

Company registration number: 02967199

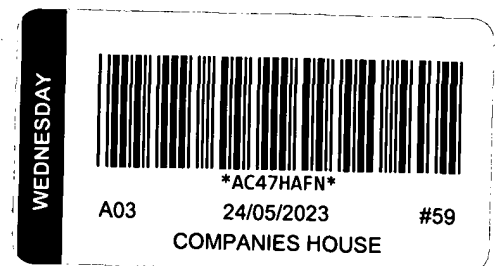
Charity registration number: 1041220

# Queen Elizabeth's Grammar School Blackburn Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2022



## **Queen Elizabeth's Grammar School Blackburn Limited**

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## **Queen Elizabeth's Grammar School Blackburn Limited**

### **Reference and Administrative Details**

<b>Trustees</b>	Mr G Turner
	Mr DA Peat
	Mr MJ Gorick
	Mr IDH Hamilton
	Mrs L Crabtree
	Mr R Omar
<b>Principal Office</b>	Queen Elizabeth's Grammar School West Park Road Blackburn Lancashire BB2 6DF
	The charity is incorporated in England and Wales.
<b>Company Registration Number</b>	02967199
<b>Charity Registration Number</b>	1041220
<b>Independent Examiner</b>	Mark Bradley BA FCA Beever and Struthers Suite 9B The Beehive Lions Drive Blackburn BB1 5QS
<b>Bankers</b>	Lloyds TSB Bank plc Church Street Blackburn BB2 1JE
<b>Investment Advisors</b>	Brewin Dolphin 1 The Avenue Springfield's Square Manchester M3 3AP
<b>Insurance Brokers</b>	AJ Gallagher Insurance Brokers Ltd St George's House Drakehouse Crescent Sheffield S20 7HT

## **Queen Elizabeth's Grammar School Blackburn Limited**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 August 2022.

#### **Trustees**

Mr G Turner

Mr DA Peat

Mr MJ Gorick

Mr IDH Hamilton

Mrs L Crabtree

Mr R Omar (appointed 27 February 2023)

#### **Objectives and activities**

##### ***Objects and aims***

The object for which the Charity is established is to advance the education of the pupils, prospective pupils or former pupils at the Academy school, now occupying the site of the former school and known as QEGS Blackburn Academy Trust, or any company that may assume control of that undertaking in the future, by providing and assisting through, the provision of goods, services and facilities, or other benefits for pupils not required to be provided by the Local Education Authority for education at the school, or any successor school.

Following the transfer of the mainstream education operations to the free school, the charity has continued to deliver these aims through the following strategies:

- Operation of an oversubscribed nursery provision (until 31 December 2021).
- Management of the charity's enrichment fund and other restricted funds,
- Management of the charity's investment portfolios to maximise the benefit available to the charity to deliver the above aims.

##### ***Public benefit***

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

##### ***Achievements and performance***

Queen Elizabeth's Grammar School Blackburn Limited (the "Charity" or the "Company") continues to provide support, both financial and other, for the Free School, QEGS Blackburn Academy Trust (the "Free School"), established in September 2014.

Up until 31 December 2021 the main day to day activities of the Charity comprised the operation of a nursery school. On 31 December 2021 the operations of the nursery school were transferred to QEGS Blackburn Academy Nursery Limited and a lease was granted to QEGS Blackburn Academy Trust in respect of the land and buildings occupied by the nursery. The Charity continues to provide financial support for a variety of initiatives of the Free School with due regard for the constraints placed upon it by applicable laws and regulations.

## Queen Elizabeth's Grammar School Blackburn Limited

### Trustees' Report

#### Financial review

These financial statements reflect the Charity's financial activities and income and expenditure for the year ended 31 August 2022. The comparative figures in these financial statements represent the year ended 31 August 2021.

The net decrease in funds for the year amounted to £581,680 (2021: Net increase £316,784).

At 31 August 2022 the Charity's net assets stood at £2,372,643 (2021: £2,954,323) with a funding position comprised of bank balances of £70,604 (2021: £121,583). In addition, the Charity held an investment portfolio with a value of £2,148,586 (2021: £2,316,318).

#### Policy on reserves

The Charity's unrestricted funds are split between those designated for specific purposes and those available for the day-to-day requirements of the charity. Designated funds are the amounts invested in land and buildings. The Trustees consider that the Charity's assets are available and adequate to fulfil its obligations.

