

**QUEEN ALEXANDRA COLLEGE**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

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## QUEEN ALEXANDRA COLLEGE CHAIR'S INTRODUCTORY STATEMENT

### Ongoing Restrictions

The 2020/21 academic year was the second year of disruption due to the Covid 19 pandemic. As always students learning and safety was our priority and as much on site learning as possible was undertaken whilst meeting the requirements of government guidance. Once again the staff were exceptional in providing support to students while they were off site, ensuring that programmes were tailored to their individual needs.

The strategy to ensure that the College continues to flourish in an environment of ongoing funding pressures, whilst remaining essential, continued to take second place as constant changes were adapted to and an onsite testing centre put in place. Staff, students and carers again rose to the challenges involved and teaching continued in a mixture of formats, whilst also considering the anxieties caused to our students by both the pandemic itself and the changes required.

### Looking forward to a return to "normal"

Despite ongoing restrictions meaning that a number of events had to be postponed, reducing income for the College, we were able to hold a Sight Village event during the year, this time at our Court Oak campus. This was a smaller event than in previous years but gave the opportunity for visitors and exhibitors to look at products and services to support them, whilst also seeing something of the College itself.

225 visits to the College (either in person or online) by potential students and their parents/carers took place, which represents an increase of 19% on the previous year. We also welcomed over 130 young people to QAC through a bespoke virtual school group visit using the Zoom video platform. Talks, videos and a tour of campus were delivered online to the classrooms of a number of schools, further reinforcing the positive work undertaken in terms of developing strong external relationships

Our transcription and accessibility advice service, AllFormats, continued to work in a split-shift pattern to allow for social distancing and to minimise the effect of any potential infections. This meant that capacity was limited and planned growth could not occur as hoped, but despite this it was a successful trading year and the new website [www.allformats.org.uk](http://www.allformats.org.uk) was also launched. The coming year will see exciting plans come to fruition as AllFormats move into their new building, which will allow them to grow and to help more customers make their communication with customers more accessible.

### Exciting New Services

Our new Community Services arm, which is a key part of the College's strategy, has grown from a fledgling service to an established provision now supporting 28 people with Personal Assistance services, in addition to holding holiday clubs for those with disabilities, which supported 80 young people during College holidays. (*Figures requested from Jane*)

Our respite service has also started to take shape and a number of young people now stay with us on a regular basis.

### A Year of Awards

In early November the College was proud to have achieved the Investors in People 'We invest in people', silver accreditation - something only 20% of the organisations assessed achieve. The award means that we are applying the right principles, and that QAC staff, managers and leaders are effective in making sure that everyone in the organisation feels the benefits of them.

We were also delighted to be awarded the prestigious "Leaders in Diversity" accreditation, which recognises the inclusive culture of the College and the successful work being done to ensure we are truly supportive. In addition to this we were thrilled that our Principal and Chief Executive, Bev Jessop, won the Company Leader (100+ employees) Award in the West Midlands Leadership Awards.

### Governance

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, which scrutinise all areas of the College's operation, included two independent members, one of whom, Richard Percival, was its chair. At the end of the year Richard became a governor of the College and passed the Audit Chair's baton on to Helen Parks (nee Edmonds), who has been on the committee for some time. We continued to make extensive use of the Zoom video platform, which enabled us to ensure that governors' oversight of the College was maintained to the standard we expect. I should like to thank all of the board and committee members for their constructive support and dedication throughout this year.

## QUEEN ALEXANDRA COLLEGE CHAIR'S INTRODUCTORY STATEMENT

The Board of Governors continues to evolve as people reach the end of their terms of office. John Penny, Andy Morris and Chris Bradshaw, our previous Chair, left at the end of the year and both Andrew Billingham and Gareth Robinson stood down during the year due to work commitments. I would like to thank all of them for their contribution to the Board. During the year we saw the resignation of our academic Staff Governor Samantha Jackson and I should like to express our thanks to her for the work she put in. Further work has been taking place on our succession plan, which will help to improve the diversity of the Board and enable it better to reflect the local community. To this end we are starting a publicity campaign focusing on the vacancies and the role of governors.

Our internal and external auditors have given appropriate assurance as to the effectiveness of our systems of internal control at the College and this included an audit of governance itself, which gave substantial assurance with no recommendations.

### **Our wonderful students and staff**

Despite the complexities of ongoing changes to restrictions during the year, our students rose to the challenge and have coped exceedingly well. Students, staff and friends of QAC were again invited to special events in the last week of the summer term in July to recognise the achievements and successes of our learners and to celebrate our leavers. Although it was not possible to hold one large event due to restrictions, it was a delight to be able to celebrate in person again.

We were pleased to host our first Life After College Virtual Transition Event to help students explore their future options. The event was streamed live via our College YouTube channel and showcased a range of education, training and social care opportunities in Birmingham and beyond. Former QAC students and the parent of a former student also shared their positive experiences of life after College.

A permanent yurt has been installed and situated at the top of our Court Oak campus next to the Karten Centre. Perfect for a range of holistic sessions with students, including sensory, yoga and mindfulness activities, the yurt is fully accessible with ramps and wheelchair-width doors, ensuring easy access for all.

Despite the impact of the Covid 19 pandemic and restrictions, our Supported Interns based at our Pinewood Campus all managed to attend work placements for a minimum of two days per week. Located in nearby Woodgate Valley, Pinewood provides a high quality and exciting stepping stone into the world of work and is more business-like than educational in its feel.

We have continued to increase the number of students at the College as part of our plan for financial sustainability. We have had a huge increase in student numbers in September, 29% of which we were not informed about until July due to delays in funding approvals. Staff have worked hard to ensure the needs of all students are being met and exciting developments are being planned for allow for further expansion.

During the year we were able to introduce Mental Health First Aiders and the Thrive at Work programme (a regional initiative to improve health and wellbeing) to make support for staff, students and clients even better in the future.

2021/22 promises to be an exciting year for the College. We have started work to look at how we can improve our environmental sustainability and have involvement from students, staff and governors in starting to put forward a plan of action in this area. In addition to this we are planning for further growth as the demand for places continues to increase. The values that define QAC will not change and students, and the life chances we provide, will always be at the heart of everything we do.

Finally, I would like say a sincere thank you to everyone who has continued to support our fundraising efforts during a difficult time when we need it more than ever.



Ian Richards  
Chair of Governors  
6 December 2021



## **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 year ended 31 July 2021.

### **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 £584,320 (2019; £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 £15,380 (2020; £15,380) to cover an element of the rent charged in respect of Oakwood House. In 2021 BRIB have pledged their support for two further initiatives with a combined value of £100k that will improve the campus. That income will be received in 2021/22 when the work has been agreed and completed. In 2020 a grant of £67,667 to support with QAC's development of the Pinewood site was also granted. 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. The College is very grateful to BRIB for its continued support and help, especially over the last year.

#### **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.

## QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

### 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 year, and to the date of this report, were:

* Ian Richards (Chair)	Dr Steve McCall
Rosemary Adams	* Amanda McGeever (Vice Chair)
Andrew Billingham (Resigned 11.05.21)	Andrew Morris (Resigned 22.07.21)
Simon Blay (appointed 07.12.20)	Lorraine Moses-Copeman
Chris Bradshaw (Resigned 22.07.21)	Professor John Penny (Resigned 22.07.21)
Dr Anne Green	Richard Percival (Appointed 05.07.21)
Dr Ewan Hamnett	Dr A Julie Reed
Samantha Jackson (Resigned 09.06.21)	Gareth Robinson (Resigned 16.06.21)
Khalid Javaid	Monique Royle (Appointed 18.03.21)
Beverley Jessop	Kimberly Tierney
Naresh Kumar (Appointed 18.10.21)	Patrick Wing
Janet McCall	

None of the Governors has any beneficial interest in the College and all served without remuneration. Two of the Governors (\* above) and one ex-governor (Chris Bradshaw) are currently nominated by the College to the BRIB Board, which comprises nine Governors in total.

