefit students, through both projects and financial support. However, student hardship remains a primary concern and it is envisaged that the Fund will increasingly focus its support in this area. This direction of travel is reflected in the 2018 disbursements. The eighth Annual Fund telephone fundraising campaign will take place in the autumn of 2018.

Major Gifts fundraising has been in a period of consolidation over the past year and a significant amount of work has been done in developing a blueprint for an effective philanthropically funded undergraduate bursaries programme, prospect researching potential donors and identifying capital projects that are suitable for philanthropic support. Early work this year on developing a clear case for support for key areas of QMUL's work will develop extensively over the coming period.

The majority of major gifts solicited by staff from within the Development Directorate are now being received directly by the university, rather than through the Foundation, according to the preference of the donor. The Company Secretary is continuing to monitor the effectiveness of the Foundation as the preferred entity through which philanthropic funds are received to support the work of QMUL and its associated charities. Any recommendations on the subject will be presented to the Board at the appropriate time.

Going Concern Statement

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt going concern basis.

It should be noted however, that at the Foundation Board meeting on 11 September 2017, the Foundation Board Trustees discussed the potential consolidation of the Foundation in response to the increased number of donations that are received directly by the University instead of by the Foundation. As has been previously mentioned, this is currently under review by the Secretary for recommendations to be presented to the Trustees in due course.

Independent Auditor

A resolution will be proposed at the Annual General Meeting that Deloitte LLP, Statutory Auditor, be re-appointed as auditor for the Charity for the ensuing year.

Approved/authorised for issue by the board of directors on

29TH NOVEMBER 2018

and signed on behalf of the directors by

Professor C Bailey

Trustee

Lord Clement-Jones

Trustee

Statement of Trustees' responsibilities

The Trustees (who are also directors of Queen Mary, University of London Foundation for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEEN MARY, UNIVERSITY OF LONDON FOUNDATION

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Queen Mary, University of London Foundation (the 'charitable company') which comprise:

- the statement of financial activities;
- the balance sheet;
- the statement of cash flows; and
- the related notes 1 to 14.

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).

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are required by ISAs (UK) to report in respect of the following matters where:

- the trustees' use of the going concern basis of accounting in 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 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.

We have nothing to report in respect of these matters.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially

Other information continued

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 respect of these matters.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in 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 on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

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 and the directors' 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 directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report included within the trustees' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

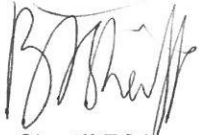
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the trustees were not entitled to take advantage of the small companies' exemption in preparing the trustees' report and from the requirement to prepare a strategic report; or
- we have not received all the information and explanations we require for our audit.

Matters on which we are required to report by exception continued

We have nothing to report in respect of these matters.

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.



Ben Sheriff FCA
For and on behalf of Deloitte LLP
Statutory Auditor
St Albans, United Kingdom

30 NOVEMBER 2018

Queen Mary, University of London Foundation

Statement of financial activities (including income and expenditure account) for the year ended 31 July 2018

		Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2018	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds 2017
	NOTE	£	£	£	£	£	£	£	£
Income and endowments from:									
Donations and legacies	2/3	416,231	158,789	0	575,020	372,797	386,814	0	759,611
Charitable activities	2	0	0	0	-	0	0	0	-
Other	2	0	164	9	173	10	238	10	258
Total Income		416,231	158,953	9	575,193	372,807	387,052	10	759,869
Expenditure on:									
Raising funds		405,097	216	0	405,313	361,579	270	0	361,849
Charitable activities	4	0	421,599	54	421,653	0	177,669	0	177,669
Other	5	9,472	0	0	9,472	9,066	0	0	9,066
Total Expenditure		414,569	421,815	54	836,438	370,645	177,939	-	548,584
Net income		1,662	(262,862)	(45)	(261,245)	2,162	209,113	10	211,285
Net movement in funds		1,662	(262,862)	(45)	(261,245)	2,162	209,113	10	211,285
Reconciliation of funds:									
Total funds brought forward		52	479,214	15,049	494,315	(2,110)	270,101	15,039	283,030
Total funds carried forward		1,714	216,352	15,004	233,070	52	479,214	15,049	494,315

All income and expenditure derive from continuing activities.

