QUEEN MARY'S SCHOOLS FOUNDATION

England & Wales · Charity number 1175360

Details

Status	Registered
Legal form	CIO
Registered	2017-10-25
Register	View on the Charity Commission register

Contact

Address	Wallace Crooke 20 Birmingham Road Walsall West Midlands WS1 2LT
Phone	01922 612309
Email	clerk@qmfoundation.org

Activities

Objects: THE OBJECTS OF THE CIO ARE THE ADVANCEMENT OF EDUCATION BY:(A) THE CONDUCT AND MAINTENANCE OF MAYFIELD PREPARATORY SCHOOL AND SUCH OTHER PREPARATORY SCHOOL OR SCHOOLS FOR THE EDUCATION OF GIRLS AND BOYS AS THE CHARITY TRUSTEES MAY FROM TIME TO TIME THINK FIT;(B) THE PROVISION OF PREMISES, SUPPORT, SERVICES AND FACILITIES FOR THE SCHOOLS OF THE FOUNDATION OR ANY FORMER SCHOOL OF THE FOUNDATION WHICH HAS BECOME AN ACADEMY WITHIN THE MEANING OF THE ACADEMIES ACT 2010; (C) THE AWARD OF:(I) SCHOLARSHIPS TENABLE TO ANY SCHOOL OF THE FOUNDATION TO PUPILS SELECTED ON GROUNDS OF MERIT;(II) LEAVING EXHIBITIONS, TO PUPILS WHO HAVE ATTENDED A SCHOOL OF THE FOUNDATION FOR AT LEAST TWO YEARS, TENABLE AT ANY UNIVERSITY OR OTHER INSTITUTION OF HIGHER OR FURTHER (INCLUDING PROFESSIONAL OR TECHNICAL) EDUCATION APPROVED BY THE CHARITY TRUSTEES OR FOR THE PURPOSE OF ENABLING THE EXHIBITOR TO PURSUE A COURSE OF STUDY APPROVED BY THEM;(III) MAINTENANCE ALLOWANCES FOR PUPILS WHO NEED FINANCIAL ASSISTANCE TO ATTEND ANY SCHOOL OF THE FOUNDATION; (IV) PRIZES OR OTHER SUITABLE REWARDS OR MARKS OF DISTINCTION TO ANY PUPIL WORTHY OF REWARD OR DISTINCTION; AND(D) OTHERWISE PROMOTING THE EDUCATION OF BOYS AND GIRLS ATTENDING THE SCHOOLS OF THE FOUNDATION IN SUCH WAYS AS THE CHARITY TRUSTEES THINK FIT.

Activities: The Foundation furthers the education of pupils attending the Schools of the Foundation and which are, namely, Mayfield Preparatory School, Queen Mary's Grammar School and Queen Mary's High School. Each of the Schools are based in Walsall, West Midlands.The Foundation assists pupils by the

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funding of prizes, scholarships and maintenance allowances.

Classification

- **How:** Makes Grants To Individuals, Makes Grants To Organisations, Provides Buildings/facilities/open Space, Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People

Geography

- Walsall

Finances

Period end	Income	Expenditure	Assets	Employees
2024-03-31	£2,328,764	£2,200,199	£4,857,535	44
2023-03-31	£2,220,036	£2,207,025	£4,656,812	45
2022-03-31	£2,075,828	£2,023,870	£5,049,753	51
2021-03-31	£1,904,083	£1,883,802	£4,944,564	51
2020-03-31	£1,908,648	£1,920,718	£4,781,654	51

Trustees

Name	Role	Appointed
Daniel Hunt		2020-09-09
Dr Edward Kok Hun Ng		2024-07-16
JOHN NICHOLAS PUNCH FRICS		2019-02-05
John MacDonald Waters		2023-11-21
Katrina Nicole Healey-Davis		2019-02-05
Neil Christopher Moseley		2024-07-16
Paul Lee		2019-02-05
REBECCA ELIZABETH HEARSEY		2019-02-05
Timothy Normanton		2024-07-16
VIVIAN MARGARET FAIRBANK		2019-02-05

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Linked charities

- QUEEN MARY'S SCHOOLS FOUNDATION (1175360-1)
- THE ENNALS PRIZE (1175360-10)
- JOHN GEORGE ENSOR PRIZE FUND (1175360-11)
- FLINT PRIZE FUND (1175360-12)
- FREDERICK GNOSILL SCHOLARSHIP FUND (1175360-13)
- THOMAS ALVA HILL MEMORIAL PRIZE FUND (1175360-14)
- JEFFRIES PRIZE FUND (1175360-15)
- ALICE MAUD KIRBY SCHOLARSHIP FUND (1175360-16)
- ERNEST W KIRBY PRIZE FUND (1175360-17)
- LAZENBY SCHOLARSHIP FUND (1175360-18)
- JOSEPH ALEXANDER LECKIE SCHOLARSHIP FUND (1175360-19)
- WILLIAM ASTLE PRIZE FUND (1175360-2)
- E N MARSHALL MEMORIAL TRUST (1175360-20)
- WILL FRANK MCKINSTRY PRIZE FUND (1175360-21)
- DR H MCKINSTRY BEQUEST (1175360-22)
- GEORGE MOORCROFT WOOD PRIZE FUND (1175360-23)
- GEORGE MOORCROFT AND ANNIE WOOD PRIZE FUND (1175360-24)
- OLD ENGLISH PLAYERS PRIZE FUND (1175360-25)
- HAROLD PARRY PRIZE FUND (1175360-26)
- MISS A L PHILLIPS PRIZE FUND (1175360-27)
- QUEEN MARY'S HIGH SCHOOL JUBILEE SCHOLARSHIP FUND (1175360-28)
- QUEEN MARY'S (OLD BOYS') CLUB SCHOLARSHIP FUND (1175360-29)
- J F W BINNS PRIZE FUND (1175360-3)
- MARION E SMITH MEMORIAL PRIZE FUND (1175360-30)
- SIR EDWIN SMITH PRIZE FUND (1175360-31)
- TERCENTENARY SCHOLARSHIP FUND (1175360-32)
- SAMUEL TREES MEMORIAL PRIZE FUND (1175360-33)
- WALSALL WORKING MEN'S CLUB PRIZE FUND (1175360-34)
- WALLIS MEMORIAL FUND (1175360-35)
- HAROLD WILLIAMS PRIZE FUND (1175360-36)
- M WILLIAMS PRIZE FUND (1175360-37)
- WINDLE SCRIPTURE PRIZE FUND (1175360-38)
- THRUSTAN'S BEQUEST (1175360-39)
- ELLEN BRACE PRIZE FUND (1175360-4)

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- WILEY PRIZE FUND (1175360-40)
- FRANK BRACE FUND (1175360-5)
- H M BUTLER SCOUT PRIZE (1175360-6)
- JOHN CRUMP PRIZE FUND (1175360-7)
- DOCKER SCHOLARSHIP FUND (1175360-8)
- ELDON ANNESLEY CRUMP PRIZE FUND (1175360-9)

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QUEEN MARY'S SCHOOLS FOUNDATION

England & Wales - Charity number 1175360

Accounts

REGISTERED CHARITY NUMBER: 1175360

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

FOR

QUEEN MARY'S SCHOOLS FOUNDATION

QUEEN MARY'S SCHOOLS FOUNDATION

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FOR THE YEAR ENDED 31 MARCH 2024

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QUEEN MARY'S SCHOOLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2024

TRUSTEES	Susan Blakemore Vivian Fairbank Rebecca Hearsey John Nicholas Punch Chartered Surveyor John Vallance (resigned 6/11/2023) Paul Lee Katrina Healey-Davis Daniel Hunt Simon Thacker (resigned 27/5/2023) John MacDonald Waters (appointed 21/11/2023) Neil Christopher Mosley (appointed 16/7/2024) Dr Edward Kok Hun Ng (appointed 16/7/2024) Timothy Normanton (appointed 16/7/2024)
PRINCIPAL ADDRESS	20 Birmingham Road Walsall West Midlands WS1 2LT
REGISTERED CHARITY NUMBER	1175360
INDEPENDENT AUDITORS	Fruition Advisory LLP 29 Wood Street Stratford-upon-Avon CV37 6JG
BANKERS	Lloyds Bank plc The Bridge Walsall West Midlands WS1 1LU
CLERK TO THE GOVERNORS	David Milne 20 Birmingham Road Walsall West Midlands WS1 2LT
INVESTMENT ADVISERS	I M Asset Management Ltd Riverside East 2 Millsands Sheffield S3 8DT

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2024. The Trustees have adopted the provisions of 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) (effective 1 January 2019).

The Foundation was incorporated as a Charitable Incorporated Organisation (CIO) on 25 October 2017. The financial statements attached reflect the activities of the CIO from 1 April 2023 to 31 March 2024.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024

OBJECTIVES AND ACTIVITIES

On incorporation as a CIO the Trustees adopted a governing document setting out the charitable objectives as follows.

The Foundation furthers the education of pupils attending the schools of the foundation and which are, namely, Mayfield Preparatory School, Queen Mary's Grammar School and Queen Mary's High School. Each of the schools are based in Walsall, West Midlands.

The Foundation assists pupils by the funding of prizes, scholarships and maintenance allowances. The objects of the CIO are the advancement of education by:

- The conduct and maintenance of Mayfield Preparatory School and such other preparatory school or schools for the education of girls and boys as the charity trustees may from time to time think fit;

- The provision of premises, support, services and facilities for the schools of the Foundation or any former school of the Foundation which has become an academy within the meaning of the Academies Act 2010;

- The award of:

    - Scholarships tenable to any school of the Foundation to pupils selected on grounds of merit;
    - Leaving exhibitions, to pupils who have attended a school of the Foundation for at least two years, tenable at any university or any other institution of higher or further (including professional or technical) education approved by the Charity Trustees or for the purpose of enabling the exhibitor to pursue a course of study approved by them;
    - Maintenance allowances for pupils who need financial assistance to enable them to attend any school of the Foundation; and
    - Prizes or suitable rewards or marks of distinction to any pupil worthy of reward or distinction;

- Otherwise promoting the education of boys and girls attending the schools of the Foundation in such ways as the Charity Trustees think fit.

The aims of the Charity are (directly) the provision of excellent standards of education to all pupils, and to promote and enhance the education of boys and girls attending the schools of the Foundation, and by so doing, to develop life-long benefits to the whole community; and (indirectly), through the Foundation Schools, the promotion of education at other schools.

In support of these overall aims, the charity looks to enhance the facilities and opportunities at the three schools in the Foundation. In addition, the charity looks to contribute in the wide public interest to the welfare and education of young people from diverse backgrounds.

The Foundation recognises that the pandemic has reaffirmed and heightened significant inequalities in our society and, in some cases, between students attending the Foundation Schools.

Following their recent successful applications to the Selective Schools Expansion Fund, both the Grammar and the High School are committed to attracting a greater number of students from disadvantaged backgrounds. The Foundation is facilitating a lease over part of its premises to enable extra classroom space at the High School and which will be necessary to allow it to accommodate the resulting increase in student numbers.

Additionally, the Foundation funds the 'Outreach Work' which is completed by both the Grammar School and the High School in order to attract greater numbers of applications from disadvantaged students.This is ongoing with great success.

The following people benefit from the work of the Charity: directly, the boys and girls attending the schools. Indirectly, through community links provided by the Grammar and High Schools, other schools in the local area, where support is provided to primary and secondary schools (for example in Maths, English and Languages) and particularly those schools forming part of The Mercian Trust, of which both the Grammar and High Schools are now members.

The Mayfield School makes its facilities available to other local groups and schools and invites other schools to pastoral events. Admission to the High School and Grammar School is upon the basis of academic ability and potential. There are no fees payable for admission to these two schools.

The Charity reviews the needs of the beneficiaries of its work in the following ways: -

- The Governing Bodies of each School meet formally at least 5 times each academic year. Updates from these meetings are provided to ensure that Trustees are kept informed in relation to the academic performance of each of the Schools as well as financial and pastoral matters. In such a way, the needs of pupils are identified and, wherever possible, assistance is provided.

- The Trustees similarly receive regular updates in relation to the overall performance of the Mercian Trust. The Trustees themselves meet at least annually (and pre-pandemic bi-annually) in order to review the needs of its Schools.

- The Headteachers of each of the Foundation Schools have close contact with other educational establishments and liaise directly with them to see if support can be offered. Again, this is particularly relevant in relation to the other member schools of the Mercian Trust, namely, Aldridge School, Shire Oak Academy, Walsall Studio School and The Ladder School, Great Barr Q3 Academy, Langley Q3 Academy, and Tipton Q3 Academy.

The key elements to the Charity's medium to long term strategy would be as follows: -

- To ensure that the Foundation has sufficient funds to support the schools within the Foundation, and to ensure that funds are invested for the future success of the schools and the pupils who attend them.

- To ensure that the schools are well governed and to support the Headteachers and staff at each school to ensure that educational success and pastoral and cultural development is achieved and, where appropriate, improved.

- To ensure that the schools are a valuable part of the local community, with links to other schools, to local charities, to businesses and trade organisations, which will benefit not only the pupils but also the wider community.

The Charity measures the success of the strategy in the following ways:-

- In financial terms - by regular meetings (not less than at twelve month intervals) of the Investment Committee of the Foundation, which monitors the Foundation's investments and takes professional advice from independent financial advisers. In turn the Investment Committee reports to the Trustees.

- In the success of the schools - by receiving reports from the governing bodies of each school.

- By encouraging the schools to undertake regular surveys of parents, staff and pupils which are analysed to identify any unwelcome trends.

The Trustees are familiar with their duty to ensure public benefit, and in this respect, have had regard to the guidance issued by the Charity Commission. The Trustees ensure that each of the three schools in the Foundation demonstrates in reports received by the Trustees that the wider community is benefited. Given that the two secondary schools are open to all candidates based on proven ability, the public benefit is considered satisfied for these schools. In 2016, Mayfield joined with a local consortium of maintained primary schools to provide cross-school support and to share good practice. Mayfield has made its facilities (including its playing fields) available to the other schools. Mayfield has also facilitated 'mock 11+ exams' for pupils from the consortium schools. The Trustees are therefore satisfied that there is a wider benefit for children in the local community as a result.

ACHIEVEMENT AND PERFORMANCE

The main objectives set previously included:

- To offer financial support to the three schools of the Foundation, to ensure they continue to offer high standards of education.

- To address the medium to long-term future of the schools.

- To ensure the implications of public benefit were addressed.

In respect of these objectives, it is considered that the following main achievements have been accomplished in the past year:

- Financial viability has been established, to ensure sufficient funds were available to:

  - Provide professional guidance and support for the schools (through specialist legal advisers; a Clerk; an accountant; and an independent investment adviser).

  - Provide funds to cover the costs of the entrance examination at both the Grammar and the High School (to ensure the schools selected candidates based on ability), for the afore-mentioned outreach work and contributions to prize-giving to recognise the success and well-being of the students.funds to the students.

- To ensure that there were sufficient reserves available to support financially any of the three schools.

- To review the investment portfolio and investment policies to ensure financial viability.

- During the year, the Foundation has made £10,000 available to both the High School and the Grammar School to enable disadvantaged students' participation in co-curricular activities including overseas trips which these students could not otherwise afford.

- The Foundation has pledged £100,000 towards the refurbishment of some of its premises and to thereafter grant a lease in respect of the same to the High School. This will afford the High School much needed additional classroom space.

Following the appointment of I M Asset Management Ltd as Investment Advisors it was resolved that the Foundation would pursue a financial investment strategy on a low to medium risk, to optimise an income return without diminution of the investment capital. Further information is given in the section "Financial Review" below.

The benefits provided to the pupils at the three schools by the work of the Foundation are reflected in the above, and in particular:

- Ensuring that Mayfield was a going concern and had a future strategy for facilities' improvement and building expansion. The high standards of Mayfield were maintained. 20 pupils out of 24 were awarded places at selective secondary schools to begin in September 2024. 6 pupils were awarded scholarships.

- Ensuring the high standards of entry at Year 7 and to the Sixth Forms of the secondary schools were maintained. The summer of 2023 performances at both GCSE and A-Level remained strong at both schools.The High School performances at both GCSE and A-Level bettered the results achieved in 2019 (the last year in which the pre-pandemic grading arrangements had applied) and which ran contrary to the national narrative. 42 students out of 89 were awarded places at their first choice University. 69% of students passed all their GCSEs within the grade range 7-9.

- The Grammar School performances at both GCSE and A-Level were consistent with the strong results achieved in 2019. 64% of all A-Levels awarded were at grades A*/A/B. There was a 99% pass rate at A-Level. 4 students had been awarded places at Oxbridge. Over 68% of students passed all their GCSEs within the grade range 7-9.

- The provision of prizes has benefitted the students in a wider pastoral context.

The investment and fundraising by the Foundation has always been modest, with the Trustees preferring to maintain a low to medium investment risk to investments, as described above, and not to incur expense in speculative fundraising if that was not required. The Trustees consider their approach has been appropriate over the long term. Investment income has been maintained. The Trustees consider that their financial strategy will not change in the foreseeable future and will continue to provide sufficient financial support to the three schools. The Trustees are conscious, however, of the potential financial pressure on the Grammar and High Schools, which are maintained by public funds. The increasing pressure from lack of central funding is regarded as a potential harm to those schools. The Trustees recognise, however, that although they can continue to maintain support such as is provided at present, it would not be possible to assume the support currently provided by central funds.

FINANCIAL REVIEW

The Trustees have reviewed the financial performance of the Foundation for the past year and assessed the financial situation of the charity. There have been no significant events that have adversely affected the financial outcome. The volatility of the financial markets has had little adverse effect over the long term on the investment portfolio, which the Trustees consider is through a prudent investment policy and good advice.

The income raised from charitable activities during the year increased to £ 2,238,323 (2023: £ 2,134,306), whilst expenditure on charitable activities reduced slightly to £ 2,200,199 (2023: £ 2,207,025). Investment income received during the year increased to £90,211 (2023: £ 85,730) and net gains on investments were £ 72,158 (2023: net loss of £ 95,952). Overall the charity made a surplus of £ 200,723 (2023: deficit of £ 392,941).

Following a detailed presentation about funding strategies, and drawing upon the recommendation from various sources, the Trustees resolved:

- To continue with an investment policy that would maintain capital values but (if possible) generate greater income, while preserving a policy of low to medium risk management.

- To review ethical investment, concluding that for an educational charity it would be improper to invest in certain categories

Income from Mayfield Preparatory School remained under review. The school's governing body, acting under the authority of the Trustees, undertook its annual review of fees and likely expenditure, and reported to the Trustees accordingly. The Trustees noted that such a review had considered the impact of any fees' increase, the present financial climate, and had resolved that the school remained competitive against other local schools. The school continues to have waiting lists for all classes, and keeps a very tight and active control over collection of fees from parents. Whilst Trustees and Governors alike will carefully monitor the future impact of the decision to impose VAT upon private school fees, it is considered that the current financial position for Mayfield was satisfactory and was well-established to meet the needs of the school.

The Trustees therefore concluded that the charity's principal sources of funding, namely income from investments and from Mayfield had been well-managed throughout the year.

The Trustees considered that no issues had been identified to suggest that operationally the charity was not a going concern.

The Trustees reviewed whether they required a formal policy on reserves. They concluded that it was not necessary to hold reserves at a particular level. The charity's current assets were sufficient to accommodate known eventualities. Reserves would be maintained to cover potential eventualities at Mayfield (for example, costs to provide cover for any long-term teacher absence), but such reserves were maintained on a prudent basis rather than through a formal policy.

PLANS FOR FUTURE PERIODS

There are no plans for any changes to the aims and objectives of the charity, which will be to offer financial and general support to the three schools of the Foundation, and to continue to monitor public benefit. It being recognised that additional assistance for disadvantaged students at both the Grammar and High Schools is likely because of the increase in numbers of such students at both Schools.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. Since 2017 it has operated as a Charitable Incorporated Organisation (Registered Charity Number 1175360)

There are three schools supported by the Foundation: Queen Mary's Grammar School and Queen Mary's High School converted on 1 June 2011 to Academy status under the Academies Act 2010. Both of these schools retain their status as non-fee-paying selective grammar schools, where entry is based on ability tested by entrance examination. The Grammar School provides education to boys between Years 7 to 11 and to boys and girls in the Sixth Form; the High School provides education to girls between Years 7 to 11 and to girls and boys in the Sixth Form. The third school is Mayfield Preparatory School, an independent day school and nursery for children aged 3 to 11.