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. The limit of indemnity is £5,000,000 (2020; £5,000,000).

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

#### **Finance and General Purposes Committee**

Khalid Javaid  
Beverley Jessop  
Andrew Morris (Chair) (Resigned 22.07.21)  
Professor John Penny (Resigned 22.07.21)  
\*Richard Percival (wef 05.10.21, Chair from 15.11.21)  
Ian Richards (Acting Chair 23.7.21 - 12.11.21)  
Monique Royle (wef 01.09.21)  
Julie Reed (wef 01.09.20)  
Gareth Robinson (Resigned 16.06.21)

#### **Curriculum & Quality Committee**

Rosemary Adams  
Chris Bradshaw (Resigned 22.07.21)  
\*Dr Anne Green (Chair)  
Samantha Jackson (Resigned 09.06.21)  
Beverley Jessop  
Naresh Kumar (wef 18.10.21)  
Janet McCall  
Dr Steve McCall  
Ian Richards  
Elly Tobin (Independent)

#### **Student Services Forum**

Simon Blay (wef 07.12.20)  
Ewan Hamnett  
\*Amanda McGeever (Chair)  
Lorraine Moses-Copeman (until 01.01.21)  
Dr A Julie Reed (until 01.08.20)  
Kimberly Tierney  
Patrick Wing

#### **Audit Committee**

Rosemary Adams (wef 01.09.20)  
\*Helen Parks (nee Edmonds) (Chair wef 05.10.21 Independent)  
Amanda McGeever  
Professor John Penny (Resigned 22.07.21)  
Richard Percival (Chair - Until 04.10.21)

**QUEEN ALEXANDRA COLLEGE  
REPORT OF THE GOVERNORS**

**GOVERNORS - Continued**

**Search & Governance Committee**

Dr Anne Green  
Amanda McGeever  
Andrew Morris (Resigned 22.07.21)  
Richard Percival (wef 15.11.21)  
\*Ian Richards (Chair)

**Remuneration Committee**

Khalid Javaid  
\*Amanda McGeever (Chair)  
Andrew Morris (Resigned 22.07.21)  
John Penny (Resigned 22.07.21)  
Richard Percival (wef 01.09.21)  
Dr A Julie Reed (wef 01.09.20)  
Ian Richards  
Gareth Robinson (Resigned 16.06.21)  
Monique Royle (wef 01.09.21)

**OFFICERS AND ADVISERS**

Principal and Chief Executive

Beverley Jessop

Company Secretary

Alison Lydon

External Auditors

Crowe UK  
Black Country House  
Rounds Green Road  
Oldbury  
B69 2DG

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<sup>rd</sup> Floor  
9 Colmore Row  
Birmingham  
B3 2BJ

Registered Office

49 Court Oak Road  
Harborne  
Birmingham  
B17 9TG

## **QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS**

### **STRATEGIC REPORT**

#### **PUBLIC BENEFIT & REVIEW OF ACTIVITIES**

Queen Alexandra College (QAC) is a registered charity and an independent specialist residential college (ISC) based in Birmingham. It provides education and training for students and clients with a wide range of disabilities and learning difficulties. QAC operates three services – College, Community and Residential, all of which operate 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 a combination of the Education and Skills Funding Agency (ESFA) and between 25 to 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 year by providing education, training and independent living skills to 294 students (including 24 Residential). This represented an increase of 3 on the previous Academic Year. Recruitment for 2021/22 is strong, with student numbers being the highest QAC has ever known.

The curriculum at QAC is broad and ambitious and meets the diverse needs of each student. The curriculum 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 College 'buddy dogs'.



## QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

### PUBLIC BENEFIT & REVIEW OF ACTIVITIES (continued)

The extended curriculum and enrichment activities ('Club') 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 24 places to residential EFSA funded students and employs approximately 38 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 year. The College also provided 28 places to Independence Plus clients based in houses in the local community.

Despite being a year heavily impacted by COVID-19, achievement on accredited main programmes remained outstanding at 94.7%. QAC's KPI for success is 85% on main programmes, which we exceeded by 9.7%. Maths has reduced slightly to 85.1% this year. This is slightly lower than the last year (88.7%) and can be attributed to student withdrawals from College. Despite this, maths results were still good and in line or slightly above national average. English achievement was at 82%, which likewise remains good but the overall figure is similarly slightly lower than 2019/20 (84%) as the result of withdrawals.

Target achievement continues to be measured for non-accredited learning programmes and QAC continues to use the RARPA ('Recognising and Recording Progress and Achievement') system. The success rate remains high at 90.5%.. 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.

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.

There is a robust safeguarding process in place with 8 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; workshop sessions and this now includes surveys. 100% of staff have had relevant safeguarding training. A clear audit trail of safeguarding is maintained and reported regularly to the Governors, which ensures due process is followed by the college. Prevent Duty training is embedded into Safeguard training at Induction and ongoing. A Governor safeguarding lead liaises with the college safeguarding team and ensures safeguarding updates are reported regularly and remain high on the Governors' agenda.

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 the residential focus group continues to have a positive impact on aspects of residential life such as improving Wi-Fi across all houses, new furniture and establishing rules of etiquette and acceptable noise levels.

## QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

### Community Services

During the year a new service called QAC Community Services was launched. The service focuses on three main service development objectives seen as key priorities by stakeholders. These are:

- The development of Personal Assistant (PA) / Support Worker services
- The development of College holiday provision for QAC students
- The establishment of a Community Services hub as a base for staff and some client activity.

***The development of PA / Support Worker services*** is a key service which had been requested by students and parents/ carers at QAC for many years as many families struggle to identify appropriate support workers. The use of the PAs /Support Worker model is central to the delivery of community based support and day opportunities for many young adults with disabilities and special educational needs. As at 31 July 2021 QAC Community Services were providing support workers to 28 young people with a further 12 potential clients awaiting funding and all are Birmingham based young people. We are also a placement base for Social Work students from Birmingham University which is proving positive on both sides.

***The development of college holiday provision for QAC students and other young people with disabilities.*** In the 2020/21 academic year QAC Community Services provided face to face holiday provision for 9 weeks of the College holidays. We also provided a Lockdown Social Club when face to face support was not possible. Over 80 young people accessed this provision over the year. This paid for provision was also subsidised by a grant from Awards for All. Much of the provision was Court Oak campus based and in the Community Services Hub which was available from June 2021. As well as on-site provision there were trips to sailing with Midland Sailing on Edgbaston Reservoir, for cinema and bowling at Star City and to Go Ape at the Wyre Forest. There were also yoga sessions and arts workshops as part of the provision. Whilst seen as a key and much needed service it is recognised that running the holiday provision is costly due to the high staffing ratios needed by many of our students and this has raised key questions about how we can make the service more financially sustainable. Whilst many parents are willing to make a contribution to a holiday provision, for some even a small charge is unaffordable. Sponsorship or alternative sources of funding will remain key to this provision.

***The establishment of a Community Services hub.*** During the year we have taken on the lease of 109 Court Oak Road (adjacent to QAC campus). This site has been open since June 2021 and is known as the Community Services Hub. The Community Services Hub is a key part of QAC's commitment to making Community Services as accessible as possible for all young people with disabilities. The young people who access the Hub find being out in the community for long periods of time challenging due to anxiety, fatigue, Visual Impairment needs or other sensory issues. The Hub provides them with a place of security from which to build up the amount of time they can spend accessing community facilities and wider networks of support.

The Hub is proving popular with local groups who rent out the space on evenings and weekends through QAC's Facilities Hire.



