

# Queen Elizabeth's Foundation For Disabled People

## Financial Statements

**For the year ended  
31 March 2024**

CHARITY NO. 251051

COMPANY REGISTRATION NO. 00892013



Queen Elizabeth's  
Foundation for  
Disabled People



**Enabling Potential**

## **TRUSTEES, SENIOR MANAGERS AND ADVISORS**

PRESIDENT	CORINNA, LADY HAMILTON OF DALZELL DL
CHAIR	GORDON BOWSER
BOARD OF TRUSTEES	PAUL BEATER (resigned 27 July 2023) MOIRA BOWIE GORDON BOWSER ALICE COLLINS STEPHEN COLLINSON MICHAEL CONNAUGHTON TIMOTHY JASON DAVIES (resigned 3 May 2023) ABIGAIL PRICE (resigned 25 September 2024) GRAHAM RUSLING (appointed 4 October 2023) ELIZABETH SHARP CHRISTOPHER THORNE (resigned 10 October 2023)
CHIEF EXECUTIVE	KAREN DEACON
COMPANY SECRETARY	PHILIP KIRK
REGISTERED ADDRESS	LEATHERHEAD COURT OFFICE WOODLANDS ROAD LEATHERHEAD, SURREY, KT22 0BN
BANKERS	NATIONAL WESTMINSTER BANK PLC 57 VICTORIA STREET LONDON, SW1H 0HN
SOLICITORS	BLAKE MORGAN LLP NEW KINGS COURT, TOLLGATE, CHANDLER'S FORD EASTLEIGH, HAMPHIRE, SO53 3LG
INDEPENDENT AUDITORS	MOORE KINGSTON SMITH LLP 9 APPOLD STREET LONDON, EC2A 2AP

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## CEO AND CHAIRMAN'S STATEMENT

QEF is passionate about delivering person-centred, expert services that focus on individual needs. Over the last three years our key aims have been to deliver operational excellence; strengthen our business, and seek innovative and sustainable solutions. We have had to adapt our objectives during this time to react to the challenging external environment and stabilise our financial position while continuing to deliver high quality care. As part of this process, we have refocused our activities on the areas where we can have the most impact for disabled people and in Spring 2023, we made the reluctant decision to close our Independent Living Service, based at Dorincourt.

Whilst the planned closure in July 2023 understandably caused uncertainty and anxiety for the residents and their families, we are pleased to report that most clients were offered suitable alternative placements within the six months' notice period. In addition, we were able to offer interim placements at our Care and Rehabilitation centre for the remaining five individuals while their future placements were finalised.

As part of the restructuring, we were able to redeploy 49 staff from the Dorincourt Independent Living Service across the rest of the organisation, retaining their skills and experience and helping to reduce staffing shortages in these areas. Nevertheless, as with others providers in the health and social care sector, we remain reliant on agency staff. Within our Care and Rehabilitation centre, we use regular agency staff to ensure that care is delivered consistently and that client outcomes are achieved. But agency staff are expensive, and this increases the cost pressures on the organisation.

As has previously been noted, the financial pressures on QEF have been significant for the last few years and the outlook remains challenging. We continue to actively recruit to our vacant positions, but the market is competitive with a national shortage of therapists and other key skills, resulting in upward pressure on salaries. In addition, while we welcomed the 9.8% increase in the National Living Wage from April 2024 for the staff affected, the uplifts in fees we have received from social care and health authorities have not been commensurate. Planned changes to employment costs from April 2025 arising from the 2024 Autumn Budget will further increase the economic pressure. Despite these challenges, we continue to provide high quality personalised care and support across all our services.

Our Care and Rehabilitation Centre (CRC) has now been operational for four years and has supported over 550 people during that time with stays of between 1 week (for respite care) to long term placements lasting from the date the service opened. Our clinical service delivery now comprises:

- Neuro-rehabilitation
- General rehabilitation
- Long-term neurological care including slow-stream rehabilitation
- Short-term support including residential respite and out-patients

Over the last year, we have diversified our clinical interventions and practices through the implementation of technology assisted therapy equipment, the most recent being the Tyro Motion kit. In April 2024, we commenced a partnership with Chroma Neurologic Music Therapy who will be undertaking a six-month pilot within the service. In April 2024, we were also delighted to welcome a new consultant of Rehabilitation Medicine, Dr Jonathan Mamo, who brings a wealth of knowledge and expertise, and will play a key role in defining the service going forward.

We commissioned an external review of the CRC service and have implemented an action plan to develop and grow this service further over the next 3 years. To execute this plan, we have strengthened the clinical and management team at the CRC. We have invested in a Business Development team who are working more closely with our NHS partners and identifying new opportunities. The funding constraints that the NHS faces have impacted our occupancy over the 2023-24 winter months and, going forward, the Business Development Team will be focused on stabilising occupancy throughout the year. This will enable us to deliver a more sustainable and consistent service, and support more individuals achieve their desired outcomes.

The work that the CRC do is vital in helping people regain skills and independence following a traumatic health event or medical condition. We continue to be humbled by our clients' stories and the strength and resilience that they and their families demonstrate through very challenging times.

During the year, compliance testing undertaken on our mini powered wheelchair (Bugzi) identified some technical and safety related issues. In consultation with the Medicines and Healthcare products Regulatory Agency (MHRA), the decision was made to ask users to stop using Bugzis until the issues were resolved. The suppliers of the affected parts rectified the issue, and after a rigorous and lengthy testing program, corrective equipment was reissued. The issues were fully resolved by October 2024.

Our Mobility service has had a very strong year due in part to the success of the new hub in Southampton, which we opened at the request of the Department for Transport and Driving Mobility. The team have also been working closely with the CRC, supporting clients as part of their discharge planning process and where possible, increasing their independence.

We are, as ever, grateful to all our supporters and volunteers for their commitment, time and support across the organisation. We would also like to extend our gratitude to the Trustees for their support, commitment, and guidance throughout the year. In particular, we would like to thank Chris Thorne and Abby Price, both who stepped down as trustees over the last 12 months. Both Chris and Abby remain staunch QEF friends and supporters.

We are lucky to have a dedicated team of loyal, committed staff who ensure that QEF continues to deliver good quality services, supported by our agency staff. We are grateful to all members of QEF for their contributions throughout the year. We continue to strive to deliver excellent services and enable as many people as possible to live independent and inclusive lives.

## TRUSTEES' REPORT

The Trustees are pleased to present their Report and Financial Statements for the year ended 31 March 2024. The accounts have been prepared in accordance with the Statement of Recommended Practice applicable to charities preparing accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland. The report and statements also comply with the Companies Act 2006 and the Charities Act 2011.

### Purpose of the charity

Queen Elizabeth's Foundation for Disabled People (QEF) is a leading charity with almost 90 years' experience of developing innovative services which enable and support people with disabilities to increase independence and improve opportunities for life. Whether it is gaining new skills to live independently, neuro-rehabilitation after a brain injury or stroke or improving independence through increased mobility; QEF helps disabled people to fulfil their potential in life.

### What we do

The services we offer include the following:

- Care and Rehabilitation Centre (CRC) - neurorehabilitation rehabilitation for those with an acquired brain injury such as a stroke or a traumatic injury or neurological condition such as Guillan barre syndrome, multiple sclerosis, incomplete spinal cord injury and general rehabilitation for those who are off their baseline functionality following a period of acute illness or hospitalisation.
- Residential Care and Supporting Living – long term specialist care for complex disabilities at The Grange (2016) Ltd in Kent.
- Independent Mobility – mobility driving assessments, wheelchair and scooter assessments, accessible aviation and seat assessments, mobility and disability aids.
- MERU – providing Bugzi mini-powered wheelchairs for young children, and adapted toys.

These services are supported by the following teams:

- Retail Trading with 15 Retail Shops
- Engagement and Partnerships Team (Fundraising)
- Finance and IT
- People Team (Human Resources)
- Marketing and Communication
- Facilities Management
- QEF Developments Limited

The Grange (2016) Ltd, QEF Trading Limited and QEF Developments Limited are limited companies and wholly owned subsidiaries.

## **Geographical Reach**

QEF is based in Surrey and Kent, providing most of its residential and mobility services in the South East Region, covering London, Surrey, Essex, Hertfordshire, Berkshire, Kent, Buckinghamshire and Hampshire. MERU designs and sells products UK-wide.

## **Vision Statement**

Our vision is for everyone we support to be able to live the life they choose in a fully inclusive society.

To achieve our vision, we deliver expert services that enable disabled people of all ages to achieve their potential so they can be as independent as possible and live enriched lives.

## **Values and behaviours**

We believe:

- Everyone matters
- Everyone works together
- Everyone makes a difference

## **Public benefit**

The Trustees confirm they have given due consideration to the Charity Commission's guidance and that QEF's purpose is for public benefit.

## **MAIN ACTIVITIES**

### **QEF Care and Rehabilitation Centre (CRC)**

The CRC is situated near Leatherhead in Surrey and is a 48-bed purpose-built CQC registered service which specialises in neuro-rehabilitation. The CRC supports people to enhance their quality of life and core skills to maximise their independence after an acquired brain injury, stroke, incomplete spinal injury, or other neurological conditions.

The centre is a spacious, well-equipped building that has been designed to meet the needs of QEF's clients. Rooms are modern and bright with a comfortable, homely environment. All rooms are ensuite with tracking hoists and are supported by innovative assistive technology.

Our expert multi-disciplinary teams provide each person with an individualised rehabilitation program and care plan. The specialist services are delivered by a team of healthcare professionals including a consultant in rehabilitation medicine, GP, specialist nurses, therapists and care team.

