

**QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED**

**(A Company Limited by Guarantee)**

**ANNUAL REPORT & FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**

Registered Charity No: 1152032  
Registered Company No: 08339899 (England & Wales)

Azets Audit Services  
Greytown House  
221 – 227 High Street  
Orpington  
Kent  
BR6 0NZ

**QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED**  
**(Company Limited by Guarantee)**

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**QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED**  
(Company Limited by Guarantee)

**COMPANY INFORMATION**

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**Trustees**

D Carre  
J Hosseini (k/a J Smith)  
I Maclean MBE  
Dr N Morgan  
L Montague  
C Satterthwaite CBE  
P Ting

**Key management**

D Pocock LVO – CEO  
Trustees (as above)

**Principal Office**

1 Buckingham Place  
London  
SW1E 6HR

**Registered Charity Number**

1152032

**Company Registration Number**

08339899

**Independent Auditors**

Azets Audit Services  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

**Solicitors**

Farrer & Co  
66 Lincoln's Inn Fields  
London WC2A 3LH

**Investment Portfolio Manager**

Cazenove Capital Management  
12 Moorgate  
London  
EC2R 6DA

## CHAIRMAN'S REPORT

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In 2022 QEST granted 48 Scholarships and Apprenticeships totalling £445,808, a slight increase on the previous years' total of £444,901, which had been the largest number in any one year since the charity was formed in 1990 by the Royal Warrant Holders Association (RWHA). The alumni now total some 700 Scholars and Apprentices, working across the UK, in a diverse range of craft skills, from thatching to printmaking, wood and stone carving, archival paper making, silversmithing and enamelling, sporran making and architectural origami.

We were able, finally, to celebrate the charity's 30<sup>th</sup> anniversary held at Goldsmiths' Hall in November, attended by almost 180 of our alumni, as well as friends, supporters, donors and trustees past and present and where we also announced a major new partnership with the **National Saturday Club**, a programme to introduce young people to personal and career development opportunities with a focus on craft, making, and creativity. As of January 23, four Pilot Clubs are up and running and, over the next few years, we will establish at least 10 Craft&Making Clubs across the UK for 13–16-year-olds, many from disadvantaged backgrounds and under-represented communities. We are extremely grateful to Royal Warrant-holding company Howdens for their generous support of this programme. During 2023 we will continue to build on the Craft&Making Clubs, as well as explore other opportunities to inspire, nurture and train future generations of professional craftspeople, whatever their background or circumstances, as part of QEST's commitment to build a more diverse and inclusive organisation - including makers, employees, trustees, ambassadors, skills assessors, and partners.

During the year, we continued to develop and build on our existing partnerships with **Cockpit Studios** and **The Prince's Foundation**, granting £19,333 and £84,558 respectively towards those programmes and the individuals who took part.

The Professional Development training for all new Scholars in collaboration with **Cockpit Studios** (the business incubation centre and maker space), focused on helping makers to build sustainable businesses, has become an integral part of the Scholarship Programme. We resumed our collaborative initiative with the Prince's Foundation - the **Building Arts Programme** - a 9-month long programme which, through a series of workshops, placements and live builds, explores the interdisciplinary nature of architecture, traditional craft skills and the applied arts; and how these practices and trades inform the built environment.

As ever, we were proud to see our Scholars and Apprentices showcase their work at the RWHA/QEST Annual Luncheon held in the magnificent Guildhall and where QEST Ambassador, Jay Blades MBE, awarded jeweller Charlotte De Syllas the **QEST Award for Excellence**, sponsored by Thomas Fattorini Ltd.

We were delighted to be able to resume a full programme of events during the year, including a Dinner at St James's Palace hosted by our Patron, the Former Prince of Wales. We were able to keep in touch with our alumni, supporters and wider networks with a series of virtual activities and masterclasses, as well as participation in regional fairs and exhibitions at Makers Guild Wales, as well as in Devon and Manchester. We also returned to Collect at Somerset House – the international art fair for modern craft and design.

On behalf of the trustees, I would like to thank all those who have continued to support QEST. It is very much appreciated and we look forward to reporting on the continuing impact of that support.



**Ian Maclean MBE**  
Chairman



## **REPORT OF THE TRUSTEES**

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The Trustees, who are also directors for the purposes of company law, present their report and the financial statements of the company for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Charity's trust deed, the Charities Act 2011 and 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 published on 16 July 2014 updated for bulletin 1&2.

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives and Aims**

The main objective of the Trust is to support the training and education of talented and aspiring craftspeople in the United Kingdom through traditional college courses, vocational training or one-on-one training with master craftsmen. QEST grants Scholarships and Apprenticeships in a wide variety of skills in both contemporary and traditional crafts, thus sustaining excellence in British craftsmanship.

#### **Public Benefit**

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Trust's aim and objectives and in planning future activities and setting the grant making policy for the year.

#### **Grant making**

The Grant Policy of the Trust is to fund the education and training activities in the field of craftsmanship. Scholarships and Apprenticeships are open to talented craftspeople from across the UK regardless of socio-economic background, age, race, gender, sexual orientation, religion, nationality or disability.

### **STRATEGIC REPORT**

#### **ACHIEVEMENTS AND PERFORMANCE**

##### **Charitable Activities**

Since 1990 QEST has granted £5.3 million to more than 700 talented craftspeople in around 130 different skills providing funds for training and education in their chosen craft skill, many of who would have been unable to complete this training due to insufficient finances at a crucial time in their career.

During the year £445,808 (2021: £444,901) of Scholarships and Apprenticeships were awarded.