## **QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS**

### **RESPONSE TO COVID-19**

QAC, like the rest of the UK, was in lockdown from March 2020 following Government direction. QAC reopened more widely in early September 2020 under strict COVID precautions and risk assessments. December 2020 saw further disruption with additional lockdowns and it was late March 2021 before students were able to fully return, and then that was with specific COVID precautions in place, such as separate zones being created on the campus, mask wearing, social distancing being maintained and the continuation of regular testing.

In line with changes in Government direction we were able to return to operations as they were pre pandemic in September 2021. There are no longer separate zones on campus, mask wearing is optional, we try to maintain social distancing if and where possible and we still fully utilise careful and regular hand and surface sanitation. All staff and students test twice weekly from home and QAC is no longer required to provide on-site testing.

As with most educational settings, throughout the numerous periods of disruption all staff continued to work and business services operated during the closure period, albeit in a reduced way for some Enterprises. Some operations were maintained such as face to face learning for students of 'key working' parents and also Supported Living. Education and business support services operated using different online mediums. This worked effectively and the learning for all students was maintained through online, creative learning methods which impacted positively on learning and achievements continued. Although the two main lockdowns had an impact on many of the traditional experiences of the College, the core business was maintained and achieved as planned.

QAC leaders and managers adapted their curriculum so that students could continue with their learning during the pandemic. Staff combined home learning packs and online resources to take account of student's individual learning and support needs. The potential for further disruption to face-to-face learning was considered and plans were in place so when the second lockdown occurred, we were able to respond quickly, minimising the impact to our students. An example of this was that learning activities in September 2020 were rearranged so that students could quickly extend their digital knowledge and navigate online learning platforms. During the year we have also appointed staff as 'home learning champions' who developed additional online resources.

The lack of physical contact with staff and friends had a negative impact on some students' mental health during the lockdowns. In such cases, the College's health and well-being teams worked with students and their families to support their return to learning. In contrast, staff reported that some students had enjoyed the experience of working remotely and become more motivated to learn.

A challenge that we continue to face, despite the return to the 'new norm' is our ability to secure appropriate work placements for students and interns. Key staff at QAC continue to work with employers to identify local job opportunities and provide up to date careers advice and guidance.

Safeguarding arrangements continued during lockdown and College holidays. A Red Amber Green (RAG) rating system was used to identify the most vulnerable students where the level of 1:1 contact was determined and reviewed on a weekly basis. Contact was either via telephone or video conference. The introduction of the Community Services holiday provision had a positive impact on some of our most vulnerable students.

### **THE FUTURE**

Inevitably the College's traditional funding streams remain uncertain. Changes in funding models, differing interpretations by local authorities of funding and SEND (Special Education Needs and Disabilities) legislation, together with a policy of funding specialist provision after other options have been explored results in less ability to predict future student numbers and consequently levels of income. This in turn leads to difficulties in budgeting and forecasting.

## QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

### **THE FUTURE (continued)**

This lack of ability to predict has never been more evident. In September 2021 the College's student numbers have seen an unprecedented increase, going from 285 in Sep 2020 to 352. Although extremely positive for future income levels, this significant jump has not been without its challenges. This level of student numbers puts us at year 3-4 of our growth strategy, whilst the estates strategy is still progressing at the original pace. We see this as one of our key challenges for the year ahead. Whilst all students have been accommodated at our main campus and satellite sites, it is important that we ensure the site is optimised for our learners so that they can receive the full College experience. With space now at a premium we will be using 2021/22 to explore options that allow for the continued growth that is included in QAC's 5 year strategy that takes us to the end of 2024/25.

Our growth strategy details that QAC aims 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, which is evidenced by the clear demand that the College has for its service as has been seen in September 2021. Although uncertainty and difficulty in predicting remains, the College's sound financial position will enable it to overcome these uncertainties and ensure it can maintain the service it provides to an ever-increasing range of clients. Achieving the strategy will require investment expenditure over the next 2-3 years, particularly in relation to the college's estate. The expectation is that the investment will be funded by reserves and for that reason the Governors have created a new designated reserve this year to reflect the investment required.

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 year ended 31 July 2021 show net movement in funds of a surplus £575,528 compared to a surplus of £565,319 in the previous financial year, and generated a positive cash flow of £63,846 (2019; inflow of £973,780). The cash inflow is not as positive as the previous year as last years cash flow included the £475k receipt from the sale of the Bearwood Road premises, and much of this year's positive reserves movement relates to the non-cash increase in valuation of investments.

Income decreased from £12,779,622 to £12,590,303 between 2019/20 and 2020/21 as a result of a slight reduction in student numbers, which included a reduction in residential students who attract a higher fee income.

Expenditure increased from £12,113,150 to £12,444,230. Staffing costs remain the main expenditure for QAC and this year as in previous years there have been continued increases in staffing and related costs. This against a backdrop of constrained sources of funding remains a challenge.

## QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

### **FINANCIAL SUMMARY (continued)**

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. Despite the disruption caused by COVID-19, 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 2021, the College and its subsidiary company have unrestricted general funds of £10,269,772, (2020: £10,995,815), unrestricted designated funds of £1,290,000 (2020: £0) and restricted funds of £1,263,538 (2020: £1,254,967). Total reserves, including restricted funds, are £12,823,310 (2020: £12,250,782).

The analysis of net assets between funds is set out in Note 16 to the Financial Statements. Of the total unrestricted reserves of £11,559,772, £6,758,489 is held as tangible fixed assets and £1,290,000 is held in designated funds, leaving free reserves (including investments) of £3,511,283 (2020: £4,058,157).

During the year under review Governors carried out a review of QAC's reserves policy to ensure it sufficiently supports QAC's developing 5-year strategic plan, the current funding climate and the risks the College is exposed to. Following that review the Governors concluded that QAC should aim to have a baseline figure for free reserves of £2,000,000 (2020: £1,750,000) plus an additional contingency that represents the value of unrealised gains on investments that are included on the Colleges Balance sheet. By adding this contingency the College is mitigating against the volatility of the stock markets and ensuring the free reserves can sustain any significant fluctuations. This contingency equates to £700k which in turn results in a combined free reserves target of £2,700,000.

The review undertaken resulted in the creation of three new designated funds:

#### **Site Expansion Fund**

A designated fund has been created to support investment in site expansion that will be required if the College is to achieve its objectives in its strategic plan. With growth in student numbers being a significant element of the strategic plan it is estimated that approximately £1m worth of investment from reserves will be required in order to provide the facilities needed to accommodate the growth.

#### **Community Services Project Fund**

A designated fund of £140k has been created to support a Community Services project that aims to support previous QAC leavers who have, as a result of the pandemic, become isolated and not able to follow their transition path.

#### **Information Technology Development Fund**

A designated fund of £150k has been created to support the necessary improvements to the colleges Information Technology infrastructure and assets. With the college needing to achieve Cyber Essential Plus by September 2022 there will be a requirement for increased investment in the coming year.

At 31 July 2021 QAC has free reserves in excess of target of £811,283 (2020: £1,691,843). The Board are confident that these changes to the reserves policy this year enables QAC to protect its services, and therefore those whom the charity aims to support in the event of significant risks arising.



## QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

### 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 year ended 31 July 2020 was £494,221 (2020; £523,470) and expenditure was £345,648 (2020; £320,816). The Gift Aid payment was £148,573 (2020; £202,654). QAC Enterprises Limited had net assets and reserves of £10,100 at the year-end (2020; £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.

### RISK ASSESSMENT AND MANAGEMENT

The Governors have considered risks and risk management throughout the year 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.

As part of its risk management process, the Governors assessed QAC's risk appetite. QAC is generally risk averse and has no appetite for risk exposure that results in significant impact on the delivery of our operational core activities (delivery of education and provision of care). It is also cautious in the pursuit of existing expansion plans and externally focussed commercial activities. However, QAC is willing to accept, in some circumstances, risks that may result in some financial loss or exposure to its financial reserves, provided that such risks are identified and managed with Management and Board oversight and contribute to QAC's overall strategic objectives.