The Trustees who served during the year were:

Susan Blakemore
Vivian Fairbank
Rebecca Hearsey
John Punch
John Vallance
Paul Lee
Katrina Healey-Davis
Daniel Hunt
Simon Thacker
John MacDonald Waters

Vacancies on the board of Trustees are filled by invitation or advertisement. The High School, Grammar School and Mayfield School are represented by former or current Governors. In this way, it is considered any potential conflicts of interest can be managed. The positions of the Trustees who are not either existing or former Governors would be advertised or nominated by other Trustees should vacancies occur, and an appropriate appointment made after due consideration by the existing Trustees as to the skills any proposed Trustee would bring to the Trust.

All new and existing Trustees and Governors receive training from the Clerk as to their responsibilities and duties. Additionally, Governors at both the Grammar and the High School receive training from the Mercian Trust School Improvement Team.

The Trustees' Investment Committee reviews the Clerk's remuneration annually. The Mayfield Head's performance and salary is reviewed by a Mayfield Governor sitting with a Foundation Trustee. The Mayfield Governors appoint a sub-committee to review the performance and salaries of all other Mayfield employees. Their decisions are minuted by the Clerk.

The Trustees have examined the Foundation's activities and considered the risks faced. In their opinion there are established resources, controls and review systems which in normal conditions should allow such risks to be mitigated to an acceptable level. Mayfield School and the board of Foundation Trustees are separately insured with reputable insurance companies to cover liability. The accountants who assist the Foundation and the external auditors are regulated by professional bodies. The Investment Committee ensures there is a spread of investment to prevent over exposure in any one asset class area.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 31.1.25 and signed on its behalf by:

.....
John Nicholas Punch - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF QUEEN MARY'S SCHOOLS FOUNDATION

Opinion

We have audited the financial statements of Queen Mary's Schools Foundation (the 'charity') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Statement of Financial Position, the 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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

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 objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, it is the primary responsibility of trustees, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which noncompliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;

- inquired management and trustees, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;

- reviewed minutes of meetings of the Board of Trustees to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations

- reviewed accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and

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 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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Fruition Advisory

Fruition Advisory LLP
29 Wood Street
Stratford-upon-Avon
CV37 6JG

Date: 31 January 2025

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted fund £	Restricted fund £	Endowment funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	4	230	-	-	230	-
Charitable activities	6					
Charitable activities		2,238,323	-	-	2,238,323	2,134,306
Investment income	5	79,913	-	10,298	90,211	85,730
Total		2,318,466	-	10,298	2,328,764	2,220,036
EXPENDITURE ON						
Charitable activities	7					
Charitable activities		58,186	-	-	58,186	72,981
Support costs		88,419	3,888	32,095	124,402	129,368
Mayfield staff costs		1,579,835	-	-	1,579,835	1,538,639
Mayfield other costs		437,776	-	-	437,776	466,037
Total		2,164,216	3,888	32,095	2,200,199	2,207,025
Net gains/(losses) on investments		-	-	72,158	72,158	(95,952)
NET INCOME/(EXPENDITURE)		154,250	(3,888)	50,361	200,723	(82,941)
Transfers between funds	23	(66,931)	-	66,931	-	-
Other recognised gains/(losses)						
Gains/(losses) on revaluation of fixed assets		-	-	-	-	(310,000)
Net movement in funds		87,319	(3,888)	117,292	200,723	(392,941)
RECONCILIATION OF FUNDS						
Total funds brought forward		601,708	80,672	3,974,432	4,656,812	5,049,753
TOTAL FUNDS CARRIED FORWARD		689,027	76,784	4,091,724	4,857,535	4,656,812

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL POSITION
31 MARCH 2024

	Notes	2024 £	2023 £
FIXED ASSETS			
Tangible assets	13	2,623,452	2,623,452
Investments			
Investments	14	1,148,231	1,058,858
Investment property	15	1,025,000	1,025,000
		4,796,683	4,707,310
CURRENT ASSETS			
Debtors	16	48,738	35,624
Cash at bank and in hand		948,804	895,931
		997,542	931,555
CREDITORS			
Amounts falling due within one year	17	(267,406)	(280,483)
NET CURRENT ASSETS		730,136	651,072
TOTAL ASSETS LESS CURRENT LIABILITIES		5,526,819	5,358,382
CREDITORS			
Amounts falling due after more than one year	18	(669,284)	(701,570)
NET ASSETS		4,857,535	4,656,812
FUNDS	23		
Unrestricted funds		689,027	601,708
Restricted funds		76,784	80,672
Endowment funds:			
Endowment funds		4,315,593	4,290,667
Revaluation reserve		(223,869)	(316,235)
		4,091,724	3,974,432
TOTAL FUNDS		4,857,535	4,656,812

The financial statements were approved by the Board of Trustees and authorised for issue on 31.1.25 and were signed on its behalf by:

John Nicholas Punch - Trustee

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	25	59,724	294,610
Interest paid		(26,740)	(27,883)
Net cash provided by operating activities		32,984	266,727
Cash flows from investing activities			
Purchase of investments		(2,779,281)	(1,505,579)
Sale of fixed asset investments		2,762,064	1,206,622
Interest received		1,265	306
Dividends received		25,008	23,861
Rental income		63,938	61,563
Net cash provided by/(used in) investing activities		72,994	(213,227)
Cash flows from financing activities			
Loan repayments in year		(31,308)	(30,167)
Income attributable to endowment		10,298	-
Expenditure attributable to endowment		(32,095)	(33,162)
Net cash used in financing activities		(53,105)	(63,329)
Change in cash and cash equivalents in the reporting period		52,873	(9,829)
Cash and cash equivalents at the beginning of the reporting period		895,931	905,760
Cash and cash equivalents at the end of the reporting period		948,804	895,931

The notes form part of these financial statements

1. CHARITY INFORMATION

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is a Charitable Incorporated Organisation, registered number 1175360.

2. ACCOUNTING POLICIES

Accounting convention
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Mercian Trust, formerly Queen Mary's Grammar School (Walsall), became a Multi-Academy Trust on 1 January 2018. New articles of association provided for five members, including the Queen Mary's Schools' Foundation itself and two persons nominated by the Foundation. No benefit accrues to the Foundation from this structure and there is no power to govern the financial and operating policies in order to obtain any benefit from the activities of The Mercian Trust. Accordingly the Foundation has not consolidated any accounts of The Mercian Trust for the period to 31 March 2024.

Going concern
The Trustees are required to 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 charity to continue as a going concern. The Trustees 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 financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Incoming resources
All incoming resources are 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.

continued...

2. ACCOUNTING POLICIES - continued

Incoming resources
For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from charitable activities arises from fees charged to parents of children attending Mayfield Preparatory School.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent and 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.

Resources expended
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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of any impairment losses.

Properties are stated at cost, which reflects the value at which they were transferred to the CIO upon its formation. The charity's policy is not to depreciate these properties, as they are maintained in a condition that preserves their useful life. Expenditure incurred on maintenance and repairs is recognised as an expense in the Statement of Financial Activities as incurred.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year . Transaction costs are expensed as incurred.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in net income/(expenditure) for the year.

continued...

2. ACCOUNTING POLICIES - continued

Taxation
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. VAT on expenditure is irrecoverable and the cost is included within the item of expenditure to which it relates.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

Pension costs and other post-retirement benefits
Retirement benefits for teachers at Mayfield Preparatory School are provided by the Teachers Pension Scheme ("TPS") which is a defined benefit scheme. Retirement benefits for other members of staff are provided by a group defined contribution scheme with an insurance company and employer contributions to this scheme are charged as an expense as they are paid.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives 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 21, 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 are recognised in the period to which they relate.

Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank balances.

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.

Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

continued...

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	Endowment funds	2024 Total funds	2023 Total funds
	£	£	£	£	£
Donations and gifts	230	-	-	230	-

5. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Endowment funds	2024 Total funds	2023 Total funds
	£	£	£	£	£
Rental income	63,938	-	-	63,938	61,563
Income from listed investments	14,710	-	10,298	25,008	23,861
Interest receivable	1,265	-	-	1,265	306
	79,913	-	10,298	90,211	85,730

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2024	2023
		£	£
Fees receivable	Charitable activities	2,238,323	2,134,306

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Grant funding of activities (see note 9)	Totals
	£	£	£
Charitable activities	52,186	6,000	58,186
Support costs	124,402	-	124,402
Mayfield staff costs	1,579,835	-	1,579,835
Mayfield other costs	437,776	-	437,776
	2,194,199	6,000	2,200,199

continued...

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	1,579,626	1,538,639
Rates, insurance and utilities	102,116	80,035
Maintenance of premises and equipment	109,953	167,077
Telephone, postage and stationery	5,455	10,825
Audit fees	11,580	7,615
Professional fees	29,866	21,988
Entrance examinations	52,186	66,777
Clerk to the governors	64,978	55,959
Learning resources	29,896	37,096
Computer costs	59,849	71,546
Administration and accountancy	57,180	55,220
Subscriptions and courses	27,513	25,817
Other costs	37,261	34,344
Donations and educational enrichment	-	6,204
Interest payable and similar charges	26,740	27,883
	2,194,199	2,207,025

Auditor's Remuneration

	2024	2023
	£	£
Audit fees	9,600	7,200
(Over)/under provision for prior period audit fees	1,980	415
	11,580	7,615

9. GRANTS PAYABLE

	2024	2023
	£	£
Charitable activities	6,000	-

10. TRUSTEES' REMUNERATION AND BENEFITS

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses from the Trust during the year.

The total cost of employment for the key management personnel was £175,409 (2023: £166,281).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

continued...

11. STAFF COSTS

	2024	2023
	£	£
Wages and salaries	1,244,061	1,202,109
Social security costs	121,958	125,541
Other pension costs	213,607	210,989
	1,579,626	1,538,639

The average monthly number of employees during the year was as follows:

	2024	2023
Teaching and support	43	45

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£60,001 - £70,000	1	1

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Endowment funds	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Charitable activities				
Charitable activities	2,134,306	-	-	2,134,306
Investment income	75,966	9,764	-	85,730
Total	2,210,272	9,764	-	2,220,036
EXPENDITURE ON				
Charitable activities				
Charitable activities	68,378	4,603	-	72,981
Support costs	92,211	3,995	33,162	129,368
Mayfield staff costs	1,538,639	-	-	1,538,639
Mayfield other costs	466,037	-	-	466,037
Total	2,165,265	8,598	33,162	2,207,025
Net gains/(losses) on investments	-	-	(95,952)	(95,952)
NET INCOME/(EXPENDITURE)	45,007	1,166	(129,114)	(82,941)
Transfers between funds	(77,048)	-	77,048	-
Other recognised gains/(losses)				
Gains/(losses) on revaluation of fixed assets	-	-	(310,000)	(310,000)
Net movement in funds	(32,041)	1,166	(362,066)	(392,941)
RECONCILIATION OF FUNDS				
Total funds brought forward	633,749	79,506	4,336,498	5,049,753

continued...

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Endowment funds £	Total funds £
TOTAL FUNDS CARRIED FORWARD	601,708	80,672	3,974,432	4,656,812

13. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2023 and 31 March 2024	2,623,452
NET BOOK VALUE	
At 31 March 2024	2,623,452
At 31 March 2023	2,623,452

Freehold land and buildings with a carrying value of £2,623,452 as at 31 March 2024 is included on the following bases.

Land which is subject to long leases in favour of the Academy Schools is included at nil value.

The Mayfield Preparatory School was valued in 2018 to reflect the deem cost at which it was transferred to the CIO upon its formation. The school was independently valued at 31 March 2018 by PBG Chartered Surveyors at fair value on the existing use basis. The report and valuation were prepared in accordance with the RICS Valuation - Professional Standards Global and UK ("The Red Book") 2014 prepared by the Royal Institution of Chartered Surveyors and also the RICS Global Valuation Practice Guidance - Application VPGA1 - Valuation for inclusion within financial statements. The valuation was undertaken by a Chartered Surveyor who is both a Registered Valuer and who conforms to the requirements of the above "Practice Statements" and who is also an External Valuer. The new School Hall constructed during the 2020 year has been included at its cost of £1,424,107.

The additional educational facilities in Wales are included at the 2016 cost as the Trustees consider this to be appropriate.

14. FIXED ASSET INVESTMENTS

	Listed investments £	Cash and settlements pending £	Totals £
MARKET VALUE			
At 1 April 2023	955,664	103,194	1,058,858
Additions	1,417,614	1,361,667	2,779,281
Disposals	(1,364,590)	(1,417,674)	(2,782,264)
Revaluations	92,356	-	92,356
At 31 March 2024	1,101,044	47,187	1,148,231
NET BOOK VALUE			
At 31 March 2024	1,101,044	47,187	1,148,231
At 31 March 2023	955,664	103,194	1,058,858

There were no investment assets outside the UK.

continued...

14. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 March 2024 is represented by:

	Listed investments	Cash and settlements pending	Totals
	£	£	£
Valuation in 2019	345,368	-	345,368
Valuation in 2020	(82,700)	-	(82,700)
Valuation in 2021	111,421	-	111,421
Valuation in 2022	867	-	867
Valuation in 2023	(381,190)	-	(381,190)
Valuation in 2024	92,356	-	92,356
Cost	1,014,922	47,187	1,062,109
	1,101,044	47,187	1,148,231

The listed investments are shown at market value. The historic cost at 31 March 2024 was £1,062,110 (2023: £1,066,208).

15. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2023 and 31 March 2024	1,025,000
NET BOOK VALUE	
At 31 March 2024	1,025,000
At 31 March 2023	1,025,000

Fair value at 31 March 2024 is represented by:

	£
Valuation in 2023	(310,000)
Cost	1,335,000
	1,025,000

The charity's freehold investment properties were valued as at 31 March 2023 by PBG Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Valuation - Global Standards 2022 and UK national supplement, Charities SORP and Financial Reporting Standard 102.The properties were valued on the basis of fair value subject to any existing leases. The valuer's opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms.

continued...

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	16,956	17,909
Prepayments and accrued income	31,782	17,715
	48,738	35,624

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Bank loans and overdrafts (see note 19)	32,285	31,309
Trade creditors	-	4,430
Taxation and social security	29,657	29,962
Other creditors	205,464	214,782
	267,406	280,483

18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2024	2023
	£	£
Bank loans (see note 19)	669,284	701,570

19. LOANS

An analysis of the maturity of loans is given below:

	2024	2023
	£	£
Amounts falling due within one year on demand:		
Bank loans	32,285	31,309
Amounts falling between one and two years:		
Bank loans - 1-2 years	33,794	32,285
Amounts falling due between two and five years:		
Bank loans - 2-5 years	109,022	105,123
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	526,468	564,162

continued...

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024	2023
	£	£
Within one year	12,957	6,816
Between one and five years	45,349	8,544
	58,306	15,360

21. SECURED DEBTS

The following secured debts are included within creditors:

	2024	2023
	£	£
Bank loans	701,569	732,879

The bank loan is secured by a charge on the property.

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	Endowment funds	2024 Total funds	2023 Total funds
	£	£	£	£	£
Fixed assets	-	-	2,623,452	2,623,452	2,623,452
Investments	3,390	-	2,169,841	2,173,231	2,083,858
Current assets	920,758	76,784	-	997,542	931,555
Current liabilities	(235,121)	-	(32,285)	(267,406)	(280,483)
Long term liabilities	-	-	(669,284)	(669,284)	(701,570)
	689,027	76,784	4,091,724	4,857,535	4,656,812

continued...

23. MOVEMENT IN FUNDS

Movement in fund

	Opening Balance	Incoming Resources	Resources Expended	Transfer	Revaluation gain/ loss	Closing Balance
	£	£	£	£	£	£
Unrestricted fund	601,708	2,318,466	2,164,216	(66,931)	-	689,027
	601,708	**2,318,466**	**2,164,216**	**(66,931)**	**-**	**689,027**

Endowment fund

	Opening Balance	Incoming Resources	Resources Expended	Transfer	Revaluation gain/ loss	Closing Balance
	£	£	£	£	£	£
Foundation endowment	3,532,791	216	32,095	66,931	44,121	3,611,964
Prize funds	36,999	787	-	-	1,181	38,967
Scholarship funds	404,642	9,295	-	-	26,856	440,793
	3,974,432	**10,298**	**32,095**	**66,931**	**72,158**	**4,091,724**

Restricted fund

	Opening Balance	Incoming Resources	Resources Expended	Transfer	Revaluation gain/ loss	Closing Balance
	£	£	£	£	£	£
Prize funds	7,886	-	312	-	-	7,574
Scholarship funds	54,312	-	3,486	-	-	50,826
Grammar School legacy	10,424	-	90	-	-	10,334
	8,050	-	-	-	-	8,050
	80,672	**-**	**3,888**	**-**	**-**	**76,784**

continued...

24. RELATED PARTY TRANSACTIONS

The Foundation owns the freehold land on which Queen Mary's Grammar School and Queen Mary's High School sites are based. These sites are leased to the Academy Schools on peppercorn rentals under 125-year leases, the terms of which have been approved by the Department for Education. Areas for playing fields are let under a separate lease.

During the year Mr Thacker served as Trustee of the Foundation and as Governor at Mayfield School until 27/5/23. Both Ms Hearsey and Mr Lee served as Foundation Trustees and Mercian Trustees. Mrs Fairbank and Mr Punch served as both Foundation Trustees and Mercian Trust Members. Mr Vallance served as both Foundation Trustee and as the Foundation's Corporate Member of the Mercian Trust until 6/11/23. On 16/7/24 Dr Edward Kok Hun Ng, Mr Neil Christopher Moseley and Mr Timothy Normanton were appointed as Foundation Trustees. Dr Ng serves as a Governor at Mayfield School, Mr Moseley serves as a Governor at Queen Mary's Grammar School and Mr Normanton serves as a Governor at Queen Mary's High School.

During the year the Foundation made donations from unrestricted funds of £26,508 to Queen Mary's High School and £40,269 to Queen Mary's Grammar School to support the costs of the year 7 entrance examinations. Additionally the Foundation made donations to enable disadvantaged students at the Grammar School and at the High School to participate in a wide range of co- curriculum activities including overseas trips.

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

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	200,723	(82,941)
Adjustments for:		
(Gain)/losses on investments	(72,158)	381,190
Interest received	(1,265)	(306)
Interest paid	26,740	27,883
Dividends received	(25,008)	(23,861)
Income attributable to endowment	(10,298)	-
Expenditure attributable to endowment	32,095	33,162
Rental income received	(63,938)	(61,563)
Increase in debtors	(13,114)	(22,111)
(Decrease)/increase in creditors	(14,053)	43,157
Net cash provided by operations	59,724	294,610

26. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/23 £	Cash flow £	At 31/3/24 £
Net cash			
Cash at bank and in hand	895,931	52,873	948,804
	895,931	52,873	948,804
Debt			
Debts falling due within 1 year	(31,309)	(976)	(32,285)
Debts falling due after 1 year	(701,570)	32,286	(669,284)
	(732,879)	31,310	(701,569)

continued...

26. ANALYSIS OF CHANGES IN NET FUNDS - continued

Total	163,052	84,183	247,235

27. RETIREMENT BENEFIT SCHEMES

Mayfield Preparatory School contributes to one multi employer defined benefit scheme and one group defined contribution scheme. The cost of these contributions in respect of the year ended 31 March 2024 was £174,955.97 (2023: £167,218) and £43,869.59 (2023: £43,325) respectively. Nothing was payable (2023: £20,263) as of the year ended 31 March 2024.