The Charity held unrestricted reserves at 31 August 2022 of £1,278,037 (2021: £1,833,914) which comprised £156,792 (2021: £511,534) land and buildings and a surplus on general reserves of £1,121,245 (2021: £1,322,380) represented by investments and working capital.

#### Investment policy and objectives

The Charity holds investments included within unrestricted and restricted funds. The Trustees have delegated the management of the investment portfolio to an investment manager, Brewin Dolphin, with discretionary powers in relation to the management of the Charity's investments. The Trustees' aim is to maximise the overall rate of return whilst adopting a medium risk profile. Performance is regularly monitored and the Trustees have also set a number of benchmark performance indices in order to monitor the performance of the investment portfolio.

The recent performance is summarised as follows:

	2022	2021	2020
	£	£	£
Investments	2,148,586	2,316,318	1,701,499
Investment income (including interest in surplus cash deposits)	66,918	43,445	56,761
Realised and unrealised gain / (loss)	(212,556)	348,754	(38,433)

#### Plans for future periods

##### Aims and key objectives for future periods

For a number of years the Charity in cooperation with QEGS Blackburn Academy Trust has been actively working on the transfer of the nursery. This transfer was completed on 31 December 2021. The Trustees will continue to administer both the unrestricted and restricted funds, in support of the Free School.

## Queen Elizabeth's Grammar School Blackburn Limited

### Trustees' Report

#### Structure, governance and management

##### *Nature of governing document*

Blackburn Grammar School was originally a Chantry School founded in 1509 by Thomas Howard, the Second Earl of Derby and associated with the Parish Church of Blackburn. It was dis-endowed in the reign of Edward VI and re-established and constituted a Corporation by Royal Charter in 1567 by Queen Elizabeth I.

The Company was incorporated on 13 September 1994. On 31 January 1995 the Charity Commissioners approved and established a scheme under which Queen Elizabeth's Grammar School Blackburn and its property are administered and managed by Queen Elizabeth's Grammar School Blackburn Limited which is its Trustee. The School's land and buildings are vested in the company. In September 2014, the operations of the school, with the exception of the nursery provision was transferred to QEGS Blackburn Academy Trust. Since 1 September 2015 the charity has managed the remaining funds of the charity and retained the reversionary rights to the property which are provided to the Academy Trust under a 125 year lease. From 1 September 2015 the charity also continued to manage the operation of the nursery until its transfer to the Academy on 31 December 2021.

##### *Arrangements for setting key management personnel remuneration*

The Trustees consider the board of Trustees as comprising the key management personnel of the charity, as they are in charge of directing and controlling the charity. All trustees give their time freely and no trustee remuneration was paid in the year.

##### *Major risks and management of those risks*

The Trustees continue to examine the principal areas of the charity's operations and consider the major risk faced in each of the areas.

It is the opinion of the Trustees that the charity has established resources and a review system which, under normal conditions, should allow these risks to be mitigated to an acceptable level in its day to day operation.

#### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 22/5/23 and signed on its behalf by:



.....  
Mr MJ Gorick  
Trustee

## Queen Elizabeth's Grammar School Blackburn Limited

### Statement of Trustees' Responsibilities


The trustees (who are also the directors of Queen Elizabeth's Grammar School Blackburn Limited for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 22/5/23 and signed on its behalf by:

  
.....  
Mr MJ Gorick  
Trustee

**Queen Elizabeth's Grammar School Blackburn Limited**

**Independent Examiner's Report to the trustees of Queen Elizabeth's Grammar School  
Blackburn Limited**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2022 which are set out on pages 7 to 23.

**Respective responsibilities of trustees and examiner**

As the charity's trustees of Queen Elizabeth's Grammar School Blackburn Limited (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of Queen Elizabeth's Grammar School Blackburn Limited are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

Since Queen Elizabeth's Grammar School Blackburn Limited's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Queen Elizabeth's Grammar School Blackburn Limited as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities, applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Mark Bradley BA BSc

Beever and Struthers  
Suite 9B  
The Beehive  
Lions Drive  
Blackburn  
BB1 5QS

Date: 22/5/23



**Queen Elizabeth's Grammar School Blackburn Limited**

**Statement of Financial Activities for the Year Ended 31 August 2022  
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)**