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:

<b>Risk:</b>	National and Local Government Initiatives resulting in a reduction in income and a long-term risk to the financial stability of QAC (especially with the risk of COVID-19).
<b>Mitigation:</b>	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.
<b>Risk:</b>	Fire, Health and Safety and the Environment (including infection control and response)
<b>Mitigation:</b>	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.
<b>Risk:</b>	Failure of new projects/ developments, which are key to achieving the College's strategic plan.
<b>Mitigation:</b>	This risk is managed by the College's project management framework and the colleges Major Projects Group (which is made up of members from the senior management team). The framework ensures there is a full investment appraisal and business planning processes, with tight monitoring of 'live' projects.

## **QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS**

### **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. Governors are encouraged to visit the College outside formal meetings to ensure that they remain in touch with students and staff and a link programme also exists for this purpose. Governors undertake regular training and their training needs are periodically reviewed and appropriate additional 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. During the lockdown regular meetings were held between the Chair, Vice-Chair, Principal and Governance Director and notes of these meetings were shared with all Governors and Independent Directors. All scheduled meetings were held using online methods to ensure that relevant information was shared and discussion and debate could take place.

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, diversity and newly appointed this year, wellbeing. 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 Remuneration 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. The agreed principle is that senior post holders will be awarded the same pay rise as the majority of staff unless there is a specific reason for variance from this.

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 undertake an annual assessment against this Code and the AoC Code for English Colleges and has a plan to implement / evidence any additional recommended practice points. An internal audit of governance took place during the year and returned a report of substantial assurance and no recommendations. A full external review, which was delayed due to lockdown, is planned for next 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.

## **QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS**

### **EMPLOYEES WITH DISABILITIES**

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 in October 2021 was awarded the prestigious 'Leaders in Diversity Award'. We 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 Senior Management Team have regular "open door" sessions whereby individual staff members can discuss any issues one to one with a member of the Senior Management Team.

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".

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.



## **QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS**

### **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. In accordance with DBS guidance, our volunteers are all subject to stringent background checks.

### **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.

### **GOING CONCERN**

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.

In preparing the financial statements, the Governors have considered whether the going concern basis of preparation for these accounts remains appropriate. To make this assessment the Governors have reviewed short-medium term financial forecasts and cashflow forecasts, and have completed a review of the reserves policy. The outcome of that review is that at no point in the next 12 months, or the medium term forecast does the college breach its free reserves position.

Taking into account the above, including the level of cash and near liquid investments, the Governors believe that whilst inherent uncertainty exists, this does not pose a material uncertainty that would cast doubt on the College's ability to continue as a going concern for the foreseeable future, which is a period of at least 12 months from the signing of the accounts and audit report. The Governors therefore consider it appropriate for the accounts to be prepared on a going concern basis.

**QUEEN ALEXANDRA COLLEGE  
REPORT OF THE GOVERNORS**

**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.

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  
6 December 2021

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**

We have audited the financial statements of Queen Alexandra College ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2021 which comprise consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

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

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's or the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the governors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The governors are responsible for the other information contained within the annual report. 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.

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 this gives rise to a material misstatement in the financial statements themselves. 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 our audit

- the information given in the governors' 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 included within the governors' report have been prepared in accordance with applicable legal requirements.

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

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the governors' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of governors**

As explained more fully in the governors' responsibilities statement set out on page 15, the governors (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 governors 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 governors 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 governors 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and Safety and Employment legislation, Ofsted and CQC Regulations for service providers and managers'.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.



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

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **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.

Kerry Brown (Senior Statutory Auditor)

For and on behalf of

**Crowe U.K. LLP**

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date:

**QUEEN ALEXANDRA COLLEGE**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE**  
**ACCOUNT FOR THE YEAR ENDED 31 JULY 2021**

Income	Notes	Year			Year		
		Unrestricted Funds £	Restricted Funds £	31 Jul 2021 Total £	Unrestricted Funds £	Restricted Funds £	31 Jul 2020 Total £
<b>Charitable Activities</b>	3	11,110,765	88,200	11,198,965	11,335,472	-	11,335,472
<b>Donations and legacies</b>							
Grant: BRIB Rent		594,559	-	594,559	599,700	-	599,700
Other Donations and Grants		3,340	224,776	228,116	7,507	197,728	205,235
		<b>597,899</b>	<b>224,776</b>	<b>822,675</b>	<b>607,207</b>	<b>197,728</b>	<b>804,935</b>
<b>Other Trading Activities</b>							
Sales in Enterprises		494,221	-	494,221	523,470	-	523,470
Other Trading Income		25,852	-	25,852	64,364	-	64,364
		<b>520,073</b>	<b>-</b>	<b>520,073</b>	<b>587,834</b>	<b>-</b>	<b>587,834</b>
<b>Investment Income</b>							
Interest		1,420	-	1,420	4,659	-	4,659
Investment Income		47,170	-	47,170	46,722	-	46,722
		<b>48,590</b>	<b>-</b>	<b>48,590</b>	<b>51,381</b>	<b>-</b>	<b>51,381</b>
<b>Total Income</b>		<b>12,277,327</b>	<b>312,976</b>	<b>12,590,303</b>	<b>12,581,894</b>	<b>197,728</b>	<b>12,779,622</b>
<b>Expenditure</b>							
Charitable Activities	4	11,722,668	280,999	12,003,667	11,575,737	80,235	11,655,972
Raising Funds	5	440,563	-	440,563	456,432	-	456,432
Loss on Disposal of Fixed Assets		-	-	-	746	-	746
<b>Total Expenditure</b>		<b>12,163,231</b>	<b>280,999</b>	<b>12,444,230</b>	<b>12,032,915</b>	<b>80,235</b>	<b>12,113,150</b>
<b>Net Income/(Expenditure) before movements on Investment Assets</b>		<b>114,096</b>	<b>31,977</b>	<b>146,073</b>	<b>548,979</b>	<b>117,493</b>	<b>666,472</b>
Gains/(Losses) on Investment Assets		426,455	-	426,455	(101,153)	-	(101,153)
<b>Net Income/(Expenditure)</b>	13	<b>540,551</b>	<b>31,977</b>	<b>572,528</b>	<b>447,826</b>	<b>117,493</b>	<b>565,319</b>
Transfers between Funds		23,406	(23,406)	-	71,826	(71,826)	-
<b>Net movement in Funds</b>		<b>563,957</b>	<b>8,571</b>	<b>572,528</b>	<b>519,652</b>	<b>45,667</b>	<b>565,319</b>
<b>Funds at 31 July 2020</b>		<b>10,995,815</b>	<b>1,254,967</b>	<b>12,250,782</b>	<b>10,476,163</b>	<b>1,209,300</b>	<b>11,685,463</b>
<b>Funds at 31 July 2021</b>	13	<b>11,559,772</b>	<b>1,263,538</b>	<b>12,823,310</b>	<b>10,995,815</b>	<b>1,254,967</b>	<b>12,250,782</b>

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

All of the Group's activities during the year ended 31 July 2021 are continuing.

The notes on pages 25 to 37 form part of these financial statements.



