



QUEEN ELIZABETH'S HOSPITAL

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 31 AUGUST 2024

**Registered Charity No. 1104871
Company No. 5164477**

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QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

Financial Statements
for the year ended 31 August 2024

Contents	Pages
Governors' report	1 to 20
Statement of Governors' responsibilities	21
Independent auditors' report	22 to 26
Statement of financial activities	27
Balance sheet	28
Cash flow statement	29
Notes to the financial statements	30 to 54

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

GOVERNORS, DIRECTORS AND CHARITY TRUSTEES

The Governors of Queen Elizabeth's Hospital are the School's charity trustees under charity law and the directors of the charitable company. The members of the Governing Body who served in office as Governors during the year and subsequently are detailed below:

Governor	Committee Membership at 31 August 2024
Mr K Riley (Chair of Governors)	C D* F
Mrs A Angus	C
Mrs C Bateson	C G
Mrs S E Blanks (resigned 5 December 2024)	C G*
Mr J Buchanan (resigned 6 February 2024)	
Mr A J Cherry (resigned 29 September 2023)	
Mr E J Corrigan	A* B D
Mr T J Davis	A F*
Mrs H England (appointed 25 September 2024)	
Mr J A Hollingdale	A B F G
Mr M C Jones	B* E*
Mr J E Milne	A C* D G
Mrs J Sadler	A D G
Mr M Wagstaffe (appointed 25 September 2024)	
Ms T M Yianni	A

The following committees have been in operation during the year:

- A Finance and Estates Committee
- B Governance, Risk and Audit Committee
- C Education Committee
- D Nominations and Remuneration Committee
- E Health and Safety Committee ‡
- F Investment Committee ‡
- G Development and Alumni Relations Committee ‡

* Denotes Chair of Committee

‡ Denotes Sub-Committee of Finance and Estates Committee

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Key Management Personnel and Professional Advisors

Head:	Mr R D Heathcote
Deputy Head (Academic):	Mr J E Martin
Deputy Head (Pastoral):	Mr N J Pursall
Head of Junior School:	Mr D M Kendall (to 31 August 2024) Mr R A Wolverson (from 1 September 2024)
Director of Finance and Operations and Clerk to the Governors:	Mr M K Suddaby (to 11 September 2024) Mr R P Hutchings (from 12 September 2024)
Registered Office:	Queen Elizabeth's Hospital Berkeley Place Clifton Bristol BS8 1JX
Company Number:	5164477
Registered Charity Number:	1104871
Bankers:	Lloyds Bank Plc George White Street Bristol BS1 3BA
Investment Managers:	Quilter Cheviot Ltd 85 Queen Victoria Street London EC4V 4AB
Auditors:	Bishop Fleming LLP 10 Temple Back Bristol BS1 6FL
Website:	www.qehbristol.co.uk

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

The Board of Governors presents its annual report and audited accounts for the year ended 31 August 2024 and confirms that it complies with the requirements of the Companies Act 2006 and the Charities Act 2011 (as amended by the Charities Act 2022), the Company's Articles of Association and the Charities SORP (FRS 102) 2019. The annual report serves the purpose of both a Governors' Report and a Directors' Report under company law.

REFERENCE AND ADMINISTRATIVE INFORMATION

The Company

Queen Elizabeth's Hospital ("the Company") is a company limited by guarantee (number 5164477) with the liability of its members limited to £1 each by guarantee. It is registered as a charity under registration number 1104871.

The School

The School known as Queen Elizabeth's Hospital ("the School" or "QEH") was founded by Royal Charter in 1590. All the assets, liabilities and contracts of the School were transferred to the Company pursuant to a Charity Commission Scheme dated 31 August 2004 ("the Scheme"), and the Company has carried on the business of the School since that date.

Linked Charities

Under the Scheme, the permanent endowment assets of the School are held by the Company as the trustee of a separate charity called Queen Elizabeth's Hospital Trust ("QEH Trust"). Under a further Charity Commission Scheme dated 25 August 2005, the Company is also the trustee of another separate charity called Queen Elizabeth's Hospital Scholarship, Bursary and Prize Fund ("QEH SBP"), which has the object to further the education of pupils attending Queen Elizabeth's Hospital by the provision of scholarships, bursaries and prizes.

On 25 August 2005, The Charity Commission made a Uniting Direction under section 96(5) of the Charities Act 1993, directing that QEH Trust and QEH SBP ("the linked charities") should be treated as forming part of the charity called Queen Elizabeth's Hospital for the purposes of Part II (registration) and Part VI (accounting) of the Charities Act 1993. The main effect of the Uniting Direction is that the linked charities are aggregated into the Statement of Financial Activities and the Balance Sheet of the Company. They remain, however, legally distinct charities, the funds of which are to be applied solely in accordance with their respective trusts. An analysis of the net assets of the linked charities is shown in Note 15.

Details of the Governing Body, together with the School's officers and principal advisors, are given on pages 1 and 2.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Documents

The Company is governed by its Articles of Association and, in its capacity as Trustee of the School's permanent endowment assets, by the Charity Commission Schemes dated 31 August 2004 and 25 August 2005. The Articles were amended by Special Resolutions on 25 May 2012, 23 February 2016 and 2 July 2018 to reflect changes in the Charities Act and Companies Act since incorporation and to allow for the admission of girls from September 2017 and to widen the geographic area in which the charity can meet its objects.

Governing Body

The Governing Body is self-appointing. The Governors have control of the Charity and its property and funds including, as Corporate Trustees, the endowment assets of the Charity. The Governing Body consists of at least 6 but not more than 20 members. One third of the Governors must retire at each AGM but are normally eligible for re-election for consecutive periods not normally exceeding 9 years. Nominations for new Governors are considered by the Nominations and Remuneration Committee.

Recruitment and Training of Governors

New Governors are inducted into the workings of the School, and also of the Company and registered charity, by the Director of Finance and Operations and the Head during a familiarisation visit. They are issued with a pack of information including the following:

- The School's Governance Manual, which includes details of Governors' roles and responsibilities, the School's Code of Conduct for Governors, the School's Conflict of Interest policy, the School's Principles of Delegation policy, and Committee terms of reference;
- AGBIS Publication – Guidelines for Governors;
- Articles of Association of the Company;
- A copy of the most recent financial statements;
- A copy of the School prospectus;
- Minutes of Governors' meetings for the previous 12 months;
- Charity Commission Booklet CC3 – The Essential Trustee;
- Key School policies;
- The School's Safeguarding Policy and a copy of Part 1 and Annex A of 'Keeping Children Safe in Education'.

Governors are also encouraged to attend regular training seminars organised by the Association of Governing Bodies in Independent Schools (AGBIS) and other professional organisations. From time to time the Governing Body will arrange in house training sessions.

Organisational Management

The Governors normally meet as a Board three times a year to determine the general policy of the Company and review its overall management and control, for which they are legally responsible.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Some of the work of implementing the Board's policies is delegated to Committees, which operate under terms of reference and in accordance with the Governors' 'Principles of Delegation' policy, which are approved and regularly reviewed by the Board of Governors. Each Committee normally meets on at least a termly basis and all acts and proceedings of Committees are reported to the Governing Body fully and promptly through Committee minutes.

The Finance and Estates Committee takes delegated responsibility on behalf of the Governing Body for overseeing all financial aspects of the School, working alongside the Director of Finance and Operations so as to ensure the School's short and long-term viability. It also takes delegated responsibility on behalf of the Governing Body for maintaining and developing the School's buildings, plant and vehicles, grounds, gardens, roadways and security; and ensuring compliance with health and safety requirements.

The Education Committee takes delegated responsibility on behalf of the Governing Body to monitor and review the agreed academic, curricular, co-curricular and pastoral provision of the School and make recommendations as appropriate to the Governors.

The Governance, Risk and Audit Committee takes delegated responsibility on behalf of the Governing Body for implementing and advising on the external audit; for examining and reviewing all systems and methods of control both financial and otherwise including risk analysis and risk management; and for ensuring the School is complying with all aspects of the relevant law, regulations and good practice. It also takes delegated responsibility on behalf of the Governing Body for integrating and co-ordinating all aspects of corporate governance, legal and regulatory compliance and risk management to improve the quality of the School's governance arrangements for the purpose of enhancing overall performance.

The Nominations and Remuneration Committee takes delegated responsibility on behalf of the Governing Body for conducting a regular skills audit of the Governing Body, identifying current or potential future gaps, seeking suitable applicants to fill those gaps, and coordinating the appointment process. It also takes responsibility for overseeing the School's remuneration policy for the Head and senior leadership team.

The Health and Safety Committee, which is a sub-Committee of the Finance and Estates Committee, takes delegated responsibility on behalf of the Governing Body for overseeing the School's arrangements for ensuring the health, safety and welfare of its employees, pupils, contractors, members of the public and any others who may be affected by the activities of the school, and for ensuring compliance with the Health and Safety at Work Act 1974 and other relevant health and safety legislation, and with the relevant provisions of the Education (Independent Schools Standards) Regulations 2014.

The Investment Committee, which is a sub-Committee of the Finance and Estates Committee, takes delegated responsibility on behalf of the Governing Body for overseeing the School's investment portfolio, cash and bank balances, and investment properties, including permanent endowment. The

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Committee advises the Governing Body on the performance of the School's investments portfolio and the overall rate of return, and on discharging its duties in line with the School's investment policy.

The Development and Alumni Relations Committee, which is a sub-Committee of the Finance and Estates Committee, takes delegated responsibility on behalf of the Governing Body for overseeing the School's development, alumni relations and fundraising activities.

The day to day running of the School is delegated to the Head and the Director of Finance and Operations (who is also Clerk to the Governors and Company Secretary), who in turn allocate responsibilities to the Senior Leadership Team. The Head and Director of Finance and Operations attend all the meetings of the Governing Body.