QEST remains committed to providing this support helping to sustain vital skills in traditional and contemporary crafts; striving to fund those that show the excellence and drive to become leaders in their field. These are just a few of the beneficiaries' comments:

##### ***Mandy Coppes-Martin***

"The QEST Scholarship has totally exceeded my expectations. I feel part of a very supportive community. QEST has targeted certain art fairs and exhibitions and initiatives that have positive repercussions for scholars. It has been an incredible journey and one that I needed for direction and skills advancement."

##### ***Frances Priest***

"The Scholarship has supported me in so many ways beyond the training itself, from access to ongoing professional development, live projects and an incredible network."

##### ***Dorcas Casey***

"I have learnt so much through this scholarship, about sculpture, bronze, craft and how to make my way in the world as an artist. I have met a wonderful, supportive community of QEST scholars and alumni and a fabulous group of bronze-casting sculptors who are keen to share their knowledge and passion for bronze. I think QEST is an amazing organisation and I regularly recommend the QEST scholarships to other artists and students."

QEST Enterprises Ltd was incorporated to enable commercial activity in the form of Special Edition Products. These items were produced by companies enabling them to display the QEST logo, in return for a donation and/or percentage of sales to QEST.

## **REPORT OF THE TRUSTEES**

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### **FINANCIAL REVIEW**

During the year the group raised funds totalling £1,115,275 (2021: £1,114,874), expenditure totalled £1,084,425 (2021: £833,367) with a net loss on investment of £185,761 (2021: gain : £204,468). This resulted in a net deficit of £154,911 (2021: surplus : £485,975).

The Charity raised funds totalling £1,095,773 (2021: £1,112,273), expenditure totalled £1,082,352 (2021: £831,461) with a net loss on investment of £185,761 (2021: £204,468 gain). This resulted in a net deficit, after investment gains, of £172,340 (2021: £485,280 surplus).

The wholly owned subsidiary QUEST Enterprises Ltd had turnover of £58,585 (2021: £16,164) and expenditure totalled £2,073 (2021: £1,906). The gift aid payment paid to QUEST during the year totalled £39,083 (2021: £13,563). This resulted in a profit before tax for the year of £17,429 (2021: £695).

The fund balances carried forward for the group at 31 December 2022 were £5,673,184 (2021: £5,828,095).

#### **Reserves Policy**

The Charity aims to maintain unrestricted funds in perpetuity and at a level that will provide income for the Charity's sustainable and long-term future.

Included in designated funds are the fixed assets and the investment funds. The property asset is not available to spend as the Charity operates on its premises and earned rent is used for the operating activities. Designated funds at 31 December 2022 were £4,095,458 (2021: £4,161,000). This decrease is due to £7,729 depreciation on the property asset and the release of part of the investment reserve as set out in note 20.

The Trustees have established a prudent stance of ensuring the investment fund is maintained in perpetuity and at a level that will generate income sufficient to contribute to the ongoing operating and charitable activities. It is the policy of the Charity that unrestricted funds may be made available for any emergency/crisis situation and to support the ongoing Scholarship and Apprenticeship programme at a level equivalent to eighteen months' operating expenditure excluding events and special project costs being £522,000 (2021: £522,000). Unrestricted funds at 31 December 2022 were £499,702 (2021: £637,037).

Restricted funds at 31 December 2022 were £1,046,321 (2021: £1,015,784).

QUEST Enterprises Ltd non charitable funds at 31 December 2022 were £31,703 (2021: £14,274).

The Reserves Policy will be reviewed on an annual basis.

#### **Investment Policy**

The investment fund was managed independently by Cazenove Capital Management throughout the year.

There are no restrictions on the Trust's power to invest. The overall strategy within which the Fund Manager operates is to maximise total return whilst meeting the income requirements agreed annually with the Trustees. Capital appreciation is expected to be no less, and ideally substantially better, than inflation over the long-term. Asset allocation is agreed during regular meetings between the Finance Sub-Committee and the Fund Manager.

The strategy is reviewed annually with the Fund Manager.

In November 2022, a review of investment managers took place, including four companies and the incumbent, Cazenove Capital Management. Cazenove were chosen to continue to manage the investments, with a transition in the first quarter of 2023 to a Responsible Multi-Asset Fund (RMAF) investment.

#### **Plans for future periods**

The Trust aims to continue to award Scholarships and Apprenticeships in line with the governing documents as well as additional activities and programmes around widening participation and access for young people into craft careers, particularly from under-represented and disadvantaged communities. The Trustees were mindful of the general financial challenges and backdrop within the UK and, to some extent, the continued impact of the Covid-19 pandemic but with a strong fundraising performance in the past two years they are supportive of the growth plans and strategy. This is commented on further in the Going Concern note on pages 6 and 16.



## REPORT OF THE TRUSTEES

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### STRUCTURE, GOVERNANCE AND MANAGEMENT

#### Governing Document

The Queen Elizabeth Scholarship Trust (the Trust) is a company limited by guarantee, and not having any share capital. The Charity is governed by its Articles of Association and was incorporated on 21 December 2012. The Articles of Association were updated and approved by the Trustees on 5 May 2020.

The Trust commenced operations on 1 September 2013 when the Queen Elizabeth Scholarship Trust, a registered Charity (No: 0802557), transferred its funds to the Queen Elizabeth Scholarship Trust Limited under a transfer agreement dated 30 July 2013.