There were no other recognised gains or losses other than those listed above and the net income for the year. See note 11 for comparative statement of financial activities analysed by funds.

The notes on pages 16 to 22 form part of these financial statements.

Queen Mary, University of London Foundation

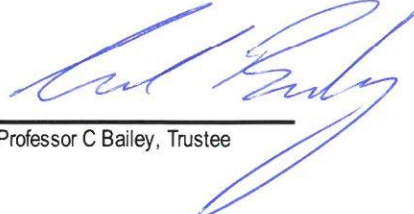
Balance Sheet at 31 July 2018

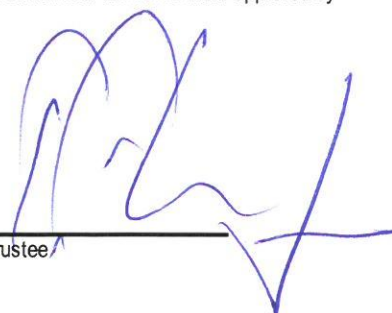
	NOTE	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £	Total Funds 2017 £
Current assets:						
Debtors	9	0	2,195	0	2,195	6,251
Cash at bank and in hand		5,314	217,849	15,004	238,167	521,104
Total current assets		5,314	220,044	15,004	240,362	527,355
Current liabilities:						
Creditors: Amounts falling due within one year	10	(3,600)	(3,692)	0	(7,292)	(33,040)
Total current liabilities		(3,600)	(3,692)	0	(7,292)	(33,040)
Net current assets		1,714	216,352	15,004	233,070	494,315
Total assets less current liabilities		1,714	216,352	15,004	233,070	494,315
Total net assets		1,714	216,352	15,004	233,070	494,315
The funds of the charity						
Endowment funds		0	0	15,004	15,004	15,049
Restricted Income funds		0	216,352	0	216,352	479,214
Unrestricted Income funds		1,714	0	0	1,714	52
Total charity funds		1,714	216,352	15,004	233,070	494,315

The notes on pages 16 to 22 form part of these financial statements.

The financial statements of Queen Mary, University of London Foundation registered number 05718176 were approved by the Board of Trustees on 29TH NOVEMBER 2018

and signed and on its behalf by:


 Professor C Bailey, Trustee


 Lord Clement-Jones, Trustee

Queen Mary, University of London Foundation

Statement of cash flows for the year ended 31 July 2018

	Total Funds 2018 £	Total Funds 2017 £
Net income to net cash flow from operating activities		
Net income for the year ended 31 July	(261,245)	211,286
Adjustments for:		
Decrease/(Increase) in debtors	4,056	(575)
Decrease in creditors	(25,748)	(207,743)
Net cash (used in)/provided by operating activities	<u>(282,937)</u>	<u>2,968</u>
Change in cash and cash equivalents in the year	(282,937)	2,968
Cash and cash equivalents at the beginning of the year	521,104	518,136
Cash and cash equivalents at the end the year	<u>238,167</u>	<u>521,104</u>

Notes to the financial statements for the year ended 31 July 2018

1. Principal accounting policies

Queen Mary, University of London Foundation, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 2 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. The charity is a registered charity. The registered office is given on page 3.

(a) Basis of preparation of the financial statements

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2015)" applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), effective 1 January 2015; and the Companies Act 2006. The results of the Foundation are consolidated into the financial statements of Queen Mary University of London.

(b) Income

Donated income is recognised when received and when it is probable that it will be received. Gift Aid income on donations is recognised when receivable.

Legacy income is recognised in the statement of financial activity when receipt is probable and the amounts receivable can be estimated with sufficient accuracy.

Bank interest is accounted for in the period in which the charity is entitled to receipt.

Income received which cannot be attributed to a specific fund is deferred until the criteria for income recognition are met.

All donated services are provided by Queen Mary University of London. All valuations are based on actual costs incurred during the year.

(c) Expenditure

Expenditure is included on an accruals basis.

Grants payable are charged in the year when the offer is conveyed to the recipient except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attached are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

Other costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements. The nature of the costs allocated to this category are audit fees and staff expenses.

The support costs for processing grants and management and administration of the Foundation are incurred by Queen Mary University of London and have been allocated to charitable activities and governance costs in line with the SORP. Within these costs, staff expenditure is allocated based on time spent on QMUL Foundation activities.