QUEEN MARY'S SCHOOLS FOUNDATION

England & Wales - Charity number 1175360

Accounts

REGISTERED CHARITY NUMBER: 1175360

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

FOR

QUEEN MARY'S SCHOOLS FOUNDATION

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for the Year Ended 31 MARCH 2023

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QUEEN MARY'S SCHOOLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS
for the Year Ended 31 MARCH 2023

TRUSTEES	Susan Blakemore Vivian Fairbank Rebecca Hearsey John Nicholas Punch Chartered Surveyor Philip Sturrock MBE (resigned 29/5/2022) John Vallance (resigned 6/11/2023) Paul Lee Katrina Healey-Davis Daniel Hunt Simon Thacker (resigned 27/5/2023) John MacDonald Waters (appointed 21/11/2023)
PRINCIPAL ADDRESS	20 Birmingham Road Walsall West Midlands WS1 2LT
REGISTERED CHARITY NUMBER	1175360
INDEPENDENT AUDITORS	Wallace Crooke Chartered Accountants & Registered Auditors Wallace House 20 Birmingham Road Walsall West Midlands WS1 2LT
BANKERS	Lloyds Bank plc The Bridge Walsall West Midlands WS1 1LU
CLERK TO THE GOVERNORS	David Milne 20 Birmingham Road Walsall West Midlands WS1 2LT
INVESTMENT ADVISERS	I M Asset Management Ltd Riverside East 2 Millsands Sheffield S3 8DT

TRUSTEES' REPORT
for the Year Ended 31 MARCH 2023

The trustees present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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) (effective 1 January 2019).

The Foundation was incorporated as a Charitable Incorporated Organisation (CIO) on 25 October 2017. The financial statements attached reflect the activities of the CIO from 1 April 2022 to 31 March 2023.

TRUSTEES' REPORT
for the Year Ended 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

On incorporation as a CIO the Trustees adopted a governing document setting out the charitable objectives as follows.

The Foundation furthers the education of pupils attending the schools of the foundation and which are, namely, Mayfield Preparatory School, Queen Mary's Grammar School and Queen Mary's High School. Each of the schools are based in Walsall, West Midlands.

The Foundation assists pupils by the funding of prizes, scholarships and maintenance allowances. The objects of the CIO are the advancement of education by:

- The conduct and maintenance of Mayfield Preparatory School and such other preparatory school or schools for the education of girls and boys as the charity trustees may from time to time think fit;

- The provision of premises, support, services and facilities for the schools of the Foundation or any former school of the Foundation which has become an academy within the meaning of the Academies Act 2010;

- The award of:

    - Scholarships tenable to any school of the Foundation to pupils selected on grounds of merit;
    - Leaving exhibitions, to pupils who have attended a school of the Foundation for at least two years, tenable at any university or any other institution of higher or further (including professional or technical) education approved by the Charity Trustees or for the purpose of enabling the exhibitor to pursue a course of study approved by them;
    - Maintenance allowances for pupils who need financial assistance to enable them to attend any school of the Foundation; and
    - Prizes or suitable rewards or marks of distinction to any pupil worthy of reward or distinction;

- Otherwise promoting the education of boys and girls attending the schools of the Foundation in such ways as the Charity Trustees think fit.

The aims of the Charity are (directly) the provision of excellent standards of education to all pupils, and to promote and enhance the education of boys and girls attending the schools of the Foundation, and by so doing, to develop life-long benefits to the whole community; and (indirectly), through the Foundation Schools, the promotion of education at other schools.

In support of these overall aims, the charity looks to enhance the facilities and opportunities at the three schools in the Foundation. In addition, the charity looks to contribute in the wide public interest to the welfare and education of young people from diverse backgrounds.

The Foundation recognises that the pandemic has reaffirmed and heightened significant inequalities in our society and, in some cases, between students attending the Foundation Schools.

Following their recent successful applications to the Selective Schools Expansion Fund, both the Grammar and the High School are committed to attracting a greater number of students from disadvantaged backgrounds. The Foundation is facilitating a lease over part of its premises to enable extra classroom space at the High School and which will be necessary to allow it to accommodate the resulting increase in student numbers.

Additionally, the Foundation funds the 'Outreach Work' which is completed by both the Grammar School and the High School in order to attract greater numbers of applications from disadvantaged students.This is ongoing with great success.

The following people benefit from the work of the Charity: directly, the boys and girls attending the schools. Indirectly, through community links provided by the Grammar and High Schools, other schools in the local area, where support is provided to primary and secondary schools (for example in Maths, English and Languages) and particularly those schools forming part of The Mercian Trust, of which both the Grammar and High Schools are now members.

The Mayfield School makes its facilities available to other local groups and schools and invites other schools to pastoral events. Admission to the High School and Grammar School is upon the basis of academic ability and potential. There are no fees payable for admission to these two schools.

The Charity reviews the needs of the beneficiaries of its work in the following ways: -

- The Governing Bodies of each School meet formally at least 5 times each academic year. Updates from these meetings are provided to ensure that Trustees are kept informed in relation to the academic performance of each of the Schools as well as financial and pastoral matters. In such a way, the needs of pupils are identified and, wherever possible, assistance is provided.

- The Trustees similarly receive regular updates in relation to the overall performance of the Mercian Trust. The Trustees themselves meet at least annually (and pre-pandemic bi-annually) in order to review the needs of its Schools.

- The Headteachers of each of the Foundation Schools have close contact with other educational establishments and liaise directly with them to see if support can be offered. Again, this is particularly relevant in relation to the other member schools of the Mercian Trust, namely, Aldridge School, Shire Oak Academy, Walsall Studio School and The Ladder School, Great Barr Q3 Academy, Langley Q3 Academy, and Tipton Q3 Academy.

The key elements to the Charity's medium to long term strategy would be as follows: -

- To ensure that the Foundation has sufficient funds to support the schools within the Foundation, and to ensure that funds are invested for the future success of the schools and the pupils who attend them.

- To ensure that the schools are well governed and to support the Headteachers and staff at each school to ensure that educational success and pastoral and cultural development is achieved and, where appropriate, improved.

- To ensure that the schools are a valuable part of the local community, with links to other schools, to local charities, to businesses and trade organisations, which will benefit not only the pupils but also the wider community.

The Charity measures the success of the strategy in the following ways:-

- In financial terms - by regular meetings (not less than at twelve month intervals) of the Investment Committee of the Foundation, which monitors the Foundation's investments and takes professional advice from independent financial advisers. In turn the Investment Committee reports to the Trustees.

- In the success of the schools - by receiving reports from the governing bodies of each school.

- By encouraging the schools to undertake regular surveys of parents, staff and pupils which are analysed to identify any unwelcome trends.

The Trustees are familiar with their duty to ensure public benefit, and in this respect, have had regard to the guidance issued by the Charity Commission. The Trustees ensure that each of the three schools in the Foundation demonstrates in reports received by the Trustees that the wider community is benefited. Given that the two secondary schools are open to all candidates based on proven ability, the public benefit is considered satisfied for these schools. In 2016, Mayfield joined with a local consortium of maintained primary schools to provide cross-school support and to share good practice. Mayfield has made its facilities (including its playing fields) available to the other schools. Mayfield has also facilitated 'mock 11+ exams' for pupils from the consortium schools. The Trustees are therefore satisfied that there is a wider benefit for children in the local community as a result.

ACHIEVEMENT AND PERFORMANCE

The main objectives set previously included:

- To offer financial support to the three schools of the Foundation, to ensure they continue to offer high standards of education.

- To address the medium to long-term future of the schools.

- To ensure the implications of public benefit were addressed.

In respect of these objectives, it is considered that the following main achievements have been accomplished in the past year:

- Financial viability has been established, to ensure sufficient funds were available to:

    - Provide professional guidance and support for the schools (through specialist legal advisers; a Clerk; an accountant; and an independent investment adviser).

    - Provide funds to the schools for maintenance of Mayfield Preparatory School and for contributions to the Queen Mary's Grammar and High Schools to cover the costs of the entrance examination (this to ensure the schools selected candidates on the basis of ability), for outreach work and contributions to prize-giving to recognise the success and well-being of the students.

- To ensure that there were sufficient reserves available to support financially any of the three schools.

- To review the investment portfolio and investment policies to ensure financial viability.

- The Foundation has continued to make funds available to support disadvantaged pupils at both the High School and the Grammar School to enable their participation in co-curricular activities.

- Additionally, the Foundation has pledged £100,000.00 towards the cost of a multi-phased sports development project at the Grammar School which will include, inter alia, the construction of a new all-weather sports surface. This facility will be made available to not only each of the Foundation Schools but to other local sporting clubs and thereby benefitting the wider community.

Following the appointment of I M Asset Management Ltd as Investment Advisors it was resolved that the Foundation would pursue a financial investment strategy on a low to medium risk, to optimise an income return without diminution of the investment capital. Further information is given in the section "Financial Review" below.

The benefits provided to the pupils at the three schools by the work of the Foundation are reflected in the above, and in particular:

- Ensuring that Mayfield was a going concern and had a future strategy for facilities' improvement and building expansion. The high academic standards at Mayfield were maintained. It is anticipated that the School will have retained its place in the top 100 of the Sunday Times League Table of Preparatory Schools. 19 pupils out of 25 were awarded places at selective secondary schools to begin in September 2023. 6 of these pupils were awarded scholarships.

- Ensuring the high standards of entry at Year 7 and to the Sixth Forms of the secondary schools were maintained. The summer of 2022 saw the first public examinations (GCSE and A-Level) to be held since before the pandemic in 2019. Performance at both GCSE and A-Level remained strong at both Schools. 55% of all A-Levels awarded to High School pupils were at grade A*-A whilst 84% of all GCSEs awarded were at grades 9-8.

- At the Grammar School, the average A-Level grade was B+. 7 pupils were awarded places at Oxbridge, and which was the highest number of successful entrants for 15 years. The GCSE grades were consistent with the previous year's Teacher Assessed grades.

- The provision of prizes has benefitted the students in a wider pastoral context.

The investment and fundraising by the Foundation has always been modest, with the Trustees preferring to maintain a low to medium investment risk to investments, as described above, and not to incur expense in speculative fundraising if that was not required. The Trustees consider their approach has been appropriate over the long term. Investment income has been maintained and Mayfield's reserves are comfortable. Notwithstanding the impact of the pandemic, the Trustees consider that their financial strategy will not change in the foreseeable future and will continue to provide sufficient financial support to the three schools. The Trustees are conscious, however, of the potential financial pressure on the Grammar and High Schools, which are maintained by public funds. The increasing pressure from lack of central funding is regarded as a potential harm to those schools. The Trustees recognise, however, that although they can continue to maintain support such as is provided at present, it would not be possible to assume the support currently provided by central funds.

FINANCIAL REVIEW

The Trustees have reviewed the financial performance of the Foundation for the past year and assessed the financial situation of the charity. There have been no significant events that have adversely affected the financial outcome. The volatility of the financial markets has had little adverse effect over the long term on the investment portfolio, which the Trustees consider is through a prudent investment policy and good advice.

Following a detailed presentation about funding strategies, and drawing upon the recommendation from various sources, the Trustees resolved:

- To continue with an investment policy that would maintain capital values but (if possible) generate greater income, while preserving a policy of low to medium risk management.

- To review ethical investment, concluding that for an educational charity it would be improper to invest in certain categories

Income from Mayfield Preparatory School remained under review. The school's governing body, acting under the authority of the Trustees, undertook its annual review of fees and likely expenditure, and reported to the Trustees accordingly. The Trustees noted that such a review had considered the impact of any fees' increase, the present financial climate, and had resolved that the school remained competitive against other local schools. The school continues to have waiting lists for all classes, and keeps a very tight and active control over collection of fees from parents. Accordingly, therefore, the Trustees considered that the financial position for Mayfield was satisfactory and was well-established to meet the needs of the school.

The Trustees therefore concluded that the charity's principal sources of funding, namely income from investments and from Mayfield had been well-managed throughout the year.

The Trustees considered that no issues had been identified to suggest that operationally the charity was not a going concern.

Reserve policy

It is the policy of the trustees that unrestricted funds which have not been designated for a specific use should be maintained at a level which will ensure that, in the event of a significant drop in income, they will be able to continue the charity's current activities for a period in between three to six months while consideration is given to ways in which additional funds may be raised.

Based on this year accounts, three to 6 months reserves would be between 540k and 1.08mil. Reserves at the year end were £601,708 (2022: £633,749), which falls within the desired range.

PLANS FOR FUTURE PERIODS

There are no plans for any changes to the aims and objectives of the charity, which will be to offer financial and general support to the three schools of the Foundation, and to continue to monitor public benefit. It being recognised that additional assistance for disadvantaged students at both the Grammar and High Schools is likely as a result of the increase in numbers of such students at both Schools.

TRUSTEES' REPORT
for the Year Ended 31 MARCH 2023

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. Since 2017 it has operated as a Charitable Incorporated Organisation (Registered Charity Number 1175360)

There are three schools supported by the Foundation: Queen Mary's Grammar School and Queen Mary's High School converted on 1 June 2011 to Academy status under the Academies Act 2010. Both of these schools retain their status as non-fee-paying selective grammar schools, where entry is based on ability tested by entrance examination. The Grammar School provides education to boys between Years 7 to 11 and to boys and girls in the Sixth Form; the High School provides education to girls between Years 7 to 11 and to girls and boys in the Sixth Form. The third school is Mayfield Preparatory School, an independent day school and nursery for children aged 3 to 11.

The Trustees who served during the year were:

Susan Blakemore
Vivian Fairbank
Rebecca Hearsey
John Punch
Philip Sturrock MBE
John Vallance
Paul Lee
Katrina Healey-Davis
Daniel Hunt
Simon Thacker

Vacancies on the board of Trustees are filled by invitation or advertisement. The High School, Grammar School and Mayfield School are represented by former or current Governors. In this way, it is considered any potential conflicts of interest can be managed. The positions of the Trustees who are not either existing or former Governors would be advertised or nominated by other Trustees should vacancies occur, and an appropriate appointment made after due consideration by the existing Trustees as to the skills any proposed Trustee would bring to the Trust.

All new and existing Trustees and Governors receive training from the Clerk as to their responsibilities and duties. Additionally, Governors at both the Grammar and the High School receive training from the Mercian Trust School Improvement Team. Governors are also able to receive training through the Local Authority.

The Trustees' Investment Committee reviews the Clerk's remuneration annually. The Mayfield Head's performance and salary is reviewed by a Mayfield Governor sitting with a Foundation Trustee. The Mayfield Governors appoint a sub-committee to review the performance and salaries of all other Mayfield employees. Their decisions are minuted by the Clerk.

The Trustees have examined the Foundation's activities and considered the risks faced. In their opinion there are established resources, controls and review systems which in normal conditions should allow such risks to be mitigated to an acceptable level. Mayfield School and the board of Foundation Trustees are separately insured with reputable insurance companies to cover liability. The accountants who assist the Foundation and the external auditors are regulated by professional bodies. The Investment Committee ensures there is a spread of investment to prevent over exposure in any one asset class area.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 29 January 2024 and signed on its behalf by:



John Nicholas Punch - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF QUEEN MARY'S SCHOOLS FOUNDATION

Opinion

We have audited the financial statements of Queen Mary's Schools Foundation (the 'charity') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Statement of Financial Position, the 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 (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

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 charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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

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 objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit. However, it is the primary responsibility of trustees, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Based on our understanding of the charity, we identified that the principal risks of non-compliance with laws and regulations related to the Charities Act 2011, and we considered the extent to which noncompliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the posting of inappropriate journal entries and management bias in key accounting judgements and estimates. In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the legal and regulatory framework that the charity operates in and how the charity is complying with the legal and regulatory framework;

- inquired management and trustees, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;

- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud;

- reviewed minutes of meetings of the Board of Trustees to identify significant or unusual transactions and known or suspected instances of fraud or non-compliance with laws and regulations

- reviewed accounting estimates for bias and evaluating whether circumstances producing any bias, represent a risk of material misstatement due to fraud; and

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 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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Martin Jones FCA (Senior Statutory Auditor)
for and on behalf of Wallace Crooke
Chartered Accountants
& Registered Auditors
Wallace House
20 Birmingham Road
Walsall
West Midlands
WS1 2LT

Date: 29 January 2024

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 MARCH 2023

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	4	-	-	-	-	577
Charitable activities	6					
Charitable activities		2,134,306	-	-	2,134,306	1,996,138
Investment income	5	75,966	9,764	-	85,730	79,113
Total		2,210,272	9,764	-	2,220,036	2,075,828
EXPENDITURE ON						
Charitable activities	7					
Charitable activities		68,378	4,603	-	72,981	70,834
Support costs		92,211	3,995	33,162	129,368	128,625
Mayfield staff costs		1,538,639	-	-	1,538,639	1,441,102
Mayfield other costs		466,037	-	-	466,037	383,309
Total		2,165,265	8,598	33,162	2,207,025	2,023,870
Net gains/(losses) on investments		-	-	(95,952)	(95,952)	53,231
NET INCOME/(EXPENDITURE)		45,007	1,166	(129,114)	(82,941)	105,189
Transfers between funds	22	(77,048)	-	77,048	-	-
Other recognised gains/(losses)						
Gains/(losses) on revaluation of fixed assets		-	-	(310,000)	(310,000)	-
Net movement in funds		(32,041)	1,166	(362,066)	(392,941)	105,189
RECONCILIATION OF FUNDS						
Total funds brought forward		633,749	79,506	4,336,498	5,049,753	4,944,564
TOTAL FUNDS CARRIED FORWARD		601,708	80,672	3,974,432	4,656,812	5,049,753

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL POSITION
31 MARCH 2023

	Notes	2023 £	2022 £
FIXED ASSETS			
Tangible assets	12	2,623,452	2,623,452
Investments			
Investments	13	1,058,858	1,141,091
Investment property	14	1,025,000	1,335,000
		4,707,310	5,099,543
CURRENT ASSETS			
Debtors	15	35,624	13,513
Cash at bank and in hand		895,931	905,760
		931,555	919,273
CREDITORS			
Amounts falling due within one year	16	(280,483)	(236,184)
NET CURRENT ASSETS		651,072	683,089
TOTAL ASSETS LESS CURRENT LIABILITIES		5,358,382	5,782,632
CREDITORS			
Amounts falling due after more than one year	17	(701,570)	(732,879)
NET ASSETS		4,656,812	5,049,753
FUNDS	22		
Unrestricted funds		601,708	633,749
Restricted funds		80,672	79,506
Endowment funds		3,974,432	4,336,498
TOTAL FUNDS		4,656,812	5,049,753

The financial statements were approved by the Board of Trustees and authorised for issue on 29 January 2024 and were signed on its behalf by:

John Nicholas Punch - Trustee

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF CASH FLOWS
for the Year Ended 31 MARCH 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	25	294,610	270,084
Interest paid		(27,883)	(28,981)
Net cash provided by operating activities		266,727	241,103
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(30,741)
Purchase of investments		(1,505,579)	(1,020,611)
Sale of fixed asset investments		1,206,622	957,193
Interest received		303	98
Dividends received		23,864	18,872
Rental income		61,563	60,143
Net cash used in investing activities		(213,227)	(15,046)
Cash flows from financing activities			
Loan repayments in year		(30,167)	(29,069)
Income attributable to endowment		-	1
Expenditure attributable to endowment		(33,162)	(108,039)
Net cash used in financing activities		(63,329)	(137,107)
Change in cash and cash equivalents in the reporting period		(9,829)	88,950
Cash and cash equivalents at the beginning of the reporting period		905,760	816,810
Cash and cash equivalents at the end of the reporting period		895,931	905,760

The notes form part of these financial statements

1. CHARITY INFORMATION

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is a Charitable Incorporated Organisation, registered number 1175360.

2. ACCOUNTING POLICIES

Accounting convention
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Mercian Trust, formerly Queen Mary's Grammar School (Walsall), became a Multi-Academy Trust on 1 January 2018. New articles of association provided for five members, including the Queen Mary's Schools' Foundation itself and two persons nominated by the Foundation. No benefit accrues to the Foundation from this structure and there is no power to govern the financial and operating policies in order to obtain any benefit from the activities of The Mercian Trust. Accordingly the Foundation has not consolidated any accounts of The Mercian Trust for the period to 31 March 2023.

Going concern
The Trustees are required to 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 charity to continue as a going concern. The Trustees 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 financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Incoming resources
All incoming resources are 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.

continued...