The remuneration of key management personnel is set by the Board, with the policy objective of providing appropriate incentives to encourage enhanced performance and of rewarding them fairly and responsibly for their individual contributions to the School's success.

The appropriateness and relevance of the remuneration policy is reviewed periodically, including, where information is publicly available, by reference to comparisons with other similar organisations to ensure that the School remains sensitive to the broader issues of pay and employment conditions elsewhere.

Delivery of the School's charitable vision and purpose is primarily dependent on its key management personnel and staff costs are the largest single element of the School's charitable expenditure.

The Head of Queen Elizabeth's Hospital is a member of the Headmasters' and Headmistresses' Conference (HMC); the Head of the Junior School is a member of the Independent Association of Preparatory Schools (IAPS); and the School is a member of the Independent Schools Council (ISC) and the Independent Schools Bursars Association (ISBA), all of which provide the School with regular information and advice about relevant changes in regulations and advice to ensure compliance and best practice.

Employment Policy

The School is an equal opportunity employer and is committed to a working environment that is free from any form of discrimination on the basis of age, sex, marriage and civil partnership, gender reassignment, race, disability, sexual orientation, religion or belief, pregnancy and maternity and part-time or fixed-term employment. The School will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

Investment Policy and performance

Investment activities are managed in line with the requirements of the Trustee Act 2000. The Governors have appointed Quilter Cheviot Ltd as investment managers to manage the portfolio of the Company, QEH Trust and QEH SBP on a discretionary basis with a mandate to ensure that the investment policy objectives set by the Governors are met.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

The purpose of the Governors' investment policy is to provide income for current charitable activity and provision of bursaries to provide assistance with school fees to pupils at the school whose parents otherwise would not be able to afford the fees; and for the capital to remain invested to provide growing future income for future beneficiaries.

The investment objectives are to invest the endowment funds to produce the best financial return within an acceptable level of risk; to balance the income and capital returns; and to at least maintain the real capital value of the endowment whilst generating a sustainable level of investment income which rises at above inflation.

OBJECTS, AIMS, OBJECTIVES AND ACTIVITIES

The objects of the charity are the advancement of education of boys and girls by the provision and maintenance of a school or schools in or near the City of Bristol and elsewhere in the world and by ancillary or incidental educational activities and other associated activities for the benefit of the community.

AIMS AND VALUES

The School's overarching aim is:

"to educate and inspire our pupils to take on the challenges of the modern world and to live by their school motto 'whilst we have time - let us do good.'"

In order to realise our aim, the School is committed to inspiring our pupils to achieve more than they imagined possible – both in and out of the classroom. We prioritise individually focussed pastoral care which provides the foundation for an outstanding academic education. We are deeply committed to ensuring a QEH education is accessible to more young people in Bristol. We aspire to be a diverse and inclusive community which seeks to think beyond the conventional and create an inspirational environment where pupils and staff are happy, valued and challenged.

Three core characteristics are at the heart of the QEH community and guide all aspects of school life. We want to provide pupils with the skills and confidence to meet the challenges of the modern world and nurture them to be:

Curious: Develop a love of learning that is creative, thoughtful and ambitious; willing to take risks, show resilience and be adaptable.

Kind: Show empathy, understanding and vulnerability; value the contributions of others and are open, honest and trustworthy.

Positive: Keen to fulfil their potential as optimistic well-rounded individuals; committed to making a difference in their community and the wider world.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

OBJECTIVES

The School's objectives are set to reflect the educational aims and the ethos of QEH.

The key objectives for the year included:

- To recruit sufficient pupils able to benefit from the education offered by the School.
- To maintain the School's high level of academic performance.
- To continue to provide assisted places for families with limited financial means.
- To continue to develop the facilities at the School, including remedial works in the School theatre following confirmation that the roof contains reinforced autoclaved aerated concrete.
- To continue to operate the School effectively and safely and to safeguard and promote the welfare of pupils at the School.
- To ensure that the financial position of the School remains sound.
- To continue to work towards the goals and targets set by the School's operational plan, under the four themes:
 - Innovative and challenging education – both in and out of the classroom
 - Supportive and caring community
 - Development, partnership and accessibility
 - Create an inspiring learning environment

These objectives were satisfactorily achieved.

STRATEGY AND POLICIES

The Governors are responsible for agreeing a strategy to achieve the objectives they have set. The focus of the strategy is the development of the School's pupils to ensure continued high level of academic achievement and to further widen access to the education that the School provides. In taking forward the School's strategy the Governors:

- monitor the effectiveness of the School's curriculum and teaching;
- review the School's academic standards at all levels;
- ensure that the range of co-curricular activities available is stimulating and challenging;
- monitor the effectiveness of pastoral and safeguarding arrangements and actively promote the wellbeing of pupils;
- invest in new facilities and the infrastructure of the School;
- continue to review the provision of bursaries and scholarships to ensure wider access to pupils from all backgrounds.

The Governors set the fees at a level which aims to ensure the financial viability of the School and is consistent with their objective of providing a first-class education.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

The School is academically selective and welcomes pupils from a wide range of ethnic and social backgrounds. The School aims to admit children of sufficient ability to sustain and enhance the academic standards of the School and of sufficient number to sustain and enhance the financial viability of the School. Admission to the School depends upon the availability of places and the ability of the candidate to gain optimum benefit from educational opportunities provided at the School. Detailed arrangements are set out in the School's Admissions Policy.

QEH is committed to safeguarding and promoting the welfare of its pupils and expects all staff and volunteers to share this commitment. In the last Independent Schools' Inspectorate report, the contribution of the School's arrangements for pastoral care was assessed as excellent. Parents are given clear information about their child's progress at parents' evenings in addition to regular written reports. Contact is maintained with parents throughout the year informally and through newsletters and the website. In addition, parental surveys are carried out periodically. The School operates a very successful peer support system to promote the welfare of pupils in years 7, 8 and 9.

PUBLIC BENEFIT

The Governors have given due regard to the Charity Commission guidance on public benefit under the Charities Act 2011.

The School is involved in a range of activities which are of benefit to its pupils, the wider local community and indeed the international community. The main activities can be summarised under the following headings.

Grants for fee assistance

QEH awards a number of grants for assistance with fees each year; the amount available for such assistance is determined annually by the Governing Body and is dependent upon the availability of funds, including endowment income. These grants ensure that children from families who would otherwise not be able to afford the fees can access the education offered by the School. The School uses a means-tested scale to determine the level of any grants. In making decisions about the allocation of grants a number of factors are taken into consideration including the child's performance in the entrance examination, the family's income and assets and any other relevant personal circumstances.

Grants for assistance with fees range from full grants (i.e. free places) for families whose parental income is very low, to small grants for those whose incomes are higher. Information about fee assistance is provided to all applying for a place in the School.

During the year a total of 74 pupils (2023: 65 pupils) were awarded means-tested assistance with fees. The cost of this assistance amounted to £699,345 (2023: £616,169), of which £204,084 (2023: £198,505) was funded from restricted funds and donations. 40 pupils received assistance of 50% or more (2023: 37) and 26 pupils received assistance of 75% or more (2023: 28). This assistance is reassessed every year on a means-tested basis.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Benefit to the local community and use of School facilities

The School remains very active in supporting teacher training and once again trained four PGCE students in partnership with Bristol University. The School again offered an annual conducting workshop for Bristol University PGCE students, putting the expertise of a music teacher, and the school orchestra, at their disposal. Two teachers helped Bristol University to interview their potential PGCE trainee teachers, and one has also been involved in giving seminars to the trainees and this year QEH hosted the RE PGCE cohort for a morning of lesson observations for their first school experience.

Students participating in the Duke of Edinburgh's award scheme (around 200 last year) continue to perform significant amounts of community voluntary service, as well as Year 8 pupils doing their QE award (6 hours each). Further details are set out in the Outdoor Activities section below.

Service to the community is a key part of the weekly Enrichment programme in the Senior School. This involves groups of pupils going every Thursday afternoon to help with local environmental projects or serve and talk to elderly members of the community in local care homes (such as Abbots Leigh and the Trinity Lunch Club). In total this is estimated at around 1,200 hours of student time. Students also volunteer to support the charity Spear and have given around 50 hours of their time in supporting a group of 20 young people who are seeking employment.

The School also loans out equipment, such as sports equipment, to help local community events, and makes pitches available to local junior football and rugby club teams.

Several staff use their coaching skills and qualifications to the benefit of local football and rugby clubs, and also to run clubs in local primary schools. The School sponsors four local sports tournaments each year for children from clubs across the city. One member of staff is Company Secretary for inHope, one of Bristol's largest homelessness charities, and for Hope's Place, a charity sending facilitators into state schools to work with vulnerable 9-14 year-olds on resilience and making positive life choices.

QEH also provides use of the school gymnasium to the Salle Hunt-Roeder Fencing Club and the Bristol Morris Men, both of whom offer membership to young people in the local area. The School has again been a host for the West Bristol Arts Trail enabling local artists to display their work to members of the public.

Charitable Fundraising

The School community once again engaged in a wide variety of fundraising activities and raised a total of £12,718 for a number of local, national and international charities

The School remains committed to fundraising for local charities, which are selected by both staff and students. Among the chosen charities for the year were The Trinity Lunch Club (Year 11), Penny Brohn (staff), PROPS (Year 13) and Spear (Year 12). These organisations benefited from funds raised through

GOVERNORS' REPORT
For the year ended 31 August 2024

initiatives such as non-uniform days and cake sales. Additionally, the Year 9 Charity Challenge focused on supporting Cancer Research, generating a total of £1,674.

This year also saw the School extend its support to several international charities, including UNICEF, the Turkey-Syria Earthquake Appeal, The Date Project (providing aid to victims of war in the Middle East) and the Mike Proctor Foundation.