**QUEEN ALEXANDRA COLLEGE**  
**COLLEGE STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31 July 2021**

		Year					Eleven Months
	Notes	Unrestricted	Restricted	31 Jul 2021	Unrestricted	Restricted	31 Jul 2020
		Funds	Funds	Total	Funds	Funds	Total
		£	£	£	£	£	£
<b>Income</b>							
<b>Charitable Activities</b>	3	11,110,765	88,200	11,198,965	11,335,472	-	11,335,472
<b>Donations and legacies</b>							
Grant: BRIB Rent		594,559	-	594,559	599,700	-	599,700
Other Donations and Grants		151,913	224,776	376,689	210,161	197,728	407,889
		<b>746,472</b>	<b>224,776</b>	<b>971,248</b>	<b>809,861</b>	<b>197,728</b>	<b>1,007,589</b>
<b>Other Trading Activities</b>							
Other Trading Income		113,626	-	113,626	113,582	-	113,582
<b>Investment Income</b>							
Interest		1,420	-	1,420	4,659	-	4,659
Investment Income		47,170	-	47,170	46,722	-	46,722
		<b>48,590</b>	<b>-</b>	<b>48,590</b>	<b>51,381</b>	<b>-</b>	<b>51,381</b>
<b>Total Income</b>		<b>12,019,453</b>	<b>312,976</b>	<b>12,332,429</b>	<b>12,310,296</b>	<b>197,728</b>	<b>12,508,024</b>
<b>Expenditure</b>							
Charitable Activities		11,722,668	280,999	12,003,667	11,575,737	80,235	11,655,972
Raising Funds		182,689	-	182,689	184,834	-	184,834
Loss on Disposal of Fixed Assets		-	-	-	746	-	746
<b>Total Expenditure</b>		<b>11,905,357</b>	<b>280,999</b>	<b>12,186,356</b>	<b>11,761,317</b>	<b>80,235</b>	<b>11,841,552</b>
<b>Net Income/(Expenditure) before movements on Investment Assets</b>		<b>114,096</b>	<b>31,977</b>	<b>146,073</b>	<b>548,979</b>	<b>117,493</b>	<b>666,472</b>
Gains/(Losses) on Investment Assets		426,455	-	426,455	(101,153)	-	(101,153)
<b>Net Income/(Expenditure)</b>	13	<b>540,551</b>	<b>31,977</b>	<b>572,528</b>	<b>447,826</b>	<b>117,493</b>	<b>565,319</b>
Transfers between Funds		23,406	(23,406)	-	71,826	(71,826)	-
<b>Net movement in Funds</b>		<b>563,957</b>	<b>8,571</b>	<b>572,528</b>	<b>519,652</b>	<b>45,667</b>	<b>565,319</b>
<b>Funds at 31 July 2020</b>		<b>10,985,815</b>	<b>1,254,967</b>	<b>12,240,782</b>	<b>10,466,163</b>	<b>1,209,300</b>	<b>11,675,463</b>
<b>Funds at 31 July 2021</b>	13	<b>11,549,772</b>	<b>1,263,538</b>	<b>12,813,310</b>	<b>10,985,815</b>	<b>1,254,967</b>	<b>12,240,782</b>

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

All of the Charity's activities during the year ended 31 July 2021 are continuing.

The surplus for the year for Companies Act 2006 purposes excludes unrealised gains on investments of £397,772 (2020; loss £88,380)) and amounts to a surplus of £174,756 (2020; surplus £653,699).  
The notes on pages 23 to 35 form part of these financial statements.

**QUEEN ALEXANDRA COLLEGE  
CONSOLIDATED BALANCE SHEET  
31 JULY 2021**

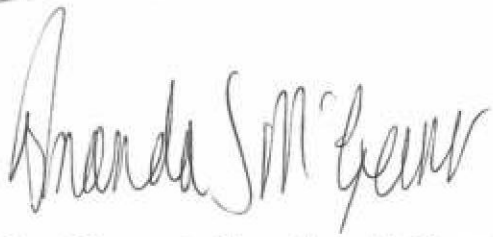
	Notes	31 Jul 2021 £	£	31 Jul 2020 £	£
<b>Fixed Assets</b>					
Tangible Assets:	8				
Land and Buildings – Freehold		1,033,544		1,062,002	
Land and Buildings – Leasehold		5,225,646		5,358,337	
Fixtures Fittings and Equipment		790,648		799,535	
Motor Vehicles		37,748		42,444	
Computer Equipment		<u>227,161</u>		<u>258,356</u>	
			7,314,747		7,520,674
Investments	9		<u>2,739,422</u>		<u>1,820,541</u>
<b>Total Fixed Assets</b>			<u>10,054,169</u>		<u>9,341,215</u>
<b>Current Assets</b>					
Stock		5,964		5,337	
Debtors	10	1,295,352		1,200,464	
Short term Deposits		1,132,941		1,089,359	
Cash at Bank and In Hand		<u>1,924,024</u>		<u>1,903,760</u>	
<b>Total Current Assets</b>		<u>4,358,281</u>		<u>4,198,920</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	11	<u>(1,589,140)</u>		<u>(1,289,353)</u>	
<b>Net Current Assets</b>			<u>2,769,141</u>		<u>2,909,567</u>
<b>Total Assets less Current Liabilities</b>			<u>12,823,310</u>		<u>12,250,782</u>
<b>Total Net Assets</b>			<u><u>12,823,310</u></u>		<u><u>12,250,782</u></u>
<b>Funds</b>					
Unrestricted Funds					
General		10,269,772		-	
Designated		<u>1,290,000</u>		-	
	13		11,559,772		10,995,815
Restricted Funds	13		<u>1,263,538</u>		<u>1,254,967</u>
			<u><u>12,823,310</u></u>		<u><u>12,250,782</u></u>

The Financial Statements on pages 20 to 37 were approved and authorised for issue by the Governors on 6 December 2021 and signed on their behalf by:

Ian Richards  
Chair



Amanda McGeever  
Vice Chair



The notes on pages 25 to 37 form part of these financial statements.

**QUEEN ALEXANDRA COLLEGE**  
**COLLEGE BALANCE SHEET**  
**31 JULY 2021**

	Notes	31 Jul 2021		31 Jul 2020	
		£	£	£	£
<b>Fixed Assets</b>					
Tangible Assets:	8				
Land and Buildings - Freehold		1,033,544		1,062,002	
Land and Buildings - Leasehold		5,225,646		5,358,337	
Fixtures, Fittings and Equipment		790,648		799,535	
Motor Vehicles		37,748		42,444	
Computer Equipment		<u>227,161</u>		<u>258,356</u>	
			7,314,747		7,520,674
Investments	9		<u>2,739,524</u>		<u>1,820,643</u>
<b>Total Fixed Assets</b>			<u>10,054,271</u>		<u>9,341,317</u>
<b>Current Assets</b>					
Debtors	10	1,360,731		1,326,067	
Short term Deposits		1,132,941		1,089,359	
Cash at Bank and In Hand		<u>1,829,450</u>		<u>1,756,740</u>	
<b>Total Current Assets</b>		<u>4,323,122</u>		<u>4,172,166</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	11	<u>(1,564,083)</u>		<u>(1,272,701)</u>	
<b>Net Current Assets</b>			2,759,039		2,899,465
<b>Total Assets less Current Liabilities</b>			<u>12,813,310</u>		<u>12,240,782</u>
<b>Total Net Assets</b>			<u>12,813,310</u>		<u>12,240,782</u>
<b>Funds</b>					
Unrestricted Funds					
General		10,259,772		-	
Designated		<u>1,290,000</u>		-	
	13		11,549,772		10,985,815
Restricted Funds	13		<u>1,263,538</u>		<u>1,254,967</u>
			<u>12,813,310</u>		<u>12,240,782</u>

The Financial Statements on pages 20 to 37 were approved and authorised for issue by the Governors on 6 December 2021 and signed on their behalf by:

Ian Richards  
Chair



Amanda McGeever  
Vice Chair



The notes on pages 25 to 37 form part of these financial statements.