2. ACCOUNTING POLICIES - continued

Incoming resources
For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from charitable activities arises from fees charged to parents of children attending Mayfield Preparatory School.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent and 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.

Resources expended
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.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of any impairment losses.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in net income/(expenditure) for the year.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year . Transaction costs are expensed as incurred.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Investment property
Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Taxation
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. VAT on expenditure is irrecoverable and the cost is included within the item of expenditure to which it relates.

continued...

2. ACCOUNTING POLICIES - continued

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

Pension costs and other post-retirement benefits
Retirement benefits for teachers at Mayfield Preparatory School are provided by the Teachers Pension Scheme ("TPS") which is a defined benefit scheme. Retirement benefits for other members of staff are provided by a group defined contribution scheme with an insurance company and employer contributions to this scheme are charged as an expense as they are paid.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives 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 21, 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 are recognised in the period to which they relate.

Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank balances.

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.

Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

continued...

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
Donations and gifts	-	-	-	-	577

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowment funds £	2023 Total funds £	2022 Total funds £
Rental income	61,563	-	-	61,563	60,143
Income from listed investments	14,100	9,764	-	23,864	18,872
Interest receivable	303	-	-	303	98
	75,966	9,764	-	85,730	79,113

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2023 £	2022 £
Fees receivable	Charitable activities	2,134,306	1,996,138

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £
Charitable activities	72,981
Support costs	129,368
Mayfield staff costs	1,538,639
Mayfield other costs	466,037
	2,207,025

continued...

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	1,538,639	1,441,102
Rates, insurance and utilities	80,035	72,409
Maintenance of premises and equipment	167,077	159,643
Telephone, postage and stationery	10,825	17,459
Audit fees	7,615	4,200
Professional fees	21,988	17,825
Entrance examinations	66,777	70,834
Clerk to the governors	55,959	60,483
Learning resources	37,096	12,902
Computer costs	71,546	25,904
Administration and accountancy	55,220	50,880
Subscriptions and courses	25,817	15,617
Other costs	34,344	45,631
Donations and educational enrichment	6,204	-
Interest payable and similar charges	27,883	28,981
	2,207,025	2,023,870

Auditor's Remuneration

	2023	2022
	£	£
Audit fees	7,200	4,542
	7,200	4,542

9. TRUSTEES' REMUNERATION AND BENEFITS

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses from the Trust during the year.

The total cost of employment for the key management personnel was £166,281 (2022: £162,302).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 nor for the year ended 31 March 2022.

10. STAFF COSTS

	2023	2022
	£	£
Wages and salaries	1,202,109	1,140,254
Social security costs	125,541	105,470
Other pension costs	210,989	195,378
	1,538,639	1,441,102

The average monthly number of employees during the year was as follows:

	2023	2022
Teaching and support	45	47

continued...

10. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£60,001 - £70,000	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
INCOME AND ENDOWMENTS FROM				
Donations and legacies	137	440	-	577
Charitable activities				
Charitable activities	1,996,138	-	-	1,996,138
Investment income	70,089	9,023	1	79,113
Total	2,066,364	9,463	1	2,075,828
EXPENDITURE ON				
Charitable activities				
Charitable activities	70,834	-	-	70,834
Support costs	89,286	-	39,339	128,625
Mayfield staff costs	1,441,102	-	-	1,441,102
Mayfield other costs	314,609	-	68,700	383,309
Total	1,915,831	-	108,039	2,023,870
Net gains on investments	-	-	53,231	53,231
NET INCOME/(EXPENDITURE)	150,533	9,463	(54,807)	105,189
Transfers between funds	(178,858)	(45)	178,903	-
Net movement in funds	(28,325)	9,418	124,096	105,189
RECONCILIATION OF FUNDS				
Total funds brought forward	662,074	70,088	4,212,402	4,944,564
TOTAL FUNDS CARRIED FORWARD	633,749	79,506	4,336,498	5,049,753

continued...

12. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2022 and 31 March 2023	2,623,452
NET BOOK VALUE	
At 31 March 2023	2,623,452
At 31 March 2022	2,623,452

Freehold land and buildings with a carrying value of £2,623,452 as at 31 March 2023 is included on the following bases.

Land which is subject to long leases in favour of the Academy Schools is included at nil value.

The Mayfield Preparatory School was independently valued at 31 March 2018 by PBG Chartered Surveyors at fair value on the existing use basis. The report and valuation were prepared in accordance with the RICS Valuation - Professional Standards Global and UK ("The Red Book") 2014 prepared by the Royal Institution of Chartered Surveyors and also the RICS Global Valuation Practice Guidance - Application VPGA1 - Valuation for inclusion within financial statements. The valuation was undertaken by a Chartered Surveyor who is both a Registered Valuer and who conforms to the requirements of the above "Practice Statements" and who is also an External Valuer. The new School Hall constructed during the 2020 year has been included at its cost of £1,424,107.

The additional educational facilities in Wales are included at the 2016 cost as the Trustees consider this to be appropriate.

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2022	1,141,091
Additions	1,505,579
Disposals	(1,206,622)
Revaluations	(381,190)
At 31 March 2023	1,058,858
NET BOOK VALUE	
At 31 March 2023	1,058,858
At 31 March 2022	1,141,091

There were no investment assets outside the UK.

continued...

13. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 31 March 2023 is represented by:

	Listed investments
	£
Valuation in 2023	(381,190)
Valuation in 2022	867
Valuation in 2021	111,421
Valuation in 2020	(82,700)
Valuation in 2019	59,486
Valuation in 2018	18,569
Valuation in 2017	266,197
Cost	1,066,208
	1,058,858

The listed investments are shown at market value. The historic cost at 31 March 2023 was £1,066,208 (2022: £861,127).

14. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 April 2022	1,335,000
Revaluation	(310,000)
At 31 March 2023	1,025,000
NET BOOK VALUE	
At 31 March 2023	1,025,000
At 31 March 2022	1,335,000

Fair value at 31 March 2023 is represented by:

	£
Valuation in 2023	(310,000)
Cost	1,335,000
	1,025,000

The charity's freehold investment properties were valued as at 31 March 2023 by PBG Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Valuation - Global Standards 2022 and UK national supplement, Charities SORP and Financial Reporting Standard 102.The properties were valued on the basis of fair value subject to any existing leases. The valuer's opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms.

continued...

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	17,909	7,029
Prepayments and accrued income	17,715	6,484
	35,624	13,513

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 18)	31,309	30,167
Trade creditors	4,430	-
Taxation and social security	29,962	29,474
Other creditors	214,782	176,543
	280,483	236,184

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans (see note 18)	701,570	732,879

18. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Bank loans	31,309	30,167
Amounts falling between one and two years:		
Bank loans - 1-2 years	32,285	31,309
Amounts falling due between two and five years:		
Bank loans - 2-5 years	105,123	101,083
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	564,162	600,487

continued...

19. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	6,816	2,378
Between one and five years	8,544	2,520
	15,360	4,898

20. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans	732,879	763,046

The bank loan is secured by a charge on the property.

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	Endowment fund	2023 Total funds	2022 Total funds
	£	£	£	£	£
Fixed assets	-	-	2,623,452	2,623,452	2,623,452
Investments	-	-	2,083,858	2,083,858	2,476,091
Current assets	850,883	80,672	-	931,555	919,273
Current liabilities	(249,175)	-	(31,308)	(280,483)	(236,184)
Long term liabilities	-	-	(701,570)	(701,570)	(732,879)
	601,708	80,672	3,974,432	4,656,812	5,049,753

continued...

22. MOVEMENT IN FUNDS

Movement in fund

	Opening Balance	Incoming Resources	Resources Expended	Transfer	Revaluation gain/ loss	Closing Balance
	£	£	£	£	£	£
Unrestricted fund	633,749	2,210,275	2,165,268	(77,048)	-	601,708
	633,749	**2,210,275**	**2,165,268**	**(77,048)**	**-**	**601,708**

Endowment fund

	Opening Balance	Incoming Resources	Resources Expended	Transfer	Revaluation gain/ loss	Closing Balance
	£	£	£	£	£	£
-Foundation endowment	3,693,176	-	33,162	77,048	(204,271)	3,532,791
-Prize funds	61,837	-	-	-	(24,838)	36,999
-Scholarship funds	581,485	-	-	-	(176,843)	404,642
	4,336,498	**-**	**33,162**	**77,048**	**(405,952)**	**3,974,432**

Restricted fund

	Opening Balance	Incoming Resources	Resources Expended	Transfer	Revaluation gain/ loss	Closing Balance
	£	£	£	£	£	£
-Prize funds	7,467	748	329	-	-	7,886
-Scholarship funds	49,020	8,862	3,570	-	-	54,312
-Grammar School	14,969	154	4,699	-	-	10,424
-Legacy funds	8,050	-	-	-	-	8,050
	79,506	**9,764**	**8,598**	**-**	**-**	**80,672**

Restricted funds:

- Grammar School funds:
  Grammar School development campaign and parental funding.
- Legacy funds:
  Mrs Richardson legacy for the benefit of Queen Mary's High school.

continued...

23. RETIREMENT BENEFIT SCHEMES

Mayfield Preparatory School contributes to one multi employer defined benefit scheme and one group defined contribution scheme. The cost of these contributions in respect of the year ended 31 March 2023 was £167,218 (2022: £144,989) and £43,325 (2022: £50,271) respectively. £20,263 (2022: £18,913) was payable as of the year ended 31 March 2023.

24. RELATED PARTY TRANSACTIONS

The Foundation owns the freehold land on which Queen Mary's Grammar School and Queen Mary's High School sites are based. These sites are leased to the Academy Schools on peppercorn rentals under 125 year leases, the terms of which have been approved by the Department for Education. Areas for playing fields are let under separate leases granted in 2011.

During the year Mr Thacker served as Trustees of the Foundation and as Governors at Mayfield School. Mr Hunt served as both Trustee of the Foundation and as Governor at Queen Mary's Grammar School until 14 November 2022. Both Ms Hearsey and Mr Lee served as Foundation Trustees and Mercian Trustees. Mrs Fairbank and Mr Punch served as both Foundation Trustees and Mercian Trust Members. Mr Vallance served as both Foundation Trustee and as the Foundation's Corporate Member of the Mercian Trust.

During the year the Foundation made donations from unrestricted funds of £26,508 (2022: £23,803) to Queen Mary's High School and £40,269 (2022: £37,063) to Queen Mary's Grammar School to support the costs of the year 7 entrance examinations.

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

	2023 £	2022 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(82,941)	105,189
Adjustments for:		
Losses/(gain) on investments	381,190	(868)
Interest received	(303)	(98)
Interest paid	27,883	28,981
Dividends received	(23,864)	(18,872)
Income attributable to endowment	-	(1)
Expenditure attributable to endowment	33,162	108,039
Rental income received	(61,563)	(60,143)
(Increase)/decrease in debtors	(22,111)	45,178
Increase in creditors	43,157	62,679
Net cash provided by operations	294,610	270,084

continued...

26. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/22 £	Cash flow £	At 31/3/23 £
Net cash			
Cash at bank and in hand	905,760	(9,829)	895,931
	905,760	(9,829)	895,931
Debt			
Debts falling due within 1 year	(30,167)	(1,142)	(31,309)
Debts falling due after 1 year	(732,879)	31,309	(701,570)
	(763,046)	30,167	(732,879)
Total	142,714	20,338	163,052

QUEEN MARY'S SCHOOLS FOUNDATION

England & Wales - Charity number 1175360

Accounts

REGISTERED CHARITY NUMBER: 1175360

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

FOR

QUEEN MARY'S SCHOOLS FOUNDATION

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for the Year Ended 31 MARCH 2022

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QUEEN MARY'S SCHOOLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS
for the Year Ended 31 MARCH 2022

TRUSTEES	June Aubrook (resigned 26/4/2021) Susan Blakemore Vivian Fairbank Rebecca Hearsey John Punch Philip Sturrock MBE (resigned 29/5/2022) John Vallance Paul Lee Katrina Healey-Davis Daniel Hunt Simon Thacker (appointed 26/4/2021)
PRINCIPAL ADDRESS	20 Birmingham Road Walsall West Midlands WS1 2LT
REGISTERED CHARITY NUMBER	1175360
INDEPENDENT AUDITORS	DJH Mitten Clarke Audit Limited 3rd Floor International House Hatherton Street Walsall West Midlands WS4 2LA
BANKERS	Lloyds Bank plc The Bridge Walsall West Midlands WS1 1LU
CLERK TO THE GOVERNORS	David Milne 20 Birmingham Road Walsall West Midlands WS1 2LT
INVESTMENT ADVISERS	I M Asset Management Ltd Riverside East 2 Millsands Sheffield S3 8DT

TRUSTEES' REPORT
for the Year Ended 31 MARCH 2022

The trustees present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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) (effective 1 January 2019).

The Foundation was incorporated as a Charitable Incorporated Organisation (CIO) on 25 October 2017. It was previously an unincorporated charity and continued to operate as such until 31 March 2018. The financial statements attached reflect the activities of the CIO from 1 April 2020 to 31 March 2021.

INTRODUCTION

Each of the Foundation Schools continued to face Covid-linked disruption during the period covered by this report. Nevertheless, each of the Schools rose to the challenges posed by the pandemic. Each School continued to adapt well to new ways of teaching and each School continued to maintain high academic standards.

TRUSTEES' REPORT
for the Year Ended 31 MARCH 2022

OBJECTIVES AND ACTIVITIES

On incorporation as a CIO the Trustees adopted a governing document setting out the charitable objectives as follows.

The Foundation furthers the education of pupils attending the schools of the foundation and which are, namely, Mayfield Preparatory School, Queen Mary's Grammar School and Queen Mary's High School. Each of the schools are based in Walsall, West Midlands.

The Foundation assists pupils by the funding of prizes, scholarships and maintenance allowances. The objects of the CIO are the advancement of education by:

- The conduct and maintenance of Mayfield Preparatory School and such other preparatory school or schools for the education of girls and boys as the charity trustees may from time to time think fit;

- The provision of premises, support, services and facilities for the schools of the Foundation or any former school of the foundation which has become an academy within the meaning of the Academies Act 2010;

- The award of:

    - Scholarships tenable to any school of the Foundation to pupils selected on grounds of merit;
    - Leaving exhibitions, to pupils who have attended a school of the Foundation for at least two years, tenable at any university or any other institution of higher or further (including professional or technical) education approved by the Charity Trustees or for the purpose of enabling the exhibitor to pursue a course of study approved by them;
    - Maintenance allowances for pupils who need financial assistance to enable them to attend any school of the Foundation; and
    - Prizes or suitable rewards or marks of distinction to any pupil worthy of reward or distinction; and.

- Otherwise promoting the education of boys and girls attending the schools of the Foundation in such ways as the Charity Trustees think fit.

The aims of the Charity are (directly) the provision of excellent standards of education to all pupils, and to promote and enhance the education of boys and girls attending the schools of the Foundation, and by so doing, to develop life-long benefits to the whole community; and (indirectly), through the Foundation Schools, the promotion of education at other schools.

In support of these overall aims, the charity looks to enhance the facilities and opportunities at the three schools in the Foundation. In addition, the charity looks to contribute in the wide public interest to the welfare and education of young people from diverse backgrounds.

The Foundation recognises that the pandemic has reaffirmed and heightened significant inequalities in our society and, in some cases, between students attending the Foundation Schools.

Following their recent successful applications to the Selective Schools Expansion Fund, both the Grammar and the High School are committed to attracting a greater number of students from disadvantaged backgrounds. The Foundation is facilitating a lease over part of its premises to enable extra classroom space at the High School and which will be necessary to allow it to accommodate the resulting increase in student numbers.

Additionally, the Foundation funds the 'Outreach Work' which is completed by both the Grammar School and the High School in order to attract greater numbers of applications from disadvantaged students.

The following people benefit from the work of the Charity: directly, the boys and girls attending the schools. Indirectly, through community links provided by the Grammar and High Schools, other schools in the local area, where support is provided to primary and secondary schools (for example in Maths, English and Languages) and particularly those schools forming part of The Mercian Trust, of which both the Grammar and High Schools are now members.

The Mayfield School makes its facilities available to other local groups and schools and invites other schools to pastoral events. Admission to the High School and Grammar School is upon the basis of academic ability and potential. There are no fees payable for admission to these two schools.

The Charity reviews the needs of the beneficiaries of its work in the following ways: -

- The Governing Bodies of each School meet formally at least 5 times each academic year. Updates from these meetings are provided to ensure that Trustees are kept informed in relation to the academic performance of each of the Schools as well as financial and pastoral matters. In such a way, the needs of pupils are identified and, wherever possible, assistance is provided.

- The Trustees similarly receive regular updates in relation to the overall performance of the Mercian Trust.The Trustees themselves meet at least annually (and pre-pandemic bi-annually) in order to review the needs of its Schools.

- The Headteachers of each of the Foundation Schools have close contact with other educational establishments and liaise directly with them to see if support can be offered. Again, this is particularly relevant in relation to the other member schools of the Mercian Trust, namely, Aldridge School, Shire Oak Academy, Walsall Studio School and The Ladder School.

The key elements to the Charity's medium to long term strategy would be as follows: -

- To ensure that the Foundation has sufficient funds to support the schools within the Foundation, and to ensure that funds are invested for the future success of the schools and the pupils who attend them.

- To ensure that the schools are well governed and to support the Headteachers and staff at each school to ensure that educational success and pastoral and cultural development is achieved and, where appropriate, improved.

- To ensure that the schools are a valuable part of the local community, with links to other schools, to local charities, to businesses and trade organisations, which will benefit not only the pupils but also the wider community.

The Charity measures the success of the strategy in the following ways:-

- In financial terms - by regular meetings (not less than at twelve month intervals) of the Investment Committee of the Foundation, which monitors the Foundation's investments and takes professional advice from independent financial advisers. In turn the Investment Committee reports to the Trustees.

- In the success of the schools - by receiving reports from the governing bodies of each school.

- By encouraging the schools to undertake regular surveys of parents, staff and pupils which are analysed to identify any unwelcome trends.

The Trustees are familiar with their duty to ensure public benefit, and in this respect, have had regard to the guidance issued by the Charity Commission. The Trustees ensure that each of the three schools in the Foundation demonstrates in reports received by the Trustees that the wider community is benefited. Given that the two secondary schools are open to all candidates based on proven ability, the public benefit is considered satisfied for these schools.In 2016, Mayfield joined with a local consortium of maintained primary schools to provide cross-school support and to share good practice. Mayfield has made its facilities (including its playing fields) available to the other schools. Mayfield has also facilitated 'mock 11+ exams' for pupils from the consortium schools. The Trustees are therefore satisfied that there is a wider benefit for children in the local community as a result.

TRUSTEES' REPORT
for the Year Ended 31 MARCH 2022

ACHIEVEMENT AND PERFORMANCE

The main objectives set previously included:

- To offer financial support to the three schools of the Foundation, to ensure they continue to offer high standards of education.

- To address the medium to long-term future of the schools.

- To ensure the implications of public benefit were addressed.

In respect of these objectives, it is considered that the following main achievements have been accomplished in the past year:

- Financial viability has been established, to ensure sufficient funds were available to:

    - Provide professional guidance and support for the schools (through specialist legal advisers; a Clerk; an accountant; and an independent investment adviser).

    - Provide funds to the schools for maintenance of Mayfield Preparatory School and for contributions to the Queen Mary's Grammar and High Schools for the entrance examination costs (this to ensure the schools selected candidates on the basis of ability), for outreach work and contributions to prize-giving to recognise the success and well-being of the students.

- To ensure that there were sufficient reserves available to support financially any of the three schools.

- To review the investment portfolio and investment policies to ensure financial viability.

Following the appointment of I M Asset Management Ltd as Investment Advisors it was resolved that the Foundation would pursue a financial investment strategy on a low to medium risk, to optimise an income return without diminution of the investment capital. Further information is given in the section "Financial Review" below.