#### Trustees of the Charity

The Directors of the charitable company are its Trustees for the purposes of Charity law. The Trustees who have served during the year and since the year end were as follows:

D Carre	
M Henderson (Chairman)	retired 1 November 2022
J Hosseini k/a J Smith	appointed Deputy Chair – September 2022
I Maclean MBE (Honorary Treasurer)	appointed Chair – November 2022
Prof. S Macleod (Deputy Chairman)	retired 14 October 2022
L Montague	appointed – September 2022
Dr N Morgan	
C Satterthwaite CBE	
P Ting	

Unless otherwise determined by Ordinary Resolution the maximum number of Trustees shall be twelve and the minimum number shall be seven. A Trustee may not appoint an alternate director or anyone to act on their behalf at meetings of the Trustees.

Any grantee, or senior employee of a Royal Warrant-holding company, or QEST Alumni, who is willing to act as a Trustee, and is permitted by law to do so, may be appointed to be a Trustee:

- by Ordinary Resolution; or
- by a simple majority of all the Trustees entitled to attend and vote at any meeting of the Trustees.

Trustees may from time to time co-opt up to three persons who are not from Royal Warrant-holding companies but who are willing to act as Trustees, and are permitted by law to do so, to be Trustees.

Subject to Articles 24 and 25 of the Articles of Association a Trustee shall hold office until his retirement in accordance with Article 26. A Trustee shall be appointed for a term of three years, at the end of which time they shall retire. A person retiring, or who has retired, from the office of Trustee shall be eligible for re-election. No Trustee shall serve for a period of more than six years save with the unanimous approval of the Trustees, who, in exceptional circumstances, may approve a further extension of up to three years.

Trustees shall meet formally at least three times a year.

#### Membership

All Trustees by agreeing to become a Trustee, agree to become a Member of the Charity and accordingly shall be admitted to membership of the Charity on their appointment as Trustee. No-one other than a Trustee shall be admitted to Membership.

Membership is terminated if

- the Member dies or organisation ceases to exist.
- the Member retires by written notice to the Charity provided that after such retirement the number of Members is not less than seven.
- any sum due from the Member to the Charity has been wholly or partly outstanding for at least six months and the Charity serves notice in writing on the Member terminating the membership.
- the Member is removed from membership by a resolution of the Trustees that it is in the best interest of the Charity that their membership is terminated.
- In the case of a Trustee of the Charity, the Member ceases to be a Trustee.

## **REPORT OF THE TRUSTEES**

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### **Key management personnel remuneration**

The Trustees consider the board of Trustees and the CEO as comprising the key management personnel of the Charity in charge of directing and controlling the Charity and running and operating the Charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year. Details of Trustee expenses and related party transactions are disclosed in notes 11 & 23 to the accounts.

Trustees are required to disclose all relevant interests and register them with the CEO and in accordance with the Trust's policy; and withdraw from decisions where a conflict of interest arises.

The pay of the Charity's CEO is reviewed annually and normally increased in accordance with average earnings. The remuneration is also bench-marked with grant-making charities of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

### **Risk Management**

The Trustees have considered the risks faced by the Charity and have put in place systems to manage them, which they monitor. In addition, the CEO (with the Finance Sub-committee) undertakes an annual risk assessment (and review of the Risk Register) and presents this for consideration to the Trustees following which the Charity amends systems/processes as necessary. The Trustees (the Governance Sub-committee) also undertook a review against the seven key principles of the Charity Governance Code; and which will be reviewed annually.

The Trustees consider the following to be the principal risks that the Charity faces:

- Major loss of income from donors or investments – risk mitigated by maintaining good donor stewardship and due diligence of new donors; developing and building an effective fundraising plan; regularly reviewing the investment strategy and monitoring of finances.
- Reputational damage – risk mitigated by a comprehensive communications plan both internally and externally; maintaining good working relationships with all appropriate parties.

### **Going Concern**

The financial statements have been prepared on a going concern basis. At the beginning of 2022, the Trustees again recognised the continued uncertainties around the Covid-19 pandemic and the general financial circumstances which could have affected the value of the Charity's assets, its ability to raise funds and, therefore, its ability to make award; and had appropriate measures in place to mitigate these concerns. The Trustees considered the level of funds held; the expected level of income and expenditure for 12 months prior to authorising these financial statements. They consider that with the level of reserves, and with strong fundraising, the Charity is able to continue as a going concern.

### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also directors of the Queen Elizabeth Scholarship Trust Limited for the purposes of company law) are responsible for preparing the Trustees' Annual 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 Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- observe the methods and principles in the Charities SORP 2015 (FRS 102).
- 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 Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED**  
(Company Limited by Guarantee)

**REPORT OF THE TRUSTEES**

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In so far as the Trustees are aware:

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

Approved by the Board and signed on their behalf:

**Ian Maclean MBE**  
**Chairman**

A handwritten signature in black ink, appearing to read 'Ian Maclean', with a stylized, wavy flourish at the end.

Date:



**INDEPENDENT AUDITORS REPORT TO THE MEMBERS**

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**Opinion**

We have audited the financial statements of Queen Elizabeth Scholarship Trust Limited (the 'parent charitable company') and its subsidiaries (the 'Group') for the year ended 31 December 2022 which comprise the Group Statement of Financial Activities, including the Group Summary Income and Expenditure Account, the Group and Charity Balance Sheets, the Group Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and parent charitable company's affairs as at 31 December 2022, and of the Group's 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions Relating to Going Concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's 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 Trustees with respect to going concern are described in the relevant sections of this report.

**Other Information**

The other information comprises the information included in the Trustees' annual report, other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.



## **INDEPENDENT AUDITORS REPORT TO THE MEMBERS**

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### **Opinions on Other Matters Prescribed by the Companies Act 2006**

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

- the information given in the Trustees' report (incorporating the directors' report and Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' report has been prepared in accordance with applicable legal requirements.