(d) Going Concern

The financial statements are prepared on a going concern basis. In the opinion of the Trustees, there are no material uncertainties in respect of the charity's ability to continue as a going concern for the foreseeable future.

Notes to the financial statements for the year ended 31 July 2018 continued

(e) Funds structure

Funds held by the charity are either:

Restricted income funds: these are funds which can be used for the purpose or purposes stipulated by their donor or which are raised specifically for a particular purpose.

Unrestricted income funds: these are funds which can be used in accordance with the objects of the charity at the discretion of the Trustees.

Endowment funds: these are funds created when the donor specify that a gift is to be invested and only the income earned on that gift may be spent for a specific purpose.

Details of the nature and purpose of each fund are set out in note 11.

(f) Financial instruments

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

(g) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

(h) Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, which are described above, the Trustees 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 these estimates.

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

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

Queen Mary, University of London Foundation

Notes to the financial statements for the year ended 31 July 2018 continued

2. Analysis of income

	2018 £	2017 £
Bank interest	174	258
Donated services from Queen Mary University of London (note 3)	416,231	367,973
Donations	148,771	262,156
Legacies and royalties	10,018	129,482
Total	575,194	759,869

3. Analysis of donated services from Queen Mary University of London

	2018 £	2017 £
Audit fee	5,280	5,166
Staff salaries	308,755	289,753
Travel and accommodation costs	0	203
Consultancy fees	67,355	60,285
Office costs	34,841	12,566
Total	416,231	367,973

4. Analysis of Charitable activities expenditure

	2018 £	2017 £
Grants to Queen Mary University of London	251,977	121,616
Grants to Queen Mary, University of London Students' Union	20,000	5,580
Prizes/Scholarships awarded to Queen Mary University of London students	149,676	50,472
Total	421,653	177,668

5. Analysis of Governance Costs

	2018 £	2017 £
Audit fee	5,280	5,166
Support costs	4,192	3,900
Total	9,472	9,066

6. Analysis of expenditure

Current Year	Grants, Prizes & Scholarships 2018 £	Direct costs 2018 £	Support costs 2018 £	Total 2018 £
Raising funds	0	92,117	313,196	405,313
Charitable activities (Note 4)	421,653	0	0	421,653
Governance Costs (Note 5)	0	5,280	4,192	9,472
Total expenditure	421,653	97,397	317,388	836,438
Previous Year	Grants, Prizes & Scholarships 2017 £	Direct costs 2017 £	Support costs 2017 £	Total 2017 £
Raising funds	0	84,008	277,841	361,849
Charitable activities (Note 4)	177,668	0	0	177,668
Governance Costs (Note 5)	0	5,166	3,900	9,066
Total expenditure	177,668	89,174	281,741	548,583

Queen Mary, University of London Foundation

Notes to the financial statements for the year ended 31 July 2018 continued

7. Analysis of apportioned support costs

Current Year	Raising funds 2018 £	Governance 2018 £	Total 2018 £
Donated staff expenses	279,801	4,192	283,993
Donated Sundry office costs	34,841	0	34,841
Bank charges	(1,446)	0	(1,446)
Donated Travel & Accommodation costs	0	0	0
Total Support costs	313,196	4,192	317,388

Previous Year	Raising funds 2017 £	Governance 2017 £	Total 2017 £
Donated staff expenses	262,558	3,900	266,458
Donated Sundry office costs	12,566	0	12,566
Bank charges	2,513	0	2,513
Donated Travel & Accommodation costs	204	0	204
Total Support costs	277,841	3,900	281,741

Support costs have been allocated across the categories in accordance with their usage based on staff time.

8. Staff costs and Trustees' remuneration

The Foundation had no employees, in the current or prior year. All services are performed by employees of Queen Mary University of London and included within donated services as disclosed in note 3.

The Trustees received no emoluments or reimbursement of expenses in respect of their services to the Foundation in the current or prior year.

9. Debtors

	2018 £	2017 £
Prepayments and accrued income	2,195	6,252
Total	2,195	6,252

10. Creditors: Amounts falling due within one year

	2018 £	2017 £
Accruals	0	0
Deferred income	(3,600)	(33,040)
Amounts owed to parent company	(3,692)	0
Total	(7,292)	(33,040)

Amounts owed to parent company in 2018 consisted of fund distributions which had been agreed before the balance sheet date but were not paid until after the year end.