Registered Company Number 03387540

**QUEEN ALEXANDRA COLLEGE  
CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 JULY 2021**

	Year 31 Jul 2021 £	Year 31 Jul 2020 £
<b>Cash flows from Operating Activities</b>	851,007	872,801
<b>Cash flows from Investing Activities:</b>		
Dividends and Interest from Investments	48,590	51,381
Proceeds from the Sale of Fixed Assets	-	468,613
Purchase of Fixed Assets	(343,324)	(402,518)
Proceeds from Sale of Investments	299,078	201,175
Purchase of Investments	(791,505)	(217,672)
<b>Change in Cash and Cash Equivalents in the reporting period</b>	63,846	973,780
<b>Cash and Cash Equivalents at the beginning of the reporting period</b>	2,993,119	2,019,339
<b>Cash and Cash Equivalents at the end of the reporting period</b>	3,056,965	2,993,119

**Notes to the Consolidated Cash Flow Statement**

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

Net Income for the reporting period	572,528	565,319
Adjustments for:		
Depreciation Charge	535,354	554,165
(Gains)/Losses on Investments	(426,455)	101,153
Dividends and Interest from Investments	(48,590)	(51,381)
Loss on Disposal of Fixed Assets	-	746
(Increase)/Decrease in Stocks	(627)	7,079
(Increase) in Debtors	(94,888)	(250,587)
Increase/(Decrease) in Creditors	313,685	(53,693)
<b>Net Cash Provided by Operating Activities</b>	851,007	872,801

**2. Analysis of Change in Cash and Cash Equivalents**

	At 31 July 2020 £	Cash Flows £	At 31 July 2021 £
Cash at Bank and in Hand	1,903,760	20,264	1,924,024
Short term Deposits	1,089,359	43,582	1,132,941
	2,993,119	63,846	3,056,965

The notes on pages 25 to 37 form part of these financial statements

**QUEEN ALEXANDRA COLLEGE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 JULY 2021**

**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) (Second edition October 2019) – (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.

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**

In preparing the financial statements, the Governors have considered whether the going concern basis of preparation for these accounts remains appropriate. To make this assessment the Governors have reviewed short-medium term financial forecasts and cashflow forecasts, and have completed a review of the reserves policy. The outcome of that review is that at no point in the next 12 months, or the medium term forecast does the college breach its free reserves position.

Taking into account the above, including the level of cash and near liquid investments, the Governors believe that whilst inherent uncertainty exists, this does not pose a material uncertainty that would cast doubt on the College's ability to continue as a going concern for the foreseeable future, which is a period of at least 12 months from the signing of the accounts and audit report. The Governors therefore consider it appropriate for the accounts to be prepared on a 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.
- Trade debtors (see note 10). 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.



**QUEEN ALEXANDRA COLLEGE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 JULY 2021**

**1. ACCOUNTING POLICIES (continued)**

**(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.

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  
YEAR ENDED 31 JULY 2021**

**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 2021 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  
YEAR ENDED 31 JULY 2021**

**3. CHARITABLE ACTIVITIES INCOME**

	Year 31 July 2021	Year 31 July 2020
	£	£
<b>Income from Charitable Activities:</b>		
Education and Skills Funding Agency Student Funding	3,384,708	3,111,140
Education and Skills Funding Agency Free Meals Funding	48,877	82,199
Education and Skills Funding Agency Capital Maintenance Funding	98,143	70,410
Education and Skills Funding Agency Teachers Pension Funding	79,699	75,042
Education and Skills Funding Agency Covid Mass Testing Funding	58,020	-
Education and Skills Funding Agency 16-19 Tuition Fund	88,200	-
<b>Total Education and Skills Funding Agency</b>	<b>3,757,647</b>	<b>3,338,791</b>
Local Authorities Student Funding	6,301,062	7,129,881
Other Employment Programmes Income	9,837	607
Independence Plus Client Social Services/Private Income	892,650	731,502
Respite Care & Private Student Fee Income	121,798	84,087
Community Services Income	78,652	-
Student Transport Fees	3,454	7,473
Catering Income	26,825	40,691
Other Charitable activities Income	7,040	2,440
<b>Total Income from Charitable Activities</b>	<b>11,198,965</b>	<b>11,335,472</b>

**4. CHARITABLE ACTIVITIES EXPENDITURE**

	Year 31 July 2021	Year 31 July 2020
	£	£
<b>Expenditure from Charitable Activities</b>		
<b>Unrestricted Funds</b>		
Direct Teaching and Support Staff Costs	6,849,950	6,653,231
Indirect Staff Costs to support Charitable Activities	1,614,605	1,614,959
Other Employee Related Costs	101,615	114,255
Premises Costs	1,191,739	1,112,581
Catering and Cleaning	715,938	649,367
Depreciation	508,597	524,411
Equipment Maintenance	115,379	85,009
Exam Fees and Courses	13,561	13,707
Subscriptions	24,602	15,912
Student Transport and Other Allowances	51,105	132,388
Student Bursaries	1,270	19,709
Medical Costs	20,880	16,933
Learning Equipment , Consumables and Activities	28,022	39,643
Educational Subcontract Fees	34,992	41,993
Student Support Professional Fees	50,950	57,125
Staff Travel Expenses	4,659	4,126
College Transport	16,086	17,245
Printing, Stationery, Postage and Computing Consumables	286,704	328,906
Marketing and Advertising	23,709	29,098
Miscellaneous	9,075	8,221
Legal, Professional & Consulting Fees and Charges	38,443	49,803
External Audit Fees	20,012	31,210
Development	593	2,010
Volunteers' Expenses	-	10,313
Books and Publications	182	3,582
	<b>11,722,668</b>	<b>11,575,737</b>
<b>Restricted Funds</b>		
Depreciation	26,757	29,754
Infection Control Non Staff Costs	28,813	-
Learning Equipment and Consumables	52,586	50,481
Staff Costs	172,843	-
	<b>280,999</b>	<b>80,235</b>
<b>Total Expenditure from Charitable Activities</b>	<b>12,003,667</b>	<b>11,655,972</b>

Included in the above expenditure are support costs of £2,249,154 (2020: £2,285,082) and governance costs of £95,984 (2020: £102,897).

**QUEEN ALEXANDRA COLLEGE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 JULY 2021**

**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. The limit of indemnity is £5,000,000 (2020; £5,000,000).

**5. COST OF RAISING FUNDS**

	Year 31 July 2021	Year 31 July 2020
	£	£
<b>Enterprises</b>		
Salaries	230,280	227,426
Premises Costs	27,461	14,500
Cost of Goods Sold	7,120	48,778
Audit and Accounting Fees	7,125	5,744
Other Costs	73,662	24,368
	<hr/> 345,648	<hr/> 320,816
<b>Other Costs of Raising Funds</b>		
Staff Costs	65,936	91,046
Catering Costs	288	3,060
Management Charges Investment Funds	11,626	8,663
Cost of Goods Sold	30	11,190
Other Costs	17,035	21,657
	<hr/> 94,915	<hr/> 135,616
<b>Total Costs of Raising Funds</b>	<hr/> <hr/> 440,563	<hr/> <hr/> 456,432

**6. NET INCOME**

	Year 31 July 2021	Year 31 July 2020
	£	£
Net Income is stated after charging:		
Operating Leases:		
Rent	686,765	687,201
Hire of Equipment	14,302	6,333
Staff Costs	8,968,789	8,586,662
Auditors' Remuneration: External Audit Services	26,037	35,669
Other services	1,100	1,500
Depreciation of Owned Assets	<hr/> 535,354	<hr/> 554,165

**7. STAFF COSTS**

	Year 31 July 2021	Year 31 July 2020
	£	£
Staff Costs:		
Wages and Salaries	7,821,792	7,480,159
Social Security Costs	634,460	583,559
Other Pension Costs	451,486	425,653
Agency staff costs	61,051	97,291
	<hr/> 8,968,789	<hr/> 8,586,662

Staff Costs of £8,968,789 (2020; £8,586,662) include ex gratia and redundancy costs of £29,360 (2020; £18,002).