### **Matters on Which we are Required to Report by Exception**

In the light of the knowledge and understanding of the Group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement set out on page 7, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS**

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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. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- Reviewing the reports of any regulatory inspections carried out in the year;
- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the company through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>.

This description forms part of our auditor's report.

**Use of our Report**

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

**Michelle Wilkes** (Senior Statutory Auditor)  
for and on behalf of Azets Audit Services  
Statutory Auditor  
Greytown House  
221-227 High Street  
Orpington  
Kent  
BR6 0NZ

Date:

QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED  
(Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2022

	Note	Unrestricted funds £	Restricted Fund £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations	2	267,593	583,667	851,260	901,837
Investments	3	205,430	-	205,430	196,873
Other trading activities	4	58,585	-	58,585	16,164
<b>Total income</b>		<u>531,608</u>	<u>583,667</u>	<u>1,115,275</u>	<u>1,114,874</u>
<b>Expenditure on:</b>					
Raising funds	6	306,101	-	306,101	201,134
Charitable activities	7	211,370	564,881	776,251	630,327
Trading operations	4	2,073	-	2,073	1,906
<b>Total expenditure</b>	5	<u>519,544</u>	<u>564,881</u>	<u>1,084,425</u>	<u>833,367</u>
<b>Net income/(expenditure) and net movement in funds before gains and losses on investments</b>		12,064	18,786	30,850	281,507
Transfer between funds		(11,751)	11,751	-	
Net gains on investments	14	(185,761)	-	(185,761)	204,468
<b>Net movement in funds</b>		<u>(185,448)</u>	<u>30,537</u>	<u>(154,911)</u>	<u>485,975</u>
Total funds at 1 January 2022		4,812,311	1,015,784	5,828,095	5,342,120
<b>Total funds at 31 December 2022</b>		<u>4,626,863</u>	<u>1,046,321</u>	<u>5,673,184</u>	<u>5,828,095</u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED  
(Company Limited by Guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2022

Comparative year information Year ended 31 December 2021	Note	Unrestricted funds £	Restricted Fund £	Total 2021 £
<b>Income from:</b>				
Donations	2	70,499	830,338	900,837
Investments	3	196,873	-	196,873
Other trading activities	4	16,164	-	16,164
<b>Total income</b>		<u>283,536</u>	<u>830,338</u>	<u>1,113,874</u>
<b>Expenditure on:</b>				
Raising funds	6	201,134	-	201,134
Charitable activities	7	184,426	444,901	629,327
Trading operations	4	1,906	-	1,906
<b>Total expenditure</b>	5	<u>387,466</u>	<u>444,901</u>	<u>832,367</u>
<b>Net expenditure and net movement in funds before gains and losses on investments</b>		(103,930)	385,437	281,507
Net gains / (losses) on investments	14	204,468	-	204,468
<b>Net movement in funds</b>		<u>100,538</u>	<u>385,437</u>	<u>485,975</u>
Total funds at 1 January 2021		4,711,773	630,347	5,342,120
<b>Total funds at 31 December 2021</b>		<u>4,812,311</u>	<u>1,015,784</u>	<u>5,828,095</u>



QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED  
(Company Limited by Guarantee)

CONSOLIDATED BALANCE SHEET

AS AT 31 DECEMBER 2022

REGISTERED COMPANY NUMBER: 08339899

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
<b>Fixed assets</b>					
Tangible assets	13	2,745,457	2,751,000	2,745,457	2,751,000
Investments	14	2,229,838	2,467,475	2,229,839	2,467,476
<b>Current assets</b>		4,975,295	5,218,475	4,975,296	5,218,476
Debtors	15	709,096	553,136	691,015	551,411
Cash at bank and in hand		462,200	798,199	452,528	796,591
		1,171,296	1,351,335	1,143,543	1,348,002
<b>Creditors:</b> Amounts falling due within one year	16	(473,407)	(741,715)	(477,357)	(752,657)
<b>Net current assets</b>		697,889	609,620	666,186	595,345
<b>Net assets</b>		5,673,184	5,828,095	5,641,481	5,813,821
<b>Funds</b>					
Designated funds	20	4,095,458	4,161,000	4,095,458	4,161,000
Unrestricted funds		499,702	637,037	499,702	637,037
Restricted funds	19	1,046,321	1,015,784	1,046,321	1,015,784
Non-charitable funds		31,703	14,274	-	-
	21	5,673,184	5,828,095	5,641,481	5,813,821

Approved by the Board of Trustees on

2023 and signed on their behalf by:

Ian Maclean MBE  
Chair

J Hosseini k/a J Smith  
Deputy Chair

QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED  
(Company Limited by Guarantee)

STATEMENT OF CONSOLIDATED CASH FLOWS

YEAR ENDED 31 DECEMBER 2022

	Notes	Group 2022 £	Group 2021 £
Cash flow from operating activities	24	(591,119)	(106,358)
<b>Net cash flow from operating activities</b>		<b>(591,119)</b>	<b>(106,358)</b>
<b>Cash flow from investing activities</b>			
Purchase of fixed assets		(2,186)	-
Payments to acquire investments		(442,613)	(1,035,960)
Receipts from sales of investments		493,028	1,056,222
Decrease/(increase) in cash held for investments		1,461	61,101
Interest received		600	67
Dividends received		34,830	26,806
Rents received from investment properties		170,000	170,000
<b>Net cash flow from investing activities</b>		<b>255,120</b>	<b>278,236</b>
<b>Net increase in cash and cash equivalents</b>		<b>(335,999)</b>	<b>171,878</b>
<b>Cash and cash equivalents at 1 January 2022</b>		<b>798,199</b>	<b>626,321</b>
<b>Cash and cash equivalents at 31 December 2022</b>		<b>462,200</b>	<b>798,199</b>
<b>Cash and cash equivalents consist of:</b>			
Cash at bank and in hand		462,200	798,199
<b>Cash and cash equivalents at 31 December 2022</b>		<b>462,200</b>	<b>798,199</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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**1. ACCOUNTING POLICIES**