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>						
Donations and legacies	3	2,597	-	-	2,597	2,600
Charitable activities	4	199,531	-	-	199,531	538,594
Investment income	5	20,186	46,732	-	66,918	43,445
<b>Total income</b>		<b>222,314</b>	<b>46,732</b>	<b>-</b>	<b>269,046</b>	<b>584,639</b>
<b>Expenditure on:</b>						
Raising funds	6	(4,618)	(1,220)	-	(5,838)	(12,395)
Charitable activities	7	(632,332)	-	-	(632,332)	(604,214)
<b>Total expenditure</b>		<b>(636,950)</b>	<b>(1,220)</b>	<b>-</b>	<b>(638,170)</b>	<b>(616,609)</b>
Gains/losses on investment assets		(92,662)	(112,093)	(7,801)	(212,556)	348,754
<b>Net (expenditure)/income</b>		<b>(507,298)</b>	<b>(66,581)</b>	<b>(7,801)</b>	<b>(581,680)</b>	<b>316,784</b>
Transfers between funds		(48,579)	8,291	40,288	-	-
<b>Net movement in funds</b>		<b>(555,877)</b>	<b>(58,290)</b>	<b>32,487</b>	<b>(581,680)</b>	<b>316,784</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,833,914	987,079	133,330	2,954,323	2,637,539
<b>Total funds carried forward</b>	<b>19</b>	<b>1,278,037</b>	<b>928,789</b>	<b>165,817</b>	<b>2,372,643</b>	<b>2,954,323</b>

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 9 to 23 form an integral part of these financial statements.

**Queen Elizabeth's Grammar School Blackburn Limited**

**(Registration number: 02967199)  
Balance Sheet as at 31 August 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	156,792	511,534
Investments	15	<u>2,148,586</u>	<u>2,316,319</u>
		<u>2,305,378</u>	<u>2,827,853</u>
<b>Current assets</b>			
Debtors	16	4,054	13,372
Cash at bank and in hand	17	<u>70,604</u>	<u>121,583</u>
		74,658	134,955
<b>Creditors: Amounts falling due within one year</b>	18	<u>(7,393)</u>	<u>(8,485)</u>
<b>Net current assets</b>		<u>67,265</u>	<u>126,470</u>
<b>Net assets</b>		<u>2,372,643</u>	<u>2,954,323</u>
<b>Funds of the charity:</b>			
<b>Endowment funds</b>		165,817	133,330
<b>Restricted income funds</b>			
Restricted funds	19	928,789	987,079
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>1,278,037</u>	<u>1,833,914</u>
<b>Total funds</b>	19	<u>2,372,643</u>	<u>2,954,323</u>

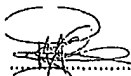
For the financial year ending 31 August 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 23 were approved by the trustees, and authorised for issue on 24/8/22 and signed on their behalf by:

  
.....  
Mr M J Gorick  
Trustee

The notes on pages 9 to 23 form an integral part of these financial statements.

## **Queen Elizabeth's Grammar School Blackburn Limited**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **1 Charity status**

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Queen Elizabeth's Grammar School  
West Park Road  
Blackburn  
Lancashire  
BB2 6DF

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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

##### **Statement of compliance**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### **Basis of preparation**

Queen Elizabeth's Grammar School Blackburn Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### **Going concern**

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### **Income and endowments**

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

##### **Donations and legacies**

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## **Queen Elizabeth's Grammar School Blackburn Limited**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

#### **Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

## **Queen Elizabeth's Grammar School Blackburn Limited**

### **Notes to the Financial Statements for the Year Ended 31 August 2022**

#### **Freehold Land and Buildings**

Depreciation of buildings is charged on a straight line basis, based on an estimated useful economic life of 50 years. Land, stated at £Nil, (2021: £50,000) is not depreciated.

Depreciation of other facilities included in land and buildings is charged on a straight line basis, at 5% to 10% per annum.

#### **Major Expenditure on Fixtures, Fittings & Equipment and Motor Vehicles**

Items of major capital expenditure are depreciated over their estimated useful lives. The rates used on the straight line method are as follows:

Fixtures, fittings and equipment - 10% - 33.3% per annum

#### **Minor Capital Expenditure**

Minor capital expenditure is written off in the year in which it is incurred.

#### **Impairment of fixed assets**

Intangible and tangible fixed assets are reviewed for impairment when changes in circumstances or events indicate that the carrying value of the fixed assets may not be recoverable. An impairment loss is recognised where the recoverable amount is less than the carrying value.