A highlight of the fundraising calendar was the Children in Need charity day, organised by the Sixth Form. Activities such as a cake sale, 'Sponge the Teacher,' and a staff-led 'Would I Lie to You' event raised an impressive £2,295.

The continued dedication of the school community to charitable causes reflects our ongoing commitment to making a meaningful impact both locally and globally.

Links with local state schools

The School seeks mutually beneficial partnerships with other schools and has in a variety of ways enhanced the provision in local state-funded schools. The School is a very active member of the Bristol Education Partnership ("BEP"), which is a group of 12 schools (in the independent and state-funded sectors), the two Bristol Universities and Bristol City Council. Its aim is to "broaden young people's experience of education, opening up new opportunities and overcoming disadvantage". Through this the School has hosted or collaborated in a wide range of activities, such as a climate conference, student and staff leadership training events, a Teacherfest, careers events, an oracy project, an academic enrichment event and a joint musical concert. Members of BEP state schools are now routinely invited to many of the events that the School puts on, and QEH has taken a leading role in many BEP events, such as Teacherfest and Eco events. In the summer term the School provided a minibus and staff drivers to enable a local state school to attend a BEP event.

Two teachers from our Learning Enhancement team have been working with the students at Barton Hill Primary School one afternoon every week, along with a group of sixth form volunteers, to support literacy. For the academic year 2024-25, this partnership work has moved to Christchurch Clifton Primary School. Another teacher has been taking a group of 6 to 10 sixth formers to Oasis Academy New Oak Primary School every Thursday, where they read with individuals and run a fortnightly enrichment session. The impact of this has been to stretch the most able and give confidence to the less able. Our eco coordinator has also visited the school to help set up a student-led eco committee and to establish priorities and action points for them. The School has also provided transport to bring students from both of these schools to watch drama performances at QEH. In addition, one of the Junior School teachers has been linked to Oasis Academy New Oak primary school and has set up joint outdoor activities with QEH's Year 5 and 6 pupils.

Our Head of Art and another member of her department have delivered art workshops to two state primary schools and funded and hosted a life drawing workshop to which pupils from a local state school were invited and attended. In addition the department has also supported a local state school in their exam moderation process.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Local state schools were invited and sent pupils to attend our Oxbridge evening, where QEH provided guidance on how to make a strong application to these universities.

Each year the School hosts a number of competitions, such as maths challenges, geography quizzes and debating competitions, to which many Bristol schools are invited and a number of state schools attend. The termly Philosophy Society has expanded and includes students from a number of local state and independent schools. Pupils from a local state school also attended the School's Psychology Futures Event.

There are also a number of sporting events throughout the year, and a variety of state schools take up the invitation to enter teams. We host three rugby tournaments at different age groups and organise five other tournaments.

In addition to these partnerships, our teaching staff and SLT staff serve as governors at seven local schools (Ashton Park school, St Phillips primary school in Bath, Wraxhall, St Mary's Portbury, Henleaze primary, Summerhill Academy in St George and the Downs School).

Economic Impact

The School also brings significant economic benefits to the UK and local economy. On the basis of a model developed by Oxford Economics in conjunction with the Independent Schools Council, the School estimates that during the year ended 31 August 2024 it contributed over £19.5 million to UK GDP and over £11.1 million to the local economy in Bristol. In addition, it supported over 365 UK jobs, including over 215 locally, and supported over £5.8 million of tax payments to the exchequer. It also saved over £5.3 million to the UK taxpayer as a result of attendance at the School by pupils who would otherwise have been eligible to take up a free state school place.

PROMOTING HIGH ACADEMIC STANDARDS

Scholarship Policy

The School offers a number of academic, music and sports scholarships each year to recognise high potential or ability. Scholarships are awarded on the basis of a pupil's academic potential or evidence of exceptional academic, musical or sporting abilities which will contribute to the life of the School.

Scholarships can be awarded in addition to a means-tested bursary for assistance with fees. The Governors have decided that scholarships awarded from September 2023 will no longer carry an automatic fee discount, but will instead run alongside the School's means-tested bursary programme.

During the year the School awarded scholarship fee discounts and scholarship grants to 95 pupils (2023: 125 pupils), to the value of £299,320 (2023: £363,281). The progress of pupils receiving scholarships is reviewed regularly to ensure that each pupil is fulfilling the requirements of the scholarship with regard to effort and progress.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Family Discounts Policy

To underline the value the School places on continuity for families, sibling discounts are offered where parents who are not in receipt of any other discount have more than one child at the School.

STRATEGIC REPORT

Overview

The School continued to offer a broad and diverse curricular and co-curricular programme and some highlights are set out in the sections below. All of the key objectives for the year, which are set out on page 8, were met.

The Governors would like to record their thanks to all staff and pupils for their hard work and contribution to the success of QEH and to all parents for their continued support of the School.

Pupil Numbers and Fees

Pupil numbers at the start of the academic year were 657 in the Senior School and 115 in the Junior School.

Termly fees were:

Senior School	£5,695
Junior School	£3,895

Financial Result

Net incoming resources for the year, before transfers and investment gains, were £236,262 (2023: £321,231).

Academic Results

Students at the School again achieved excellent results in public examinations.

At A Level 51% of grades were awarded at A*-A and 77% at A*-B. All EPQ students achieved a grade B or above. This placed the School in the top 100 nationally for A Level results and meant that QEH had the best UCAS outcomes it has ever had with 95% of students getting into a university of their choice.

At GCSE a significant number of pupils achieved the highest grades. 20% of grades achieved were grade 9 and 41% of grades achieved were grade 8 or grade 9. An impressive 12% of pupils secured straight 8s or 9s across all their subjects. Overall, 61% of grades were 7-9. Based on the ability profile of the cohort this represented an excellent value added score.

Music

The past year has been exceptional for music, showcasing our students' talent and dedication through numerous varied and exciting events and performances.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Our major Spring and Autumn concerts, along with Summer Showcases, have highlighted our classical ensembles and choirs, while the House Music Solos competition allowed individual talents to shine, with top performers advancing to the prestigious Musician of the Year final at Bristol Music Club. Our regular Open Mic events and the competitive Battle of the Bands also provided platforms for contemporary music enthusiasts, with bands being formed across every year group.

Music played a significant role in key school events, including the School Choir's performance at Prize Giving and the Jazz Band's accompaniment at Christmas dinners. Our top musicians also performed at the Art Department Exhibition and School Open Days. Scholarship students represented QEH off-site, performing for the elderly at Trinity Lunch Club and meeting professional musicians at St George's. The musical tour to Amsterdam, with 27 students from Years 9 to 13, was a standout highlight.

Junior School highlights included the annual Carol Concert and the 'QEH's Got Talent' Show.

In a time of national underfunding for music education, QEH remains committed to nurturing musical talent. We provide every student with the opportunity to pursue their musical ambitions, ensuring music remains integral to our community.

Drama

Despite the challenges presented by the unexpected closure of the theatre for five months at the start of the academic year, lessons, exams and productions continued in alternative spaces. *One Man, Two Guvnors* was performed at St Nick's Church in the city centre in November and the cast and crew coped with the logistics of moving sets, props and costumes down to the church. The result was an extremely funny and well-attended show.

In the summer term the school staged a brand new play, *Too Much World At Once*. A bold play exploring climate change, sexuality and family. It was challenging to direct and perform and all involved felt a real sense of achievement.

The drama department continued to provide a varied programme of theatre trips for different year groups and drama club was well attended each week.

Sport

Students at QEH enjoyed a wide variety of sporting activities during the year, with high levels of participation and success. The past year really has underlined QEH as a sporting powerhouse, whilst keeping our fundamental principle of 'Sport for All' at its heart.

In rugby, over 300 students represented the school across 14 teams. The U15B and U13C teams remained undefeated, but the U13A team enjoyed a highly successful season winning all their matches. The U13A were ranked the number 1 U13A team in the country. A number of students were involved with Bristol Bears U18 group and 35 students and 4 staff toured South Africa on rugby tour in the summer break.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

Football possibly saw its most successful and busy season with over 300 students and 19 teams playing regularly across all year groups. The 1st XI had their most successful season ever, winning all 14 fixtures, scoring 73 goals and conceding just 7. A number of students represented academies including Bristol City, Bristol Rovers, Exeter City and Cardiff City. 115 students and 10 staff went on football tour to Real Madrid.

It has been another very successful year of tennis at QEH with 5 teams competing at various levels across the school.

Almost 200 cricketers represented the school across 15 teams and enjoyed one of the most successful cricket seasons in the school's history. The 2nd XI, U14A, U13A, U13B and U13C all remained undefeated throughout the entire season and QEH reached the County Cup Finals in all age groups, winning at U12, U13 and U14. Numerous students represented Gloucestershire and Somerset County Cricket at all age groups. Girls' cricket matches also continued after a successful first year. The 1st XI won the Emeriti Cup held at Ampleforth in Yorkshire.

The expansion of provision for girls' sport has been rapid and successful. The girls' hockey program continued to go from strength to strength, and the 1st XI played approximately 17 fixtures and the newly established 2nd XI played 8 fixtures.

The netball program continued with four teams, and the 1st VII played over 20 fixtures. QEH won the national Sister n Sport plate competition and finished third in the Avon County tournament.

The school has also expanded its golf provision, entering teams into the Avon Schools Golf Championships, and establishing golf fixtures against local independent schools.

Climbing events run throughout the school year, with teams entered from all age groups. The year culminated in success for the Senior A Team winning The South West Bouldering League.

Outdoor Activities

The Outdoor Pursuits department continued to grow during the year with pupil participation at an all-time high.

The QE award has now completed a full cycle and has been a great experience for the whole of Years 7 and 8. The award includes extra-curricular clubs, bushcraft, first aid and volunteering and students have the opportunity to develop themselves in each area. In addition, Year 8 students are encouraged to engage in their own volunteering activity in order to give something back to the community.