**1.1 Basis of Accounting and Preparation**

The Queen Elizabeth Scholarship Trust Limited is governed under its Memorandum and Articles of Association dated 21 December 2012 (updated in May 2020). The address of the principal office is given in the information on page 1 of these financial statements. The nature of the Charity's operations and principal activities are set out on page 2.

The Charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015, updated for bulletin 1.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the Charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

**1.2 Group financial statements**

The financial statements consolidate the results of the Charity and its wholly owned subsidiary QEST Enterprises Ltd on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

**1.3 Income**

All income is included in the Statement of Financial Activities (SoFA) when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the Charity's right to receive payment is established.

**1.4 Expenditure**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Costs of raising funds includes the cost of publicising the Charity to obtain applications for future Scholarships and Apprenticeships.
- Expenditure on charitable activities includes the Scholarships and Apprenticeships awarded to individuals.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grants. Where grants are conditional relating to performance then the grant is only accrued when any unfulfilled conditions are outside of the control of the Charity.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

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**1.5 Support costs allocation**

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the Charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings, they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

**1.6 Funds**

Unrestricted funds are those funds which can be used at the discretion of the Trustees in accordance with the charitable objectives.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund.

**1.7 Tangible Fixed Assets and Depreciation**

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Depreciation is charged on a straight-line basis as follows:

Property – 1% straight line  
Land – no depreciation

**1.8 Fixed Asset Investments**

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

**1.9 Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**1.10 Taxation**

The company is a registered Charity and is therefore entitled to the exemptions from corporation tax afforded by section 505 of the Income and Corporation Taxes Act 1988. Accordingly, there is no corporation tax charge in these financial statements.

**1.11 Going Concern**

The financial statements have been prepared on a going concern basis. At the beginning of 2022, the Trustees again recognised the continued uncertainties around the Covid-19 pandemic and the general financial circumstances which could have affected the value of the Charity's assets, its ability to raise funds and, therefore, its ability to make award; and had appropriate measures in place to mitigate these concerns. The Trustees considered the level of funds held; the expected level of income and expenditure for 12 months prior to authorising these financial statements. They consider that with the level of reserves, and with strong fundraising, the Charity is able to continue as a going concern.



NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

**1.12 Judgements and key sources of estimation uncertainty**

Accounting 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 following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

*Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 13 for the carrying amount of the tangible fixed assets and note 1.7 for the useful economic lives for each class of assets.

*Bad debts*

Trade debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**2. DONATIONS**

	Unrestricted funds £	Restricted fund £	2022 £	2021 £
Donations	57,758	-	57,758	48,619
Gift aid	194	-	194	495
QEST magazine donations	9,400	-	9,400	10,800
National Saturday Club	-	210,000	210,000	-
Princes' Trust/QEST Building Arts Programme	-	-	-	135,000
Scholarship pledges	-	358,667	358,667	680,338
Cockpit Arts/QEST Professional Development Programme	-	15,000	15,000	15,000
Other events income	8,936	-	8,936	6,395
Book income	305	-	305	5,190
Patron's dinner	191,000	-	191,000	-
	<u>267,593</u>	<u>583,667</u>	<u>851,260</u>	<u>901,837</u>

During the year an additional £174,000 was pledged to support scholarships from 2023. This is not included in the income figure for the year as it related to the post year end period.

**3. INVESTMENT INCOME**

	Unrestricted funds £	Restricted fund £	2022 £	2021 £
Income from property	170,000	-	170,000	170,000
Income from investments	34,830	-	34,830	26,806
Bank interest receivable	600	-	600	67
	<u>205,430</u>	<u>-</u>	<u>205,430</u>	<u>196,873</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

4. TRADING ACTIVITIES

SUBSIDIARY RESULTS

The wholly owned trading subsidiary QEST Enterprises Ltd is incorporated in the United Kingdom (company number 07801254) and pays all of its profits to the Charity under the gift aid scheme. A summary of the trading results is shown below.

	2022 £	2021 £
<b>Summary profit and loss account</b>		
Turnover	58,585	16,164
Cost of sales and administration costs and donations	(2,073)	(1,906)
Net Profit	56,512	14,258
Amount Gift aided to the Charity	(39,083)	(13,563)
Corporation Tax	-	-
Net (loss)/profit for the year	17,429	695
<b>Summary balance sheet</b>		
Debtors	26,829	14,498
Cash at bank	9,671	1,606
Current assets	36,500	16,104
Current liabilities - Creditors	(4,796)	(1,830)
Total net assets	31,704	14,275
Share capital	1	1
Retained earnings	31,703	14,274
Aggregate share capital and reserves	31,704	14,275

5. ANALYSIS OF EXPENDITURE

	Staff costs £	Direct costs £	Support costs £	Total 2022 £	Total 2021 £
Raising funds (note 6)	79,258	149,865	76,978	306,101	201,134
Charitable activities (notes 7&8)	179,738	563,533	32,980	776,251	630,327
Trading operations	-	2,073	2,073	2,073	1,906
<b>Total expenditure</b>	<b>258,996</b>	<b>715,471</b>	<b>112,031</b>	<b>1,084,425</b>	<b>833,367</b>

Support costs have been allocated on the basis of staff time.