#### **Fixed asset investments**

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

#### **Pensions and other post retirement obligations**

The charity operated a defined contribution pension scheme, up until 31 December 2021, which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

# **Queen Elizabeth's Grammar School Blackburn Limited**

## **Notes to the Financial Statements for the Year Ended 31 August 2022**

### **Financial instruments**

#### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

### **3 Income from donations and legacies**

	Unrestricted funds General £	Total 2022 £
Donations and legacies;		
Unrestricted donations	2,597	2,597
	<u>2,597</u>	<u>2,597</u>
	Unrestricted funds General £	Total 2021 £
Donations and legacies;		
Unrestricted donations	2,600	2,600
	<u>2,600</u>	<u>2,600</u>

**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**4 Income from charitable activities**

	<b>Unrestricted funds General £</b>	<b>Total 2022 £</b>
Nursery School	<u>199,531</u>	<u>199,531</u>

	<b>Unrestricted funds General £</b>	<b>Total 2021 £</b>
Nursery School	<u>538,594</u>	<u>538,594</u>

**5 Investment income**

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2022 £</b>
Income from listed investments	<u>20,186</u>	<u>46,732</u>	<u>66,918</u>
	<u>20,186</u>	<u>46,732</u>	<u>66,918</u>

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total 2021 £</b>
Income from listed investments	<u>22,141</u>	<u>21,304</u>	<u>43,445</u>
	<u>22,141</u>	<u>21,304</u>	<u>43,445</u>

**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**6 Expenditure on raising funds**

**a) Investment management costs**

	Note	Unrestricted funds General £	Restricted funds £	Total 2022 £
Other investment management costs;				
Other portfolio management costs		4,618	1,220	5,838
		<u>4,618</u>	<u>1,220</u>	<u>5,838</u>
	Note	Unrestricted funds General £	Restricted funds £	Total 2021 £
Other investment management costs;				
Other portfolio management costs		5,498	6,897	12,395
		<u>5,498</u>	<u>6,897</u>	<u>12,395</u>

**7 Expenditure on charitable activities**

	Note	Unrestricted funds General £	Total funds £
Nursery School		195,405	195,405
Depreciation of fixed assets, impairment charge written back		(4,253)	(4,253)
Impairment provision on granting lease		358,995	358,995
Charity support costs		33,169	33,169
Governance costs	8	49,016	49,016
<b>Total for 2022</b>		<u>632,332</u>	<u>632,332</u>
<b>Total for 2021</b>		<u>604,214</u>	<u>604,214</u>

	Activity undertaken directly £	Governance costs £	2021 £
Nursery School	<u>586,943</u>	<u>17,271</u>	<u>604,214</u>



**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**8 Analysis of governance and support costs**

**Governance costs**

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Independent examiner fees			
Examination of the financial statements	6,390	6,390	3,120
Legal fees	22,738	22,738	14,151
Other governance costs	19,888	19,888	-
	<u>49,016</u>	<u>49,016</u>	<u>17,271</u>

**9 Net incoming/outgoing resources**

Net outgoing resources for the year include:

	2022 £	2021 £
Impairment loss on disposal of fixed assets held for the charity's own use	358,995	-
Depreciation of fixed assets, impairment charge written back	<u>(4,253)</u>	<u>1,902</u>

**10 Trustees remuneration and expenses**

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**11 Staff costs**

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	111,558	323,104
Social security costs	3,273	14,168
Pension costs	10,893	12,928
	<u>125,724</u>	<u>350,200</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2022 No	2021 No
Nursery staff	8	24
Non-executive Trustees	5	5
	<u>13</u>	<u>29</u>

No employee received emoluments of more than £60,000 during the year.