11. Funds

Unrestricted income funds:

Current Year

	Balance at 1 August 2017 £	Income £	Expenditure £	Balance at 31 July 2018 £
Unrestricted income funds	52	416,231	(414,569)	1,714

Previous Year

	Balance at 1 August 2016 £	Income £	Expenditure £	Balance at 31 July 2017 £
Unrestricted income funds	(2,110)	372,807	(370,645)	52

Notes to the financial statements for the year ended 31 July 2018 continued

11. Funds continued

Restricted income funds:

Current Year	Balance at 1 August 2017 £	Income £	Expenditure £	Balance at 31 July 2018 £
ANNUAL FUND (See Page 6)				
For Queen Mary University of London students				
▪ Student Opportunities	27,223	18,372	(45,595)	0
▪ Research	12,413	888	(13,301)	0
▪ Scholarships	1,275	13,379	(14,654)	0
▪ Area of greatest student need	62,416	32,444	(94,860)	0
	103,327	65,083	(168,410)	0
For medical students				
▪ Student Opportunities	54,683	16,213	(70,896)	0
▪ Research	5,595	1,511	(7,106)	0
▪ Scholarships	(7,241)	15,868	(8,627)	0
▪ Area of greatest student need	52,990	20,579	(73,569)	0
	106,027	54,171	(160,198)	0
For dental students				
▪ Student Opportunities	13,896	706	(14,602)	0
▪ Research	479	50	(529)	0
▪ Scholarships	4,007	106	(4,113)	0
▪ Area of greatest student need	7,658	1,013	(8,671)	0
	26,040	1,875	(27,915)	0
OTHER				
Adopt a book	182	0	(182)	0
Barts Cancer Institute	6,946	13,509	(1,916)	18,539
Barts Pathology Museum	318	0	0	318
Elmhurst Trust Fund	20,689	8	(20,000)	697
Energy Law Institute	2	5	0	7
Honda Prize	5,309	3	0	5,312
Jill Forbes	12	17	(29)	0
Library	755	0	(755)	0
Margret Stone donation for furniture	2	0	(2)	0
Maurice Esterson Scholarship	6,898	3	(6,899)	2
Peston Chair in Economics (see page 6)	25,283	16	0	25,299
Principal's Scholarships (see page 6)	130,763	8,236	0	138,999
Professional Services Scholarship Fund	3,490	58	(3,548)	0
Roy Goode Scholarship	1,752	2,218	0	3,970
Scholarships	2,835	1	(2,836)	0
Stephen Francis Physics Bursary	2,508	1	(2,500)	9
The Worshipful Company of Water	1	0	0	1
Mile End Institute Essay Prize	77	0	0	77
Tido Music Fund in CD4M	5	0	0	5
Music Scholarships	437	0	0	437
50th Anniversary of School of Law	19,381	1,868	0	21,249
English Department Postgraduate Work	125	0	(125)	0
Centre in the City	50	0	0	50
Winton Charitable Foundation	15,000	2	(15,000)	2
London Chamber Orchestra Outreach	1,000	0	0	1,000
School of Physics/Astronomy (PsiStar Events)	0	1,875	(1,500)	375
Patrick Nott Legacy	0	10,004	(10,000)	4
	243,820	37,824	(65,292)	216,352
Total	479,214	158,953	(421,815)	216,352

Queen Mary, University of London Foundation

Notes to the financial statements for the year ended 31 July 2018 continued

11. Funds continued

Restricted income funds:

Previous Year

	Balance at 1 August 2016 £	Income £	Expenditure £	Balance at 31 July 2017 £
ANNUAL FUND				
For Queen Mary University of London students				
▪ Student Opportunities	7,519	19,704	0	27,223
▪ Research	10,001	2,433	(21)	12,413
▪ Scholarships	(23,606)	24,881	0	1,275
▪ Area of greatest student need	19,434	42,982	0	62,416
	13,348	90,000	(21)	103,327
For medical students				
▪ Student Opportunities	33,980	26,233	(5,530)	54,683
▪ Research	4,022	1,573	0	5,595
▪ Scholarships	(28,068)	20,827	0	(7,241)
▪ Area of greatest student need	27,944	25,046	0	52,990
	37,878	73,679	(5,530)	106,027
For dental students				
▪ Student Opportunities	10,459	3,487	(50)	13,896
▪ Research	444	35	0	479
▪ Scholarships	3,583	424	0	4,007
▪ Area of greatest student need	5,665	1,993	0	7,658
	20,151	5,939	(50)	26,040
OTHER				
Adopt a book	182	0	0	182
Barts Cancer Institute	3,481	9,524	(6,059)	6,946
Barts Pathology Museum	0	318	0	318
Besties Running for Barts	0	0	0	0
Elmhurst Trust Fund	20,675	14	0	20,689
Energy Law Institute	2	0	0	2
Honda Prize	5,505	4	(200)	5,309
Jill Forbes	2	10	0	12
Library	754	1	0	755
Margret Stone donation for furniture	2	0	0	2
Maurice Esterson Scholarship	6,893	5	0	6,898
Peston Chair in Economics	25,266	17	0	25,283
Principal's Scholarships	101,771	48,992	(20,000)	130,763
Professional Services Scholarship Fund	2,585	905	0	3,490
Roy Goode Scholarship	596	1,156	0	1,752
Scholarships	2,834	1	0	2,835
Stephen Francis Physics Bursary	2,506	2	0	2,508
The Worshipful Company of Water Conservators	0	7,501	(7,500)	1
Mile End Institute Essay Prize	876	1	(800)	77
Tido Music Fund in CD4M	5,004	1	(5,000)	5
Music Scholarships	437	-	0	437
50th Anniversary of School of Law	5,878	13,503	0	19,381
English Department Postgraduate Work	125	0	0	125
Centre in the City	50	0	0	50
Winton Charitable Foundation	10,000	5,000	0	15,000
BCI Stars Programme	3,300	7	(3,307)	0
London Chamber Orchestra Outreach	0	1,000	0	1,000
Hyacinth Kidman Legacy	0	29,472	(29,472)	0
Beatrice Worthing Legacy	0	100,000	(100,000)	0
	198,724	217,434	(172,338)	243,820
Total	270,101	387,052	(177,939)	479,214

Queen Mary, University of London Foundation

Notes to the financial statements for the year ended 31 July 2018 continued

11. Funds continued

Restricted Permanent Endowment funds:

Current Year	Balance at 1 August 2017 £	Income £	Expenditure £	Balance at 31 July 2018 £
Quentin Skinner History Prize	15,049	9	(54)	15,004
Total	15,049	9	(54)	15,004
Previous Year	Balance at 1 August 2016 £	Income £	Expenditure £	Balance at 31 July 2017 £
Quentin Skinner History Prize	15,039	10	0	15,049
Total	15,039	10	0	15,049

In August 2018, the endowment balance of £15,004 was transferred to Queen Mary University of London where the funds will be handled by professional investment managers, Ruffer LLP.

In addition to the annual fund, gifts totalling £10,517 (2016-17: £58,562) to support studentships were received by the Foundation.

Grants totalling £271,977 (2016-17: £127,196) were awarded to Queen Mary University of London and Queen Mary, University of London Students' Union in 2017-18.

As at 31 July 2018, the charity had no material funding commitments.

12. Taxation

The Charity is a registered charity and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore meets the definition of a charity for corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Section 287 of CTA 2009 and sections 471 and 478-488 CTA 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that such income or gains are applied to exclusively charitable purposes. The Trustees do not believe that the Foundation is liable for corporation tax on any of its activities during the year.

The Charity is not registered for Value Added Tax (VAT).

13. Related Party Transactions

The Charity is exempt from disclosure of transactions with group undertakings under Section 33 of FRS102 'Related Party Transactions' as its results are consolidated with the group headed by Queen Mary University of London and the consolidated financial statements are publicly available.

The following Trustee made donations to the Foundation:
Professor S J Gaskell (£10,260)

14. Group Financial statements

The Charity's results are consolidated in the group financial statements of Queen Mary University of London which is a Russell Group university incorporated by Royal Charter. The university is the largest and smallest group into which the entity is consolidated and the consolidated financial statements of the university are available from the Director of Finance, Queen Mary University of London, Mile End Road, London E1 4NS (the registered office).