The benefits provided to the pupils at the three schools by the work of the Foundation are reflected in the above, and in particular:

- Ensuring that Mayfield was a going concern and had a future strategy for facilities' improvement and building expansion. The high standards of Mayfield were reflected by its inclusion at 15th place in the Sunday Times League Table of Preparatory Schools. this was the highest placing achieved by any Preparatory School in the West Midlands. It is the 11th consecutive year in which Mayfield has featured in the Top 100. 19 Pupils out of 20 were awarded places at selective secondary schools. During the Autumn Term 2021, Mayfield School underwent a full Regulatory Compliance Inspection and an Educational Quality Inspection completed by the Independent Schools' Inspectorate. The school was judged to meet the standards in terms of Regulatory Compliance. The School was judged to be 'Excellent' both in terms of the quality of the pupils' academic and other achievements and in terms of the quality of pupils' personal development.

- Ensuring the high standards of entry at Year 7 and to the Sixth Forms of the secondary schools were maintained. Whilst there were no public examinations because of the pandemic, both the Grammar School and the High School acquitted themselves well in terms of the Teacher Assessed Grades (TAGs) which were awarded at both GCSE and A-Level. The A-Level results at the Grammar School represented the best performance since 2012. 81% of all A-Levels awarded were at grade B or above. 173 pupils out of a total of 213 gained University places. 81% of all GCSE grades awarded were at Grade 7 or better.
- At the High School, 82% of all A-Levels awarded were at grade B or above. 62 out of 72 students gained places either at universities or at other institutions of higher learning. During the Autumn Term 2021, the High School underwent a full OFSTED Inspection. The School was rated as 'Outstanding'.
- The provision of prizes has benefitted the students in a wider pastoral context.

The investment and fundraising by the Foundation has always been modest, with the Trustees preferring to maintain a low to medium investment risk to investments, as described above, and not to incur expense in speculative fundraising if that was not required. The Trustees consider their approach has been appropriate over the long term. Investment income has been maintained and Mayfield's reserves are comfortable. Notwithstanding the impact of the pandemic, the Trustees consider that their financial strategy will not change in the foreseeable future and will continue to provide sufficient financial support to the three schools. The Trustees are conscious, however, of the potential financial pressure on the Grammar and High Schools, which are maintained by public funds. The increasing pressure from lack of central funding is regarded as a potential harm to those schools. The Trustees recognise, however, that although they can continue to maintain support such as is provided at present, it would not be possible to assume the support currently provided by central funds.

FINANCIAL REVIEW

The Trustees have reviewed the financial performance of the Foundation for the past year and assessed the financial situation of the charity. There have been no significant events that have adversely affected the financial outcome. The volatility of the financial markets has had little adverse effect over the long term on the investment portfolio, which the Trustees consider is through a prudent investment policy and good advice.

Following a detailed presentation about funding strategies, and drawing upon the recommendation from various sources, the Trustees resolved:

- To continue with an investment policy that would maintain capital values but (if possible) generate greater income, while preserving a policy of low to medium risk management.

- To review ethical investment, concluding that for an educational charity it would be improper to invest in certain categories.

Income from Mayfield Preparatory School remained under review. The school's governing body, acting under the authority of the Trustees, undertook its annual review of fees and likely expenditure, and reported to the Trustees accordingly. The Trustees noted that such a review had considered the impact of any fees' increase, the present financial climate, and had resolved that the school remained competitive against other local schools. The school continues to have waiting lists for all classes, and keeps a very tight and active control over collection of fees from parents. Accordingly, therefore, the Trustees considered that the financial position for Mayfield was satisfactory, and was well-established to meet the needs of the school.

The Trustees therefore concluded that the charity's principal sources of funding, namely income from investments and from Mayfield, had not been adversely affected because of the pandemic and had been well-managed throughout the year..

The Trustees considered that no issues had been identified to suggest that operationally the charity was not a going concern.

The Trustees reviewed whether they required a formal policy on reserves. They concluded that it was not necessary to hold reserves at a particular level. The charity's current assets were sufficient to accommodate known eventualities. Reserves would be maintained to cover potential eventualities at Mayfield (for example, costs to provide cover for any long-term teacher absence), but such reserves were maintained on a prudent basis rather than through a formal policy.

PLANS FOR FUTURE PERIODS

There are no plans for any changes to the aims and objectives of the charity, which will be to offer financial and general support to the three schools of the Foundation, and to continue to monitor public benefit. It being recognised that additional assistance for disadvantaged students at both the Grammar and High Schools is likely as a result of the pandemic and the increase in numbers of such students at both Schools.

TRUSTEES' REPORT
for the Year Ended 31 MARCH 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is now a Charitable Incorporated Organisation, number CEO11855.

There are three schools supported by the Foundation: Queen Mary's Grammar School and Queen Mary's High School converted on 1 June 2011 to Academy status under the Academies Act 2010. Both of these schools retain their status as non-fee paying selective grammar schools, where entry is based on ability tested by entrance examination. The Grammar School provides education to boys between Years 7 to 11 and to boys and girls in the Sixth Form; the High School provides education to girls between Years 7 to 11 and to girls and boys in the Sixth Form. The third school is Mayfield Preparatory School, an independent day school and nursery for children aged 3 to 11.

The Trustees who served during the year were:

June Aubrook
Susan Blakemore
Vivian Fairbank
Rebecca Hearsey
John Punch
Philip Sturrock MBE
John Vallance
Paul Lee
Katrina Healey-Davis
Daniel Hunt
Simon Thacker

Vacancies on the board of Trustees are filled by invitation or advertisement. The High School, Grammar School and Mayfield School are represented by former or current Governors.In this way, it is considered any potential conflicts of interest can be managed. The positions of the Trustees who are not either existing or former Governors would be advertised or nominated by other Trustees should vacancies occur, and an appropriate appointment made after due consideration by the existing Trustees as to the skills any proposed Trustee would bring to the Trust.

All new and existing Trustees and Governors receive training from the Clerk as to their responsibilities and duties. Additionally, Governors at both the Grammar and the High School receive training from the Mercian Trust School Improvement Team. Governors are also able to receive training through the Local Authority.

The Trustees' Investment Committee reviews the Clerk's remuneration annually. The Mayfield Head's performance and salary is reviewed by a Mayfield Governor sitting with a Foundation Trustee. The Mayfield Governors appoint a sub-committee to review the performance and salaries of all other Mayfield employees. Their decisions are minuted by the Clerk.

The Trustees have examined the Foundation's activities and considered the risks faced. In their opinion there are established resources, controls and review systems which in normal conditions should allow such risks to be mitigated to an acceptable level. Mayfield School and the board of Foundation Trustees are separately insured with reputable insurance companies to cover liability. The accountants who assist the Foundation and the external auditors are regulated by professional bodies. The Investment Committee ensures there is a spread of investment to prevent over exposure in any one asset class area.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 25th January 2023 and signed on its behalf by:

John Punch - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF QUEEN MARY'S SCHOOLS FOUNDATION

Opinion

We have audited the financial statements of Queen Mary's Schools Foundation (the 'charity') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITORS TO THE TRUSTEES OF QUEEN MARY'S SCHOOLS FOUNDATION

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

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 Report of the Independent Auditors.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

DJH Mitten Clarke Audit Limited
3rd Floor International House
Hatherton Street
Walsall
West Midlands
WS4 2LA

Date: 25 January 2023

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 MARCH 2022

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	4	137	440	-	577	117,036
Charitable activities	6					
Charitable activities		1,996,138	-	-	1,996,138	1,714,562
Investment income	5	70,089	9,023	1	79,113	72,485
Total		2,066,364	9,463	1	2,075,828	1,904,083
EXPENDITURE ON						
Charitable activities	7					
Charitable activities		70,834	-	-	70,834	64,044
Support costs		89,286	-	39,339	128,625	93,449
Mayfield staff costs		1,441,102	-	-	1,441,102	1,373,076
Mayfield other costs		314,609	-	68,700	383,309	353,233
Total		1,915,831	-	108,039	2,023,870	1,883,802
Net gains on investments		-	-	53,231	53,231	142,629
NET INCOME/(EXPENDITURE)		150,533	9,463	(54,807)	105,189	162,910
Transfers between funds	21	(178,858)	(45)	178,903	-	-
Net movement in funds		(28,325)	9,418	124,096	105,189	162,910
RECONCILIATION OF FUNDS						
Total funds brought forward		662,074	70,088	4,212,402	4,944,564	4,781,654
TOTAL FUNDS CARRIED FORWARD		633,749	79,506	4,336,498	5,049,753	4,944,564

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

BALANCE SHEET
31 MARCH 2022

	Notes	2022 £	2021 £
FIXED ASSETS			
Tangible assets	12	3,958,452	3,927,711
Investments	13	1,141,091	1,076,806
		5,099,543	5,004,517
CURRENT ASSETS			
Debtors	14	13,513	58,691
Cash at bank and in hand		905,760	816,810
		919,273	875,501
CREDITORS			
Amounts falling due within one year	15	(236,184)	(172,408)
NET CURRENT ASSETS		683,089	703,093
TOTAL ASSETS LESS CURRENT LIABILITIES		5,782,632	5,707,610
CREDITORS			
Amounts falling due after more than one year	16	(732,879)	(763,046)
NET ASSETS		5,049,753	4,944,564
FUNDS	21		
Unrestricted funds		633,749	662,074
Restricted funds		79,506	70,088
Endowment funds		4,336,498	4,212,402
TOTAL FUNDS		5,049,753	4,944,564

The financial statements were approved by the Board of Trustees and authorised for issue on 25th January 2023 and were signed on its behalf by:

John Punch - Trustee

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

CASH FLOW STATEMENT
for the Year Ended 31 MARCH 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	24	270,084	30,941
Interest paid		(28,981)	(33,733)
Net cash provided by/(used in) operating activities		241,103	(2,792)
Cash flows from investing activities			
Purchase of tangible fixed assets		(30,741)	-
Purchase of investments		(1,020,611)	(756,835)
Sale of fixed asset investments		957,193	715,501
Interest received		98	105
Dividends received		18,872	20,103
Rental income		60,143	52,277
Net cash (used in)/provided by investing activities		(15,046)	31,151
Cash flows from financing activities			
New loans in year		-	104,000
Loan repayments in year		(29,069)	19,321
Income attributable to endowment		1	-
Expenditure attributable to endowment		(108,039)	(46,144)
Net cash (used in)/provided by financing activities		(137,107)	77,177
Change in cash and cash equivalents in the reporting period		88,950	105,536
Cash and cash equivalents at the beginning of the reporting period		816,810	711,274
Cash and cash equivalents at the end of the reporting period		905,760	816,810

The notes form part of these financial statements

1. CHARITY INFORMATION

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is a Charitable Incorporated Organisation, registered number 1175360.

2. ACCOUNTING POLICIES

Accounting convention
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Mercian Trust, formerly Queen Mary's Grammar School (Walsall), became a Multi-Academy Trust on 1 January 2018. New articles of association provided for five members, including the Queen Mary's Schools' Foundation itself and two persons nominated by the Foundation. No benefit accrues to the Foundation from this structure and there is no power to govern the financial and operating policies in order to obtain any benefit from the activities of The Mercian Trust. Accordingly the Foundation has not consolidated any accounts of The Mercian Trust for the period to 31 March 2022.

Going concern
The Trustees are required to 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 charity to continue as a going concern. The Trustees 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 financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Incoming resources
All incoming resources are 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.

continued...

2. ACCOUNTING POLICIES - continued

Incoming resources
For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from charitable activities arises from fees charged to parents of children attending Mayfield Preparatory School.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent and 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.

Resources expended
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.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of any impairment losses.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in net income/(expenditure) for the year.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year . Transaction costs are expensed as incurred.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Taxation
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. VAT on expenditure is irrecoverable and the cost is included within the item of expenditure to which it relates.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

continued...

2. ACCOUNTING POLICIES - continued

Charitable funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

Pension costs and other post-retirement benefits
Retirement benefits for teachers at Mayfield Preparatory School are provided by the Teachers Pension Scheme ("TPS") which is a defined benefit scheme. Retirement benefits for other members of staff are provided by a group defined contribution scheme with an insurance company and employer contributions to this scheme are charged as an expense as they are paid.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives 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 21, 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 are recognised in the period to which they relate.

Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank balances.

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.

Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

continued...

4. DONATIONS AND LEGACIES

During the year, the charity received £nil (2021 £110,092) from the Coronavirus Funding Scheme.

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowment funds £	2022 Total funds £	2021 Total funds £
Rental income	60,143	-	-	60,143	52,277
Income from listed investments	9,851	9,021	-	18,872	20,103
Interest receivable	95	2	1	98	105
	70,089	9,023	1	79,113	72,485

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022 £	2021 £
Fees receivable	Charitable activities	1,996,138	1,714,562

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £
Charitable activities	70,834
Support costs	128,625
Mayfield staff costs	1,441,102
Mayfield other costs	383,309
	2,023,870

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022 £	2021 £
Staff costs	1,441,102	1,373,076
Rates, insurance and utilities	72,409	77,349
Maintenance of premises and equipment	159,643	91,737
Telephone, postage and stationery	17,459	17,425
Audit fees	4,200	4,350
Professional fees	17,825	50,652
Entrance examinations	70,834	62,936
Clerk to the governors	60,483	58,013
Learning resources	12,902	6,547
Computer costs	25,904	20,321
Administration and accountancy	50,880	61,538
Subscriptions and courses	15,617	13,157
Other costs	45,631	11,968
Other grants	-	1,000
Interest payable and similar charges	28,981	33,733
	2,023,870	1,883,802

continued...

9. TRUSTEES' REMUNERATION AND BENEFITS

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses from the Trust during the year.

The total cost of employment for the key management personnel was £162,302 (2021: £155,504).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 nor for the year ended 31 March 2021.

10. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	1,140,254	1,088,007
Social security costs	105,470	98,805
Other pension costs	195,378	186,264
	1,441,102	1,373,076

The average monthly number of employees during the year was as follows:

	2022	2021
Teaching and support	47	47

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£60,001 - £70,000	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Endowment fund	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	116,331	705	-	117,036
Charitable activities				
Charitable activities	1,714,562	-	-	1,714,562
Investment income	60,407	12,078	-	72,485
Total	1,891,300	12,783	-	1,904,083
EXPENDITURE ON				
Charitable activities				
Charitable activities	63,044	1,000	-	64,044
Support costs	80,079	-	13,370	93,449
Mayfield staff costs	1,373,076	-	-	1,373,076
Mayfield other costs	320,459	-	32,774	353,233
Total	1,836,658	1,000	46,144	1,883,802

continued...

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
Net gains on investments	-	-	142,629	142,629
NET INCOME	54,642	11,783	96,485	162,910
Transfers between funds	36,722	1,000	(37,722)	-
Net movement in funds	91,364	12,783	58,763	162,910
RECONCILIATION OF FUNDS				
Total funds brought forward	570,710	57,305	4,153,639	4,781,654
TOTAL FUNDS CARRIED FORWARD	662,074	70,088	4,212,402	4,944,564

12. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2021	3,927,711
Additions	30,741
At 31 March 2022	3,958,452
NET BOOK VALUE	
At 31 March 2022	3,958,452
At 31 March 2021	3,927,711

Freehold land and buildings with a carrying value of £3,958,452 as at 31 March 2022 is included on the following bases.

Land which is subject to long leases in favour of the Academy Schools is included at nil value.

The Mayfield Preparatory School was independently valued at 31 March 2018 by PBG Chartered Surveyors at fair value on the existing use basis. The report and valuation were prepared in accordance with the RICS Valuation - Professional Standards Global and UK ("The Red Book") 2014 prepared by the Royal Institution of Chartered Surveyors and also the RICS Global Valuation Practice Guidance - Application VPGA1 - Valuation for inclusion within financial statements. The valuation was undertaken by a Chartered Surveyor who is both a Registered Valuer and who conforms to the requirements of the above "Practice Statements" and who is also an External Valuer. The new School Hall constructed during the 2020 year has been included at its cost of £1,424,107.

The additional educational facilities in Wales are included at the 2016 cost as the Trustees consider this to be appropriate.

The charity's freehold investment properties were valued as at 31 March 2018 by independent external valuers Llewellen Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Valuation - Global Standards 2017 and UK national supplement, Charities SORP and Financial Reporting Standard 102.The properties were valued on the basis of fair value subject to any existing leases. The valuer's opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms.

continued...

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2021	1,076,806
Additions	1,020,611
Disposals	(957,193)
Revaluations	867
At 31 March 2022	1,141,091
NET BOOK VALUE	
At 31 March 2022	1,141,091
At 31 March 2021	1,076,806

There were no investment assets outside the UK.

Cost or valuation at 31 March 2022 is represented by:

	Listed investments £
Valuation in 2022	867
Valuation in 2021	111,421
Valuation in 2020	(82,700)
Valuation in 2019	59,486
Valuation in 2018	18,569
Valuation in 2017	172,321
Cost	861,127
	1,141,091

The listed investments are shown at market value. The historic cost at 31 March 2022 was £861,127 (2021: £797,709).

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	7,029	51,053
Prepayments and accrued income	6,484	7,638
	13,513	58,691

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Bank loans and overdrafts (see note 17)	30,167	29,069
Taxation and social security	29,474	27,420
Other creditors	176,543	115,919
	236,184	172,408

16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2022	2021
	£	£
Bank loans (see note 17)	732,879	763,046

17. LOANS

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year on demand:		
Bank loans	30,167	29,069
Amounts falling between one and two years:		
Bank loans - 1-2 years	31,309	30,167
Amounts falling due between two and five years:		
Bank loans - 2-5 years	101,083	97,389
Amounts falling due in more than five years:		
Repayable by instalments:		
Bank loans more 5 yr by instal	600,487	635,490

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	2,378	3,077
Between one and five years	2,520	4,898
	4,898	7,975

continued...

19. SECURED DEBTS

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank loans	763,046	792,115

The bank loan is secured by a charge on the property.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	Endowment fund	2022 Total funds	2021 Total funds
	£	£	£	£	£
Fixed assets	-	-	3,958,452	3,958,452	3,927,711
Investments	-	-	1,141,091	1,141,091	1,076,806
Current assets	839,767	79,506	-	919,273	875,501
Current liabilities	(206,018)	-	(30,166)	(236,184)	(172,408)
Long term liabilities	-	-	(732,879)	(732,879)	(763,046)
	633,749	79,506	4,336,498	5,049,753	4,944,564

21. MOVEMENT IN FUNDS

Unrestricted funds

The unrestricted funds amounted to £633,749 at 31 March 2021 (2021: £662,074).

The Trustees have made no specific designation for these funds.

Endowment funds

	2022	2021
	£	£
Foundation endowment	3,693,176	3,750,308
Prize funds	61,837	41,826
Scholarship funds	581,485	420,268
	4,336,498	4,212,402

Restricted funds

	2022	2021
	£	£
Income arising on prize funds	7,467	6,945
Income arising on scholarship funds	49,020	40,709
Queen Mary's Grammar School development campaign and parental funding	14,969	14,384
Mrs Richardson legacy for the benefit of Queen Mary's High School	8,050	8,050
	79,506	70,088

continued...

22. RETIREMENT BENEFIT SCHEMES

Mayfield Preparatory School contributes to one multi employer defined benefit scheme and one group defined contribution scheme. The cost of these contributions in respect of the year ended 31 March 2022 was £144,989 (2021: £138,531) and £50,271 (2021: £47,733) respectively.

23. RELATED PARTY TRANSACTIONS

The Foundation owns the freehold land on which Queen Mary's Grammar School and Queen Mary's High School sites are based. These sites are leased to the Academy Schools on peppercorn rentals under 125 year leases, the terms of which have been approved by the Department for Education. Areas for playing fields are let under separate 10 year leases granted in 2011.

During the year Mrs Aubrook and Mr Thacker served as both Trustees of the Foundation and as Governors at Mayfield School. Mr Hunt served as both Trustee of the Foundation and as Governor at Queen Mary's Grammar School. Both Ms Hearsey and Mr Lee served as Foundation Trustees and Mercian Trustees. Mrs Fairbank and Mr Punch served as both Foundation Trustees and Mercian Trust Members. Mr Vallance served as both Foundation Trustee and as the Foundation's Corporate Member of the Mercian Trust.

During the year the Foundation, on behalf of Mayfield Preparatory School, paid £12,000 (2021: £12,000) to Queen Mary's Grammar School for the use of its swimming pool.