**QUEEN ALEXANDRA COLLEGE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 JULY 2021**

**7. STAFF COSTS (continued)**

	Year 31 July 2021 Number	Year 31 July 2020 Number
The average weekly number (full time equivalent) of employees during the year was as follows:		
Teaching and Support Staff	190	184
Care Staff	99	96
Office and Management	39	37
QAC Enterprises	8	8
Maintenance Staff	8	8
	344	333

Average headcount throughout the year was 390 employees.

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

	Year 31 July 2021 Number	Year 31 July 2020 Number
£60,000 to £69,999	3	2
£80,000 to £89,999	-	-
£90,000 to £99,999	1	1

The College also made pension contributions in respect of 4 (2020; 3) of the 4 (2020; 3) employees noted above. Contributions into pension schemes for higher paid employees amounted to £41,963 (2020; £39,328)

The key management personnel of the College are the Principal, Deputy Principal, the Director of Governance and the Director of Finance and Resources. The employee benefits of key management personnel were £270,122 (2020; £296,187)

No remuneration was paid to any Governor. During the year no Governor claimed any expenses (2020: 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 £
<b>Cost</b>						
31 July 2020	1,497,608	6,934,569	2,380,117	269,294	2,616,393	13,697,981
Additions	-	6,000	167,550	18,000	137,877	329,427
31 July 2021	1,497,608	6,940,569	2,547,667	287,294	2,754,270	14,027,408
<b>Depreciation</b>						
31 July 2020	435,606	1,576,232	1,580,582	226,850	2,358,037	6,177,307
Provided in the Year	28,458	138,691	176,437	22,696	169,072	535,354
31 July 2021	464,064	1,714,923	1,757,019	249,546	2,527,109	6,712,661
<b>Net Book Values</b>						
31 July 2021	1,033,544	5,225,646	790,648	37,748	227,161	7,314,747
31 July 2020	1,062,002	5,358,337	799,535	42,444	258,356	7,520,674

The Net Book Value of Assets that are subject to depreciation as at 31 July 2021 was £7,240,072 (2020; £7,445,999).

**QUEEN ALEXANDRA COLLEGE  
NOTES TO THE FINANCIAL STATEMENTS  
YEAR ENDED 31 JULY 2021**

**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 year ended 31 July 2021 was £494,221 (2020; £523,470) and the Gift Aid payment was £148,573 (2020; £202,654). QAC Enterprises had net assets and reserves of £10,100 at the year-end (2019; £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:

	Year 31 July 2021 £	Year 31 July 2020 £
Market Value at beginning of the year	1,820,541	1,905,197
Additions to investment at cost	791,505	217,672
Disposals at market value	(299,078)	(201,175)
Net realised and unrealised investment gain/(loss)	426,454	(101,153)
Total Investment Fund	2,739,422	1,820,541
Shares in subsidiary companies	102	102
Closing Balance	2,739,524	1,820,643

At 31 July 2021 no investments represented in excess of 5% of the portfolio. At 31 July 2020 one investment represented in excess of 5% of the portfolio. This was Edgewood L Select US Select Growth at £106,170 which was 5.83% of the portfolio.

Cash held by the Investment Fund managers Smith & Williamson at 31 July 2021 of £121,924 (2020; £78,344) has been included on the balance sheet under short-term deposits within current assets.

	31 July 2021 £	31 July 2020 £
Listed Securities	2,739,422	1,820,541
Total Investments in Investment Fund	2,739,422	1,820,541
QAC Enterprises Limited	100	100
QAC Sight Village Limited	1	1
Sight Village Limited	1	1
Total Investments	2,739,524	1,820,643



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**10. DEBTORS: Amounts falling due within one year**

	31 July 2021		31 July 2020	
	Group	College	Group	College
	£	£	£	£
Amount due from BRIB	3,500	3,500	428	428
Trade Debtors	399,529	181,645	291,163	132,760
Amounts due from Subsidiary	-	408,572	-	354,619
Prepayments	218,056	213,224	189,934	189,261
Accrued Income	665,787	545,310	710,727	640,787
Other Debtors	8,480	8,480	8,212	8,212
	<u>1,295,352</u>	<u>1,360,731</u>	<u>1,200,464</u>	<u>1,326,067</u>

**11. CREDITORS: Amounts falling due within one year**

	31 July 2021		31 July 2020	
	Group	College	Group	College
	£	£	£	£
Trade Creditors	275,529	261,662	201,394	190,953
Amount due to BRIB	-	-	-	-
Amount due to Subsidiary	-	-	-	-
Other Loan	-	-	-	-
Tax and Social Security	195,441	195,441	239,098	239,098
Pensions Contributions	61,806	61,806	60,694	60,694
Other Creditors	18,272	18,272	12,973	12,973
Accruals	702,304	692,874	689,436	683,225
Fees in Advance	335,788	334,028	85,758	85,758
	<u>1,589,140</u>	<u>1,564,083</u>	<u>1,289,353</u>	<u>1,272,701</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 year was:

	Group	College
	£	£
Balance at 1 July 2020	85,758	85,758
Amounts released in the year	(79,996)	(79,996)
Amounts deferred in the year	330,026	328,266
Balance at 31 July 2021	<u>335,788</u>	<u>334,028</u>

**12. FINANCIAL INSTRUMENTS**

	31 July 2021		31 July 2020	
	Group	College	Group	College
	£	£	£	£
<b>Financial Assets</b>				
Financial Assets measured at fair value through SOFA	2,739,422	2,739,422	1,820,541	1,820,541
Cash & Cash Equivalents	3,056,965	2,962,391	2,993,119	2,846,099
Financial Assets that are Debt Instruments Measured at Amortised Cost	1,077,296	738,935	1,010,530	782,187
	<u>6,873,683</u>	<u>6,440,748</u>	<u>5,824,190</u>	<u>5,448,827</u>
<b>Financial Liabilities</b>				
Financial Liabilities Measured at Amortised Cost	996,105	972,808	903,803	887,151

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.

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**13. RECONCILIATION OF MOVEMENT IN GROUP AND COLLEGE FUNDS**

	Unrestricted Fund £	Designated Fund £	Restricted Funds £	31 July 2021 Total £	31 July 2020 Total £
<b>As at 31 July 2020</b>					
College	10,985,815	-	1,254,967	12,240,782	11,675,463
Subsidiary	10,000	-	-	10,000	10,000
Group	10,995,815	-	1,254,967	12,250,782	11,685,463
<b>Movement in the Period</b>					
Net Income					
College	540,551	-	31,977	572,528	565,319
Subsidiary	-	-	-	-	-
Group	540,551	-	31,977	572,528	565,319
<b>Transfers between funds</b>					
College	(1,266,594)	1,290,000	(23,406)	-	-
Subsidiary	-	-	-	-	-
Group	(1,266,594)	1,290,000	(23,406)	-	-
<b>As at 31 July 2021</b>					
College	10,259,772	1,290,000	1,263,538	12,813,310	12,240,782
Subsidiary	10,000	-	-	10,000	10,000
Group	10,269,772	1,290,000	1,263,538	12,823,310	12,250,782

**PURPOSE OF DESIGNATED FUNDS**

**Site Expansion Fund**

During the year the Governors designated £1m to support the necessary investment in site expansion that will be required if the college is to achieve its objectives in its strategic plan. With growth in student numbers being a significant element of the strategic plan it is estimated that approximately £1m worth of investment from reserves will be required in order to provide the facilities needed to accommodate the growth.

**Community Service**

During the year the Governors designated £140k to support a Community Services project that aims to support previous QAC leavers who have, as a result of the pandemic, become isolated and not able to follow their transition path.

**Information Technology Development Fund**

During the year the Governors designated £150k to support the necessary improvements to the colleges Information Technology infrastructure and assets. With the college needing to achieve Cyber Essential Plus by September 2022 there will be a requirement for increased investment in the coming year.