The in-house therapies include clinical psychology, speech and language therapy, occupational therapy and physiotherapy, who alongside specialist nursing and care teams, work closely with the NHS, case managers and community referrers.

The clinical team work with the client and families to set client centred and individualised goals which become the focus and aim of the rehabilitation stay. These goals are reviewed and contribute to the decision making process regarding onward support needs for clients once they move on from the CRC.

We currently work with 14 NHS Trusts and Integrated Care Boards (ICBs) across South East England. In 2023-24, we developed partnerships with Stroke Association and Headway who in reach to our service supporting clients as they prepare for the next steps of their rehabilitation journey after their stay at the CRC.

## **QEF Residential Care and Supported Living**

### **The Grange (2016) Ltd (The Grange)**

The Grange provides accommodation-based services for adults with learning disabilities in Cranbrook, Kent. These are provided for up to 25 people across two residential care services regulated by the CQC and one Supported Living accommodation. The services provide 24-hour care and supervision as well as a programme of activities, leisure pursuits and volunteering opportunities. It offers person centred support where people can develop their skills to maximise their own potential, have choice and control of their lives and feel valued as part of their community.

The main residential service at The Grange caters for up to 19 individuals, the residential care service at 17 Wheatfield Drive caters for a further 3, and the supported living service at 15 Wheatfield Drive supports up to 3 individuals.

## **Independent Mobility**

### **QEF Mobility Services**

The Mobility Centre, which has been operating for more than 40 years, provides a variety of assessments that enable independent mobility for disabled people and the elderly, as well as equipment hire of wheelchairs, scooters, and seating postural support for air travel. Assessments include driving ability and adaptations for vehicles including hoists and transfer systems, wheelchair prescription, scooter proficiency, accessible aviation, seating and postural support assessments and child car seat assessments.

At the request of the Department for Transport and Driving Mobility, we were asked to establish a new outreach service in the Hampshire area to fill the void created by the closure of Wessex Driveability in March 2023 who had been servicing the residents over a wide area from East Wiltshire to West Sussex and the Isle of Wight. In September 2023, we opened a new location in Southampton to meet the geographical need. We have delivered 1,854 assessments across all locations.

We have established a new relationship with the Hampshire and Isle of Wight Constabulary providing Fitness to Drive assessments as an alternative to prosecution



for disabled people and the elderly and this is expected to expand to include two other police forces in the coming year.

## **VASD**

VASD had previously provided an accessible holiday home in West Sussex for hire by individuals and families with disabilities who require specialist facilities. This property was sold in January 2024.

## **MERU**

MERU produces children's mini powered wheelchairs "Bugzis" which are available to buy or offered as part of a free loan scheme. The loan scheme allows a family to take a Bugzi home following an assessment and use for as long as the child needs it. It is then returned, refurbished and reloaned to another child.

A total of 42 children received a Bugzi through the Bugzi Loan Scheme this year. In addition, the school-based Bugzi Club was operational in 11 schools in the Southeast, helping children access independent mobility at school.

Due to technical and safety issues identified as part of compliance testing, we issued a Field Safety Notice in December 2023 and advised people not to use Bugzis until the matter was resolved. This impacted the Bugzi loan scheme for the remainder of the financial year. This issue was resolved in October 2024.

MERU also sells a wide range of assistive products and adapted toys as well as providing a toy adaptation service to a distribution partner in the UK.

## **QEF Trading Limited**

QEF charity shops continue to sell a variety of donated goods and furniture, greatly helping QEF raise awareness and contributing to income in unrestricted funds. At the year-end, there were 15 charity shops in and around Surrey (2023: 15).

The three key challenges faced by the charity retail sector during the year were:-

- the reduction in the number of volunteers
- the changes to people's shopping habits
- the reduction in quantity of higher quality donations.

While these remain a challenge, there has been an improvement in performance and support in the shops.

## **Engagement and Partnerships ("E&P")**

As ever, we are grateful to all the loyal and committed supporters without whom QEF could not invest in new equipment and provide additional services such as therapeutic art and assistive technologies. Their generosity supports us to achieve our vision to enable disabled people to achieve their potential. Fundraising undertaken by our team raised £2.2m for QEF and its subsidiaries (£2.1m raised in 2023). This total included

£902k in legacies from many generous supporters who left QEF gifts in their wills (2023: £703k).

Our core fundraising activities include soliciting gifts from trusts and charitable foundations; appealing for, and stewarding donations from individual supporters or through entries to a lottery; legacy gifts made by supporters through their last will and testament; running our own events and entering individuals into third party events and developing partnerships with businesses, schools, and community groups.

Our much-loved annual events once again proved popular, particularly the two Ladies Lunches and our Mansion House event, the Guinness and Oyster Luncheon. We received funding from the Community Foundation for Surrey and The National Lottery to develop a new programme of music therapy. We also invested in advanced rehabilitation technology by Tyromotion, which was funded by a grant made by The Peter Harrison Foundation in the prior year. In addition, the installation of two lifts to complete the Care and Rehabilitation Centre was made possible by a generous grant awarded by the Bradbury Foundation.

We were delighted to have had the support of Unum staff, with the culmination of a two year "charity of the year" partnership as well as benefiting from volunteer teams from over 20 companies throughout the year.

We continued to work with Sterling Management Centre Limited, an External Lottery Manager to administer our lottery. Sterling Management Centre Limited are licensed and regulated in Great Britain by the Gambling Commission under account number 3137. We also worked with two telemarketing agencies, Quality Telephone Services Limited (QTS) and Stanton Lea Ltd, trading as NTT, to engage existing donors and inspire potential new ones. We regularly review our telemarketer's calls to ensure calls are appropriate.

During 2023-24, all fundraising was conducted by a team of employed fundraisers along with a group of dedicated volunteers helping throughout the year.

QEF monitors and manages its fundraising regulation and compliance through a combination of training programmes, internal processes, and management reporting. We are a registered with the Fundraising Regulator and operate in accordance with the Code of Fundraising Practice. We also support our team to actively engage with the Chartered Institute of Fundraising (CioF) and where appropriate participate in CioF training and best practice forums. Fundraising programmes are compliant with the Institute, the key principles of which are incorporated in our training programmes. QEF operates a whistleblowing policy and a complaints policy and process. We have recently reviewed our Supporter Promise and are committed to abiding by the Fundraising Preference Service and the Mail and Telephone Preference Services.

We continue to welcome feedback, including complaints from supporters and the public. During the financial year 2023-24, all complaints made were investigated and closed. There were 2 complaints made by supporters to the Fundraising team; both were responded to and closed and neither required referral to the Fundraising Regulator, Ofcom, the Information Commissioner's Office, or any other regulator.

## **People**

The QEF workforce is a diverse multi-disciplinary team of 250 talented employees who work hard to enable all our clients and residents reach their potential.

Recruitment and retention continues to be a challenge across QEF as we have struggled to match increasing salary expectations in the context of pay rises in the health sector. There is also a national shortage of therapists and care workers in the UK, which is proving to be challenging and has resulted in vacancies taking longer to fill.

To support retention, our employee health and well-being programme remains a priority. As mental health issues remain a significant cause of sickness absence, we continue to provide training sessions on stress management, we have Mental Health First Aiders available to provide support and there are regular wellbeing initiatives being delivered across the organisation.

Other employee initiatives include enhancing our time off for dependants leave provision to support working parents and the introduction of the carers leave policy to support those with caring responsibilities. We have also updated the flexible working policy in line with legislative changes.

A combined approach to targeted recruitment, employee wellbeing, management training and additional development opportunities has resulted in a reduction in overall staff vacancies and turnover across the QEF Group, however it remains a challenge in key areas of the organisation.

## **Volunteering**

Our QEF volunteers have continued to provide amazing support to QEF over the last year. We are forever grateful to those who give their time to support our work and help us to make a difference to the lives of disabled people who use our services and their families. Over the course of the year, we have had 230 dedicated volunteers helping out across all areas of the QEF group. We have also benefited from corporate gardening and DIY volunteering events, and look forward to strengthening these relationships going forward. We have been delighted to welcome some of our volunteers into the permanent workforce of QEF.

## **LOOKING FORWARD**

Understanding and determining the future direction for QEF is key to the organisation's sustainability and success. We continue to improve all our processes, look for potential opportunities and articulate our charitable offer in what is a complex and changing external environment.

The strategic goals agreed for 2022-2025 are outlined below. Work is now beginning on the strategic direction of the organisation for 2025-26 onwards with a series of

internal health checks and deep dives being undertaken across the organisation to help guide the strategy.

### **1) Deliver operational excellence**

We will:

- Provide high-quality consistent, person-led care and support to enable better outcomes for the people we support.
- Further build on our qualities to become outstanding and ensure excellent customer experiences in all areas.
- Maximise the capacity in our services by ensuring we respond to future healthcare needs and ensure our care pathways are best practice.
- Build high performing, engaged, diverse teams by investing in our staff and ensuring they have the right skills and behaviours.
- Create a positive culture of continuous improvement to ensure our staff are committed to achieving the organisations goals.

### **2) Strengthen our business**

We will:

- Maximise the opportunities in the markets to diversify and grow income streams to ensure we have a strong future.
- Review our infrastructure to deliver more cost-effective ways of working and create more funds for future business development.
- Identify commercial opportunities to ensure all areas of business can be self-sustaining.
- Develop and strengthen partnerships and collaborate with key organisations to support us to achieve our vision.