**12 Independent examiner's remuneration**

	2022 £	2021 £
Examination of the financial statements	<u>6,390</u>	<u>3,120</u>

# Queen Elizabeth's Grammar School Blackburn Limited

## Notes to the Financial Statements for the Year Ended 31 August 2022

### 13 Taxation

The charity is exempt from tax on income and gains falling within Section 505 of the Taxes Act 1988 or Section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

### 14 Tangible fixed assets

	Freehold Land and buildings £	Fixtures, fittings and equipment £	Total £
<b>Cost</b>			
At 1 September 2021	10,342,930	5,378	10,348,308
Disposals	-	(5,378)	(5,378)
At 31 August 2022	10,342,930	-	10,342,930
<b>Depreciation</b>			
At 1 September 2021	9,831,396	5,378	9,836,774
Charge for the year	1,832	-	1,832
Impairment charge written back	(6,085)	-	(6,085)
Eliminated on disposals	-	(5,378)	(5,378)
Impairment provision on granting lease	358,995	-	358,995
At 31 August 2022	10,186,138	-	10,186,138
<b>Net book value</b>			
At 31 August 2022	156,792	-	156,792
At 31 August 2021	511,534	-	511,534

Freehold land and buildings were valued on an open market existing use basis at the time they vested in Queen Elizabeth's Grammar School Blackburn Limited on 31 January 1995 and this amount was treated as cost for the purposes of the Financial Statements. All fixed assets are used for direct charitable purposes.

During the year ended 31 August 2015 an impairment provision was recognised above to reflect the granting of 125 year peppercorn leases to QEGS Blackburn Academy Trust in respect of all land and buildings and equipment, except those relating to the nursery. The value of the Charity's interest in the property subject to the leases represents the discounted value (using a discounted rate of 4% and assuming no growth) of the reversionary rights in 117 years.

The remaining property held in respect of the nursery was revalued as at 1 September 2015 by DVS, on a depreciated replacement cost basis, resulting in a revalued cost at that date of £416,348 inclusive of land element of £50,000 which was not depreciated. During the year ended 31 August 2022 an impairment provision was recognised above to reflect the granting of a 117 year peppercorn lease to QEGS Blackburn Academy Trust.

The value of the Charity's interest in the property subject to the leases represents the discounted value (using a discounted rate of 4% and assuming no growth) of the reversionary rights in 117 years.

**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**15 Fixed asset investments**

	<b>Listed investments £</b>	<b>Cash held with investors £</b>	<b>Total £</b>
<b>Cost or Valuation</b>			
At 1 September 2021	2,214,424	101,895	2,316,319
Revaluation	(212,557)	-	(212,557)
Additions	74,291	-	74,291
Disposals	<u>-</u>	<u>(29,467)</u>	<u>(29,467)</u>
At 31 August 2022	<u>2,076,158</u>	<u>72,428</u>	<u>2,148,586</u>
<b>Net book value</b>			
At 31 August 2022	<u>2,076,158</u>	<u>72,428</u>	<u>2,148,586</u>
At 31 August 2021	<u>2,214,424</u>	<u>101,895</u>	<u>2,316,319</u>

The following investments, which are included above, are considered material in the context of the investment portfolio and represent 5% or more of the total investment value at 31 August 2021:

	<b>£</b>	<b>%</b>
COIF Accumulation Shares	355,760	17
COIF Income Shares	246,833	11
M&G Charifund Income Shares	144,212	6.71%

**16 Debtors**

	<b>2022 £</b>	<b>2021 £</b>
Other debtors	<u>4,054</u>	<u>13,372</u>

**17 Cash and cash equivalents**

	<b>2022 £</b>	<b>2021 £</b>
Cash at bank	<u>70,604</u>	<u>121,583</u>

**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**18 Creditors: amounts falling due within one year**

	2022 £	2021 £
Other creditors	3	5,364
Accruals	7,390	3,121
	<u>7,393</u>	<u>8,485</u>

**19 Funds**

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2022 £
<b>Unrestricted funds</b>						
<i>General</i>						
Free General Reserves	1,322,380	222,314	(282,208)	(48,579)	(92,662)	1,121,245
<i>Designated</i>						
School Land and Buildings	511,534	-	(354,742)	-	-	156,792
<b>Total unrestricted funds</b>	<u>1,833,914</u>	<u>222,314</u>	<u>(636,950)</u>	<u>(48,579)</u>	<u>(92,662)</u>	<u>1,278,037</u>
<b>Restricted funds</b>						
Digital Art Project	292	-	-	(292)	-	-
Junior School Hall Fund	2,362	-	-	-	-	2,362
Stained Glass Window Fund	1,155	-	-	-	-	1,155
Singleton Travel Award Fund	(1,165)	-	-	1,165	-	-
Clare Radcliffe Accumulated Income	4,754	-	-	-	-	4,754
Zeebrugge Fund	837	-	-	-	-	837
Enrichment Fund	102,016	-	-	-	-	102,016
Prize and Scholarship Fund	118,148	6,918	-	7,675	(4,060)	128,681
Bowland Trust	257	-	-	(257)	-	-
John Law Scholarship	651,940	9,837	(4,380)	-	(73,320)	584,077
Blakley Sixth Form Languages Scholarship	106,483	29,977	3,160	-	(34,713)	104,907
<b>Total restricted funds</b>	<u>987,079</u>	<u>46,732</u>	<u>(1,220)</u>	<u>8,291</u>	<u>(112,093)</u>	<u>928,789</u>
<b>Endowment funds</b>						
<i>Permanent</i>						
Mrs Clara Radcliffe Trust Fund: Capital - Permanent Endowment Fund	1,368	-	-	-	-	1,368