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

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

	At 31 July 2020					At 31 July 2021
		Income	Depreciation	Expenditure	Transfers	
	£	£	£	£	£	£
Social Demographic Fund	497,347	-	(8,932)	-	-	488,415
ISP Maintenance Fund	359,736	-	(10,221)	-	-	349,515
Community Café Fund	200,932	-	(7,604)	-	-	193,328
Community Integration Fund	11,225	500	-	(1,001)	-	10,724
Community Services Funds	13,872	31,709	-	(11,854)	-	33,727
ESFA 16-19 Tuition Fund	-	88,200	-	(57,386)	(6,973)	23,841
Indoor Climbing Fund	5,770	-	-	(1,239)	-	4,531
Local Authority Infection Control & testing funds	22,575	138,837	-	(160,249)	(1,163)	-
Minibus Fund	4,318	4,244	-	-	(5,562)	3,000
Music Development Fund	17,188	-	-	(257)	-	16,931
National Express Supported Interns	6,332	10,000	-	(4,491)	-	11,841
Outdoor Teaching Space	5,369	5,259	-	-	-	10,628
Performing Arts Fund	33,913	-	-	-	-	33,913
Pinewood Refurbishment Fund						
Clothworkers	-	6,867	-	(6,867)	-	-
Sensory Cabin Fund	15,641	-	-	-	-	15,641
Sensory Garden Fund	1,650	-	-	-	-	1,650
Sport & Recreation Fund	6,708	-	-	(1,052)	-	5,656
Umberslade Fund	11,409	20,020	-	(2,882)	(9,708)	18,839
Others (35 funds)	40,982	7,340	-	(6,964)	-	41,358
<b>TOTAL</b>	<b>1,254,967</b>	<b>312,976</b>	<b>(26,757)</b>	<b>(254,242)</b>	<b>(23,406)</b>	<b>1,263,538</b>

**Purpose of Restricted Funds**

**Social Demographic Fund**

A grant received to create a secondary education site for QAC. This was initially used to purchase 494-498 Bearwood Road where a dual purpose retail unit and commercial/educational café was created. In March 2020 this property was sold for £475,000. The grantor confirmed the funds could be retained to fund future off site developments. The additional £13,415 that is included in this fund represents the net book value of assets that were funded by this grant and transferred to the main site for use on the sale of the property.

**ISP Maintenance Fund**

The Independent Specialist Providers Building Condition Improvement Fund was received to fund the refurbishment of the educational buildings known on site as Springboard and Evolution.

**Community Café Fund**

A Grant received to fund the creation of a new dual purpose on-site retail unit, a community café and a sensory room.

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**14. GUARANTEES AND OTHER FINANCIAL COMMITMENTS**

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

	Land and Buildings £	31 July 2021 Equipment & Fixtures £	Land and Buildings £	31 July 2020 Equipment & Fixtures £
Not later than one year	696,765	13,585	666,823	13,475
within 2-5 years	55,000	9,954	28,332	19,211

Included in lease commitments not later than one year is a lease from BRIB for the College's main premises £584,320 (2020; £584,320). Under an agreement dated 31 December 1997 BRIB has undertaken to provide an annual grant to cover this cost.

**15. CAPITAL COMMITMENTS**

	31 July 2021 £	31 July 2020 £
Authorised and contracted for but not provided for in the financial statements.	135,027	8,011

The commitments for capital projects at 31 July 2021 of £135,027 include £54,000 for modular buildings, £47,058 for path widening & £32,016 for evacuation chairs.

**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total £
<b>Group</b>				
Fund balances at 31 July 2021 are represented by:				
Tangible Fixed Assets	6,758,489	-	556,258	7,314,747
Investments	2,739,422	-	-	2,739,422
Current Assets	2,355,175	1,290,000	713,106	4,358,281
Current Liabilities	(1,583,314)	-	(5,826)	(1,589,140)
	10,269,772	1,290,000	1,263,538	12,823,310
<b>College</b>				
Fund balances at 31 July 2021 are represented by:				
Tangible Fixed Assets	6,758,489	-	556,258	7,314,747
Investments	2,739,524	-	-	2,739,524
Current Assets	2,320,016	1,290,000	713,106	4,323,122
Current Liabilities	(1,558,257)	-	(5,826)	(1,564,083)
	10,259,772	1,290,000	1,263,538	12,813,310

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**16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)**

	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total £
<b>Group</b>				
Fund balances at 31 July 2020 are represented by:				
Tangible Fixed Assets	6,937,658	-	583,016	7,520,674
Investments	1,820,541	-	-	1,820,541
Current Assets	3,509,112	-	689,808	4,198,920
Current Liabilities	(1,271,496)	-	(17,857)	(1,289,353)
	<u>10,995,815</u>	<u>-</u>	<u>1,254,967</u>	<u>12,250,782</u>
<b>College</b>				
Fund balances at 31 July 2020 are represented by:				
Tangible Fixed Assets	6,937,658	-	583,016	7,520,674
Investments	1,820,643	-	-	1,820,643
Current Assets	3,482,358	-	689,808	4,172,166
Current Liabilities	(1,254,844)	-	(17,857)	(1,272,701)
	<u>10,985,815</u>	<u>-</u>	<u>1,254,967</u>	<u>12,240,782</u>

**17. RELATED PARTIES**

The principal connected organisations are as follows:

**QAC Enterprises Limited (Subsidiary Company)**

During the financial year ended 31 July 2021 the following transactions occurred between Queen Alexandra College (the College) and its subsidiary company, QAC Enterprises Limited:

- Management recharges of £87,774 (2020: £49,218) to cover staff and other costs, incurred during the year by the College, on behalf of QAC Enterprises Limited.
- QAC Enterprises made a Gift Aid Distribution of £148,573 (2020: £202,654) to the College

At 31 July 2021 QAC Enterprises Limited owed the College £408,572 (2020: £354,619).

**Birmingham Royal Institution for the Blind (BRIB)**

During the year Birmingham Royal Institution for the Blind charged Queen Alexandra College £627,700 (2020: £627,700) in respect of rent and made grants of £594,559 (2020: £667,367) to the College in respect of rent and in the prior year a one-off grant support for QAC's development at Pinewood. Queen Alexandra College also received a total of £5,000 (2020: £5,000) from BRIB in respect of accounting services provided by the College under a Service Level Agreement.

At the year end the net amount owed by the College to BRIB was £267 (2020: £1,489).

**Focus Birmingham**

Queen Alexandra College received a total of £nil (2020: £1,684) from Focus Birmingham in respect of maintenance services provided to its sites by contract and other sundry services. During the year QAC received £6,333 (2020: £5,657) from Focus Birmingham in respect of recharging gas costs.

At the year end the net amount owed by Focus Birmingham to the College was £5,401 (2020: £2,600).



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**17. RELATED PARTIES (continued)**

**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 £6,124 (2020; £5,872) in respect of membership subscriptions and training/conferences. Queen Alexandra College received during the year £nil (2020; £1,009) from NATSPEC in respect of services supplied. At the year-end the amount owed by the College to NATSPEC was £48 (2020; £nil).

**Warwickshire College Group**

Chris Bradshaw is a Governor at Warwickshire College Group. During the year QAC purchased garden products totalling £nil from the Group (2020; £740). At the year-end there were no balances outstanding with the Warwickshire College Group (2020; £nil).

**The Dystonia Society**

Chris Bradshaw is a Trustee and Chair of The Dystonia Society. During the year the College received £nil from the Society in respect of room hire and catering services (2020; £944). At the year-end there were no balances outstanding with The Dystonia Society (2020; £nil).

**Governor Donations**

There were no donations from Governors in the year, other than individual sponsorships and tickets for fundraising events (2020; £nil). One Governor of QAC Enterprises Limited made a donation of £2,500 to the College in the prior year.

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.

**18. POST BALANCE SHEET EVENTS**

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

The outbreak of the Covid-19 pandemic has not had a significant impact on the operation of the Charity.