### **3) Seek innovative and sustainable solutions**

We will:

- Develop a property strategy which ensures our buildings and land are used in the most effective way (including using any appropriate spare space in existing buildings to generate income).
- Develop initiatives to reduce our environmental impact and promote awareness across the organisation.
- Develop strong leadership and management at all levels to empower people.

## **STRUCTURE, GOVERNANCE AND MANAGEMENT**

### **Structure**

QEF is a registered charity and a company limited by guarantee governed by a Memorandum and Articles of Association which were reviewed and updated in 2018.

The Board of Trustees meets at least six times a year. Trustees are subject to the 'fit and proper person' test required by the Care Quality Commission. Each Trustee is required to resign at the end of their three-year term but they may be elected to serve for another term provided their total term of office does not exceed nine years.

When there is a requirement to recruit new Trustees a formal external recruitment procedure takes place. New Trustees receive induction training from the chief executive and Senior Management Team.

The Board of Trustees has responsibility for strategic development and for overall governance of QEF, members of the QEF family of charities and the QEF Trading Company.

The Board of Trustees delegates to committees some of its non-executive functions, including audit and risk, property, fundraising, people, care quality and safety.

Executive leadership and management are delegated to the Chief Executive and the Senior Management Team.

### **Trustees**

Trustees are elected by Members of QEF or co-opted by the Trustees, based on how their skill set and experience can benefit QEF and further improve the knowledge of the Board. A formal recruitment and selection process is agreed by the Board in advance of all appointments and is in line with best practice guidance.

As stated in the Memorandum and Articles of Association, one third (or the number nearest one third) of the Trustees must retire at each AGM, those longest in office retiring first and the choice between any equal service being made by drawing lots. A retiring Trustee who is eligible may be re-elected. If at the date of the AGM a Trustee has held office for nine consecutive years since first election, they may not be re-elected, except in exceptional circumstance of there being no other person eligible to be a Trustee and acceptable to the Members as such.

## **RISK MANAGEMENT**

The Audit and Risk Committee is responsible for oversight and scrutiny in areas including internal and external audit, risk management and insurance. The system of internal controls is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. Measures in place include:

- A strategic plan, a business plan and an annual budget approved by the Board of Trustees
- Monthly consideration by the Senior Management Team of financial results, variance from budgets and performance indicators.
- Board Assurance Framework and corporate risk registers as part of a risk management strategy.
- The Senior Management Team and the Board review the nature of risks regularly, monitor actions taken, identify new risks and agree future mitigating action. An updated risk analysis is presented to the Board of Trustees at each of its meetings.
- Monthly quality and performance reports enable managers to comment on variances and identify actions being taken to mitigate risk.
- The Board meets bi-monthly and is supported by sub-board committees which meet during the year, covering inter alia Care Quality and Safety, Audit & Risk, and Property
- Proper delegation of authority and segregation of duties.
- An executive and professional liability insurance policy provides indemnity for the Trustees.
- Our auditors are Moore Kingston Smith LLP.

In common with all providers of health and care services, QEF faces a number of risks. These include:

Risk	Mitigation
Poor quality of care or risk to safety	Ensure staff compliance with training and induction and a robust supervision and appraisal system. Continually develop operational processes, policies and procedures to ensure best practice. Involve service users in monitoring and actively seek feedback from people who use our services. Clear and thorough reporting to Care Quality and Safety committee and visibility of senior managers and trustees in services. Ensure Health and Safety compliance across all areas.
Workforce – difficulties recruiting and retaining a skilled workforce and associated impact on care	Recruitment and retention plan developed focusing on competitive pay structure, professional development and employee health and wellbeing.

Risk	Mitigation
Management of the £30m long term loan from the PPF, which replaced the defined benefit pension deficit.	QEF has repaid £8.4m of the loan through a mixture of asset sales and quarterly repayments leaving £21.6m outstanding. QEF continues to work closely with the PPF to ensure that its obligations will be met over the loan term. This includes a proposal to deliver the repayments required in the short to medium term.
Failure to achieve financial targets impacting on viability	Reforecasting and sensitivity analysis is undertaken throughout the year. The five year financial plan is overseen by the Board.
Risk of a cyber-attack could result in a data breach or the introduction of ransomware	Ongoing phishing awareness campaigns and training in place to raise awareness and minimise risk of an attack succeeding A business recovery plan is in place in the event this occurs.

## Remuneration

The Remuneration Committee has responsibility for considering management recommendations for staff pay and setting the salaries of members of the Senior Management Team.

Before considering management recommendations for staff pay, the Remuneration Committee looks at the external market and pay comparability, internal pressures for talent and affordability.

## FINANCIAL REVIEW

### Income and expenditure

Total operating income decreased by £2.2m to £12.4m in 2024 (2023: £14.6m) due to the closure of Dorincourt ILS in July 2023. Excluding this service, operating income rose by 4.4% to £11.4m in 2024 (2023: £10.9m).

Total operating expenditure decreased by £1.2m to £12.5m (2023: £13.7m) reflecting the closure of Dorincourt ILS. The overall result was a small loss of £(0.2m), before other gains and losses, compared to a profit of £0.9m in 2023. Excluding ILS, where expenditure exceeded income by £1.4m (2023: £0.5m), the group generated net income of £1.2m in 2024 (2023: £1.4m).

Excluding ILS, income from charitable activities rose by £0.2m to £6.3m in 2024 however expenditure increased by £0.5m to £6.8m resulting in a shortfall of £(0.5m) (2023: £(0.2m)).

Net income from fundraising (donations, legacies and fundraised events) and commercial operations were in line with prior year at £1.3m and £0.1m respectively.

The net movement in funds was £(0.1m) after a minor adjustment to the discounting of the loan term PPF liability. This total movement in funds comprised a decrease in unrestricted reserves of £(0.3m) along with a £0.2m increase in restricted reserves.

### Cash flow

Net cash used in operating activities reduced from £0.5m in 2023 to £(0.5)m in 2024 due to the reduction in net income.

The cash inflow from investing activities reflects the proceeds raised from the sale of Dorincourt, the site on which ILS was based, of £3.2m. These proceeds were used to make capital loan repayments of £2.8m to the PPF. This coupled with other loan repayments of £0.2m resulting in the year-end cash position remaining broadly unchanged at £1.5m (2023: £1.6m).

### Balance sheet

The Group balance sheet shows net assets, excluding long-term debt, of £22.1m (2023: £25.2m). Fixed assets decreased to £19.9m (2023: £23.6m) due to the sale of Dorincourt.

Long-term liabilities reduced to £10.3m as at 31 March 2024 (2023: £13.2m) reflecting the repayments made in the year. The total consists primarily of amounts due under the PPF and CBILS loan agreements of £9.8m and £0.3m respectively. The PPF loan is a long-term liability and the amount outstanding at 31 March 2024, was £21.6m. This has been discounted over the 30 year-term at 4% to arrive at an amortised cost of £10.3m at 31 March 2024 (2023: £13.2m) of which £0.5m is due within one year



and £9.8m is due after one year. The amount outstanding under the CBILS loan agreement is £0.4m of which £0.1m is due within one year.

The Board of Trustees has been working with the PPF on our payment obligations as our principal creditor. Further detail can be found in the Accounting Policies note of the financial statements.

The net current asset position improved to £2.2m (2023: £1.5m) as at 31 March 2024.

Overall, the Group balance sheet shows net assets of £11.9m as at 31 March 2024 (2023: £12m).

### **Reserves policy**

The reserves policy is determined after assessing the capital requirements, considering the nature and timing of income and expenditure streams and by reviewing the specific business risks identified through the risk management process. The Board of Trustees aims to maintain a level of unrestricted reserves not tied up in fixed assets, which it believes will be sufficient to ensure the operational viability of the charity. The unrestricted fund balance at the year-end was £11.4m (2023 - £11.7m), including fixed assets of £20.0m and a £10.3m long-term liability to the Pension Protection Fund.

The Board of Trustees is also mindful that at a time of uncertainty in government funding it may require sufficient reserves to maintain services for a limited period if funding ceased or contracts were cancelled. The Board of Trustees has concluded that given the economic environment its services operate within and the reliance on fundraising income that the level of free reserves at the year-end should be six months' worth of unrestricted operating expenditure. Based on 2023/2024 results this would be circa £5.5m which is below the unrestricted funds held as at 31 March 2024 of £11.4m (2023: £11.7m).

As well as the unrestricted reserves described above, QEF also held £455k (2023: £288k) of restricted reserves as at 31 March 2024.

### **Investment policy**

In view of the likely requirement for accessible cash over the next five years, the Board of Trustees has decided to continue its policy of holding investments in cash deposits.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of QEF for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

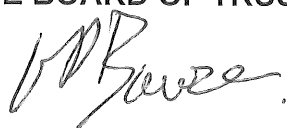
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the Trustees are aware:

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## APPROVAL OF TRUSTEE REPORT AND STRATEGIC REPORT BY ORDER OF THE BOARD OF TRUSTEES ON 27 NOVEMBER 2024



**Gordon Bowser**  
Chairman

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF QUEEN ELIZABETH'S FOUNDATION FOR DISABLED PEOPLE

### Opinion

We have audited the financial statements of Queen Elizabeth's Foundation for Disabled People (the "parent charitable company") and its subsidiaries (the "group") for the year ended 31st March 2024 which comprise the consolidated and Group Balance Sheets, the Group Summary Income and Expenditure Account, the Consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

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

### **Other information**

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

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

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

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

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such



disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and parent charitable company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding, among other matters, the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks 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 to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.

- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

### **Use of our report**

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

*Moore Kingston Smith LLP.*

**James Saunders (Senior Statutory Auditor)**  
**for and on behalf of Moore Kingston Smith LLP**

Date: 3 December 2024

**Chartered Accountants**  
**Statutory Auditor**

9 Appold Street  
London  
EC2A 2AP

**QUEEN ELIZABETH'S FOUNDATION FOR DISABLED PEOPLE**

GROUP BALANCE SHEET

AS AT 31 MARCH 2024

COMPANY REGISTRATION NO. 00892013

		GROUP		QEF	
	Note	2024 £000's	2023 £000's	2024 £000's	2023 £000's
<b>FIXED ASSETS</b>					
Tangible Fixed Assets	2	19,960	23,688	19,594	23,270
Intangible Fixed Assets	3	(25)	(49)	-	-
Investments	4	-	-	1,030	1,030
		<u>19,935</u>	<u>23,639</u>	<u>20,624</u>	<u>24,300</u>
<b>CURRENT ASSETS</b>					
Stock and Assets Held for Resale	5	102	423	-	-
Debtors	6	2,397	2,221	2,425	2,265
Investments	4	37	34	30	27
Cash at bank and in hand		<u>1,512</u>	<u>1,603</u>	<u>919</u>	<u>855</u>
		<u>4,048</u>	<u>4,281</u>	<u>3,374</u>	<u>3,147</u>
<b>CURRENT LIABILITIES</b>					
Creditors - amounts falling due within one year	7	<u>(1,855)</u>	<u>(2,770)</u>	<u>(2,744)</u>	<u>(3,155)</u>
<b>NET CURRENT ASSETS</b>		<u>2,193</u>	<u>1,511</u>	<u>630</u>	<u>(8)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>22,128</u>	<u>25,150</u>	<u>21,254</u>	<u>24,292</u>
Creditors - amounts falling due after more than one year	21	(10,261)	(13,157)	(10,159)	(13,051)
<b>NET ASSETS including pension scheme liability</b>		<u>11,867</u>	<u>11,993</u>	<u>11,095</u>	<u>11,241</u>
<b>ACCUMULATED FUNDS</b>					
Unrestricted Funds	10	11,412	11,705	10,687	10,967
Restricted Funds	9	<u>455</u>	<u>288</u>	<u>408</u>	<u>274</u>
Total Accumulated Funds	11	<u>11,867</u>	<u>11,993</u>	<u>11,095</u>	<u>11,241</u>

As permitted by section 408 of the Companies Act 2006, QEF's (this is QEF Group excluding all subsidiaries) income and expenditure account has not been included in these financial statements. During the year QEF's incoming resources were £9,363k and the loss for the year was £148k (2023: incoming resources £11,705k and a surplus of £604k).

The financial statements on pages 25 to 45 were approved and authorised for distribution by the Board of Trustees on 27/11/2024 and were signed on it's behalf by:



**Gordon Bowser**

Chairman of the Board of Trustees



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 Unrestricted £000's	2024 Restricted £000's	2024 TOTAL £000's	2023 Unrestricted £000's	2023 Restricted £000's	2023 TOTAL £000's
<b>INCOME</b>							
Donations		738	388	1,126	787	376	1,163
Legacies		902	-	902	703	-	703
Commercial Trading Operations		2,817	-	2,817	2,665	-	2,665
Fundraising Events		189	36	225	102	133	235
Income from property		24	-	24	20	-	20
Investment Income		4	-	4	1	-	1
Other		1	-	1	3	-	3
		4,675	424	5,099	4,281	509	4,790
<b>Incoming resources from charitable activities:</b>							
Care and Rehabilitation Centre		4,768	-	4,768	4,981	2	4,983
Independent Living Services		946	-	946	3,713	2	3,715
Mobility Services		268	1,073	1,341	217	713	930
Medical Engineering Resource Unit		100	107	207	30	174	204
		6,082	1,180	7,262	8,941	891	9,832
<b>TOTAL OPERATING INCOME</b>		10,757	1,604	12,361	13,222	1,400	14,622
<b>EXPENDITURE</b>							
<b>Raising funds:</b>							
Fundraising and publicity costs		863	43	906	743	56	799
Commercial Trading Operations		2,501	-	2,501	2,351	-	2,351
Total costs of raising funds		3,364	43	3,407	3,094	56	3,150
<b>Charitable activities:</b>							
Care and Rehabilitation Centre		4,939	227	5,166	4,364	420	4,784
Independent Living Services		2,285	32	2,317	4,180	60	4,240
Mobility Services		165	1,075	1,240	267	737	1,004
Voluntary Assoc. Surrey Disabled		(37)	-	(37)	35	-	35
Medical Engineering Resource Unit		387	60	447	281	224	505
QEF Developments		6	-	6	4	-	4
Other		-	-	-	-	-	-
Total charitable expenditure		7,745	1,394	9,139	9,131	1,441	10,572
<b>TOTAL OPERATING EXPENDITURE</b>	14	11,109	1,437	12,546	12,225	1,497	13,722
<b>NET (EXPENDITURE)/INCOME</b>	26	(352)	167	(185)	997	(97)	900
<b>Other recognised gains and losses</b>							
Change in discounting of long term loan		59	-	59	208	-	208
Transfer between funds		-	-	-	330	(330)	-
Net Movement in Funds		(293)	167	(126)	1,535	(427)	1,108
Fund balances brought forward at 1 April 2023		11,705	288	11,993	10,170	715	10,885
Fund balances carried forward at 31 March 2024		11,412	455	11,867	11,705	288	11,993

The Statement of Financial Activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

A reconciliation of the Net Movement in Funds to the in-year operational performance is shown in Note 26.

**QUEEN ELIZABETH'S FOUNDATION FOR DISABLED PEOPLE**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2024**

	<b>2024 £'000</b>	<b>2023 £'000</b>
<b>Cash flows from operating activities:</b>		
Net cash used in operating activities	(548)	512
Income taxes paid	-	-
	<u>(548)</u>	<u>512</u>
<b>Cash flows from investing activities:</b>		
Investment income and interest received	-	-
Proceeds from disposal of fixed asset investments	-	1
Proceeds from disposal of tangible fixed assets	3,530	-
Payments to acquire tangible fixed assets	(72)	(191)
	<u>3,458</u>	<u>(190)</u>
<b>Cash flow from financing activities:</b>		
Loan capital repayments	(3,001)	(299)
	<u>(3,001)</u>	<u>(299)</u>
<b>Net increase in cash and cash equivalents</b>	(91)	23
Cash and cash equivalents at beginning of year	1,603	1,580
<b>Cash and cash equivalents at end of year</b>	<u>1,512</u>	<u>1,603</u>
<b>Reconciliation of net (expenditure)/ income to net cash flow from operating activities</b>		
<b>Net income including endowments</b>	(126)	1,108
Depreciation charges	261	293
Goodwill amortisation	(25)	(25)
Taxation charged	-	-
Net gains on investments	3	-
Discounting adjustment on loan term loan	(59)	(208)
Movement in defined benefit pension scheme provision	-	(2)
Loss on disposal of Fixed Assets	335	-
Transfer from fixed assets to assets held for sale	-	(330)
Investment income	-	(1)
Decrease in stock	(9)	3
(Increase)/decrease in debtors	(176)	(199)
Increase/ (decrease) in creditors	(752)	(127)
<b>Net cash used in operating activities</b>	<u>(548)</u>	<u>512</u>

**Analysis of changes in net funds - group**

	<b>1 April 2023 £</b>	<b>Cash flows £</b>	<b>Acquisitions and disposals £</b>	<b>Other non- cash changes £</b>	<b>31 March 2024 £</b>
Cash at bank and in hand	1,603	(548)	3,458	(3,001)	1,512
Bank overdrafts	-	-	-	-	-
	<u>1,603</u>	<u>(548)</u>	<u>3,458</u>	<u>(3,001)</u>	<u>1,512</u>
Borrowings excluding overdrafts	(13,830)	3,001	-	60	(10,769)
	<u>(12,227)</u>	<u>2,453</u>	<u>3,458</u>	<u>(2,941)</u>	<u>(9,257)</u>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024

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**1 ACCOUNTING POLICIES**

**Company Status**

The Company is limited by guarantee, has no share capital and is also a registered charity. The liability of each member is limited to a sum of no more than £1 in the event of a winding up.

**Principal Accounting Policies**

The financial statements comprise the charity and its subsidiaries.

These financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the revaluation of land and buildings and investments being measured at fair value through income and expenditure within the Statement of Financial Activities.

The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The Charitable Company and its subsidiaries are a public benefit group for the purposes of FRS 102 and therefore the Charity also prepared its financial statements in accordance with the 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 (The FRS 102 Charities SORP), the Companies Act 2006 [under the provision of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410)], the Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charitable company and its subsidiaries. Monetary amounts in these financial statements are rounded to the nearest thousand pounds.

**Presentation of Financial Statements**

In order that the financial statements should present a true and fair view, it has been necessary to differ from the presentational requirements of the Companies Act 2006. The presentation required by the Companies Act for the consolidated profit and loss account would not have given a true and fair view of the operations of the company. The Foundation has therefore adapted the presentation and applied it consistently.

**Basis of Consolidation**

The consolidated statement of financial activities and balance sheet include the financial statements of QEF and its subsidiary undertakings made up to 31 March 2024. The results of the subsidiaries are consolidated on a line-by-line basis. Uniform accounting policies are applied across the Group and intra-group transactions are eliminated.

**Going Concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charitable group to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements. In particular the trustees have considered the charitable group's forecasts and projections and have taken account of pressures on contract income, the occupancy of the CRC, grants, and donation income.