During the year the Foundation made donations from unrestricted funds of £23,803 (2021: £19,922) to Queen Mary's High School and £37,063 (2021: £31,245) to Queen Mary's Grammar School to support the costs of the year 7 entrance examinations.

24. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income for the reporting period (as per the Statement of Financial Activities)	105,189	162,910
Adjustments for:		
Gain on investments	(868)	(142,629)
Interest received	(98)	(105)
Interest paid	28,981	33,733
Dividends received	(18,872)	(20,103)
Income attributable to endowment	(1)	-
Expenditure attributable to endowment	108,039	46,144
Rental income received	(60,143)	(52,277)
Decrease/(increase) in debtors	45,178	(20,790)
Increase in creditors	62,679	24,058
Net cash provided by operations	270,084	30,941

continued...

25. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/21 £	Cash flow £	At 31/3/22 £
Net cash			
Cash at bank and in hand	816,810	88,950	905,760
	816,810	88,950	905,760
Debt			
Debts falling due within 1 year	(29,069)	(1,098)	(30,167)
Debts falling due after 1 year	(763,046)	30,167	(732,879)
	(792,115)	29,069	(763,046)
Total	24,695	118,019	142,714

QUEEN MARY'S SCHOOLS FOUNDATION

England & Wales - Charity number 1175360

Accounts

REGISTERED CHARITY NUMBER: 1175360

COMPANY REGISTRATION NUMBER CE011855

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

FOR

QUEEN MARY'S SCHOOLS FOUNDATION

QUEEN MARY'S SCHOOLS FOUNDATION

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QUEEN MARY'S SCHOOLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS FOR THE YEAR ENDED 31 MARCH 2021

TRUSTEES	June Aubrook Susan Blakemore Vivian Fairbank Rebecca Hearsey John Punch Peter Stretton (resigned 6/5/2020) Philip Sturrock MBE John Vallance Paul Lee Katrina Healey-Davis Daniel Hunt (appointed 9/9/2020)
PRINCIPAL ADDRESS	20 Birmingham Road Walsall West Midlands WS1 2LT
REGISTERED CHARITY NUMBER	1175360
INDEPENDENT AUDITOR	Bakers Chartered Accountants Arbor House Broadway North Walsall WS1 2AN
BANKERS	Lloyds Bank plc The Bridge Walsall West Midlands WS1 1LU
CLERK TO THE GOVERNORS	David Milne 20 Birmingham Road Walsall West Midlands WS1 2LT
INVESTMENT ADVISERS	I M Asset Management Ltd Riverside East 2 Millsands Sheffield S3 8DT

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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) (effective 1 January 2019).

The Foundation was incorporated as a Charitable Incorporated Organisation (CIO) on 25 October 2017. It was previously an unincorporated charity and continued to operate as such until 31 March 2018. The financial statements attached reflect the activities of the CIO from 1 April 2020 to 31 March 2021.

INTRODUCTION

Each of the Foundation Schools faced unprecedented disruption during the period covered by this report. Nevertheless, each of the Schools rose to the challenges posed by the pandemic. Each School adapted well to new ways of teaching and each School maintained high academic standards.

OBJECTIVES AND ACTIVITIES

On incorporation as a CIO the Trustees adopted a governing document setting out the charitable objectives as follows.

The Foundation furthers the education of pupils attending the schools of the foundation and which are, namely, Mayfield Preparatory School, Queen Mary's Grammar School and Queen Mary's High School. Each of the schools are based in Walsall, West Midlands.

The Foundation assists pupils by the funding of prizes, scholarships and maintenance allowances. The objects of the Charity are the advancement of education by:

- The conduct and maintenance of Mayfield Preparatory School and such other preparatory school or schools for the education of girls and boys as the charity trustees may from time to time think fit;

- The provision of premises, support, services and facilities for the schools of the Foundation or any former school of the foundation which has become an academy within the meaning of the Academies Act 2010;

- The award of:

    - Scholarships tenable to any school of the Foundation to pupils selected on grounds of merit;
    - Leaving exhibitions, to pupils who have attended a school of the Foundation for at least two years, tenable at any university or any other institution of higher or further (including professional or technical) education approved by the Charity Trustees or for the purpose of enabling the exhibitor to pursue a course of study approved by them;
    - Maintenance allowances for pupils who need financial assistance to enable them to attend any school of the Foundation; and
    - Prizes or suitable rewards or marks of distinction to any pupil worthy of reward or distinction; and.

- Otherwise promoting the education of boys and girls attending the schools of the Foundation in such ways as the Charity Trustees think fit.

The aims of the Charity are (directly) the provision of excellent standards of education to all pupils, and to promote and enhance the education of boys and girls attending the schools of the Foundation, and by so doing, to develop life-long benefits to the whole community; and (indirectly), through the Foundation Schools, the promotion of education at other schools.

In support of these overall aims, the charity looks to enhance the facilities and opportunities at the three schools in the Foundation. In addition, the charity looks to contribute in the wide public interest to the welfare and education of young people from diverse backgrounds.

The Foundation recognises that the pandemic has reaffirmed and heightened significant inequalities in our society and, in some cases, between students attending the Foundation Schools.

Following their recent successful applications to the Selective Schools Expansion Fund, both the Grammar and the High School are committed to attracting a greater number of students from disadvantaged backgrounds. The Foundation is facilitating a lease over part of its premises to enable extra classroom space at the High School and which will be necessary to allow it to accommodate the resulting increase in student numbers.

Additionally, the Foundation funds the 'Outreach Work' which is completed by both the Grammar School and the High School in order to attract greater numbers of applications from disadvantaged students.

The following people benefit from the work of the Charity: directly, the boys and girls attending the schools. Indirectly, through community links provided by the Grammar and High Schools, other schools in the local area, where support is provided to primary and secondary schools (for example in Maths, English and Languages) and particularly those schools forming part of The Mercian Trust, of which both the Grammar and High Schools are now members. Two of the Foundation Trustees serve as Members of the Mercian Trust, whilst a further Trustee serves as a Corporate Member on behalf of the Foundation as a whole. Furthermore, two Foundation Trustees serve as Mercian Trustees.

The Mayfield School makes its facilities available to other local groups and schools, and invites other schools to pastoral events. Admission to the High School and Grammar School is upon the basis of academic ability and potential. There are no fees payable for admission to these two schools.

The Charity reviews the needs of the beneficiaries of its work in the following ways: -

- For the boys and girls attending the schools themselves, through a network of formal meetings at each individual school; such meetings will consider the financial, property, educational and pastoral needs of the schools and the pupils attending, and such meetings are minuted, and formal resolutions made by the governing bodies of each school. Reports are then given to the Trustees who meet at least annually (and pre-pandemic biannually) in full committee, but the day to day administration of the schools falls to the governing bodies, and the committees that are formally established.

- The Headteachers of each of the three schools of the Foundation have close contact with other educational establishments and liaise directly with them to see if support can be offered. Again this is particularly relevant in relation to the other member schools of The Mercian Trust, namely, Aldridge School, Shire Oak Academy, Walsall Studio School and the Ladder School.

- Through regular meetings of the governing bodies of each school and the Trustees, the needs of the pupils of each school are identified and, wherever possible, assistance provided. Each school has a Development Plan showing the requirements and aspirations for the forthcoming academic year, which is approved by the governors.

The key elements to the Charity's medium to long term strategy would be as follows: -

- To ensure that the Foundation has sufficient funds to support the schools within the Foundation, and to ensure that funds are invested for the future success of the schools and the pupils who attend them.

- To ensure that the schools are well governed and to support the Headteachers and staff at each school to ensure that educational success and pastoral and cultural development is achieved and, where appropriate, improved.

- To ensure that the schools are a valuable part of the local community, with links to other schools, to local charities, to businesses and trade organisations, which will benefit not only the pupils but also the wider community.

The Charity measures the success of the strategy in the following ways:-

- In financial terms - by regular meetings (not less than at twelve month intervals) of the Investment Committee of the Foundation, which monitors the Foundation's investments and takes professional advice from independent financial advisers. In turn the Investment Committee reports to the Trustees.

- In the success of the schools - by receiving reports from the governing bodies of each school.

- By encouraging the schools to undertake regular surveys of parents, staff and pupils which are analysed to identify any unwelcome trends.

The Trustees are familiar with their duty to ensure public benefit, and in this respect, have had regard to the guidance issued by the Charity Commission. The Trustees ensure that each of the three schools in the Foundation demonstrates in reports received by the Trustees that the wider community is benefited. Given that the two secondary schools are open to all candidates based on proven ability, the public benefit is considered satisfied for these schools. In 2016, Mayfield joined with a local consortium of maintained primary schools to provide cross-school support and to share good practice. Mayfield has made its facilities (including its playing fields) available to the other schools. Mayfield has also facilitated 'mock 11+ exams' for pupils from the consortium schools. The Trustees are therefore satisfied that there is a wider benefit for children in the local community as a result.

ACHIEVEMENT AND PERFORMANCE

The main objectives set previously included:

- To offer financial support to the three schools of the Foundation, to ensure they continue to offer high standards of education.

- To address the medium to long-term future of the schools.

- To ensure the implications of public benefit were addressed.

Following the appointment of I M Asset Management Ltd as Investment Advisors it was resolved that the Foundation would pursue a financial investment strategy on a low to medium risk, to optimise an income return without diminution of the investment capital. Further information is given in the section "Financial Review" below.

The benefits provided to the students at the three schools by the work of the Foundation are reflected in the above, and in particular:

- Ensuring that Mayfield was a going concern and had a future strategy for facilities' improvement and building expansion. The building of a new multi-purpose hall at Mayfield has now been completed. The costs of the same have been met in part by the Foundation's existing funds and with the balance having been raised by way of mortgage. The high standards of Mayfield were reflected by its inclusion at 11th place (as compared to 17th in 2019/20) in the Sunday Times League Table of Preparatory Schools. This was the highest placing achieved by any Preparatory School in the West Midlands and represented the School's highest ever placing in the table. It is the 10th consecutive year in which Mayfield has featured in the Top 100. 20 pupils out of a total of 26 were awarded places at selective secondary schools.

- Ensuring the high standards of entry at Year 7 and to the Sixth Forms of the secondary schools were maintained. Whilst there were no public examinations because of the pandemic, both the Grammar School and the High School acquitted themselves well in terms of the Centre Assessment Grades (CAGs) which were awarded at both GCSE and A-Level. At the Grammar School, 71% of all A-Levels awarded were at grade B or above. 154 pupils out of a total of 186 gained University places. At the High School, 65 out of 66 pupils gained places either at University or at other institutions of higher learning.

- The provision of prizes has benefitted the students in a wider pastoral context.

The investment and fundraising by the Foundation has always been modest, with the Trustees preferring to maintain a low to medium investment risk to investments, as described above, and not to incur expense in speculative fundraising if that was not required. The Trustees consider their approach has been appropriate over the long term. Investment income has been maintained and Mayfield's reserves are comfortable. Notwithstanding the impact of the pandemic, the Trustees consider that their financial strategy will not change in the foreseeable future and will continue to provide sufficient financial support to the three schools. The Trustees are conscious, however, of the potential financial pressure on the Grammar and High Schools, which are maintained by public funds. The increasing pressure from lack of central funding is regarded as a potential harm to those schools. The Trustees recognise, however, that although they can continue to maintain support such as is provided at present, it would not be possible to assume the support currently provided by central funds.

FINANCIAL REVIEW

The Trustees have reviewed the financial performance of the Foundation for the past year and assessed the financial situation of the charity. There have been no significant events that have adversely affected the financial outcome. The volatility of the financial markets has had little adverse effect over the long term on the investment portfolio, which the Trustees consider is through a prudent investment policy and good advice.

Following a detailed presentation about funding strategies, and drawing upon the recommendation from various sources, the Trustees resolved:

- To continue with an investment policy that would maintain capital values but (if possible) generate greater income, while preserving a policy of low to medium risk management.

- To review ethical investment, concluding that for an educational charity it would be improper to invest in certain categories.

Income from Mayfield Preparatory School remained under review. The school's governing body, acting under the authority of the Trustees, undertook its annual review of fees and likely expenditure, and reported to the Trustees accordingly. The Trustees noted that such a review had considered the impact of any fees' increase, the present financial climate, and had resolved that the school remained competitive against other local schools. The school continues to have waiting lists for all classes, and keeps a very tight and active control over collection of fees from parents. Accordingly, therefore, the Trustees considered that the financial position for Mayfield was satisfactory, and was well-established to meet the needs of the school.

The Trustees therefore concluded that the charity's principal sources of funding, namely income from investments and from Mayfield, had not been adversely affected, and had been well-managed throughout the year.

The Trustees considered that no issues had been identified to suggest otherwise and were satisfied that operationally the charity was a going concern.

The Trustees reviewed whether they required a formal policy on reserves. They concluded that it was not necessary to hold reserves at a particular level. The charity's current assets were sufficient to accommodate known eventualities. Reserves would be maintained to cover potential eventualities at Mayfield (for example, costs to provide cover for any long-term teacher absence), but such reserves were maintained on a prudent basis rather than through a formal policy.

PLANS FOR FUTURE PERIODS

There are no plans for any changes to the aims and objectives of the charity, which will be to offer financial and general support to the three schools of the Foundation, and to continue to monitor public benefit. It being recognised that additional assistance for disadvantaged students at both the Grammar and High Schools is likely as a result of the pandemic and the increase in numbers of such students at both Schools.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is now a Charitable Incorporated Organisation, number CEO11855.

There are three schools supported by the Foundation: Queen Mary's Grammar School and Queen Mary's High School converted on 1 June 2011 to Academy status under the Academies Act 2010. Both of these schools retain their status as non-fee paying selective grammar schools, where entry is based on ability tested by entrance examination. The Grammar School provides education to boys between Years 7 to 11 and to boys and girls in the Sixth Form; the High School provides education to girls between Years 7 to 11 and to girls and boys in the Sixth Form. The third school is Mayfield Preparatory School, an independent day school and nursery for children aged 3 to 11.

The Trustees who served during the year were:

June Aubrook
Susan Blakemore
Vivian Fairbank
Rebecca Hearsey
John Punch
Peter Stretton
Philip Sturrock MBE
John Vallance
Paul Lee
Katrina Healey-Davis
Daniel Hunt

Vacancies on the board of Trustees are filled by invitation or advertisement. The High School and Grammar School are represented by current Governors and Mayfield by one current Governor (traditionally, but not necessarily the Chair). In this way, it is considered any potential conflicts of interest can be managed. The positions of the Trustees who are not existing Governors would be advertised or nominated by other Trustees should vacancies occur, and an appropriate appointment made after due consideration by the existing Trustees as to the skills any proposed Trustee would bring to the Trust.

All new and existing Trustees and Governors receive training from the Clerk as to their responsibilities and duties. Additionally, Governors at both the Grammar and the High School receive training from the Mercian Trust School Improvement Team. Governors are also able to receive training through the Local Authority.

The Trustees' Investment Committee reviews the Clerk's remuneration annually. The Mayfield Head's performance and salary is reviewed by a Mayfield Governor sitting with a Foundation Trustee. The Mayfield Governors appoint a sub-committee to review the performance and salaries of all other Mayfield employees. Their decisions are minuted by the Clerk.

The Trustees have examined the Foundation's activities and considered the risks faced. In their opinion there are established resources, controls and review systems which in normal conditions should allow such risks to be mitigated to an acceptable level. Mayfield School and the board of Foundation Trustees are separately insured with reputable insurance companies to cover liability. The accountants who assist the Foundation and the external auditors are regulated by professional bodies. The Investment Committee ensures there is a spread of investment to prevent over exposure in any one asset class area.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 17 JANUARY 2022 and signed on its behalf by:

SThacker

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Simon Thacker - Trustee

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF QUEEN MARY'S SCHOOLS FOUNDATION

Opinion

We have audited the financial statements of Queen Mary's Schools Foundation (the 'charity') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity'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 trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report, other than the financial statements and our Report of the Independent Auditor 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF QUEEN MARY'S SCHOOLS FOUNDATION

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditor 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.

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 Report of the Independent Auditor.

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Bakers Chartered Accountants
Arbor House
Broadway North
Walsall
WS1 2AN

Date: 27 January 2022

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	4	116,331	705	-	117,036	10,913
Charitable activities	6					
Charitable activities		1,714,562	-	-	1,714,562	1,809,990
Investment income	5	60,407	12,078	-	72,485	87,745
Total		1,891,300	12,783	-	1,904,083	1,908,648
EXPENDITURE ON						
Charitable activities	7					
Charitable activities		63,044	1,000	-	64,044	102,341
Support costs		80,079	-	13,370	93,449	66,166
Mayfield staff costs		1,373,076	-	-	1,373,076	1,384,549
Mayfield other costs		320,459	-	32,774	353,233	367,662
Total		1,836,658	1,000	46,144	1,883,802	1,920,718
Net gains/(losses) on investments		-	-	142,629	142,629	(82,700)
NET INCOME/(EXPENDITURE)		54,642	11,783	96,485	162,910	(94,770)
Transfers between funds	21	36,722	1,000	(37,722)	-	-
Net movement in funds		91,364	12,783	58,763	162,910	(94,770)
RECONCILIATION OF FUNDS						
Total funds brought forward		570,710	57,305	4,153,639	4,781,654	4,876,424
TOTAL FUNDS CARRIED FORWARD		662,074	70,088	4,212,402	4,944,564	4,781,654

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

BALANCE SHEET
31 MARCH 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	12	3,927,711	3,927,711
Investments	13	1,076,806	924,049
		5,004,517	4,851,760
CURRENT ASSETS			
Debtors	14	58,691	37,901
Cash at bank and in hand		816,810	711,274
		875,501	749,175
CREDITORS			
Amounts falling due within one year	15	(172,408)	(819,281)
NET CURRENT ASSETS		703,093	(70,106)
TOTAL ASSETS LESS CURRENT LIABILITIES		5,707,610	4,781,654
CREDITORS			
Amounts falling due after more than one year	16	(763,046)	-
NET ASSETS		4,944,564	4,781,654
FUNDS	21		
Unrestricted funds		662,074	570,710
Restricted funds		70,088	57,305
Endowment funds		4,212,402	4,153,639
TOTAL FUNDS		4,944,564	4,781,654

The financial statements were approved by the Board of Trustees and authorised for issue on 17 JANUARY 2022. and were signed on its behalf by:

S.Thacker

Simon Thacker - Trustee

QUEEN MARY'S SCHOOLS FOUNDATION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	23	30,940	(56,329)
Interest paid		(33,733)	-
Net cash provided by/(used in) operating activities		(2,793)	(56,329)
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(733,100)
Purchase of investments		(756,836)	-
Sale of fixed asset investments		715,502	-
Interest received		105	425
Dividends received		20,103	33,292
Rental income		52,277	54,028
Net cash used in investing activities		31,151	(645,355)
Cash flows from financing activities			
New loans in year		104,000	700,000
Loan repayments in year		19,321	-
Expenditure attributable to endowment		(46,143)	-
Net cash provided by financing activities		77,178	700,000
Change in cash and cash equivalents in the reporting period		105,536	(1,684)
Cash and cash equivalents at the beginning of the reporting period		711,274	712,958
Cash and cash equivalents at the end of the reporting period		816,810	711,274

1. CHARITY INFORMATION

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is a Charitable Incorporated Organisation, registered number 1175360.

2. ACCOUNTING POLICIES

Accounting convention
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Mercian Trust, formerly Queen Mary's Grammar School (Walsall), became a Multi-Academy Trust on 1 January 2018. New articles of association provided for five members, including the Queen Mary's Schools' Foundation itself and two persons nominated by the Foundation. No benefit accrues to the Foundation from this structure and there is no power to govern the financial and operating policies in order to obtain any benefit from the activities of The Mercian Trust. Accordingly the Foundation has not consolidated any accounts of The Mercian Trust for the period to 31 March 2021.

Going concern
The Trustees are required to 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 charity to continue as a going concern. The Trustees 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 financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Incoming resources
All incoming resources are 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.

2. ACCOUNTING POLICIES - continued

Incoming resources
For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Income from charitable activities arises from fees charged to parents of children attending Mayfield Preparatory School.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent and 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.