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

6. RAISING FUNDS

	2022 £	2021 £
<b>General Fundraising</b>		
Magazine costs	37,201	33,365
Patron's dinner	54,330	-
Other events and projects	33,763	-
Investment management fees	15,278	17,129
Project development/Marketing	9,293	24,269
	<u>149,865</u>	<u>74,763</u>
<b>Other</b>		
Staff cost allocation	79,258	67,394
Support cost allocation	76,978	58,977
	<u>156,236</u>	<u>126,371</u>
	<u>306,101</u>	<u>201,134</u>

7. CHARITABLE ACTIVITIES

	2022 £	2021 £
Scholarships awarded – see below	367,298	342,501
Apprenticeships awarded – see below	26,344	92,000
Excellence Award	1,000	1,000
Prince's Foundation/QEST Building Arts Programme	84,558	-
National Saturday Club	65,000	-
Cockpit Arts/QEST Professional Development Programme	19,333	10,400
Staff cost allocation	179,738	157,369
Support cost allocation	32,980	27,057
	<u>776,251</u>	<u>630,327</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

8. APPRENTICESHIPS AND SCHOLARSHIPS TO INDIVIDUALS

During the year Scholarships were awarded to the following individuals:

Scholar	Craft	Award £
Aaron Leach	Wrought Iron Putter Making	12,000
Andrea Spencer	Glasswork	5,330
Angela Fung	Architectural Origami	10,333
Barnaby Ash	Woodturning	3,260
Cara Murphy	Silversmithing	10,030
Caroline Perkins	Oil Painting	10,033
Catherine Duncley	Bookbinding	16,312
Claire Davenport	Saddlery	4,028
David Robertson	Printmaking	8,193
Debbie Copley	Stained Glass	6,386
Eleanor Vallerini	Millinery	7,375
Greg Goodwillie	Hand Engraving	4,562
Guy Marshall Brown	Ceramics	12,840
Hannah White	Woven & Constructed Textiles	6,750
Holly Loftus	Knifemaking	14,540
Ilaria Alessi	Wall painting conservation	18,000
Isaac Stacey	Bell Making	7,600
Jess Grimsdale	Traditional Signwriting	4,980
Joanne Grogan	Wood carving	11,470
Joy Bonfield-Colombara	Jewellery	10,775
Justyna Medon	Wallpaper design and conservation	15,250
Katie Beard	Type Setting	12,000
Kumiko Kihara	Jewellery	3,840
Laura Quinn	Glasswork	4,000
Lauren Chiu	Metal conservation	17,190
Michael Dickson II	Horology	18,000
Momoka Gomi	Hand weaving	6,842
Montgomery Lewis	Sporran Making	5,925
Naomi Tipping	Illustration	13,818
Nicola Shreeve	Wood, Stone & Decorative surfaces conservation	5,194
Olivia Irvine	Fresco painting	10,310
Patrick Davison	Goldsmithing & Silversmithing	10,100
Patrizia Sascor	Basket Weaving	7,280
Razwan Ul-Haq	Nastaliq Calligraphy	4,650
Sarah Ready	Withy Pot making	9,980
Sarah Shanahan	Gold & Silversmithing	7,086
Sian Evans	Jewellery	8,790
Sim Orme	Bookbinding	9,600
Sofia Karakatsanis	Furniture making	13,580
Tom Palmer	Sculpture	5,232
Will Farquhar	Ceramics	18,000
<b>Total awarded in year</b>		<b>391,464</b>
Scholarships not completed	various	(24,166)
		<b>367,298</b>



NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

8. APPRENTICESHIPS AND SCHOLARSHIPS TO INDIVIDUALS

During the year Apprenticeships were awarded to the following individuals:

Apprentice	Craft	Award £
Ahneta Shashkova	Painting conservation	6,000
Ewan Thomas	Thatching	12,000
Filipa Cardoso	Millinery	12,000
Jacob Greenfield	Thatching	12,000
Nerida Whale	Stained Glass	4,000
Samantha Newby	Hand-papermaking	8,344
<b>Total awarded in year</b>		<b>54,344</b>
Apprenticeships not completed	various	(28,000)
		<b>26,344</b>

9. SUPPORT COSTS

	2022 £	2021 £
Office, travel & sundry	8,862	6,986
Website & database costs	20,277	19,866
Development/outreach	19,278	-
Accountancy	-	17,602
Bank charges	279	198
Governance costs (note 10)	23,887	15,286
Depreciation	7,729	7,000
Staff training and other costs	5,911	2,145
Recruitment	6,411	5,462
Executive expenses	3,979	2,154
Trading operation	2,073	1,906
Other costs	13,345	7,429
	<b>112,031</b>	<b>86,034</b>

10. GOVERNANCE COSTS

	2022 £	2021 £
Auditor's remuneration		
- Audit	12,510	8,955
- Other services	1,990	660
Trustee expenses	444	532
Legal costs	8,943	5,139
	<b>23,887</b>	<b>15,286</b>

11. TRUSTEES' AND KEY MANAGEMENT PERSONNEL REMUNERATION AND EXPENSES

The Trustees did not receive any remuneration during the year (2020: £nil). Three Trustees incurred expenses during the year of £444 (2021: £532 to three) for travelling, training, and subsistence.