Queen Elizabeth's Grammar School Blackburn Limited

Notes to the Financial Statements for the Year Ended 31 August 2022

	Balance at 1 September 2021 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2022 £
<i>Expendable</i>						
Prize and Scholarship Funds	131,962	-	-	40,288	(7,801)	164,449
	131,962	-	-	40,288	(7,801)	164,449
<b>Total endowment funds</b>	<b>133,330</b>	<b>-</b>	<b>-</b>	<b>40,288</b>	<b>(7,801)</b>	<b>165,817</b>
<b>Total funds</b>	<b>2,954,323</b>	<b>269,046</b>	<b>(638,170)</b>	<b>-</b>	<b>(212,556)</b>	<b>2,372,643</b>
	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
<b>Unrestricted funds</b>						
<i>General</i>						
Free General Reserves	1,023,992	563,335	(607,810)	140,000	202,863	1,322,380
<i>Designated</i>						
School Land and Buildings	513,436	-	(1,902)	-	-	511,534
<b>Total unrestricted funds</b>	<b>1,537,428</b>	<b>563,335</b>	<b>(609,712)</b>	<b>140,000</b>	<b>202,863</b>	<b>1,833,914</b>
<b>Restricted</b>						
Digital Art Project	292	-	-	-	-	292
Junior School Hall Fund	2,362	-	-	-	-	2,362
Stained Glass Window Fund	1,155	-	-	-	-	1,155
Singleton Travel Award Fund	(1,165)	-	-	-	-	(1,165)
Clare Radcliffe Accumulated Income	4,754	-	-	-	-	4,754
Zeebrugge Fund	837	-	-	-	-	837
Enrichment Fund	102,016	-	-	-	-	102,016
Prize and Scholarship Fund	78,987	-	-	-	39,161	118,148
Bowland Trust	257	-	-	-	-	257
John Law Scholarship	540,915	9,604	(4,812)	-	106,233	651,940
Blakley Sixth Form Languages Scholarship	236,371	11,700	(2,085)	(140,000)	497	106,483
<b>Total restricted funds</b>	<b>966,781</b>	<b>21,304</b>	<b>(6,897)</b>	<b>(140,000)</b>	<b>145,891</b>	<b>987,079</b>
<b>Endowment funds</b>						
<i>Permanent</i>						
Mrs Clara Radcliffe Trust Fund: Capital - Permanent Endowment Fund	1,368	-	-	-	-	1,368

# Queen Elizabeth's Grammar School Blackburn Limited

## Notes to the Financial Statements for the Year Ended 31 August 2022

	Balance at 1 September 2020 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 August 2021 £
<b>Expendable</b>						
Prize and Scholarship Funds	131,962	-	-	-	-	131,962
	<u>131,962</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>131,962</u>
<b>Total endowment funds</b>	<u>133,330</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>133,330</u>
<b>Total funds</b>	<u>2,637,539</u>	<u>584,639</u>	<u>(616,609)</u>	<u>-</u>	<u>348,754</u>	<u>2,954,323</u>

### Fund Restrictions

#### Endowment Funds

The endowed prize and scholarship funds comprise of 15 funds amalgamated under a 1961 Minister of Education order together with a legacy received in 1998 from the estate of Thomas Duerden and a donation received in 2008 in memory of June Ballantyne.

#### Restricted Funds

Digital Art Project - monies received and unspent donation from the Brian Mercer Charitable Trust during 2018.

Junior School Hall Fund - donation towards the costs of developing a school hall in the junior school building.

Stained Glass Window Fund - donation to be expended on creating and fitting a stained glass window to celebrate the school's quincentenary year in 2009.