The Duke of Edinburgh's award continued to go from strength to strength. The second year of an entire year group enrolment meant that 89 Year 9 students completed the Bronze award expedition and students have all been working hard to complete their other sections, with 61 students having fully completed the requirements of the award. 55 Year 10 students signed up for the Silver award (a

GOVERNORS' REPORT
For the year ended 31 August 2024

clear impact of the legacy from the whole year group enrolment the previous year) and 43 Year 12s for the Gold award. The volunteering that the students participate in continues to help a variety of organisations, ranging from working with elderly neighbours in the local area, caring for alpacas in an animal sanctuary and volunteering with St John Ambulance.

The Ten Tors event has become a key strength of the school and QEH once again had 6 teams taking part in the challenge. It is clear that QEH students have earned a name for themselves as one of the strongest establishments involved. The 6 teams consisted of 2 x 35 mile, 3 x 45 mile and 1 x 55 mile.

QEH students had the opportunity to join in a number of trips including a ski trip to Wargrain in Austria and a group of Year 9 and 10 pupils travelled to the North East of Scotland for an adventure camp. Here they learnt survival skills and enjoyed activities in the mountains.

Elizabethan Society and Friends of QEH

The School maintains close links with its alumni and with the Friends of QEH, who support the School and contribute financially to various prize funds and projects.

The Elizabethan Society continued to arrange a number of events, publications and communications to enable alumni to keep in contact with the School.

The Friends of QEH arranged a number of successful events including the Family Fireworks night, the annual Jingle Jam evening at Christmas, a Curry and Quiz Night, and the Lizzies Film Awards.

Fundraising Performance

During the year the School raised £202,016 (2023: £285,498) through gifts and donations.

Investment Performance

Investment income for the year was £737,607 (2023: £542,949). See Note 3 to the Financial Statements.

PRINCIPAL RISKS AND UNCERTAINTIES

The School maintains a Risk Management Register which is reviewed annually by the Governing Body and the Senior Leadership Team.

As part of the regular review Governors have identified seven key strategic risks:

1 *Long-term financial viability*

To secure its long-term financial viability, the School has to balance the investment it makes in its staff and buildings with its funding, the key source of which is fee income. To ensure all its commitments are met, the School has robust management processes. These include forecasting pupil numbers, detailed budgeting and cash flow projections, which are prepared by the Senior Leadership Team and subject to detailed scrutiny by Governors. Progress against

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

this plan is monitored continually by the Senior Leadership Team and termly by Governors.

2 *Affordability*

The School operates in a very competitive market with fees increasing faster than earnings, and is conscious that the cost of independent education is increasingly beyond the financial means of many families. In addition, affordability of fees, and therefore pupil numbers, could be affected by macro-economic factors, including the recent increases in energy, food and other costs. Recognising this, QEH looks to ensure it achieves value for money in every area of its operations, while maintaining the excellent all-round education for which it is renowned. In addition, the School continues to seek donations to increase the funding it has available for means-tested bursaries, in order to provide financial support to even more families than it currently does.

3 *Safety and security of pupils, staff and premises*

The School aims to provide a safe and secure environment, in order to safeguard and promote the wellbeing of pupils, staff and visitors, and to prevent reputational risk. To do this it has in place detailed policies and procedures including in the areas of safeguarding children (including from the risk of abuse of children by adults or from child on child abuse), anti-bullying, health and safety, physical security, cyber-security, wellbeing and critical incident management. These policies are regularly reviewed by Governors. Staff and pupils are provided with detailed training, as appropriate, to ensure these policies are adhered to across the School. In particular, staff and Governors undertake regular comprehensive safeguarding training. The School employs (jointly with two other independent schools in Bristol) a full-time Health and Safety Officer who, in conjunction with the Director of Finance and Operations, the Head of Estates and Facilities and the Maintenance Supervisor, carries out regular inspections of the School buildings and maintains various departmental risk assessments.

4 *Government policy*

There is a risk that changes to government policy (such as amendments to VAT legislation on educational supplies, business rates relief, levy charges, and Teachers Pension contribution levels) will have a significant impact on the School's ability to operate, and links closely with another key strategic risk of affordability. This in turn could have a large impact on the demand for places, and therefore on fee income. QEH mitigates this risk by regularly reviewing its reserves policy, by preparing long-term forecasts, which include contingency planning in the event of changes in policy, and by taking an active role in supporting the Independent Schools Council in promoting public affairs and parliamentary engagement on behalf of the sector.

5 *Recruitment and retention of key staff*

The School relies on its ability to recruit and retain high quality staff to carry out its charitable activities and achieve its objectives. The general shortage of labour in the current economic environment increases the risk of not achieving this objective. In order to achieve this the School provides a comprehensive range of financial and non-financial benefits to staff,

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

including competitive salaries and training and development opportunities, and the promotion and support of staff wellbeing.

6 Effectiveness of Governance

The Governors recognise that strong governance is essential to the School's success. In order to ensure that governance is effective Governors are appointed based upon a skills matrix. Comprehensive induction and refresher training is provided to governors. Committee structures are in place, supported by clear terms of reference. Governors actively monitor the implementation of policies and compliance within the School.

7 Technology

The School uses digital technology extensively and aims to educate its pupils to use digital technology effectively and safely. There are a number of risks associated with this use of technology, including the risk of cyber-attack on the School's IT systems and data, safeguarding pupils and staff from the risk of online harm, ensuring the safety and security of personal data, and the risks posed by artificial intelligence. These risks are mitigated by the implementation of information security, data protection, and acceptable use of IT policies which are actively monitored by Governors, by a range of technical controls, and by the use of external consultants to review the School's management IT and data protection.

The generic controls used by the School to minimise risk include:

- detailed terms of reference together with formal agendas for Committees and Board activity
- strategic development planning reviewed by the Governing Body and its Committees
- comprehensive budgeting and management accounting
- established organisational structures and lines of reporting
- formal written policies including clear authorisation levels
- safeguarding procedures, as required by law, for the protection of children.

The Governors regularly review the effectiveness of current plans and strategies for managing all identified major risks for the School.

FUTURE PLANS

The School intends to continue to achieve its aims and values, and to further develop its public benefit activities including the provision of bursaries and partnerships with maintained schools. Further work is planned to develop and enhance the facilities of the school.

The key objectives for the year ending 31 August 2025 include:

- To recruit sufficient pupils able to benefit from the education offered by the School
- To maintain the School's high level of academic performance
- To continue to provide assisted places for families with limited financial means

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

- To continue to develop the facilities at the School
- To continue to operate the School effectively and safely and to safeguard and promote the welfare of pupils at the School
- To ensure that the financial position of the School remains sound
- To adapt to the proposed introduction of VAT on independent school fees from January 2025
- To continue to work towards the goals and targets set by the School's operational plan, under the four themes:
 - Innovative and challenging education – both in and out of the classroom
 - Supportive and caring community
 - Development, partnership and accessibility
 - Create an inspiring learning environment

FINANCES

The School's main source of income is from fees and investments, the latter being mainly derived from permanent endowment.

The Governors' policy is to set the fees at a level which will be sufficient to generate net income and resources of 10% of net fees over the long term, to fund development work and to provide free reserves equivalent to a term's expenditure when funds permit. All available endowment income will be used for the School's charitable purposes.

The parents of pupils have the assurance that the income of the School, as a charity, must be applied for educational purposes. The charitable status permits a tax exemption on educational activities and on investment income and gains, provided these are applied for charitable aims. As a charity, the School has been entitled to an 80% reduction on business rates on the property occupied for charitable purposes. This will cease from April 2025. The financial benefits received from this tax exemption are all applied for educational purposes and indirectly help to maintain the School's bursary provision.

However, as an educational charity, the School has been unable to reclaim VAT input tax on costs as it is exempt for VAT purposes. Following the October 2024 budget with effect from 1 January 2025 the School will be able to recover VAT linked to its educational activities. The School also pays taxes as an employer through national insurance contributions.

In addition to the very substantial benefits the School brings to its pupils, the local community and society through the education offered, it provides education which would otherwise have to be funded by the Exchequer.

Developments

During the year a number of refurbishment and capital projects were carried out, including the replacement of several roofs at the School; and the refurbishment of a number of classrooms in the Senior and Junior Schools.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

GOVERNORS' REPORT
For the year ended 31 August 2024

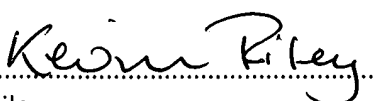
Reserves and Financial Health

In common with most other independent schools, the School operates with a limited amount of free reserves (unrestricted funds less tangible fixed assets), but uses its operating surpluses to finance capital expenditure for improving buildings and facilities, to continue to provide a first class education for pupils.

The School's unrestricted funds stood at £13,636,962 at the year end, of which £10,139,542 represented funds deployed as part of the School's fixed assets, leaving £3,497,420 (2023: £3,457,215) as free reserves. The School also held £12,843,067 in Endowment Funds and £1,339,997 in Restricted Funds. It is anticipated that approximately £839,000 of the Restricted Funds will be applied in future years to support pupils currently at the School. The School aims to retain sufficient reserves to ensure continuity in the event of unforeseen circumstances. The current objective is to retain a level of free reserves equivalent to approximately one term's expenditure. The Governors consider the current level of reserves to be in line with that objective. This objective is reviewed on a regular basis and adjusted if appropriate.

AUDITORS

A resolution to re-appoint Bishop Fleming LLP as auditors for next year will be proposed at the annual general meeting in accordance with section 485 of the Companies Act 2006.