The total amount of employee benefits received by key management personnel is £52,953 (2021: £54,533). The Trust considers its key management personnel to comprise those individuals listed on page 1. Part of the CEO's salary is recharged to the Royal Warrant Holders Association

**QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED**  
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2022**

<b>12. STAFF COSTS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	267,626	182,738
Social security	22,603	15,043
Defined contribution pension costs	6,879	5,079
Recharge to Royal Warrant Holders Association	(38,113)	21,903
	<u>258,996</u>	<u>224,763</u>

The average number of employees, by headcount, during the year was 7 (2021: 7).

No employee received remuneration of more than £60,000 during the year £Nil (2021: £nil). Part of the CEO's salary is recharged to the Royal Warrant Holders Association and there is also a cross charge from the Royal Warrant Holders Association for part of the Finance Officer's salary. In 2021 salary costs were recharged by the Royal Warrant Holders Association.

<b>13. TANGIBLE FIXED ASSETS</b>	<b>Freehold Land and Property</b>	<b>Computer</b>	<b>Total</b>
<b>GROUP AND CHARITY</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>			
At 1 January 2022	2,800,000	-	2,800,000
Additions	-	2,186	2,186
At 31 December 2022	<u>2,800,000</u>	<u>2,186</u>	<u>2,802,186</u>
<b>Depreciation</b>			
At 1 January 2022	49,000	-	49,000
Charge for year	7,000	729	7,729
At 31 December 2022	<u>56,000</u>	<u>729</u>	<u>56,729</u>
<b>Net Book Value</b>			
At 31 December 2022	<u>2,744,000</u>	<u>1,457</u>	<u>2,745,457</u>
At 31 December 2021	<u>2,751,000</u>	<u>-</u>	<u>2,751,000</u>

The property is disclosed as a tangible fixed asset as it has mixed usage as office space for the Trust and rental income received from the Royal Warrant Holders Association (RWHA) in relation to the remaining office space. The RWHA is considered to be a related party of the Trust and hence classified as a fixed asset of the Trust. The rental agreement is considered to be at arm's length. The Trustees have not valued the components of the mixed-use asset as they feel the cost of acquiring an accurate valuation are disproportional to the value this would add to the accounts.

<b>14. INVESTMENTS</b>	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>GROUP AND CHARITY</b>		
<b>Market Value</b>		
At 1 January 2022	2,467,475	2,344,370
Additions	442,613	1,035,960
Disposals	(536,511)	(1,160,806)
Realised/Unrealised gains / (losses)	(185,761)	204,468
Funds before cash	<u>2,187,816</u>	<u>2,423,992</u>
Cash for reinvestment	42,022	43,483
At 31 December 2022	<u>2,229,838</u>	<u>2,467,475</u>
<b>Historical cost</b>	<u>2,053,337</u>	<u>2,116,394</u>

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

14.	INVESTMENTS - continued	2022 £	2021 £
	<b>GROUP</b>		
	<b>Investments at fair value comprise</b>		
	Equities	1,589,991	1,885,105
	Bonds	256,332	266,081
	Multi-Asset Funds	85,856	42,597
	Alternatives	256,082	230,209
	UK cash held as part of Portfolio	41,578	43,483
		<u>2,229,838</u>	<u>2,467,475</u>

All investments are carried at their fair value. Investments in equities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

Investments individually representing greater than 5% of the portfolio held are:

	2022 £	2021 £
Fidelity GI Dividend –W-GBP-Inc	153,749	157,271
Schroder Global Sustainable	210,510	229,622
Polar UK Value Opportunities Fund	78,260	145,253
HSBC FTSE All-World Index Fund	159,954	176,490

**CHARITY**

The charities investments are as above plus £1 representing the share in the wholly owned subsidiary QEST Enterprises Ltd.

15.	DEBTORS	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
	Trade debtors	21,493	73,250	-	71,525
	Amounts due from QEST Enterprises Limited	-	-	-	-
	Other debtors	11,820	-	15,232	-
	Apprenticeship & scholarship debtors	648,412	470,112	648,412	470,112
	Prepayments and accrued income	27,371	9,774	27,371	9,774
		<u>709,096</u>	<u>553,136</u>	<u>691,015</u>	<u>551,411</u>

**QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED**  
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2022**

16.	<b>CREDITORS: Amounts falling due within one year</b>	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Charity 2022 £</b>	<b>Charity 2021 £</b>	
	Trade creditors	4,371	3,005	4,371	3,005	
	Amounts due to QEST Enterprises Limited	-	-	5,335	12,774	
	Other taxes and social security	9,017	15,297	9,017	15,254	
	Apprenticeship & scholarship creditors (note 17)	437,133	500,666	437,133	500,666	
	Accruals and deferred income	22,886	222,747	21,501	220,958	
		<u>473,407</u>	<u>741,715</u>	<u>477,357</u>	<u>752,657</u>	
17.	<b>APPRENTICESHIP &amp; SCHOLARSHIP CREDITORS</b>			<b>Group &amp; Charity 2022 £</b>	<b>2021 £</b>	
	At 1 January 2022			500,666	417,692	
	New scholarship and apprenticeship grants committed (note 8)			445,808	434,501	
	Scholarships and apprenticeships not completed in the year			(52,166)	-	
	Scholarship grants paid in year			(457,175)	(351,527)	
	At 31 December 2022			<u>437,133</u>	<u>500,666</u>	
18.	<b>DEFERRED INCOME</b>			<b>Group &amp; Charity 2022 £</b>	<b>2021 £</b>	
	At 1 January 2022			208,500	208,780	
	Additions during the year			1,782	-	
	Amounts released to income			(208,500)	(280)	
	At 31 December 2022			<u>1,782</u>	<u>208,500</u>	
19.	<b>RESTRICTED FUND</b>					
		<b>As at 1 January 2022 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers</b>	<b>As at 31 December 2022 £</b>
	<b>Current Year</b>					
	Apprenticeship & Scholarship fund	876,184	358,667	(445,808)	(13,249)	775,794
	Cockpit Arts/QEST professional development programme	4,600	15,000	(19,333)	-	267
	Prince's Foundation/QEST Building Arts Programme	135,000	-	(74,740)	-	60,260
	National Saturday Club	-	210,000	(25,000)	25,000	210,000
		<u>1,015,784</u>	<u>583,667</u>	<u>(564,881)</u>	<u>(11,751)</u>	<u>1,046,321</u>