The closure of the Independent Living Service based at Dorincourt has reduced the charitable group's loss-making activities. The redeployment of staff from ILS to the CRC reduced staff shortages at this service as well as reduced our reliance on agency staffing; we have therefore benefitted from a more stable workforce. Nevertheless, the financial challenges facing the organisation remain considerable. We face significantly increased employment costs and the tightening of NHS and local authority budgets impacting on the pipeline of referrals.

The charity has agreed deferrals on a number of quarterly loan repayments owed to the PPF given the challenging economic conditions. The trustees' view remains that the loan repayments will become affordable over the term of the loan but that improvements in cash flow are required to support the burden in the short-term. Increasing occupancy at the CRC throughout the year is key to delivering improvements in financial performance. To facilitate this, we have invested in a Business Development team, and we have strengthened the clinical teams within the service. We can already see improvements in occupancy levels from these changes, which coupled with a continued focus on strong cost control, will deliver growth in underlying cash flow. In addition, QEF is working with the PPF on a proposal to maximise value from our asset portfolio to support cash flow in the short-term.

**NOTES TO THE FINANCIAL STATEMENTS (Contd)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

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**Going Concern (Contd)**

After making enquiries, the trustees have concluded that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

**Incoming Resources**

All income is recognised when there is entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received. A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Voluntary income is accounted for when received. Income from activities for generating funds and income from charitable activities are both accounted for when receivable. Income is stated excluding VAT. Gifts donated for resale are included as income when they are sold.

Legacies are recognised following probate and once there is sufficient evidence that receipt is probable and the amount of the legacy receivable can be measured reliably. Where entitlement to a legacy exists but there is uncertainty as to its receipt or the amount receivable, details are disclosed as a contingent asset until the criteria for income recognition are met.

**Fixed Assets and Depreciation**

All fixed assets with a value over £1,500 are capitalised at cost, being their purchase cost, together with any incidental expenses at acquisition, and depreciated to their estimated residual value over their estimated useful lives, as follows:

Leasehold property	The term of the lease or 10-15 years, whichever is the lower.
Computer equipment	5-10 years
Other equipment	4 years
Motor vehicles	4 years

Freehold Land and buildings are not depreciated because they are held at existing use value and any depreciation would be immaterial to the financial statements. Grants received relating to these assets are shown as incoming resources within restricted funds upon receipt and are amortised within the Statement of Financial Activities (SOFA) over the estimated useful life of the asset. It is our policy to review the fixed asset register on an annual basis and to write down the book value of any asset that has become impaired.

Where properties are subsequently sold, the valuation is revised on a market value basis less costs associated with the sale.

**Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable asset, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made. Negative goodwill is recorded in assets on the balance sheet as a reduction to the assets of the group.

**Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their estimated useful lives, as follows:

Goodwill	5 years
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NOTES TO THE FINANCIAL STATEMENTS (Contd)  
*FOR THE YEAR ENDED 31 MARCH 2024*

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**Financial Instruments**

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Other financial instruments

i. Cash and cash equivalents

Cash and cash equivalents include cash at banks and in hand and short term deposits with a maturity date of three months or less.

ii. Debtors and creditors

Debtors and creditors receivable or payable within one year of the reporting date are carried at their at transaction price. Debtors and creditors that are receivable or payable in more than one year and not subject to a market rate of interest are measured at the present value of the expected future receipts or payment discounted at a market rate of interest.

**Stocks**

Stocks of raw materials, finished goods and consumables are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Resources Expended**

Expenditure related to generating funds and to charitable activities is accounted for on an accruals basis and has been classified under headings that aggregate all costs, including irrecoverable VAT, related to the category.

Costs for repairs and maintenance are accounted for when incurred or when there is an irrevocable contractual commitment.

Support costs include the Chief Executive, the Finance and Human Resources departments and the provision of Information Technology services; these costs are incurred directly in support of the objects of the charity.

Shared Service costs are allocated in accordance to the total expenditure of each Service or Department.

**Operating Leases**

Costs in respect of operating leases are charged on a straight-line basis over the lease term.

**Investments**

Changes in fair value and gains and losses arising on the disposal of investments are credited or charged to the income or expenditure section of the Statement of Financial Activities as 'gains or losses on investments' and are allocated to the appropriate fund holding or disposing of the relevant investment.

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
*FOR THE YEAR ENDED 31 MARCH 2024*

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**Pensions**

QEF operates a defined contribution scheme, the assets of which are held separately from those of the company in an independently administered scheme. Two employees are members of the Teachers Pension Scheme and one is a member of the Pension Trust, into which QEF pay the required employer's pension contribution for both schemes. Contributions are charged to the Statement of Financial Activities as they fall due.

**Grant Commitments**

Grants are charged against the appropriate fund in the period in which the grant is approved.

**Taxation**

The charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives.

**Critical accounting estimates and areas of judgement**

In preparing financial statements it is necessary to make certain judgements, estimates and assumptions that affect the amounts recognised in the financial statements. The following judgements and estimates are considered by the trustees to have most significant effect on amounts recognised in the financial statements.

In the view of the trustees in applying the accounting policies adopted, judgements were required that have a significant effect on the amounts recognised in the financial statements for accrued legacy income and long term loan discounting.

Legacy income is accrued in the accounts if there is sufficient evidence, following probate, that the amount is measurable and receipt within twelve months of the year-end is probable.

The long term loan from the PPF is measured at amortised cost using the discount rate, which was used on the initial recognition of the loan, as the effective interest rate. Any changes to the valuation are due to changes in the loan repayment structure, actual or proposed.

As disclosed in note 20 to the financial statements, the pension scheme deficit has been determined using a number of actuarial assumptions. Variations in those assumptions, particularly in regard to discount rates and projected returns on investments, can cause significant changes (positive and negative) in the resulting valuation of the scheme liabilities. The trustees have relied on independent actuarial advice in respect of the assumptions used, however these are by nature uncertain and may therefore result in material adjustments in subsequent years' financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**2 TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Freehold Land &amp; Buildings £'000's</b>	<b>Leasehold Property £'000's</b>	<b>Equipment £'000's</b>	<b>Motor Vehicles £'000's</b>	<b>Total £'000's</b>
Cost at 01.04.23	23,040	-	3,725	281	27,046
Additions	13	-	51	8	72
Disposals / Reallocations	(3,500)	-	(585)	(38)	(4,123)
Revaluation gain	-	-	-	-	-
Cost at 31.03.24	19,553	-	3,191	251	22,995
Depreciation at 01.04.23	-	-	3,095	261	3,356
Charge for year	-	-	252	9	261
On disposals	-	-	(544)	(38)	(582)
Depreciation at 31.03.24	-	-	2,803	232	3,035
NET BOOK VALUE at 31.03.24	19,553	-	388	19	19,960
NET BOOK VALUE at 31.03.23	23,040	-	629	19	23,688

<b>QEF</b>	<b>Restated Freehold Land &amp; Buildings £'000's</b>	<b>Leasehold Property £'000's</b>	<b>Equipment £'000's</b>	<b>Motor Vehicles £'000's</b>	<b>Restated Total £'000's</b>
Cost at 1.4.23	22,783	-	2,735	218	25,736
Additions	13	-	47	-	60
Disposals	(3,500)	-	(568)	(31)	(4,098)
	-	-	-	-	-
Cost at 31.3.24	19,296	-	2,214	187	21,698
Depreciation at 1.4.23	-	-	2,260	207	2,467
Charge for year	-	-	192	4	196
On disposals	-	-	(527)	(33)	(559)
Depreciation at 31.3.24	-	-	1,925	178	2,103
NET BOOK VALUE at 31.3.24	19,296	-	290	9	19,594
NET BOOK VALUE at 31.3.23	22,783	-	476	11	23,270

The charity has applied the existing use valuation method and used a previous valuation as the deemed cost for its freehold property. The properties values were reviewed as at 31 March 2020 using recent valuations, provided by Hurst Warne and Christies who are both property consultants.

**3 INTANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Goodwill £'000's</b>	<b>Total £'000's</b>
Cost at 1.4.23	(123)	(123)
Additions	-	-
Cost at 31.3.24	(123)	(123)
Amortisation at 1.4.23	74	74
Charge for year	25	25
Amortisation at 31.3.24	98	98
NET BOOK VALUE at 31.3.24	(25)	(25)
NET BOOK VALUE at 31.3.23	(49)	(49)

<b>QEF</b>	<b>Goodwill £'000's</b>	<b>Total £'000's</b>
Cost at 1.4.23	-	-
Additions	-	-
Cost at 31.3.24	-	-
Amortisation at 1.4.23	-	-
Charge for year	-	-
Amortisation at 31.3.24	-	-
NET BOOK VALUE at 31.3.24	-	-
NET BOOK VALUE at 31.3.23	-	-

## QEF Queen Elizabeth's Foundation for Disabled People

### NOTES TO THE FINANCIAL STATEMENTS (Contd) FOR THE YEAR ENDED 31 MARCH 2024

#### 4a INVESTMENTS

##### QEF RETAIL TRADING

Company Number: 00913002

QEF owns 100% of the ordinary share capital of QEF Trading Limited, which is registered in England. Its principal activity is the retail sale of donated goods, gifts and greetings cards by means of mail order and through retail shops. It has covenanted to pay its profits to QEF. Its accounts are included within the consolidated accounts of the Group.