K Riley
Chair of Governors

This report, including the Strategic Report, was approved by order of the Board of Trustees on 5 December 2024.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
for the year ended 31 August 2024

The Governors (who are also directors of Queen Elizabeth's Hospital for the purpose of company law) are responsible for preparing the Governors' Report, including the Strategic Report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

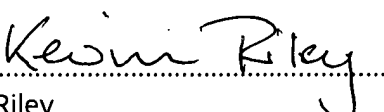
Company law requires the Governors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for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

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

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

In so far as the Governors are aware:

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


.....
K Riley
Chair of Governors

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEEN ELIZABETH'S HOSPITAL
for the year ended 31 August 2024

OPINION

We have audited the financial statements of Queen Elizabeth's Hospital (the School) for the year ended 31 August 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the School's affairs as at 31 August 2024 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the School in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Governors' 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 School'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.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEEN ELIZABETH'S HOSPITAL
for the year ended 31 August 2024

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the School and its environment obtained in the course of the audit, we have not identified material misstatements in the Governors' Report.

We have nothing to report in respect of the following matters in relation to which we to report to you if, in our opinion:

- the School has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the School's 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.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEEN ELIZABETH'S HOSPITAL
for the year ended 31 August 2024

RESPONSIBILITIES OF GOVERNORS

As explained more fully in the Governors' Responsibilities statement, the Governors 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 School'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 School or to cease operations, or have no realistic alternative but to do so.

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Identifying and assessing potential risks related to irregularities

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance of the School;
- We have considered the results of enquiries with management and Governors, including the committees charged with governance over the School's finance and control, in relation to their own identification and assessment of the risk of irregularities within the entity;
- We have considered any matters we identified having obtained and reviewed the School's documentation of their policies and procedures relating to: identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance; detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; the internal controls established to mitigate risks or fraud or noncompliance with laws and regulations;

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEEN ELIZABETH'S HOSPITAL
for the year ended 31 August 2024

- We have considered the matters discussed among the audit engagement team and involving relevant internal independent schools specialists regarding how and where fraud might occur in the financial statements and any potential indications for fraud;
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the School operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019 and FRS 102. In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the School's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing committee meeting minutes;
- Enquiring of Governors and management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all Governors of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

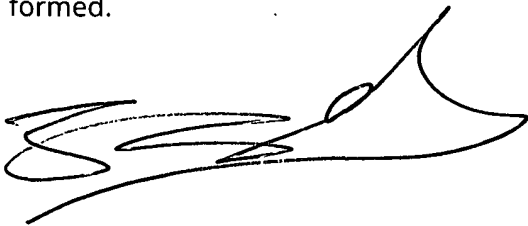
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEEN ELIZABETH'S HOSPITAL
for the year ended 31 August 2024

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the School'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 members those matters we are required to state to them in an Auditors' 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.



Joseph Scaife FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

Date: 14/2/2025

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(including income and expenditure account)
for the year ended 31 August 2024

	Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2024 £	Total 2023 £
Income and endowments from:						
Voluntary sources						
Grants and donations		8,235	193,781	-	202,016	285,498
Charitable activities						
School fees receivable	2	12,093,216	-	-	12,093,216	11,352,202
Ancillary trading income		2,908	-	-	2,908	298
Other trading activities						
Sundry letting		118,761	-	-	118,761	81,858
Investments						
Investment income	3	370,269	23,940	-	394,209	397,125
Bank and other interest	3	343,398	-	-	343,398	145,824
Other						
Other income	4	-	-	-	-	120,000
Profit on sale of fixed assets		-	-	-	-	-
Total income and endowments		<u>12,936,787</u>	<u>217,721</u>	<u>-</u>	<u>13,154,508</u>	<u>12,382,805</u>
Expenditure on:						
Raising funds						
Financing costs		-	-	-	-	7,341
Investment management		125,374	1,868	49,404	176,646	100,556
Fundraising costs		98,541	-	-	98,541	90,424
Total deductible costs		<u>223,915</u>	<u>1,868</u>	<u>49,404</u>	<u>275,187</u>	<u>198,321</u>
Charitable activities						
Education and grant making		12,433,475	209,584	-	12,643,059	11,863,253
Total expenditure	5	<u>12,657,390</u>	<u>211,452</u>	<u>49,404</u>	<u>12,918,246</u>	<u>12,061,574</u>
Net income before transfers and investment gains						
		279,397	6,269	(49,404)	236,262	321,231
Gains/(losses) on investments		-	35,675	938,285	973,960	(203,695)
(Losses) / Gains on investment properties		-	-	(55,000)	(55,000)	40,000
Transfers between funds	13	(53,260)	-	53,260	-	-
Net movement in funds		<u>226,137</u>	<u>41,944</u>	<u>887,141</u>	<u>1,155,222</u>	<u>157,536</u>
Fund balances brought forward		13,410,825	1,298,053	11,955,926	26,664,804	26,507,268
Fund balances carried forward		<u>13,636,962</u>	<u>1,339,997</u>	<u>12,843,067</u>	<u>27,820,026</u>	<u>26,664,804</u>

The notes on pages 30-54 form part of these financial statements

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

Company No. 5164477
BALANCE SHEET
as at 31 August 2024

	Notes	2024	2023
		£	£
Fixed assets			
Tangible assets	7	10,139,542	9,953,610
Securities investments	8	9,558,021	8,582,073
Property investments	8	3,632,527	3,687,527
		<hr/>	<hr/>
		23,330,090	22,223,210
		<hr/>	<hr/>
Current assets			
Debtors	9	160,618	113,769
Cash and deposits		10,902,211	7,774,595
		<hr/>	<hr/>
		11,062,829	7,888,364
		<hr/>	<hr/>
Current Liabilities			
Creditors: amounts falling due within one year	10	(4,285,014)	(3,259,340)
		<hr/>	<hr/>
Net Current Assets		6,777,815	4,629,024
		<hr/>	<hr/>
Total assets less current liabilities		30,107,905	26,852,234
		<hr/>	<hr/>
Long term liabilities			
Creditors: amounts falling due after one year	11	(2,287,879)	(187,430)
		<hr/>	<hr/>
Net assets		27,820,026	26,664,804
		<hr/>	<hr/>
Endowed Funds	13	12,843,067	11,955,926
Restricted Funds	14	1,339,997	1,298,053
Unrestricted Funds		13,636,962	13,410,825
		<hr/>	<hr/>
		27,820,026	26,664,804
		<hr/>	<hr/>

Included within total funds is an investment revaluation reserve of £5,166,415 (2023: £4,298,727). £1,065,207 was borrowed from the Endowment Fund in 2006/07 and is repaid from unrestricted funds in equal instalments over a 20-year period. The amount still due at the year-end was £106,527 (2023: £159,787).

These financial statements were approved by the Governors on 5 December 2024 and signed on their behalf by:



K Riley
Chair of Governors

The notes on pages 30-54 form part of these financial statements

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

CASH FLOW STATEMENT
for the year ended 31 August 2024

	Notes	2024	2023
		£	£
Cash flows from operating activities:			
Net cash provided by operating activities	16a)	3,546,107	1,188,039
		<hr/>	<hr/>
Cash flows from investing activities:			
Dividends, interest and rents from investments		394,209	397,125
Purchase of property, plant and equipment		(759,440)	(1,513,391)
Purchase of investments		(53,260)	(226,520)
		<hr/>	<hr/>
Net cash provided by/(used in) investing activities		(418,491)	(1,342,786)
		<hr/>	<hr/>
Cash flows from financing activities:			
Cash inflows from new borrowing		-	-
Cash repaid on borrowings		-	(619,787)
Interest paid on borrowings		-	(7,341)
		<hr/>	<hr/>
Net cash provided by financing activities		-	(627,128)
		<hr/>	<hr/>
Change in cash and cash equivalents in the reporting period		3,127,616	(781,875)
Cash and cash equivalents brought forward		7,774,595	8,556,470
		<hr/>	<hr/>
Cash and cash equivalents carried forward	16b)	10,902,211	7,774,595
		<hr/>	<hr/>

The notes on pages 30-54 form part of these financial statements

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Charities Act 2011 and the Companies Act 2006. These financial statements are drawn up on the historical cost accounting basis as modified by the revaluation of investment properties and other investments.

The accounts of the Company have been prepared in accordance with a Uniting Direction issued by the Charity Commission dated 25 August 2005. The Commission has directed that the charities called Queen Elizabeth's Hospital Trust (charity number 1104871-1) and Queen Elizabeth's Hospital Scholarship, Bursary and Prize Fund (charity number 1104871-2) shall be treated as forming part of the charity called Queen Elizabeth's Hospital (charity number 1104871) for the purposes of Part VI of the Charities Act 1993. The three charities are aggregated in the Statement of Financial Activities and on the face of the Balance Sheet, with Note 15 detailing individual fund balances and analysing the assets and liabilities between each type of fund and each charity.

Queen Elizabeth's Hospital constitutes a public benefit entity as defined by FRS102.

Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the School to continue as a going concern. The Governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements. The current levels of cash and unrestricted reserves, combined with strong pupil numbers and controls over operating expenditure, have enabled the Governors to conclude that the School has adequate resources to continue in operational existence for the foreseeable future. There are no material uncertainties about the School's ability to continue as a going concern, and therefore the Governors continue to adopt the going concern basis in preparing the financial statements.

General information

The School is a private company limited by guarantee and is incorporated in England and Wales. The registered office is: Queen Elizabeth's Hospital, Berkeley Place, Clifton, Bristol, BS8 1JX.

Charitable Activities

Fees receivable and charges for services and use of premises are accounted for in the year in which the service is provided. Fees receivable are stated after deducting allowances, scholarships and other remissions granted by the School, but include contributions from Restricted Funds for Scholarships, Bursaries and other grants.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

1. ACCOUNTING POLICIES (continued)

Voluntary sources

Income from voluntary sources for the general purposes of the Charity are included as unrestricted funds. Voluntary incoming resources for activities restricted by the wishes of the donor or the terms of the appeal are taken to Restricted funds. Voluntary income required to be retained as capital in accordance with the donor's wishes are accounted for as Endowments – permanent or expendable according to the nature of the restriction. Voluntary income is accounted for as and when entitlement arises, the amount can be reliably quantified and the economic benefit to the School is considered probable.