Apprenticeship & Scholarship fund – these funds are used to meet scholarship and apprentice grant applications.  
Cockpit Arts/QEST professional development programme provided to all new Scholars.



NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

19. RESTRICTED FUND - continued

Prior Year	As at 1 January 2021 £	Income £	Expenditure £	Transfers	As at 31 December 2021 £
Apprenticeship & Scholarship fund	630,347	680,338	(434,501)	-	876,184
Cockpit Arts/QEST professional development programme	-	15,000	(10,400)	-	4,600
Prince's Foundation/QEST Building Arts Programme	-	135,000	(35,000)	-	100,000
	<u>630,347</u>	<u>830,338</u>	<u>(444,901)</u>	<u>-</u>	<u>1,015,784</u>

20. DESIGNATED FUND

Current Year	As at 1 January 2022 £	New Designations £	Designations Released £	As at 31 December 2022 £
Fixed asset fund	2,751,000	2,186	(7,729)	2,745,458
Investment fund	1,410,000	-	(60,000)	1,350,000
	<u>4,161,000</u>	<u>2,186</u>	<u>(67,729)</u>	<u>4,095,458</u>

Fixed asset fund – this fund holds the freehold property which is used as the main premises of the Charity and for income generation.

Investment fund – these funds are invested to maximise total return and generate income. Funds were released in the year in line with the trustee's policy to actively use the investment funds at their disposal in any way that facilitates the sustainability of QUEST over the long term

Prior Year	As at 1 January 2021 £	New Designations £	Designations Released £	As at 31 December 2021 £
Fixed asset fund	2,758,000	-	(7,000)	2,751,000
Investment fund	1,500,000	-	(90,000)	1,410,000
	<u>4,258,000</u>	<u>-</u>	<u>(97,000)</u>	<u>4,161,000</u>

**QUEEN ELIZABETH SCHOLARSHIP TRUST LIMITED**  
(Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2022**

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

	Unrestricted funds 2022 £	Restricted funds 2022 £	Designated funds 2022 £	Total Funds 2022 £
<b>Current Year</b>				
Fixed assets	879,837		4,095,458	4,975,295
Current assets/liabilities	(348,432)	1,046,321	-	697,889
<b>Total</b>	<b>531,405</b>	<b>1,046,321</b>	<b>4,095,458</b>	<b>5,673,184</b>

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS - continued**

	Unrestricted funds 2021 £	Restricted funds 2021 £	Designated funds 2021 £	Total Funds 2021 £
<b>Prior Year</b>				
Fixed assets	1,057,475	-	4,161,000	5,218,475
Current assets/liabilities	(406,164)	1,015,384	-	609,620
<b>Total</b>	<b>651,311</b>	<b>1,015,384</b>	<b>4,161,000</b>	<b>5,828,095</b>

**22. COMPANY LIMITED BY GUARANTEE**

The Trust is a company limited by guarantee and therefore has no share capital. The liability of the guarantors, who are the members is limited to £1 each.

**23. RELATED PARTY TRANSACTIONS**

The Trust owns property and granted a head lease to The Royal Warrant Holders Association for 10 years until March 2023 at a rate of £170,000 per annum.

The Royal Warrant Holders Association provides various office supplies and equipment to the Trust free of charge. It has not been possible to quantify the value of these supplies at present; however, it is under review.

The Royal Warrant Holders Association made donations of £20,000 (2021: £20,000).

During the year net salary costs were recharged to the Royal Warrant Holders Association totalling £38,113 (2021: salary costs recharged from the Royal Warrant Holders Association £21,903)

The Royal Warrant Holders Association is owed £1,192 (2021: due from £51k) by the Trust at the year-end in relation to various recharges (2021 : balance relates to rent invoice raised in advance of the January 2022 quarter).

QEST Enterprise Limited, the 100% owned subsidiary, is owed by the Trust £5,535 (2021: owed the Trust £12,774) at the year-end in relation to expenditure incurred by the trust on behalf of QEST Enterprise Limited. QEST Enterprises Limited made donations totalling £39,083 (2021: £13,563) to QEST during the year.



NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2022

24. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	Group 2021 £
Net surplus/(deficit) for 31 December 2022	(154,911)	485,975
Dividends received	(34,830)	(26,806)
Rents received from investment properties	(170,000)	(170,000)
Bank interest	(600)	(67)
Depreciation of tangible fixed assets	7,729	7,000
Net loss / (gains) on investments	185,761	(204,468)
(Increase)/decrease in debtors	(155,960)	(253,492)
(Decrease)/Increase in creditors	(268,308)	55,500
Net cash flow from operating activities	<u>(591,119)</u>	<u>(106,358)</u>

25. CONTINGENT LIABILITY

In 2018 the Charity received underwriting of £100,000 towards the costs of the book project this income is included in donations. This is to be repaid from the proceeds of future book sales. The balance at the end of 2022 is £78,260 (2021: £78,565).