	2024 £'000's	2023 £'000's
The balance comprises:		
Shares at cost	280	280
	<u>280</u>	<u>280</u>

The results for the year ended 31 March 2024 net of intra-group transactions of £334k (2023: £288k) were as follows:

	2024 £'000's	2023 £'000's
Turnover	1,240	1,266
Cost of Sales	-	(1)
	<u>1,240</u>	<u>1,265</u>
Administrative expenses	(890)	(975)
Taxation	-	-
Profit on ordinary activities	<u>350</u>	<u>290</u>

The assets and liabilities of the company at the end of the year, including intra-group amounts, were as follows:

	2024 £'000's	2023 £'000's
Fixed Assets	17	15
Current assets	428	482
Current liabilities	(88)	(47)
Net Current assets	340	435
Long term liabilities	(43)	(46)
	<u>314</u>	<u>404</u>

#### 4b INVESTMENTS (Contd)

##### QEF DEVELOPMENTS LIMITED

Company Number: 10069580

QEF owns 100% of the ordinary share capital of QEF Developments Limited, incorporated on 17 March 2016 and registered in England and Wales. QEF Developments has been set up to manage the design and construction of the CRC centre.

The results for the period ended 31 March 2024 were as follows:

	2024 £'000's	2023 £'000's
Turnover	15	14
Professional fees and building costs	(15)	(14)
Gross profit	-	-
Administrative expenses	(4)	(3)
Taxation	-	-
Profit for the financial year	<u>(4)</u>	<u>(3)</u>

The assets and liabilities of the company at the end of the year, including intra-group amounts, were as follows:

	2024 £'000's	2023 £'000's
Fixed Assets	-	-
Current assets	8	11
Current liabilities	(4)	(3)
Net Current assets	4	8
	<u>4</u>	<u>8</u>
	<u>32</u>	



NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**4c INVESTMENTS (Contd)**

**THE GRANGE (2016) LTD**

Company Number: 10106614

QEF owns 100% of the ordinary share capital of The Grange (2016) Ltd, incorporated on 6 April 2016 and registered in England and Wales. The Grange has been set up to provide accommodation-based services for adults with learning disabilities based in Cranbrook, Kent.

The results for the year ended 31 March 2024 were as follows net of intercompany transactions of £214k (2023: £150k)

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
Turnover	1,583	1,399
Administrative expenses	(1,325)	(1,185)
Taxation	-	-
Profit for the financial year	<u>258</u>	<u>214</u>

The assets and liabilities of the company at the end of the period, including intra-group amounts, were as follows:

	<b>£'000's</b>	<b>2024</b> <b>£'000's</b>	<b>£'000's</b>	<b>2023</b> <b>£'000's</b>
Fixed Assets		779		789
Current assets	351		335	
Current liabilities	<u>(137)</u>		<u>(175)</u>	
Net Current assets		<u>214</u>		<u>160</u>
		<u>993</u>		<u>949</u>

**4d INVESTMENTS (Contd)**

**VASD**

Company Number: 07759768  
Charity Number: 1143985

QEF is the sole Member of the Voluntary Association for Surrey Disabled Limited (VASD). The charity joined the QEF Group on 18 November 2011. VASD previously sold and loaned equipment and products to disabled people, and it owned a fully adapted holiday home on the South Coast.

The results for the year ended 31 March 2024 net of intra-group transactions of £0 (2023: £0k), were as follows:

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
VASD equipment hire and sales	-	-
Income from property	1	-
Grant Income	-	-
Other Income	50	-
Gifts & donations	<u>-</u>	<u>4</u>
	51	4
Cost of sales	<u>-</u>	<u>-</u>
	51	4
Cost of charitable activities	-	-
Administration costs	<u>(15)</u>	<u>(34)</u>
Surplus on ordinary activities	<u>36</u>	<u>(30)</u>

The assets and liabilities of the company at the end of the year, including intra-group amounts, were as follows:

	<b>£'000's</b>	<b>2024</b> <b>£'000's</b>	<b>£'000's</b>	<b>2023</b> <b>£'000's</b>
Fixed Assets		6		6
Current assets	986		956	
Current liabilities	<u>(3)</u>		<u>(6)</u>	
Net Current assets		983		950
Pension Scheme Liability		<u>(2)</u>		<u>(4)</u>
		<u>987</u>		<u>952</u>
		<b>33</b>		

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**4e INVESTMENTS (Contd)**

**MERU**

Company Number: 1214125  
Charity Number: 269804

The Medical Engineering Resource Unit (MERU) joined the QEF Group on 1 April 2012. MERU designs and manufactures specialised equipment for children and young people with disabilities. MERU also sells a range of ready-made products designed in response to requests from families and therapists.

The results for the year ended 31 March 2024, net of intra-group transactions of £68k (2023: £86k), were as follows:

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
MERU equipment sales	195	189
Grants	-	8
Gifts, donations & fundraising activities	297	290
	492	487
Cost of sales	(137)	(140)
	355	347
Cost of charitable activities	(221)	(282)
Fundraising and publicity costs	(28)	(19)
Governance costs	(11)	(4)
Surplus/(Deficit) on ordinary activities	95	42

**4f INVESTMENTS (Contd)**

The assets and liabilities of the company at the end of the year, including intra-group amounts, were as follows:

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
Fixed Assets	73	118
Current assets	232	243
Current liabilities	(216)	(282)
Net Current assets	16	(39)
Long term liabilities	(57)	(57)
	32	22

**4g INVESTMENTS (Contd)**

**CURRENT ASSET INVESTMENTS**

QEF has current asset investments in the form of equity and cash investments, as follows:

**GROUP**

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
Listed Shares	37	34
Deposits	-	-
	37	34

**QEF**

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
Listed Shares	30	27
Deposits	-	-
	30	27

**5 STOCKS & ASSETS HELD FOR RESALE**

	GROUP		QEF	
	2024 £'000's	2023 £'000's	2024 £'000's	2023 £'000's
Raw materials and finished goods	102	93	-	-
Assets held for resale	-	330	-	-
	102	423	-	-

Assets held for resale in 2023 comprised the VASD holiday home which was sold in the current year.

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

<b>6</b>	<b>DEBTORS</b>	<b>GROUP</b>	<b>2023</b>	<b>QEF</b>	<b>2023</b>
		<b>2024</b>		<b>2024</b>	
		<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Amounts falling due within one year					
Trade Debtors		1,108	1,446	1,020	1,409
Amount due from subsidiary company		-	-	270	272
Taxation & Social Security receivable		-	7	-	-
Other Debtors		86	71	26	5
Prepayments		225	221	180	189
Accrued Income		978	476	929	390
		<b>2,397</b>	<b>2,221</b>	<b>2,425</b>	<b>2,265</b>

The amounts due from the subsidiary company are unsecured, interest free and payable on demand.  
All debtors are financial instruments and are measured at present value.

**7 CREDITORS**

<b>Amounts falling due within one year</b>	<b>GROUP</b>	<b>2023</b>	<b>QEF</b>	<b>2023</b>
	<b>2024</b>		<b>2024</b>	
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Trade Creditors	624	542	579	479
Taxation and Social Security payable	120	135	112	118
Amount due to subsidiary company	-	-	1,059	630
Other Creditors	64	86	51	60
Loans repayable	610	784	610	784
Accruals	325	616	264	563
Deferred income (see note 8)	112	607	69	521
	<b>1,855</b>	<b>2,770</b>	<b>2,744</b>	<b>3,155</b>

All creditors, with the exception of the loans, are unsecured, interest free and repayable on demand. These creditors are financial instruments and measured at present value.  
See note 21 for the interest and repayment details of the loans.

**8 DEFERRED INCOME - Group and QEF**

<b>2024</b>	<b>Balance at 1 April 2023</b>	<b>Incoming Resources</b>	<b>Amount Released</b>	<b>Balance at 31 March 2024</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Fundraising events income	47	54	(47)	54
CRC	453	2	(453)	2
Independent Living Services	3	-	(3)	-
Mobility Services	15	8	(15)	8
Central Services	4	5	(4)	5
Grange	85	43	(85)	43
VASD Holiday Income	-	-	-	-
	<b>607</b>	<b>112</b>	<b>(607)</b>	<b>112</b>

These amounts have been deferred because the income relates to activities taking place in the next financial year.

<b>2023</b>	<b>Balance at 1 April 2021</b>	<b>Incoming Resources</b>	<b>Amount Released</b>	<b>Balance at 31 March 2023</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Fundraising events income	14	47	(14)	47
CRC	484	453	(484)	453
Independent Living Services	3	3	(3)	3
Mobility Services	9	15	(9)	15
Central Services	4	4	(4)	4
Grange	60	85	(60)	85
VASD Holiday Income	-	-	-	-
	<b>574</b>	<b>607</b>	<b>(574)</b>	<b>607</b>

These amounts have been deferred because the income relates to activities taking place in the next financial year.

## QEF Queen Elizabeth's Foundation for Disabled People

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

### 9 RESTRICTED FUNDS - Group and QEF

The funds of the charity include restricted funds in the form of grants and other donated funds received in respect

	Movement in Funds			
	Balance at 1 April 2023 £'000's	Incoming Resources £'000's	Expenditure Gains and Losses £'000's	Balance at 31 March 2024 £'000's
<b>2024</b>				
CRC	115	344	(254)	205
Independent Living Services	32	-	(32)	-
Mobility Services	126	1,075	(1,075)	126
Central Services	-	3	(3)	-
Residents of The Grange	15	75	(13)	77
Total QEF	288	1,497	(1,377)	408
Voluntary Assoc. Surrey Disabled	-	-	-	-
Medical Engineering Resource Unit	-	107	(60)	47
	288	1,604	(1,437)	455

The restriction is defined to have been met if money has been spent on the asset it was intended for.