Expenditure

Expenditure is accounted for on an accruals basis as soon as a liability is considered probable. Expenditure is allocated to functional headings, which aggregate all costs relating to the category on a direct cost basis. The irrecoverable element of VAT is included with the item of expense to which it relates.

Investment Income

Investment income from dividends, property funds, bank balances and fixed interest securities is accounted for on an accruals basis. Income from investment properties is accounted for in the period to which the rental income relates.

Tangible fixed assets

All fixed assets are initially recorded at cost. It is the policy of the School to review all expenditure over £5,000 and capitalise where necessary and appropriate.

Depreciation is provided on all assets except freehold land based on the historical cost less the estimated residual value of the asset based on current market prices at the end of its useful economic life. Depreciation is provided at the following rates:

Freehold buildings	-	over 50 years
Freehold improvements	-	over 15 to 50 years
Fixtures, fittings and equipment	-	over 3 to 5 years
Motor vehicles	-	over 5 years

Investment assets

Investment properties are shown at professional estimates of open market value made by Jones Lang LaSalle, Chartered Surveyors, as at 31 August 2024. Any deficit or surplus is included in endowments.

Listed investments other than property are included at their bid price at the balance sheet date.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

1. ACCOUNTING POLICIES (continued)

Any surplus or deficit on the sale of investment assets included in the Statement of Financial Activities is calculated by reference to the market value at the opening balance sheet date of the property sold.

Unrealised gains and losses arising on the revaluation of investments are credited or charged to the Statement of Financial Activities and are allocated to the appropriate Fund according to the ownership of the underlying assets.

Fund accounting

The charitable trust funds of the School are accounted for as unrestricted or restricted income, or as endowment capital, in accordance with the terms of trust imposed by the donors or any appeal to which they have responded.

Unrestricted income belongs to the School's corporate reserves, spendable at the discretion of the Governors either to further the School's objectives or to benefit the School itself. Where the Governors decide to set aside any part of these funds to be used for some specific purpose, this is accounted for by transfer to the appropriate designated fund.

Restricted income comprises gifts, legacies and grants where there is no capital retention obligation or power but only a trust law restriction to some specific purpose intended by the donor.

Permanent endowment arises where a donor intends the gift to be retained permanently for use by the School (e.g. freehold land) or for its financial benefit (i.e. by investment).

Expendable endowment funds are accounted for similarly, except that all capital can be converted to income for spending either at the Governors' own discretion or else upon the happening of some event contemplated by the donor (e.g. annual depreciation charges on a building or other wasting asset retained for use by the School on a continuing basis – i.e. as a fixed asset).

Pension schemes

The School contributes to the defined benefit scheme for teaching staff which is run by Teachers' Pensions. The Teachers' Pension Scheme (TPS) is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the School 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 quadrennial valuations using a prospective unit credit method. As stated in Note 6, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

1. ACCOUNTING POLICIES (continued)

The School participates in Series 1, 2 and 3 of the TPT Retirement Solutions Growth Plan (the Plan). This is a multi-employer pension plan, which is funded and is not contracted out of the State's scheme. The Plan's assets are co-mingled for investment purposes, and benefits are paid out of the total assets. It is not possible in the normal course of events to identify on a reasonable and consistent basis the share of underlying assets and liabilities belonging to individual participating employers. Accordingly, due to the nature of the Plan, the accounting charge for the period under FRS 102 represents the employer contribution payable. Further details of the scheme are set out in Note 6 and details of a contingent liability in respect of these contributions is set out in Note 18. This pension scheme is in deficit and the School is committed to making contributions towards this deficit. In accordance with FRS 102 the total of the deficit payments are included as a liability within the financial statements. Other than the deficit contribution no ongoing employer contributions are being made to these Series of the TPT Retirement Solutions Growth Plan.

The School contributes to Series 4 of the TPT Retirement Solutions Growth Plan, a defined contribution scheme for support staff. The assets of the scheme are held separately from those of the School. The annual contributions payable are charged to the Statement of Financial Activities as they become payable.

The School is also liable for payments to employees who joined a defined benefit scheme in operation between 1979 and 1984. This was a non-contributory retirement pension scheme and was available to full time support staff who joined the Scheme by 1984 and who continued in service at the School until the normal retirement age. No contributions were made by the employee or the School during the period of service, but the School is liable for pension payments to eligible former employees who meet the retirement criteria.

Debtors

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

Cash at Bank and in Hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 3 months.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

1. ACCOUNTING POLICIES (continued)

Liabilities and Provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the School anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the School after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

Critical Accounting Estimates and Areas of Judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The School makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are the revaluations of investment properties.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

2. CHARITABLE ACTIVITIES – SCHOOL FEES RECEIVABLE

	2024	2023
	£	£
The School's fee income comprised:		
Gross fees	13,254,412	12,505,336
Less: Total scholarships, bursaries and allowances	(1,365,280)	(1,351,639)
	<u>11,889,132</u>	<u>11,153,697</u>
Add back: Bursaries etc paid for by restricted funds	204,084	198,505
	<u>12,093,216</u>	<u>11,352,202</u>

3. INVESTMENT INCOME

	2024	2024	2024	2024	2023
	Unrestricted Funds	Restricted Funds	Endowment Funds	Total	Total
	£	£	£	£	£
Property income	96,993	-	-	96,993	115,918
Interest receivable	343,398	-	-	343,398	145,824
Income from investments	273,276	23,940	-	297,216	281,207
	<u>713,667</u>	<u>23,940</u>	<u>-</u>	<u>737,607</u>	<u>542,949</u>

Of the total unrestricted investment income £370,269 (2023: £374,348) arose from permanently endowed assets. There are no restrictions placed on the income generated from any of the permanently endowed assets.

4. OTHER INCOME

	2024	2023
	£	£
Receipt from option extension on permanently endowed land	-	120,000
	<u>-</u>	<u>120,000</u>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

5. ANALYSIS OF TOTAL EXPENDITURE

	Staff Costs	Depreciation	Other	Total	Total
	2024	2024	2024	2024	2023
	£	£	£	£	£
Raising funds:					
Financing costs	-	-	-	-	7,341
Investment management:					
- Securities investments	-	-	125,374	125,374	51,705
- Property investments	-	-	51,272	51,272	48,851
Fundraising costs	80,446	-	18,095	98,541	90,424
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total costs of raising funds	80,446	-	194,741	275,187	198,321
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Charitable expenditure:					
Teaching	6,706,383	108,659	777,799	7,592,841	6,965,341
Welfare	106,857	-	810,870	917,727	857,181
Premises	468,164	464,849	1,650,885	2,583,898	2,609,614
Support and governance	583,998	-	755,011	1,339,009	1,226,970
Grants, awards and prizes	-	-	209,584	209,584	204,147
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,865,402	573,508	4,204,149	12,643,059	11,863,253
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Expended	7,945,848	573,508	4,398,890	12,918,246	12,061,574
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Grants, awards and prizes

	2024	2023
	£	£
From Restricted Funds:		
Bursaries and other grants and awards	204,084	198,505
Prizes and leaving awards	5,500	5,642
Other costs	-	-
	<hr/>	<hr/>
	209,584	204,147
	<hr/>	<hr/>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

5. ANALYSIS OF TOTAL EXPENDITURE (continued)

Staff costs comprise:	2024	2023
	£	£
Wages and salaries	6,121,998	5,633,144
Defined contribution pension scheme employer's contributions	93,129	81,323
Defined benefit pension scheme operating costs	1,093,145	962,903
Social Security	637,576	594,835
	<u>7,945,848</u>	<u>7,272,205</u>

No Governors received any remuneration or other benefits from the School or from any connected body during the year.

	2024	2023
	£	£
Aggregate employee benefits of key management personnel	685,986	631,030
	<u> </u>	<u> </u>

Employee benefits include wages and salaries, social security and employer's pension contributions, and other benefits in kind.

The average total number of staff employed during the year was 167 (2023: 161). The average number of full time equivalent staff employed during the year was 131 (2023: 128):

	2024	2023
Teaching	84	84
Welfare	2	2
Premises	13	13
Support	32	29
	<u>131</u>	<u>128</u>
	<u> </u>	<u> </u>

	2024	2023
Number of higher paid employees in bands of:		
£150,001 to £160,000	1	-
£140,001 to £150,000	-	1
£110,001 to £120,000	1	-
£100,001 to £110,000	-	1
£70,001 to £80,000	3	3
£60,001 to £70,000	6	6
	<u> </u>	<u> </u>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

5. ANALYSIS OF TOTAL EXPENDITURE (continued)

The total amount relating to termination payments during the year was £44,858 (2023: £26,435). These amounts relate to agreements made with employees to end employment contracts.

No emoluments were paid to the Governors in respect of their services during the year, nor have they received any other form of disclosable trustee benefit (2023: £Nil). The Company provided indemnity insurance for Governors, the cost of which was included as part of the overall insurance premium for the year. During the year Governors received £1682 for reimbursement of training and travel expenses (2023: £763).

Administration costs include:	2024	2023
	£	£
Depreciation - owned assets	573,508	586,618
Loss on disposal of fixed assets	-	-
Auditors' remuneration	12,360	12,000
Auditors' non-audit remuneration	6,348	1,194

6. PENSION COSTS

There are several pension schemes open to certain employees of the School which include the Teachers' Pension Scheme for teaching staff and other schemes as detailed in Note 1.

The School participates in the Teachers' Pension Scheme ("the TPS") for its teaching staff. The pension charge for the year includes contributions payable to the TPS of £1,093,145 (2023: £962,903) and at the year-end £131,520 (2023: £110,316) was accrued in respect of contributions to this scheme.