Singleton Travel Award Fund - annual donation, awarded each year to a pupil to assist and overseas expedition.

Clara Radcliffe Accumulated Income Fund - income arising on the permanent endowment fund and is expendable on the school's Radcliffe room.

Zeebrugge Fund - to refurb the pictures and lighting in the Garstang Room.

Enrichment Fund - provide a range of activities to support and supplement school life for pupils of all ages to create a fuller, more meaningful and rewarding learning and development experience at school regardless of family finances. The fund covers grants towards trips and activities, small projects and the delivery of specific enrichment courses e.g. first aid training and leadership development skills.

Prize and Scholarship Funds - established over many years from various donations and bequests. The income and expenditure includes amounts arising both on accumulated restricted funds and the related endowment funds.

Bowland Trust Fund - grant for the purchase of mountain bikes for the PE Department.

The John Law Scholarship and Blakey Sixth Form Languages Scholarship Funds - funds established within the Queen Elizabeth's Grammar School Blackburn Development Trust Fund. The trustees are discussing the purposes of these funds following the transfer of the school to an Academy.

**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**20 Analysis of net assets between funds**

	Unrestricted funds		Restricted funds	Endowment funds	Total funds
	General	Designated	funds	Expendable	at 31 August
	£	£	£	£	2022
Tangible fixed assets	-	156,792	-	-	156,792
Fixed asset investments	1,210,506	-	772,263	165,817	2,148,586
Current assets	(81,868)	-	156,526	-	74,658
Current liabilities	(7,393)	-	-	-	(7,393)
<b>Total net assets</b>	<b>1,121,245</b>	<b>156,792</b>	<b>928,789</b>	<b>165,817</b>	<b>2,372,643</b>

	Unrestricted funds		Restricted funds	Endowment funds	Total funds
	General	Designated	funds	Expendable	at 31 August
	£	£	£	£	2021
Tangible fixed assets	-	511,534	-	-	511,534
Fixed asset investments	1,180,778	-	1,002,210	133,330	2,316,318
Current assets	10,086	-	124,869	-	134,955
Creditors over 1 year	(8,484)	-	-	-	(8,484)
<b>Total net assets</b>	<b>1,182,380</b>	<b>511,534</b>	<b>1,127,079</b>	<b>133,330</b>	<b>2,954,323</b>

**21 Analysis of net funds**

	At 1 September 2021	Financing cash flows	At 31 August 2022
	£	£	£
Cash at bank and in hand	121,583	(50,979)	70,604
Net debt	121,583	(50,979)	70,604

	At 1 September 2020	Financing cash flows	At 31 August 2021
	£	£	£
Cash at bank and in hand	464,219	(342,636)	121,583
Net debt	464,219	(342,636)	121,583

**22 Related party transactions**

Certain Trustees of the charity, during the year, were also Trustees of the QEGS Blackburn Academy Trust. During the year the charity made donations to QEGS Blackburn Academy Trust amounting to £445,019 (2021: £199,000). At 31 August 2022 the charity owed £4 to QEGS Blackburn Academy Trust (2021: £5,364 owed to QEGS Blackburn Academy Trust).



**Queen Elizabeth's Grammar School Blackburn Limited**

**Notes to the Financial Statements for the Year Ended 31 August 2022**

**23 Prior year Statement of Financial Activities**

	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	2,600	-	-	2,600
Charitable activities	4	538,594	-	-	538,594
Investment income	5	22,141	21,304	-	43,445
<b>Total income</b>		<b>563,335</b>	<b>21,304</b>	<b>-</b>	<b>584,639</b>
<b>Expenditure on:</b>					
Raising funds	6	(5,498)	(6,897)	-	(12,395)
Charitable activities	7	(604,214)	-	-	(604,214)
<b>Total expenditure</b>		<b>(609,712)</b>	<b>(6,897)</b>	<b>-</b>	<b>(616,609)</b>
Gains/losses on investment assets		202,863	145,891	-	348,754
<b>Net income</b>		<b>156,486</b>	<b>160,298</b>	<b>-</b>	<b>316,784</b>
Transfers between funds		140,000	(140,000)	-	-
<b>Net movement in funds</b>		<b>296,486</b>	<b>20,298</b>	<b>-</b>	<b>316,784</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		1,537,428	966,781	133,330	2,637,539
Total funds carried forward	19	1,833,914	987,079	133,330	2,954,323