The funds of the charity include restricted funds in the form of grants and other donated funds mostly received in respect of capital expenditure. The movement in funds also includes donations for revenue projects that have mostly been spent in the year.

	Movement in Funds			
	Balance at 1 April 2022 £'000's	Incoming Resources £'000's	Expenditure Gains and Losses £'000's	Balance at 31 March 2023 £'000's
<b>2023</b>				
CRC	138	453	(476)	115
Independent Living Services	72	20	(60)	32
Mobility Services	126	737	(737)	126
Central Services	-	-	-	-
Residents of The Grange	-	15	-	15
Medical Engineering Resource Unit	330	-	(330)	-
	715	1,400	(1,827)	288

The restriction is defined to have been met if money has been spent on the asset it was intended for.

### 10 GENERAL UNRESTRICTED FUNDS

	GROUP 2024 £'000's	2023 £'000's	QEF 2024 £'000's	2023 £'000's
Balance brought forward	11,705	10,170	10,967	9,826
Net movement of resources in the year	(293)	1,535	(280)	1,141
Balance carried forward	11,412	11,705	10,687	10,967

### 11 ANALYSIS OF GROUP ASSETS BETWEEN FUNDS

	Fixed Assets £'000's	Net Current Assets £'000's	Creditors falling due after more than 1 year £'000's	Total Funds ex Pensions Deficit £'000's	Pensions Deficit £'000's	Total 2024 £'000's
<b>2024</b>						
Restricted funds	-	455	-	455	-	455
Unrestricted funds	19,935	1,738	(10,257)	11,416	(4)	11,412
	19,935	2,193	(10,257)	11,871	(4)	11,867

	Tangible Fixed Assets £'000's	Net Current Assets £'000's	Creditors falling due after more than 1 year £'000's	Total Funds ex Pensions Deficit £'000's	Pensions Deficit £'000's	Total 2023 £'000's
<b>2023</b>						
Restricted funds	-	288	-	288	-	288
Unrestricted funds	23,639	1,223	(13,153)	11,709	(4)	11,705
	23,639	1,511	(13,153)	11,997	(4)	11,993

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**12 RECONCILIATION OF MOVEMENT IN FUNDS**

	<b>GROUP 2024 £'000's</b>	<b>2023 £'000's</b>	<b>QEF 2024 £'000's</b>	<b>2023 £'000's</b>
Opening funds	11,993	10,885	11,241	10,163
Net movements of resources in the year	(126)	1,108	(148)	1,078
Closing funds	<u>11,867</u>	<u>11,993</u>	<u>11,093</u>	<u>11,241</u>

**13 GOVERNMENT GRANTS**

Total operating income in the year ended 31 March 2023 includes government grants from the Infection Control Grant Scheme of £4k. There were no grants from this scheme in 2024.

**14 TOTAL RESOURCES EXPENDED**

<b>2024</b>	<b>Staff Costs £'000's</b>	<b>Property Costs £'000's</b>	<b>Depn. £'000's</b>	<b>Other £'000's</b>	<b>TOTAL 2024 £'000's</b>
Charitable Activities	5,327	537	65	1,158	7,087
Fundraising	484	-	-	228	712
Trading	533	387	1	70	991
VASD	-	2	-	(43)	(41)
MERU	150	21	(7)	221	385
Grange	928	258	20	108	1,314
DevCo	-	(11)	-	14	3
Support Costs	1,192	236	131	460	2,019
Governance	-	-	-	76	76
<b>TOTAL</b>	<u>8,614</u>	<u>1,430</u>	<u>210</u>	<u>2,292</u>	<u>12,546</u>

Resources expended in the year include the following:

	<b>2024 £'000's</b>
Staff costs	8,614
Auditors Remuneration:	
- Fees payable for the external audit	76
Professional liability insurance (which includes Trustees' indemnity insurance)	6
Depreciation of fixed assets	261
Operating leases - hire of other assets (excl property)	-

<b>2023</b>	<b>Staff Costs £'000's</b>	<b>Property Costs £'000's</b>	<b>Depn. £'000's</b>	<b>Other £'000's</b>	<b>TOTAL 2023 £'000's</b>
Charitable Activities	6,912	570	68	812	8,362
Fundraising	396	-	-	253	649
Trading	531	376	5	59	971
VASD	8	9	-	15	32
MERU	176	21	74	169	440
Grange	794	275	20	91	1,180
DevCo	-	(14)	-	14	-
Support Costs	1,190	260	126	462	2,038
Governance	-	-	-	50	50
<b>TOTAL</b>	<u>10,007</u>	<u>1,497</u>	<u>293</u>	<u>1,925</u>	<u>13,722</u>

Resources expended in the year include the following:

	<b>2023 £'000's</b>
Staff costs	10,007
Auditors Remuneration:	
- Fees payable for the external audit	50
Movement in provision	-
- Fees payable for the internal audit	6
Professional liability insurance (which includes Trustees' indemnity insurance)	293
Depreciation of fixed assets	-
Operating leases - hire of other assets (excl property)	-

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**15 ALLOCATION OF SUPPORT COSTS AND PENSIONS ADJUSTMENT**

<b>2024</b>	<b>Direct Costs</b>	<b>IT</b>	<b>Shared Services</b>	<b>Pensions</b>	<b>TOTAL 2024</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Care & Rehabilitation	4,257	158	664	87	5,166
Independent Living	1,760	103	426	28	2,317
Mobility Services	939	61	210	30	1,240
Other	-	-	-	-	-
Fundraising	701	48	141	16	906
Trading	969	45	142	20	1,176
VASD	(37)	-	-	-	(37)
MERU	371	16	53	7	447
Grange	1,295	19	-	11	1,325
QEF Developments	6	-	-	-	6
	<b>10,261</b>	<b>450</b>	<b>1,636</b>	<b>199</b>	<b>12,546</b>

<b>2023</b>	<b>Direct Costs</b>	<b>IT</b>	<b>Shared</b>	<b>Pensions</b>	<b>TOTAL</b>
	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>	<b>£'000's</b>
Care & Rehabilitation	3,956	151	613	64	4,784
Independent Living	3,437	147	589	67	4,240
Mobility Services	810	35	133	26	1,004
Other	-	-	-	-	-
Fundraising	651	24	109	15	799
Trading	953	39	152	21	1,165
VASD	33	-	-	2	35
MERU	418	18	60	9	505
Grange	1,147	15	-	24	1,186
QEF Developments	4	-	-	-	4
	<b>11,409</b>	<b>429</b>	<b>1,656</b>	<b>228</b>	<b>13,722</b>

**16 EMPLOYEES**

The average number of persons employed by QEF during the year was:

	<b>Full time 2024</b>	<b>Full time 2023</b>	<b>Part time 2024</b>	<b>Part time 2023</b>
Care & Rehabilitation	45	33	40	25
Independent Living Services	12	34	11	35
Mobility Services	13	9	15	15
Accessible Aviation	-	-	-	-
Central Services	17	18	6	7
Fundraising & Publicity	9	10	2	4
QEF	96	104	74	86
QEF Trading Ltd	10	12	26	23
MERU	3	3	5	5
Grange	12	13	24	26
GROUP	<b>121</b>	<b>132</b>	<b>129</b>	<b>140</b>

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**16 EMPLOYEES (Contd)**

	GROUP		QEF	
	2024	2023	2024	2023
	£'000's	£'000's	£'000's	£'000's
Staff costs:				
Salaries and wages	5,893	6,128	4,663	4,874
Agency	1,798	2,958	1,522	2,842
Social Security costs	512	559	429	472
Defined benefit pension scheme costs	6	4	-	-
Defined contribution and other pension costs	194	211	166	177
Other staff costs	201	132	186	122
Health scheme	12	15	8	11
	<b>8,616</b>	<b>10,007</b>	<b>6,974</b>	<b>8,498</b>

Agency costs are used mainly to cover staff vacancies, particularly where this is essential to meet registered homes staffing levels.

In the year ended March 2024, no members of the Board of Trustees were reimbursed for any expenses incurred on behalf of QEF (2023: £0).

The Trustees received £675 (2023: £3,825) remuneration in the year. The remuneration was for one trustee, who was appointed on a consultancy basis, to provide interim support to the fundraising team due to staff shortages.

Key management personnel for QEF include the Trustees, Chief Executive, and other senior staff reporting directly to the Chief Executive. The total employee benefits of the QEF Group's key management personnel were £613k (2023: £571k).

During the year around 230 volunteers helped QEF. They provide support in a variety of ways across the QEF shops as well as at our services.

The number of employees earning £60,000 p.a. or more (not including employers NI or employers pension contributions) was:

	2024	2023
£60,000 - £69,999	-	2
£70,000 - £79,999	2	2
£80,000 - £89,999	2	2
£90,000 - £99,999	1	-
£100,000 - £109,999	1	1

Contributions to the defined contribution scheme by the employer on behalf of these staff was £21,376 (2023: £20,511)

**17 LEGACIES**

The charity has received notification of its entitlement to legacies estimated at £720,129 (2023: £337,180). These have been included in the financial statements.

**18 VALUE ADDED TAX**

QEF, being a registered charity, is unable to recover the major part of VAT incurred on its expenditure. Where applicable, expenditure has been shown including VAT.

**19 CAPITAL COMMITMENTS**

Group and QEF

Capital commitments at 31 March 2024 not provided for in these financial statements:

	2024	2023
	£'000's	£'000's
Contracted for	-	128
	<b>-</b>	<b>128</b>

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**20 PENSION COST**

**Defined benefit scheme**

In 2018, following extensive consultation with the Pension Regulatory Authorities and professional advisers, a restructuring plan was agreed between QEF, the pension scheme trustees and the PPF to facilitate the defined benefit pension scheme being accepted into the PPF. In exchange for accepting this liability, the PPF issued QEF with a £30m loan note. See note 21 for more details about this long-term liability.