The TPS is an unfunded multi-employer defined benefits pension scheme governed by The Teachers' Pensions Regulations 2010 (as amended) and The Teachers' Pension Scheme Regulations 2014 (as amended). Members contribute on a "pay as you go" basis with contributions from members and the employer being credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

The employer contribution rate is set by the Secretary of State following scheme valuations undertaken by the Government Actuary's Department. The most recent actuarial valuation of the TPS was prepared as at 31 March 2020 and the Valuation Report was published in October 2023.

Following the McCloud judgement, the remedy proposed that when benefits become payable, eligible members can select to receive them from either the reformed or legacy schemes for the period 1 April 2015 to 31 March 2022. The actuaries have assumed that members are likely to choose the option that provides them with the greater benefits, and in preparing the 2020 valuation have valued the 'greater value' benefits for groups of relevant members.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

The employer contribution rate for the TPS is 28.6% and employers are also required to pay a scheme administration levy of 0.08% giving a total employer contribution rate of 28.68%.

Defined contribution scheme (TPT Retirement Solutions Growth Plan)

The School also contributes to a defined contribution scheme for support staff, as detailed in Note 1. Total employer contributions to the scheme for the year amounted to £93,129 (2023: £81,323).

In 2012, following a ruling by the Supreme Court, the TPT Retirement Solutions Growth Plan Series 3 was reclassified as a defined benefit scheme alongside Series 1 and 2; Series 4 remains a defined contribution scheme.

The School participates in the scheme, a multi-employer scheme which provides benefits to some 638 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the School to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, sets out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a "last-man standing" arrangement. Therefore the School is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay further additional contributions totalling £3,312,000 per annum for all participating employees in monthly payments from 1 April 2022 to 31 January 2025 (unless a concession has been agreed with the Trustee).

The scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee asked the participating employers to pay additional contributions to the scheme totalling £11,243,000 per annum from 1 April 2019 to 30 September 2025 (payable monthly and increasing by 3% each on 1 April each year).

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

6. PENSION COSTS (continued)

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the School has agreed to a deficit funding arrangement the School recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

The recovery plan currently requires that from 1 September 2022, additional annual contributions of £4,024 are made over the term of the recovery plan. This liability has been recognised in the financial statements.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

6. PENSION COSTS (continued)

<u>Present value of provision</u>	2024 £	2023 £
Present value of provision	1,663	5,483
	<hr/>	<hr/>
<u>Reconciliation of opening and closing provisions:</u>	2024 £	2023 £
Provision at start of year	5,483	9,245
Unwinding of the discount factor (interest expense)	202	316
Deficit contribution paid	(4,024)	(4,024)
Re-measurements - impact of change in assumptions	2	(54)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of year	1,663	5,483
	<hr/>	<hr/>
<u>Income and expenditure impact:</u>	2024 £	2023 £
Unwinding of the discount factor (interest expense)	202	316
Re-measurements - impact of change in assumptions	2	(54)
Remeasurements - amendments to the contribution schedule	-	-
Costs recognised in income and expenditure account	204	262
	<hr/>	<hr/>
<u>Assumptions:</u>	2024 %	2023 %
Rate of discount (% per annum)	5.13	6.04
	<hr/>	<hr/>

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

6. PENSION COSTS (continued)

TPT Retirement Solutions Scottish Voluntary Sector Pension Scheme

The School no longer participates in the TPT Retirement Solutions Scottish Voluntary Sector Pension Scheme, but continues to make contributions to the scheme as part of a recovery plan. Deficit contributions totalling £4,691 were paid during the year (2023: £5,820). The amount due at 31 August 2024 is £1,896 (2023: £19,067). This liability has been recognised in the financial statements.

Queen Elizabeth's Hospital Governors' Non-Contributory Pension Scheme

The School is liable for payments to employees who joined the Queen Elizabeth's Hospital Governors' Non-Contributory Pension Scheme, a defined benefit scheme in operation between 1979 and 1984. This was a non-contributory retirement pension scheme and was available to full time support staff who joined the Scheme by 1984 and who continued in service at the School until the normal retirement age. No contributions were made by the employee or the School during the period of service, but the School is liable for pension payments to eligible former employees who meet the retirement criteria. Pension payments in respect of this scheme totalling £4,077 were made during the year (2023: £3,883). The liability for estimated future payments under this Scheme has been recognised in the financial statements. The amount due at 31 August 2024 is £37,061 (2023: £38,193).

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

7. TANGIBLE FIXED ASSETS

	Freehold Land	Freehold Building	Freehold Improvement	Fixtures, fittings Equipment	Motor Vehicles	Total
	£	£	£	£	£	£
Cost						
As at 1 September 2023	180,020	8,186,003	5,138,880	1,968,585	28,767	15,502,255
Additions	-	-	759,440	-	-	759,440
Disposals	-	-	-	-	-	-
As at 31 August 2024	180,020	8,186,003	5,898,320	1,968,585	28,767	16,261,695
Depreciation						
As at 1 September 2023	-	2,159,207	1,774,615	1,586,056	28,767	5,548,645
Charge for year	-	163,720	301,129	108,659	-	573,508
Disposals	-	-	-	-	-	-
As at 31 August 2024	-	2,322,927	2,075,744	1,694,715	28,767	6,122,153
Net Book Value						
At 31 August 2024	180,020	5,863,076	3,822,576	273,870	-	10,139,542
At 31 August 2023	180,020	6,026,796	3,364,265	382,529	-	9,953,610

CAPITAL COMMITMENTS

As at the year-end the School had capital commitments totalling £128,500 (2023: £84,067).

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

8. FIXED ASSET INVESTMENTS

	<i>Property investments</i>	<i>Securities investments</i>	<i>Total</i>
	£	£	£
Market value at 1 September 2023	3,687,527	8,582,073	12,269,600
Additions	-	53,260	53,260
Costs of maintaining investments	-	(51,272)	(51,272)
Change in market value	(55,000)	973,960	918,960
	<hr/>	<hr/>	<hr/>
Market value at 31 August 2024	3,632,527	9,558,021	13,190,548
	<hr/>	<hr/>	<hr/>
Historical cost	1,098,127	7,840,522	8,938,649
	<hr/>	<hr/>	<hr/>
Securities investments comprise:			Value
			£
Quilter Cheviot Portfolio			9,558,018
Investment in subsidiaries			3
			<hr/>
			9,558,021
			<hr/>

The school holds 100% of the issued share capital (£2) of QEH International Schools Limited (Company Number: 10665787). The school also holds 100% of the issued share capital (£1) of QEH Enterprises Limited (Company Number: 15098687). Neither of these subsidiary companies traded during the year ended 31 August 2024.

9. DEBTORS

	2024	2023
	£	£
Fees receivable	16,442	4,596
Other debtors	27,355	10,963
Prepayments and accrued income	116,821	98,210
	<hr/>	<hr/>
	160,618	113,769
	<hr/>	<hr/>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

10. CREDITORS: Amounts falling due within one year

	2024	2023
	£	£
Fees in advance	2,682,034	1,637,477
Sundry creditors and accruals	1,450,581	1,480,581
Taxation & Social Security	152,399	141,282
	<hr/>	<hr/>
	4,285,014	3,259,340
	<hr/>	<hr/>

11. CREDITORS: Amounts falling due after more than one year

	2024	2023
	£	£
Sundry creditors and accruals (1-2 years)	5,194	11,627
Sundry creditors and accruals (2-5 years)	12,582	18,881
Sundry creditors and accruals (over 5 years)	16,091	18,223
Deferred income (1-2 years)	820,988	1,272
Deferred income (2-5 years)	1,193,113	3,817
Deferred income (over 5 years)	239,911	133,610
	<hr/>	<hr/>
	2,287,879	187,430
	<hr/>	<hr/>

DEFERRED INCOME

	£
Deferred income at 1 September 2023	1,846,936
Resources deferred during the year	4,556,605
Amounts released from previous years	(1,708,237)
	<hr/>
Deferred income at 31 August 2024	4,695,304
	<hr/>

Deferred income includes fees received in advance, monies received for trips taking place after the year end and income received in advance in respect of a property.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

12. FINANCIAL INSTRUMENTS

	2024	2023
	£	£
<i>Financial assets measured at fair value through income and expenditure</i>		
Securities investments	9,558,021	8,582,073
	<hr/>	<hr/>
<i>Financial assets measured at amortised cost</i>		
Fees receivable	16,442	4,596
Other debtors	27,355	10,963
Cash and deposits	10,902,211	7,774,595
	<hr/>	<hr/>
	10,946,008	7,790,154
	<hr/>	<hr/>
<i>Financial liabilities measured at amortised cost</i>		
Sundry creditors and accruals	1,282,595	1,306,075
	<hr/>	<hr/>
	1,282,595	1,306,075
	<hr/>	<hr/>

The fair values of the assets and liabilities held at fair value through income and expenditure at the balance sheet date are determined using quoted prices.

13. ENDOWMENTS

	£
Balance at 1 September 2023	11,955,926
Change in market value	883,285
Transfer from unrestricted fund	53,260
Costs of maintaining the endowed funds	(49,404)
	<hr/>
Balance at 31 August 2024	12,843,067
	<hr/>

Pre-incorporation the Permanent Endowment Fund assets were invested in the name of the Trustees of Bristol Charities and managed by them on behalf of the School. The Trustees were bound to pay the net income generated by the assets to the Governors of the School to be used in accordance with the stated objectives. Following the incorporation of the School, the permanent endowment was transferred to QEH Trust. As the assets form a permanent

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

endowment the Governors have no access to the capital of the fund without permission from the Charity Commission.

In the financial year 2006-2007, the Charity Commission agreed that QEH Trust trustees could spend £1,065,207 of the permanent endowment fund converting the charity's property to provide enhanced accommodation. The Charity must replace the sum by setting aside £53,260 each year until 31 August 2026 to be invested as part of the charity's permanent endowment fund.