Resources expended
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.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of any impairment losses.
Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in net income/(expenditure) for the year.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Taxation
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. VAT on expenditure is irrecoverable and the cost is included within the item of expenditure to which it relates.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

2. ACCOUNTING POLICIES - continued

Charitable funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

Pension costs and other post-retirement benefits
Retirement benefits for teachers at Mayfield Preparatory School are provided by the Teachers Pension Scheme ("TPS") which is a defined benefit scheme. Retirement benefits for other members of staff are provided by a group defined contribution scheme with an insurance company and employer contributions to this scheme are charged as an expense as they are paid.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives 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 21, 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 are recognised in the period to which they relate.

Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank balances.

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.

Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

4. DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
Donations and gifts	6,239	705	-	6,944	10,913
Grants	110,092	-	-	110,092	-
	116,331	705	-	117,036	10,913

During the year, the charity received £110,092 from the Coronavirus Funding Scheme.

5. INVESTMENT INCOME

	Unrestricted funds £	Restricted funds £	Endowment funds £	2021 Total funds £	2020 Total funds £
Rental income	52,277	-	-	52,277	54,028
Income from listed investments	8,027	12,076	-	20,103	33,292
Interest receivable	103	2	-	105	425
	60,407	12,078	-	72,485	87,745

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021 £	2020 £
Fees receivable	Charitable activities	1,714,562	1,809,990

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £
Charitable activities	64,044
Support costs	93,449
Mayfield staff costs	1,373,076
Mayfield other costs	353,233
	1,883,802

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021	2020
	£	£
Staff costs	1,373,076	1,384,549
Rates, insurance and utilities	77,349	80,757
Maintenance of premises and equipment	91,737	109,997
Telephone, postage and stationery	17,425	14,893
Audit fees	4,350	4,200
Professional fees	50,652	15,390
Entrance examinations	62,936	39,780
Clerk to the governors	58,013	54,519
Learning resources	6,547	16,665
Computer costs	20,321	34,409
Administration and accountancy	61,538	46,490
Subscriptions and courses	13,157	13,247
Other costs	11,968	43,261
Donations and educational enrichment	-	62,561
Other grants	1,000	-
Interest payable and similar charges	33,733	-
	1,883,802	1,920,718

9. TRUSTEES' REMUNERATION AND BENEFITS

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses from the Trust during the year.

The total cost of employment for the key management personnel was £155,504 (2020: £145,384).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

10. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	1,088,007	1,126,073
Social security costs	98,805	83,850
Other pension costs	186,264	174,626
	1,373,076	1,384,549

The average monthly number of employees during the year was as follows:

	2021	2020
Teaching and support	47	51

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-

12. TANGIBLE FIXED ASSETS

	Freehold property £
COST	
At 1 April 2020 and 31 March 2021	3,927,711
NET BOOK VALUE	
At 31 March 2021	3,927,711
At 31 March 2020	3,927,711

Freehold land and buildings with a carrying value of £3,927,711 as at 31 March 2021 is included on the following bases.

Land which is subject to long leases in favour of the Academy Schools is included at nil value.

The Mayfield Preparatory School was independently valued at 31 March 2018 by PBG Chartered Surveyors at fair value on the existing use basis. The report and valuation were prepared in accordance with the RICS Valuation - Professional Standards Global and UK ("The Red Book") 2014 prepared by the Royal Institution of Chartered Surveyors and also the RICS Global Valuation Practice Guidance - Application VPGA1 - Valuation for inclusion within financial statements. The valuation was undertaken by a Chartered Surveyor who is both a Registered Valuer and who conforms to the requirements of the above "Practice Statements" and who is also an External Valuer. The new School Hall constructed during the 2020 year has been included at its cost of £1,393,366.

The additional educational facilities in Wales are included at the 2016 cost as the Trustees consider this to be appropriate.

The charity's freehold investment properties were valued as at 31 March 2018 by independent external valuers Llewellen Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Valuation - Global Standards 2017 and UK national supplement, Charities SORP and Financial Reporting Standard 102.The properties were valued on the basis of fair value subject to any existing leases. The valuer's opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms.

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2020	924,049
Additions	756,836
Disposals	(715,501)
Revaluations	111,422
At 31 March 2021	1,076,806
NET BOOK VALUE	
At 31 March 2021	1,076,806
At 31 March 2020	924,049

There were no investment assets outside the UK.

Cost or valuation at 31 March 2021 is represented by:

	Listed investments £
Valuation in 2021	111,422
Valuation in 2020	(82,700)
Valuation in 2019	59,486
Valuation in 2018	18,569
Valuation in 2017	172,321
Cost	797,708
	1,076,806

The listed investments are shown at market value. The historic cost at 31 March 2021 was £797,708 (2020: £756,374).

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	51,053	22,047
Prepayments and accrued income	7,638	15,854
	58,691	37,901

19. SECURED DEBTS

The following secured debts are included within creditors:

	2021	2020
	£	£
Bank loans	792,115	700,000

The bank loan is secured by a charge on the property.

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	Endowment fund	2021 Total funds	2020 Total funds
	£	£	£	£	£
Fixed assets	-	-	3,927,711	3,927,711	3,927,711
Investments	-	-	1,076,806	1,076,806	924,049
Current assets	805,413	70,088	-	875,501	749,175
Current liabilities	(143,339)	-	(29,069)	(172,408)	(819,281)
Long term liabilities	-	-	(763,046)	(763,046)	-
	662,074	70,088	4,212,402	4,944,564	4,781,654

21. MOVEMENT IN FUNDS

Unrestricted funds

The unrestricted funds amounted to £662,074 at 31 March 2021 (2020: £570,710).

The Trustees have made no specific designation for these funds.

Endowment funds

	2021	2020
	£	£
Foundation endowment	3,750,308	3,743,949
Prize funds	41,826	37,151
Scholarship funds	420,268	372,539
	4,212,402	4,153,639

Restricted funds

	2021	2020
	£	£
Income arising on prize funds	6,945	5,173
Income arising on scholarship funds	40,709	30,814
Queen Mary's Grammar School development campaign and parental funding	14,384	13,268
Mrs Richardson legacy for the benefit of Queen Mary's High School	8,050	8,050
	70,088	53,705

22. RELATED PARTY TRANSACTIONS

The Foundation owns the freehold land on which Queen Mary's Grammar School and Queen Mary's High School sites are based. These sites are leased to the Academy Schools on peppercorn rentals under 125 year leases, the terms of which have been approved by the Department for Education. Areas for playing fields are let under separate 10 year leases granted in 2011.

During the year Mrs Aubrook served as both Trustee of the Foundation and as Governor at Mayfield School. Mr Hunt served as both Trustee of the Foundation and as Governor at Queen Mary's Grammar School. Both Ms Hearsey and Mr Lee served as Foundation Trustees and Mercian Trustees. Mrs Fairbank and Mr Punch served as both Foundation Trustees and Mercian Trust Members. Mr Vallance served as both Foundation Trustee and as the Foundation's Corporate Member of the Mercian Trust.

During the year the Foundation, on behalf of Mayfield Preparatory School, paid £12,000 (2020: £2,202) to Queen Mary's Grammar School for the use of its swimming pool.

During the year the Foundation made donations from unrestricted funds of £19,922 (2020: £19,922) to Queen Mary's High School and £31,245 (2020: £16,155) to Queen Mary's Grammar School to support the costs of the year 7 entrance examinations. Donations of £Nil (2020: £6,675) were made to the High School to support a pupil with special needs. Further donations of £Nil (2020: £62,560) were made from restricted funds for the Schools to use for educational enrichment.

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

	2021 £	2020 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	162,910	(94,770)
Adjustments for:		
(Gain)/losses on investments	(142,629)	82,700
Interest received	(106)	(425)
Interest paid	33,733	-
Dividends received	(20,103)	(33,292)
Rental income received	(52,277)	(54,028)
Expenditure attributable to endowment	46,143	9,210
(Increase)/decrease in debtors	(20,789)	16,167
Increase in creditors	24,058	18,109
Net cash provided by/(used in) operations	30,940	(56,329)

24.. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
Net cash			
Cash at bank and in hand	711,274	105,536	816,810
	711,274	105,536	816,810
Debt			
Debts falling due within 1 year	(700,000)	670,931	(29,069)
Debts falling due after 1 year	-	(763,046)	(763,046)
	(700,000)	(92,115)	(792,115)
Total	11,274	13,421	24,695

25. RETIREMENT BENEFIT SCHEMES

Mayfield Preparatory School contributes to one multi employer defined benefit scheme and one group defined contribution scheme. The cost of these contributions in respect of the year ended 31 March 2021 was £138,531 (2020: £134,175) and £47,733 (2020: £40,451) respectively.

QUEEN MARY'S SCHOOLS FOUNDATION

England & Wales - Charity number 1175360

Accounts

REGISTERED CHARITY NUMBER: 1175360

COMPANY REGISTRATION NUMBER: CE011855

TRUSTEES' REPORT AND

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

FOR

QUEEN MARY'S SCHOOLS FOUNDATION

QUEEN MARY'S SCHOOLS FOUNDATION

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QUEEN MARY'S SCHOOLS FOUNDATION

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2020

TRUSTEES	June Aubrook Susan Blakemore Vivian Fairbank Rebecca Hearsey John Punch Peter Stretton (resigned 6/5/2020) Philip Sturrock MBE John Vallance Paul Lee Katrina Healey-Davis Daniel Hunt (appointed 9/9/20)
PRINCIPAL ADDRESS	20 Birmingham Road Walsall West Midlands WS1 2LT
REGISTERED CHARITY NUMBER	1175360
INDEPENDENT AUDITOR	Baker (Midlands) Limited Arbor House Broadway North Walsall WS1 2AN
ACCOUNTANTS	Whitehouse Ridsdale Limited 20 Birmingham Road Walsall West Midlands WS1 2LT
BANKERS	Lloyds Bank plc The Bridge Walsall West Midlands WS1 1LU
CLERK TO THE GOVERNORS	David Milne 20 Birmingham Road Walsall West Midlands WS1 2LT
INVESTMENT ADVISERS	I M Asset Management Ltd Riverside East 2 Millsands Sheffield S3 8DT

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

The trustees present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of 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) (effective 1 January 2019).

The Foundation was incorporated as a Charitable Incorporated Organisation (CIO) on 25 October 2017. It was previously an unincorporated charity and continued to operate as such until 31 March 2018. The financial statements attached reflect the activities of the CIO from 1 April 2018 to 31 March 2020.

INTRODUCTION

Our Annual Report for 2019-2020 looks back to a world before Covid 19 and the closure of the Foundation's Schools during the summer term.

Whilst so much has changed, the principles underlying our approach as a Charitable Foundation remain the same.

As the financial year drew to a close, it became apparent that the pandemic had the potential to impact the Foundation's income in terms of the fees generated by Mayfield School.

Mitigations included the reduction of fees for the summer term (to ensure that parents were able to afford to keep their children at the School) and the use of the Job Retention Scheme.

The Foundation is confident that as a result of these actions, coupled with its pre-existing and longer term investment strategy, it remains well equipped to meet its objectives and to meet the new challenges posed by the pandemic. Indeed, Mayfield School re-opened and enjoyed a successful Autumn Term without any significant financial repercussions and the number of pupils on the School Roll remains healthy.

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2020

OBJECTIVES AND ACTIVITIES

On incorporation as a CIO the Trustees adopted a governing document setting out the charitable objectives as follows.

The Foundation furthers the education of pupils attending the schools of the foundation and which are, namely, Mayfield Preparatory School, Queen Mary's Grammar School and Queen Mary's High School. Each of the schools are based in Walsall, West Midlands.

The Foundation assists pupils by the funding of prizes, scholarships and maintenance allowances. The objects of the CIO are the advancement of education by:

- The conduct and maintenance of Mayfield Preparatory School and such other preparatory school or schools for the education of girls and boys as the charity trustees may from time to time think fit;

- The provision of premises, support, services and facilities for the schools of the Foundation or any former school of the foundation which has become an academy within the meaning of the Academies Act 2010;

- The award of:

    - Scholarships tenable to any school of the Foundation to pupils selected on grounds of merit;
    - Leaving exhibitions, to pupils who have attended a school of the Foundation for at least two years, tenable at any university or any other institution of higher or further (including professional or technical) education approved by the Charity Trustees or for the purpose of enabling the exhibitor to pursue a course of study approved by them;
    - Maintenance allowances for pupils who need financial assistance to enable them to attend any school of the Foundation; and
    - Prizes or suitable rewards or marks of distinction to any pupil worthy of reward or distinction; and.

- Otherwise promoting the education of boys and girls attending the schools of the Foundation in such ways as the Charity Trustees think fit.

The aims of the Charity are (directly) the provision of excellent standards of education to all pupils, and to promote and enhance the education of boys and girls attending the schools of the Foundation, and by so doing, to develop life-long benefits to the whole community; and (indirectly), through the Foundation Schools, the promotion of education at other schools.

In support of these overall aims, the charity looks to enhance the facilities and opportunities at the three schools in the Foundation. In addition, the charity looks to contribute in the wide public interest to the welfare and education of young people from diverse backgrounds.

The Foundation recognises that the pandemic has reaffirmed and heightened significant inequalities in our society and, in some cases, between students attending the Foundation Schools.

Following their recent successful applications to the Selective Schools Expansion Fund, both the Grammar and the High School are committed to attracting a greater number of students from disadvantaged backgrounds. The Foundation is facilitating a lease over part of its premises to enable extra classroom space at the High School and which will be necessary to allow it to accommodate the resulting increase in student numbers.

The following people benefit from the work of the Charity: directly, the boys and girls attending the schools. Indirectly, through community links provided by the Grammar and High Schools, other schools in the local area, where support is provided to primary and secondary schools (for example in Maths, English and Languages) and particularly those schools forming part of The Mercian Trust, of which both the Grammar and High Schools are now members.

The Mayfield School makes its facilities available to other local groups and schools, and invites other schools to pastoral events. Admission to the High School and Grammar School is upon the basis of academic ability and potential. There are no fees payable for admission to these two schools.

The Charity reviews the needs of the beneficiaries of its work in the following ways: -

- For the boys and girls attending the schools themselves, through a network of formal meetings at each individual school; such meetings will consider the financial, property, educational and pastoral needs of the schools and the pupils attending, and such meetings are minuted, and formal resolutions made by the governing bodies of each school. Reports are then given to the Trustees who meet biannually in full committee, but the day to day administration of the schools falls to the governing bodies, and the committees that are formally established.

- The Headteachers of each of the three schools of the Foundation have close contact with other educational establishments and liaise directly with them to see if support can be offered. Again this is particularly relevant in relation to the other member schools of The Mercian Trust, namely, Aldridge School, Shire Oak Academy, Walsall Studio School and the Ladder School.

- Through regular meetings of the governing bodies of each school and the Trustees, the needs of the pupils of each school are identified and, wherever possible, assistance provided. Each school has a Development Plan showing the requirements and aspirations for the forthcoming academic year, which is approved by the governors.

The key elements to the Charity's medium to long term strategy would be as follows: -

- To ensure that the Foundation has sufficient funds to support the schools within the Foundation, and to ensure that funds are invested for the future success of the schools and the pupils who attend them.

- To ensure that the schools are well governed and to support the Headteachers and staff at each school to ensure that educational success and pastoral and cultural development is achieved and, where appropriate, improved.

- To ensure that the schools are a valuable part of the local community, with links to other schools, to local charities, to businesses and trade organisations, which will benefit not only the pupils but also the wider community.

The Charity measures the success of the strategy in the following ways:-

- In financial terms - by regular meetings (not less than at twelve month intervals) of the Investment Committee of the Foundation, which monitors the Foundation's investments and takes professional advice from independent financial advisers. In turn the Investment Committee reports to the Trustees.

- In the success of the schools - by receiving reports from the governing bodies of each school.

- In the local community - by receiving reports from the relevant communities and governing bodies as to what has been achieved.

- By encouraging the schools to undertake regular surveys of parents, staff and pupils which are analysed to identify any unwelcome trends.

The Trustees are familiar with their duty to ensure public benefit, and in this respect, have had regard to the guidance issued by the Charity Commission. The Trustees ensure that each of the three schools in the Foundation demonstrates in reports received by the Trustees that the wider community is benefited. Given that the two secondary schools are open to all candidates based on proven ability, the public benefit is considered satisfied for these schools. Mayfield has recently joined a local consortium of maintained primary schools to provide cross-school support and to exchange good practice, and it makes its facilities (including its playing fields) available for other local schools; the Trustees are satisfied that there is a wider benefit for children in the local community as a result.

ACHIEVEMENT AND PERFORMANCE

The main objectives set previously included:

- To offer financial support to the three schools of the Foundation, to ensure they continue to offer high standards of education.

- To address the medium to long-term future of the schools.

- To ensure the implications of public benefit were addressed.

In respect of these objectives, it is considered that the following main achievements have been accomplished in the past year:

- Financial viability has been established, to ensure sufficient funds were available to:

    - Provide professional guidance and support for the schools (through specialist legal advisers; a Clerk; an accountant; and an independent investment adviser).

    - Provide funds to the schools for maintenance of Mayfield Preparatory School and for contributions to the Queen Mary's Grammar and High Schools for the entrance examination costs (this to ensure the schools selected candidates on the basis of ability) and contributions to prize-giving to recognise the success and well-being of the students.

- To ensure that there were sufficient reserves available to support financially any of the three schools.

- To review the investment portfolio and investment policies to ensure financial viability.

Following the appointment of I M Asset Management Ltd as Investment Advisors it was resolved that the Foundation would pursue a financial investment strategy on a low to medium risk, to optimise an income return without diminution of the investment capital. Further information is given in the section "Financial Review" below.

The benefits provided to the students at the three schools by the work of the Foundation are reflected in the above, and in particular:

- Ensuring that Mayfield was a going concern and had a future strategy for facilities' improvement and building expansion. The building of a new multi-purpose hall at Mayfield, albeit after a period of delay, is shortly to be completed. The costs are being met in part by the Foundation's existing funds and with the balance to be raised by way of mortgage. The high standards of Mayfield School were reflected by its inclusion at 17th place in the Sunday Times List of independent preparatory schools. This was the second highest placing of any preparatory school in the West Midlands. It is the 9th consecutive year in which the School has been placed in the top 100. 88% of its students were awarded places at selective schools and which represented an increase of 5% from last year.

- Ensuring the high standards of entry at Year 7 and to the Sixth Forms of the secondary schools were maintained; the Grammar and High Schools. The Progress 8 score at GCSE placed the Grammar School in a very strong position nationally. The Attainment 8 figure placed the School within the top second percentile. 84% of students achieved grades between A* -C at A-level. 64% of Year 13 students obtained places at a 'Top University' as classified in the Complete University Guide. The GCSE performance at the High School was similarly strong and 60% of grades at A-Level were between A*-B.

- The provision of prizes has benefitted the students in a wider pastoral context.

The investment and fundraising by the Foundation has always been modest, with the Trustees preferring to maintain a low to medium investment risk to investments, as described above, and not to incur expense in speculative fundraising if that was not required. The Trustees consider their approach has been appropriate over the long term. Investment income has been maintained and Mayfield's reserves are comfortable. Notwithstanding the impact of the pandemic, the Trustees consider that their financial strategy will not change in the foreseeable future and will continue to provide sufficient financial support to the three schools. The Trustees are conscious, however, of the potential financial pressure on the Grammar and High Schools, which are maintained by public funds. The increasing pressure from lack of central funding is regarded as a potential harm to those schools. The Trustees recognise, however, that although they can continue to maintain support such as is provided at present, it would not be possible to assume the support currently provided by central funds.

FINANCIAL REVIEW

The Trustees have reviewed the financial performance of the Foundation for the past year and assessed the financial situation of the charity. There have been no significant events that have adversely affected the financial outcome. The volatility of the financial markets has had little adverse effect over the long term on the investment portfolio, which the Trustees consider is through a prudent investment policy and good advice.

Following a detailed presentation about funding strategies, and drawing upon the recommendation from various sources, the Trustees resolved:

- To continue with an investment policy that would maintain capital values but (if possible) generate greater income, while preserving a policy of low to medium risk management.

- To review ethical investment, concluding that for an educational charity it would be improper to invest in certain categories.