**The Pensions Trust**

At the balance sheet date there was one employee who was an active member of The Pensions Trust Growth Plan 3. The Plan is a multi-employer defined benefit pension plan and the member of the scheme paid contributions at a rate of 4% of basic salary. Employer contributions were also 4% of salary. In the twelve months to 31 March 2024 the employer made pension contributions of £2,232 (2023: £1,400). There were no outstanding contributions due at the end of the year (2023: £0).

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

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

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

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed assets of £800.3m, liabilities of £831.9m and a deficit of £31.6m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

**Deficit contributions**

From 1 April 2019 to 31 January 2025: £3.3m per annum  
(payable monthly)

Unless a concession has been agreed with the Trustee the term to 31 January 2025 applies.

Note that the scheme's previous valuation was carried out with an effective date of 30 September 2017. This valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustees asked the participating employers to pay additional contributions to the scheme as follows:

From 1 April 2019 to 31 March 2025: £11,243m per annum  
(payable monthly and increasing by 3% each on 1 April)

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

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

**Present value of provision**

	31 March 2024	31 March 2023	31 March 2022
	£	£	£
Present value of provision	1,703	3,645	5,717

**Reconciliation of opening and closing provisions**

	31 March 2024	31 March 2023
	£	£
Provision at start of period	3,645	5,717
Unwinding of the discount factor (interest expense)	140	108
Deficit contribution paid	(2,083)	(2,083)
Remeasurements - impact of any changes in assumptions	1	(97)
Remeasurements - amendments to the contribution schedule	-	-
Provision at end of period	1,703	3,645



NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**20 PENSION COST (Contd)**

**Income and expenditure impact**

	<b>31 March 2024</b>	<b>31 March 2023</b>
	<b>£</b>	<b>£</b>
Interest expense	140	108
Remeasurements - impact of any changes in assumptions	1	(97)
Remeasurements - amendments to the contribution schedule	-	-
Contributions paid in respect of future service	-	-
Costs recognised in income and expenditure account	-	-

**Assumptions**

	<b>31 March 2024</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
	<b>% per annum</b>	<b>% per annum</b>	<b>% per annum</b>
Rate of discount	5.31	5.52	2.35

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

The following schedule details the deficit contributions agreed between the company and the at each scheme year end and period:

**Deficit contributions schedule**

<b>Year ending</b>	<b>31 March 2024</b>	<b>31 March 2023</b>	<b>31 March 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Year 1	1,736	2,083	2,083
Year 2	-	1,736	2,083
Year 3	-	-	1,736
Year 4	-	-	-
Year 5	-	-	-
Year 6	-	-	-
Year 7	-	-	-
Year 8	-	-	-
Year 9	-	-	-
Year 10	-	-	-

The company must recognise a liability measured at the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the income and expenditure account i.e. the unwinding of the discount rate as a finance cost in the period in which it arises.

It is these contributions that have been used to derive the company's balance sheet liability.

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**20 PENSION COST (Contd)**

**Defined contribution scheme**

QEF provides employees with the opportunity to join a Group Personal Pension Plan (GPPP). Employer contribution rates vary, for the majority of staff the employer rate is 5%, for former members of the final salary pension scheme it is 9% and for those staff who joined through the auto-enrolment process it was 4%. A third party pension provider holds the assets of the GPPP. The pension charge for the year was £194k (2023: £200k). There were outstanding contributions due at the end of the year of £28,587 (2023: £30,447).

A member of staff at MERU has their own private pension plan into which the employer contributes 6.5% of the employee's gross salary provided the employee has made a personal contribution. The pension charge for the year was £1,158 (2023: £1,164). There were no outstanding contributions due at the end of the year (2023: £Nil).

**21 LONG TERM LIABILITIES**

The defined benefit pension scheme deficit was transferred over to the Pension Protection Fund (PPF) resulting in a £30m long-term loan to QEF. The £30m loan comprised two loan notes; the Sale Note instrument for £7.5m to be repaid through property disposals and the Term Note instrument for £22.5m to be repaid over 30 years at £750k per annum. The PPF has first charge over all QEF buildings.

The Sale Loan Notes of £7.5m have been repaid in full by the disposal of the sites in Banstead and Dorincourt. Net proceeds (after costs) of £4.9m were raised from the sale of the Banstead site (where the former Rehabilitation Centre was based) in October 2020 and £2.9m from the sale of the site in Dorincourt in October 2023. In accordance with the PPF loan agreement, the remaining disposal proceeds of £0.2m were deducted from the end of the Term Note. Interest of 2% was payable on the amounts outstanding Sale Loan note.

The balance on the outstanding Term notes at 31 March 2024 was £21.6m. Interest of 2% is accruing on deferred payments of £1.2m.

The total amount outstanding to the PPF at 31 March 2024 under both loan notes was £21.6m (2023: £24.5m). On initial recognition, the term notes were discounted at 4% over the term of the loan and are subsequently measured at amortised cost using 4% as the effective interest rate. The total amount outstanding at 31 March 2024, at amortised cost, was £10.3m (2023: £13.2m) of which £0.4m is due within one year and the balance of £9.9m due after one year.

In 2021, QEF was issued a loan of £750k under the Coronavirus Business Interruption Loan Scheme (CBILS). The loan was repayable over 60 months from September 2021 and after an interest free period of 1 year, interest is payable at 1.88% pa + base rate. The amount outstanding at 31 March 2024 was £443k (2023: £601k) of which £168k is due within 1 year and the balance of £265k is due after one year.

Total loan repayable:

	<b>2024</b>	<b>2023</b>
	<b>£000's</b>	<b>£000's</b>
PPF	10,336	13,234
CBILS	433	601
	<u>10,769</u>	<u>13,835</u>

Loans fall due:

	<b>2024</b>	<b>2023</b>
	<b>£000's</b>	<b>£000's</b>
Under 1 year	610	784
Within 2-5 years	1,911	4,992
After more than 5 years	8,248	8,059
	<u>10,769</u>	<u>13,835</u>

Included in long term liabilities, are the MERU and QEF Trading provisions for dilapidations and the VASD pension provision, which all relate to more than one year. The breakdown of long term liabilities are as follows:

	<b>2024</b>	<b>2023</b>
	<b>£000's</b>	<b>£000's</b>
PPF	9,894	12,605
CBILS	265	433
MERU provision for dilapidations	57	57
QEF Trading provision for dilapidations	43	58
VASD pension provision	2	4
	<u>10,261</u>	<u>13,157</u>

**NOTES TO THE FINANCIAL STATEMENTS (Contd)**  
**FOR THE YEAR ENDED 31 MARCH 2024**

**22 LEASE COMMITMENTS**

At 31 March 2024 the group had non-cancellable total commitments under operating leases for properties, which expire:

	<b>2024</b> <b>£000's</b>	<b>2023</b> <b>£000's</b>
Under 1 year	483	311
Within 2-5 years	1,238	864
After more than 5 years	666	806
	<u>2,387</u>	<u>1,981</u>

The value of lease payments recognised as an expense during the year was £572k (2023: £568k).

**23 GRANTS RECEIVED**

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
Department for Transport	921	617
Motability	104	42
Retail Grant Scheme	-	-
Infection Control and COVID Grants	-	4
Other	48	60
	<u>1,073</u>	<u>723</u>

**24 RELATED PARTY DISCLOSURES**

During the year Queen Elizabeth Foundation for Disabled People charged management fees to its subsidiaries as follows:

	<b>2024</b>	<b>2023</b>
The Voluntary Association for Surrey Disabled Ltd	£ -	£ -
Medical Engineering Resource Unit	£ 67,548	£ 75,493
QEF Trading Ltd	£ 179,266	£ 190,844

Queen Elizabeth's Foundation for Disabled People received donations from The Grange (2016) Ltd for £214k (2023: £150k).

Queen Elizabeth's Foundation for Disabled People also received donations from QEF Retail Trading Limited for £104k (2023: £93k).

Included within creditors at year end for Queen Elizabeth Foundation for disabled people are the following balances with subsidiaries:

	<b>2024</b>	<b>2023</b>
QEF Trading Ltd	£ 81,744	£ -
QEF Developments Limited	£ 4,429	£ 7,927
The Voluntary Association for Surrey Disabled Ltd	£ 972,308	£ 621,821
The Grange (2016) Ltd	£ -	£ -

Included within debtors at year end for Queen Elizabeth Foundation for disabled people are the following balances with subsidiaries:

	<b>2024</b>	<b>2023</b>
Medical Engineering Resource Unit	£ 183,204	£ 247,714
QEF Trading Ltd	£ -	£ 9,014
The Grange (2016) Ltd	£ 87,141	£ 15,697

**25 CONTROL**

The charitable company is under the control of its members. No one member has sufficient voting rights to control the charitable company.

NOTES TO THE FINANCIAL STATEMENTS (Contd)  
FOR THE YEAR ENDED 31 MARCH 2024

**26 RECONCILIATION OF NET MOVEMENT IN FUNDS**

	<b>2024</b> <b>£'000's</b>	<b>2023</b> <b>£'000's</b>
QEF Incoming Resources	12,361	14,622
QEF Resources Expended	(12,546)	(13,722)
QEF Operating (Deficit)/ Surplus	(185)	900
Other movements in Funds	59	208
Net Movement in Funds on SOFA	(126)	1,108