Movements in the year were as follows:

	£
Balance at 1 September 2023	159,787
Amount repaid in the year	(53,260)
	<hr/>
Balance remaining at 31 August 2024	106,527
	<hr/>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

14. RESTRICTED FUNDS

	<i>As at 1 September 2023</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Gains, losses and transfers</i>	<i>As at 31 August 2024</i>
	£	£	£	£	£
John James Prize Fund	-	3,000	(3,000)	-	-
John James Gift	-	30,000	(30,000)	-	-
Bursary Fund	925,763	160,516	(146,170)	-	940,109
QEH Old Boys' Benevolent Fund	314,443	10,829	(10,829)	33,807	348,250
Scholarship, Bursary & Prize Fund	57,847	13,376	(19,585)	-	51,638
	<u>1,298,053</u>	<u>217,721</u>	<u>(209,584)</u>	<u>33,807</u>	<u>1,339,997</u>

Gains, losses and transfers comprise:

	<i>Bursary Fund</i>	<i>Facilities Fund</i>	<i>Scholarship, Bursary & Prize Fund</i>	<i>Total</i>
	£	£	£	£
Transfer between funds	-	-	-	-
Transfer to unrestricted funds following use of restricted funds to purchase fixed assets	-	-	-	-
Change in market value of Investments	-	-	33,807	33,807
	<u>-</u>	<u>-</u>	<u>33,807</u>	<u>33,807</u>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

	As at 1 September 2022	Incoming resources	Resources expended	Gains, losses and transfers	As at 31 August 2023
	£	£	£	£	£
John James Prize Fund	-	3,000	(3,000)	-	-
John James Gift	-	30,000	(30,000)	-	-
Bursary Fund	1,076,958	125,972	(142,167)	(135,000)	925,763
Facilities Fund	-	120,000	-	(120,000)	-
QEH Old Boys' Benevolent Fund	323,858	10,303	(10,303)	(9,415)	314,443
Scholarship, Bursary & Prize Fund	63,785	12,739	(18,677)	-	57,847
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,464,601	302,014	(204,147)	(264,415)	1,298,053
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The John James Prize Fund is to be used for awards to pupils or projects at the Head's discretion.

The John James Gift represents specific funds received for the awarding of bursaries during the year.

The Bursary Fund represents funds received from fundraising activities restricted to providing bursaries. £762k is anticipated to be utilised in respect of pupils currently at the school in receipt of support from the Bursary Fund up until they complete year 13.

The Facilities Fund is used to provide facilities or equipment which support the school and advance the education of the pupils.

The QEH Old Boys' Benevolent Fund is to be used for:

- (a) The relief of poverty through the provision of:
 - (i) Grants to former scholars of QEH and their dependents in cases of need;
 - (ii) Bursaries and other grants to individual pupils at QEH or on leaving QEH, when need arises;
- (b) The advancement of education in particular through the provision of:
 - (i) Bursaries, prizes and other grants to individual pupils at, or after leaving, QEH;
 - (ii) Funds for specific projects of a charitable nature.

The Scholarship, Bursary and Prize Fund is to be used to further the education of pupils attending Queen Elizabeth's Hospital by the provision of scholarships, bursaries and prizes.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

14. RESTRICTED FUNDS (continued)

Where restricted funds have been used to purchase fixed assets a transfer has been made from restricted to unrestricted as the restriction placed on the funds by the donor have been satisfied.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Fund balances at 31 August 2024 are represented by:				
Tangible fixed assets	10,139,542	-	-	10,139,542
Securities investments	3	348,251	9,209,767	9,558,021
Property investments	-	-	3,632,527	3,632,527
Current assets	10,070,310	991,746	773	11,062,829
Liabilities	(6,572,893)	-	-	(6,572,893)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	13,636,962	1,339,997	12,843,067	27,820,026
	<hr/>	<hr/>	<hr/>	<hr/>

	QE H	Linked Charities QE H SBP	QE H Trust	Total
	£	£	£	£
Fund balances at 31 August 2024 analysed between the linked charities				
Tangible fixed assets	10,139,542	-	-	10,139,542
Securities investments	348,254	421,617	8,788,150	9,558,021
Property investments	-	-	3,632,527	3,632,527
Current assets	11,010,419	51,637	773	11,062,829
Liabilities	(6,572,893)	-	-	(6,572,893)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	14,925,322	473,254	12,421,450	27,820,026
	<hr/>	<hr/>	<hr/>	<hr/>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total
	£	£	£	£
Fund balances at 31 August 2023 are represented by:				
Tangible fixed assets	9,953,610	-	-	9,953,610
Securities investments	3	314,444	8,267,626	8,582,073
Property investments	-	-	3,687,527	3,687,527
Current assets	6,903,982	983,609	773	7,888,364
Liabilities	(3,446,770)	-	-	(3,446,770)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	13,410,825	1,298,053	11,955,926	26,664,804
	<hr/>	<hr/>	<hr/>	<hr/>

	QE H	Linked Charities QE H SBP	QE H Trust	Total
	£	£	£	£
Fund balances at 31 August 2023 analysed between the linked charities				
Tangible fixed assets	9,953,610	-	-	9,953,610
Securities investments	314,447	380,688	7,886,938	8,582,073
Property investments	-	-	3,687,527	3,687,527
Current assets	7,829,744	57,847	773	7,888,364
Liabilities	(3,446,770)	-	-	(3,446,770)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	14,651,031	438,535	11,575,238	26,664,804
	<hr/>	<hr/>	<hr/>	<hr/>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

16. NOTES TO CASH FLOW STATEMENT

a) Reconciliation of net incoming resources to net cash flow from operating activities

	2024	2023
	£	£
Net income/expenditure for the reporting period (as per the statement of financial activities)	1,155,222	117,536
Depreciation charges	573,508	586,618
Disposal of Fixed Assets	-	-
Dividends, interest and rents from investments	(394,209)	(397,125)
(Increase)/decrease in debtors	(46,849)	(52,355)
Increase/(decrease) in creditors	3,126,123	673,479
Endowment costs	51,272	48,851
Interest on loans	-	7,341
(Gains)/losses on investments	(918,960)	203,695
	<hr/>	<hr/>
Net cash inflow from operating activities	3,546,107	1,188,040
	<hr/>	<hr/>

b) Analysis of net funds

	At 1 September 2023	Cash flow	At 31 August 2024
	£	£	£
Cash at bank	7,774,595	3,127,616	10,902,211
	<hr/>	<hr/>	<hr/>

c) Analysis of cash and cash equivalents

	2024	2023
	£	£
Cash in hand	8,667,090	3,142,255
Notice deposits (less than 3 months)	2,235,121	4,632,340
	<hr/>	<hr/>
Total cash and cash equivalents	10,902,211	7,774,595
	<hr/>	<hr/>

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

17. OPERATING LEASE COMMITMENTS

At 31 August 2024 the aggregate of the School's future minimum lease payments under non-cancellable operating leases was:

	2024	2023
	£	£
Amounts payable:		
Within 1 year	31,200	27,961
Between 1 and 5 years	94,124	55,113
	<hr/>	<hr/>
Total	125,324	83,074
	<hr/>	<hr/>

18. CONTINGENT LIABILITY

The School has a contingent liability which has not been provided for in these accounts in relation to the TPT Retirement Solutions Growth Plan described in Note 6. This liability would crystallise only if the School withdrew from the Growth Plan or if the Plan was to be wound up with no participants.

The School continues to offer membership of the Plan to its employees and as at the balance sheet date there were 59 (2023: 58) active members of the Plan employed by the School. There is no current intention to leave the Plan and trigger the contingent liability.

TPT Retirement Solutions has estimated that, if the School ceased to participate in the Plan as at 30 September 2023, the School would have to pay £50,112 including Series 3 liabilities (September 2022: £66,566) based on the financial position of the plan and the employers that, as at that date, were relevant employers.

QUEEN ELIZABETH'S HOSPITAL
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2024

19. STATEMENT OF FINANCIAL ACTIVITIES FOR YEAR ENDED 31 AUGUST 2023

Notes	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total 2023 £	Total 2022 £
Income and endowments from:					
Voluntary sources					
Grants and donations	6,261	279,237	-	285,498	261,962
Charitable activities					
School fees receivable 2	11,352,202	-	-	11,352,202	10,917,281
Ancillary trading income	298	-	-	298	-
Other trading activities					
Sundry letting	81,858	-	-	81,858	25,473
Investments					
Investment income 3	374,348	22,777	-	397,125	397,611
Bank and other interest 3	145,824	-	-	145,824	7,955
Other					
Other income 4	-	-	120,000	120,000	-
Profit on sale of fixed assets	-	-	-	-	20,000
Total income and endowments	11,960,791	302,014	120,000	12,382,805	11,630,282
Expenditure on:					
Raising funds					
Financing costs	7,341	-	-	7,341	31,060
Investment management	51,705	1,790	47,061	100,556	344,963
Fundraising costs	90,424	-	-	90,424	59,776
Total deductible costs	149,470	1,790	47,061	198,321	435,789
Charitable activities					
Education and grant making	11,659,106	204,147	-	11,863,253	10,747,320
Total expenditure 5	11,808,576	205,937	47,061	12,061,574	11,183,109
Net income before transfers and investment gains	152,215	96,077	72,939	321,231	447,173
Gains/(losses) on investments	-	(7,625)	(196,070)	(203,695)	(773,325)
Gains on investment properties	-	-	40,000	40,000	40,000
Transfers between funds 13	201,740	(255,000)	53,260	-	-
Net movement in funds	353,955	(166,548)	(29,871)	157,536	(286,152)
Fund balances brought forward	13,056,870	1,464,601	11,985,797	26,507,268	26,793,420
Fund balances carried forward	13,410,825	1,298,053	11,955,926	26,664,804	26,507,268