Income from Mayfield Preparatory School remained under review. The school’s governing body, acting under the authority of the Trustees, undertook its annual review of fees and likely expenditure, and reported to the Trustees accordingly. The Trustees noted that such a review had considered the impact of any fees’ increase, the present financial climate, and had resolved that the school remained competitive against other local schools. The school continues to have waiting lists for all classes, and keeps a very tight and active control over collection of fees from parents. Accordingly, therefore, the Trustees considered that the financial position for Mayfield was satisfactory, and was well-established to meet the needs of the school.

Subject to the introductory comments made at the outset of this report, the Trustees therefore concluded that the charity's principal sources of funding, namely income from investments and from Mayfield, had not been adversely affected, and had been well-managed throughout the year.

The Trustees considered that no issues had been identified to suggest that operationally the charity was not a going concern.

The Trustees reviewed whether they required a formal policy on reserves. They concluded that it was not necessary to hold reserves at a particular level. The charity’s current assets were sufficient to accommodate known eventualities, including a contribution to the new multi-purpose hall for Mayfield. Reserves would be maintained to cover potential eventualities at Mayfield (for example, costs to provide cover for any long-term teacher absence), but such reserves were maintained on a prudent basis rather than through a formal policy.

PLANS FOR FUTURE PERIODS

There are no plans for any changes to the aims and objectives of the charity, which will be to offer financial and general support to the three schools of the Foundation, and to continue to monitor public benefit. It being recognised that additional assistance for disadvantaged students at both the Grammar and High Schools is likely as a result of the pandemic and the increase in numbers of such students at both Schools.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is now a Charitable Incorporated Organisation, number **CE011855**.

There are three schools supported by the Foundation: Queen Mary's Grammar School and Queen Mary's High School converted on 1 June 2011 to Academy status under the Academies Act 2010. Both of these schools retain their status as non-fee paying selective grammar schools, where entry is based on ability tested by entrance examination. The Grammar School provides education to boys between Years 7 to 11 and to boys and girls in the Sixth Form; the High School provides education to girls between Years 7 to 11 and to girls and boys in the Sixth Form. The third school is Mayfield Preparatory School, an independent day school and nursery for children aged 3 to 11.

The Trustees who served during the year were:

June Aubrook
Susan Blakemore
Vivian Fairbank
Rebecca Hearsey
John Punch
Peter Stretton
Philip Sturrock MBE
John Vallance
Paul Lee
Katrina Healey-Davis

Vacancies on the board of Trustees are filled by invitation or advertisement. The High School and Grammar School are represented by current Governors (traditionally, but not necessarily, the Chair, Vice Chair and others) and Mayfield by one current Governor (traditionally, but not necessarily the Chair). In this way, it is considered any potential conflicts of interest can be managed. The appointment is personal. If these Trustees leave the Governing Body of the appropriate schools, it is traditionally the case that the Trustee will retire from the Trust; if not, the remaining Trustees have the ability to remove them should they so wish. The positions of the Trustees who are not existing Governors would be advertised or nominated by other Trustees should vacancies occur, and an appropriate appointment made after due consideration by the existing Trustees as to the skills any proposed Trustee would bring to the Trust.

All new and existing Trustees and Goveners receive training from the Clerk as to their responsibilities and duties. Additionally, Governors at both the Grammar and the High School receive training from the Mercian Trust School Improvement Team. Governors are also able to receive training through the Local Authority.

The Trustees' Investment Committee reviews the Clerk's remuneration annually. The Mayfield Head's performance and salary is reviewed by a Mayfield Governor sitting with a Foundation Trustee. The Mayfield Governors appoint a sub-committee to review the performance and salaries of all other Mayfield employees. Their decisions are minuted by the Clerk.

The Trustees have examined the Foundation's activities and considered the risks faced. In their opinion there are established resources, controls and review systems which in normal conditions should allow such risks to be mitigated to an acceptable level. Mayfield School and the board of Foundation Trustees are separately insured with reputable insurance companies to cover liability. The accountants who assist the Foundation and the external auditors are regulated by professional bodies. The Investment Committee ensures there is a spread of investment to prevent over exposure in any one asset class area.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on ..... and signed on its behalf by:

.....
John Punch - Trustee

REPORT OF THE INDEPENDENT AUDITOR TO THE TRUSTEES OF QUEEN MARY'S SCHOOLS FOUNDATION

Opinion

We have audited the financial statements of Queen Mary's Schools Foundation (the 'charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2020 and of its incoming resources and application of resources, 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 Charities Act 2011.

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditor 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the trustees Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees
As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements which 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements
We have been appointed as auditor under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditor that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Use of our report
This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Baker (Midlands) Limited
Chartered Accountants
& Registered Auditors
Arbor House
Broadway North
Walsall
WS1 2AN

Date: .....

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

QUEEN MARY'S SCHOOLS FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	Unrestricted fund £	Restricted fund £	Endowment fund £	2020 Total funds £	2019 Total funds £
INCOME AND ENDOWMENTS FROM						
Donations and legacies	4	3,787	7,126	-	10,913	36,980
Charitable activities	6					
Charitable activities		1,809,990	-	-	1,809,990	1,716,482
Investment income	5	72,798	14,947	-	87,745	99,724
Total		1,886,575	22,073	-	1,908,648	1,853,186
EXPENDITURE ON						
Charitable activities	7					
Charitable activities		39,780	62,561	-	102,341	33,491
Support costs		56,957	-	9,209	66,166	61,319
Mayfield staff costs		1,384,549	-	-	1,384,549	1,278,462
Mayfield other costs		367,662	-	-	367,662	366,246
Total		1,848,948	62,561	9,209	1,920,718	1,739,518
Net gains/(losses) on investments		-	-	(82,700)	(82,700)	51,793
NET INCOME/(EXPENDITURE)		37,627	(40,488)	(91,909)	(94,770)	165,461
Transfers between funds	20	(16,579)	(18,399)	34,978	-	-
Net movement in funds		21,048	(58,887)	(56,931)	(94,770)	165,461
RECONCILIATION OF FUNDS						
Total funds brought forward		549,662	116,192	4,210,570	4,876,424	4,710,963
TOTAL FUNDS CARRIED FORWARD		570,710	57,305	4,153,639	4,781,654	4,876,424

CONTINUING OPERATIONS
All income and expenditure has arisen from continuing activities.

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

BALANCE SHEET
31 MARCH 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	12	3,927,711	3,194,611
Investments	13	924,049	1,015,959
		4,851,760	4,210,570
CURRENT ASSETS			
Debtors	14	37,901	54,068
Cash at bank and in hand		711,274	712,958
		749,175	767,026
CREDITORS			
Amounts falling due within one year	15	(819,281)	(101,172)
NET CURRENT ASSETS		(70,106)	665,854
TOTAL ASSETS LESS CURRENT LIABILITIES		4,781,654	4,876,424
NET ASSETS		4,781,654	4,876,424
FUNDS	20		
Unrestricted funds		570,710	549,662
Restricted funds		57,305	116,192
Endowment funds		4,153,639	4,210,570
TOTAL FUNDS		4,781,654	4,876,424

The financial statements were approved by the Board of Trustees and authorised for issue on ..... and were signed on its behalf by:

.....
John Punch - Trustee

The notes form part of these financial statements

QUEEN MARY'S SCHOOLS FOUNDATION

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	24	(56,329)	29,375
Net cash (used in)/provided by operating activities		(56,329)	29,375
Cash flows from investing activities			
Purchase of tangible fixed assets		(733,100)	(660,266)
Interest received		425	3,838
Dividends received		33,292	41,861
Rental income		54,028	54,025
Net cash used in investing activities		(645,355)	(560,542)
Cash flows from financing activities			
New loans in year		700,000	-
Net cash provided by financing activities		700,000	-
Change in cash and cash equivalents in the reporting period		(1,684)	(531,167)
Cash and cash equivalents at the beginning of the reporting period		712,958	1,244,125
Cash and cash equivalents at the end of the reporting period		711,274	712,958

The notes form part of these financial statements

1. CHARITY INFORMATION

The Charity, Queen Mary's Schools Foundation, was founded originally by Royal Letters Patent in 1554. It is a Charitable Incorporated Organisation, registered number **CE011855**.

2. ACCOUNTING POLICIES

Accounting convention
The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Trust's governing document, the Charities SORP (FRS 102) '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) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Trust. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include certain items at fair value. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The Mercian Trust, formerly Queen Mary's Grammar School (Walsall), became a Multi-Academy Trust on 1 January 2018. New articles of association provided for five members, including the Queen Mary's Schools' Foundation itself and two persons nominated by the Foundation. No benefit accrues to the Foundation from this structure and there is no power to govern the financial and operating policies in order to obtain any benefit from the activities of The Mercian Trust. Accordingly the Foundation has not consolidated any accounts of The Mercian Trust for the period to 31 March 2020.

Going concern
The Trustees are required to 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 charity to continue as a going concern. The Trustees 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 financial statements have been prepared on a going concern basis as the Trustees believe that no material uncertainties exist. The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Incoming resources
All incoming resources are 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.

continued...

2. ACCOUNTING POLICIES - continued

Incoming resources
For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Income from charitable activities arises from fees charged to parents of children attending Mayfield Preparatory School.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent and 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.

Resources expended
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.

Tangible fixed assets
Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of any impairment losses.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other recognised gains and losses and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in net income/(expenditure) or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in net income/(expenditure) for the year.

All none property related assets are treated as renewals rather than being capitalised.

Fixed asset investments
Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/ (expenditure) for the year. Transaction costs are expensed as incurred.

Impairment
Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the statement of financial activities unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

Taxation
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. VAT on expenditure is irrecoverable and the cost is included within the item of expenditure to which it relates.

Charitable funds
Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

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2. ACCOUNTING POLICIES - continued

Charitable funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Trust.

Pension costs and other post-retirement benefits
Retirement benefits for teachers at Mayfield Preparatory School are provided by the Teachers Pension Scheme ("TPS") which is a defined benefit scheme. Retirement benefits for other members of staff are provided by a group defined contribution scheme with an insurance company and employer contributions to this scheme are charged as an expense as they are paid.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives 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 21, 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 are recognised in the period to which they relate.

Employee benefits
When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service. Termination benefits are recognised immediately as an expense when the Trust is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Cash and cash equivalents
Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank balances.

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.

Leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Trust's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

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4. DONATIONS AND LEGACIES

	Unrestricted funds	Restricted funds	Endowment funds	2020 Total funds	2019 Total funds
	£	£	£	£	£
Donations and gifts	3,787	7,126	-	10,913	36,980

5. INVESTMENT INCOME

	Unrestricted funds	Restricted funds	Endowment funds	2020 Total funds	2019 Total funds
	£	£	£	£	£
Rental income	54,028	-	-	54,028	54,025
Income from listed investments	18,353	14,939	-	33,292	41,861
Interest receivable	417	8	-	425	3,838
	72,798	14,947	-	87,745	99,724

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Fees receivable	Charitable activities	1,809,990	1,716,482

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)
	£
Charitable activities	102,341
Support costs	66,166
Mayfield staff costs	1,384,549
Mayfield other costs	367,662
	1,920,718

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Staff costs	1,384,549	1,278,462
Rates, insurance and utilities	80,757	63,712
Maintenance of premises and equipment	109,997	63,737
Telephone, postage and stationery	14,893	17,392
Audit fees	4,200	4,080
Professional fees	15,390	22,044
Entrance examinations	39,780	33,491
Clerk to the governors	54,519	58,521
Learning resources	16,665	21,607
Computer costs	34,409	61,222
Administration and accountancy	46,490	46,620
Subscriptions and courses	13,247	19,427
Other costs	43,261	44,799
Carried forward	1,858,157	1,735,114

continued...

8. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

	2020	2019
	£	£
Brought forward	1,858,157	1,735,114
Donations and educational enrichment	62,561	4,404
	1,920,718	1,739,518

9. TRUSTEES' REMUNERATION AND BENEFITS

None of the Trustees (or any persons connected with them) received any remuneration, benefits or expenses from the Trust during the year.

The total cost of employment for the key management personnel was £145,384 (2019: £144,291).

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the year ended 31 March 2019.

10. STAFF COSTS

	2020	2019
	£	£
Wages and salaries	1,126,073	1,059,661
Social security costs	83,850	77,198
Other pension costs	174,626	141,603
	1,384,549	1,278,462

The average monthly number of employees during the year was as follows:

	2020	2019
Teaching and support	51	51

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	2019
£60,001 - £70,000	1	1

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund	Restricted fund	Endowment fund	Total funds
	£	£	£	£
INCOME AND ENDOWMENTS FROM				
Donations and legacies	1,608	35,372	-	36,980
Charitable activities				
Charitable activities	1,716,482	-	-	1,716,482
Investment income	81,719	18,005	-	99,724
Total	1,799,809	53,377	-	1,853,186

continued...

11. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Endowment fund £	Total funds £
EXPENDITURE ON				
Charitable activities				
Charitable activities	33,491	-	-	33,491
Support costs	50,170	4,404	6,745	61,319
Mayfield staff costs	1,278,462	-	-	1,278,462
Mayfield other costs	366,246	-	-	366,246
Total	1,728,369	4,404	6,745	1,739,518
Net gains on investments	-	-	51,793	51,793
NET INCOME	71,440	48,973	45,048	165,461
Transfers between funds	(645,595)	(14,671)	660,266	-
Net movement in funds	(574,155)	34,302	705,314	165,461
RECONCILIATION OF FUNDS				
Total funds brought forward	1,123,817	81,890	3,505,256	4,710,963
TOTAL FUNDS CARRIED FORWARD	549,662	116,192	4,210,570	4,876,424

12. TANGIBLE FIXED ASSETS

	Freehold property £
COST OR VALUATION	
At 1 April 2019	3,194,611
Additions	733,100
At 31 March 2020	3,927,711
NET BOOK VALUE	
At 31 March 2020	3,927,711
At 31 March 2019	3,194,611

Freehold land and buildings with a carrying value of £3,927,711 as at 31 March 2020 is included on the following bases.

Land which is subject to long leases in favour of the Academy Schools is included at nil value.
The Mayfield Preparatory School was independently valued at 31 March 2018 by PBG Chartered Surveyors at fair value on the existing use basis. The report and valuation were prepared in accordance with the RICS Valuation - Professional Standards Global and UK ("The Red Book") 2014 prepared by the Royal Institution of Chartered Surveyors and also the RICS Global Valuation Practice Guidance - Application VPGA1 - Valuation for inclusion within financial statements. The valuation was undertaken by a Chartered Surveyor who is both a Registered Valuer and who conforms to the requirements of the above "Practice Statements" and who is also an External Valuer. The new School Hall constructed during this and the prior year has been included at its cost of £1,393,366. Borrowing costs totalling £14,320 have been included in the cost of this property. The capitalisation rate used was 2.75%.

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12. TANGIBLE FIXED ASSETS - continued

The additional educational facilities in Wales are included at the 2016 cost as the Trustees consider this to be appropriate.

The charity's freehold investment properties were valued as at 31 March 2018 by independent external valuers Llewellen Chartered Surveyors. The valuations were in accordance with the requirements of the RICS Valuation - Global Standards 2017 and UK national supplement, Charities SORP and Financial Reporting Standard 102.The properties were valued on the basis of fair value subject to any existing leases. The valuer's opinion of fair value was primarily derived using comparable recent market transactions on arm's length terms.

13. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2019	1,015,959
Additions	266,374
Disposals	(228,438)
Movement	(129,846)
At 31 March 2020	924,049
NET BOOK VALUE	
At 31 March 2020	924,049
At 31 March 2019	1,015,959

There were no investment assets outside the UK.

The listed investments are shown at market value. The historic cost at 31 March 2020 was £756,374 (2019: £718,438).

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	22,047	14,461
Tax	-	7,662
Prepayments and accrued income	15,854	31,945
	37,901	54,068

continued...

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 16)	700,000	-
Taxation and social security	25,544	23,126
Other creditors	93,737	78,046
	819,281	101,172

16. LOANS

An analysis of the maturity of loans are given below:

	2020	2019
	£	£
Amounts falling due within one year on demand:		
Bank loans	700,000	-

Post Year-end and upon completion of the new school hall, the development loan has been converted to a 20 year loan.

17. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	3,077	2,713
Between one and five years	7,975	3,821
	11,052	6,534

18. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank loans	700,000	-

The bank loan is secured on the property and was repaid on 30 April 2020.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund	Restricted fund	Endowment fund	2020 Total funds	2019 Total funds
	£	£	£	£	£
Fixed assets	-	-	3,927,711	3,927,711	3,194,611
Investments	-	-	924,049	924,049	1,015,959
Current assets	689,991	57,305	1,879	749,175	767,026
Current liabilities	(119,281)	-	(700,000)	(819,281)	(101,172)
	570,710	57,305	4,153,639	4,781,654	4,876,424

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20. MOVEMENT IN FUNDS

Unrestricted funds

The unrestricted funds amounted to £570,710 at 31 March 2020 (2019: £549,662).

The Trustees have made no specific designation for these funds.

Endowment funds

	2020 £	2019 £
Foundation endowment	3,743,949	3,766,081
Prize funds	37,151	38,322
Scholarship funds	372,539	406,167
	4,153,639	4,210,570

Restricted funds

	2020 £	2019 £
Income arising on prize funds	5,173	3,958
Income arising on scholarship funds	30,814	30,362
Queen Mary's Grammar School development campaign and parental funding	13,268	73,822
Mrs Richardson legacy for the benefit of Queen Mary's High School	8,050	8,050
	57,305	116,192

21. EMPLOYEE BENEFIT OBLIGATIONS

Mayfield Preparatory School contributes to one multi employer defined benefit scheme and one group defined contribution scheme. The cost of these contributions in respect of the year ended 31 March 2020 was £134,175 (2019: £103,151) and £40,451 (2019: £38,452) respectively.

22. CAPITAL COMMITMENTS

The project to develop facilities at Mayfield Preparatory School with the construction of a new multi-purpose hall has continued during the year. The total project cost is budgeted to be £1,480,000, with £1,394,000 spent at 31 March 2020.

23. RELATED PARTY TRANSACTIONS

The Foundation owns the freehold land on which Queen Mary’s Grammar School and Queen Mary’s High School sites are based. These sites are leased to the Academy Schools on peppercorn rentals under 125 year leases, the terms of which have been approved by the Department for Education. Areas for playing fields are let under separate 10 year leases granted in 2011.

During the year Mr Lee served as both Trustee of the Foundation and Governor of Queen Mary’s Grammar School. Miss Hearsey served as both Trustee of the Foundation and Governor of Queen Mary’s High School. Mrs Aubrook served as both Trustee of the Foundation and Governor of Mayfield School.

During the year the Foundation, on behalf of Mayfield Preparatory School, paid £2,202 (2019: £1,626) to Queen Mary’s Grammar School for the use of its swimming pool.

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23. RELATED PARTY TRANSACTIONS - continued

During the year the Foundation made donations from unrestricted funds of £19,922 (2019: £16,891) to Queen Mary's High School and £16,155 (2019: £16,599) to Queen Mary's Grammar School to support the costs of the year 7 entrance examinations. Donations of £6,675 (2019: £6,800) were made to the High School to support a pupil with special needs. The Foundation also donated £750 to each School in 2019 for pastoral support. Further donations of £62,560 (2019: £4,404) were made from restricted funds for the Schools to use for educational enrichment.

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

	2020 £	2019 £
Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)	(94,770)	165,461
Adjustments for:		
Losses/(gain) on investments	82,701	(51,793)
Interest received	(425)	(3,838)
Dividends received	(33,292)	(41,861)
Rental income received	(54,028)	(54,025)
Expenditure attributable to endowment	9,209	6,745
Decrease in debtors	16,167	17,119
Increase/(decrease) in creditors	18,109	(8,433)
Net cash (used in)/provided by operations	(56,329)	29,375

25. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/19 £	Cash flow £	At 31/3/20 £
Net cash			
Cash at bank and in hand	712,958	(1,684)	711,274
	712,958	(1,684)	711,274
Debt			
Debts falling due within 1 year	-	(700,000)	(700,000)
	-	(700,000)	(700,000)
Total	712,958	(701,684)	11,274