

**Queen Elizabeth's School,
Barnet**

**Annual Report and Financial
Statements**

Year ended 31 August 2022

Company Limited by Guarantee
Registration Number
07351253 (England and Wales)

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Reference and administrative information

Members

Mr A Binstock
Mr N Gaskell
Mrs M Hooley
Mr B Martin
Mr D Norris

Trustees

Mrs E Aghdiran*
Mr M Bradish*
Mr H Dave
Mr N Enright
Mr D Farrer
Mrs J Ferguson
Mr N Gaskell* (Vice Chairman)
Mr E Houston
Mr S Jana
Mr D Lowen
Mr B Martin* (Chairman)
Mr C Price*
Mr N Raval

*denotes member of Finance, Audit and Risk Committee

Company Secretary

Ms T O'Reilly

Senior Leadership Team

Headmaster	Mr N Enright
Deputy Head (Academic)	Mrs A Macdonald
Deputy Head (Operations)	Ms T O'Reilly
Deputy Head (Pastoral)	Mr D Ryan
Assistant Head (Pupil Involvement)	Mr C Bonham-Carter
Assistant Head (Pupil Development)	Mr M Feven
Assistant Head (Pupil Progress)	Dr S Westcott

Chief Financial Officer

Mr D Burton (resigned 19 April 2022)
Mrs R Pandya (appointed 19 April 2022)

Clerk to Governing Body

Mr M Rose

Reference and administrative information

Registered address	Queen's Road Barnet Hertfordshire EN5 4DQ
Company registration number	07351253
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest Bank plc 120 High Street Barnet Hertfordshire EN5 5FF
Solicitors	Keystone Law 48 Chancery Lane London WC2A 1JF

Trustees' report Year to 31 August 2022

The trustees present their annual report together with the financial statements and auditors' report of the charitable company ('the School') for the year ended 31 August 2022. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

PRINCIPAL ACTIVITIES

The principal object and activity of the School is to provide education for academically able boys, between the ages of 11 and 18, who are selected on merit which is assessed through a competitive entrance examination.

In accordance with the articles of association the School has adopted a funding agreement approved by the Secretary of State for Education. The funding agreement specifies, amongst other things, the basis for admitting pupils to the School and that the School will provide a broad and balanced curriculum.

The largest proportion of the School's income is expended on the salaries of well qualified staff and allocation is also made for the upkeep of the premises and the provision of the equipment required for effective teaching and learning.

The School's Priorities for Development are endorsed by the Governing Body and it monitors the progress made towards those priorities annually. The Headmaster, together with his Senior Leadership Team, is responsible for the implementation of the strategic plan and the operational management of the School.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is known as Queen Elizabeth's School Barnet ("the School") and is a company limited by guarantee and an exempt charity. The School's memorandum and articles of association are the primary governing documents.

The Trustees are directors for the purposes of the Companies Act 2006. They are also the Governors of the School and as a group constitute the Board of Governors of the School. Throughout this report the Trustees are referred to as the Governors and the Board referred to as the Governing Body.

Details of the Governors who served throughout the year are included in the Reference and Administrative Details on page 1.

The Members of the School comprise:

- ◆ The signatories to the memorandum or their successors, one of whom shall be appointed by the Endowment Fund of the Schools of Queen Elizabeth the First Barnet (registered charity number 10694946) and one by The Friends of Queen Elizabeth's School (registered charity number 289174);
- ◆ One person appointed by the Secretary of State, in the event that the Secretary of State appoints a person for this purpose;

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Constitution (continued)

- ◆ The Chairman of Governors; and
- ◆ Any person appointed where the Members may agree unanimously in writing to appoint such additional members as they think fit and may unanimously in writing agree to remove such additional members.

Members' liability

The liabilities of the Members of the School are limited. Every Member undertakes to contribute such amounts as may be required (not exceeding £10) to the School's assets if it should be wound up while he or she is a member.

Method of recruitment and appointment or election of Governors

The School has the following Governors and methods of appointment:

- ◆ 6 Governors appointed by the Members;
- ◆ 2 parent Governors elected or appointed;
- ◆ Any Staff Governors appointed;
- ◆ Up to 4 Community Governors appointed;
- ◆ Any co-opted Governors appointed;
- ◆ The Headmaster, if appointed by the Members;
- ◆ Any Additional Governors;
- ◆ Any Further Governors; and
- ◆ Any Co-opted Governors.

Staff Governors numbers cannot exceed one third of the total number of Governors.

Term of office

The term of office for any Governor remains at four years, save that this time limit shall not apply to the Headmaster.

Policies and procedures adopted for the induction and training of Governors

Upon their appointment, Governors are made aware of the ESFA's Governors' Handbook, along with copies of the School's policies and a selection of papers that bring them up to date with current business and with issues of major importance. Training opportunities are provided by external organisations including child protection training. During the year all Governors took part in on-line training for safeguarding.

Organisational structure

The organisational structure consists of three levels: the Governors, the Senior Leadership Team (SLT) and the Middle Leaders (Subject and Year Heads). The aim of the leadership and management structure is to devolve responsibility and encourage involvement in decision making at all levels.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

The Governors are responsible for setting general policy, adopting an annual plan and budget, monitoring the School by the use of budgets and making major decisions about the direction of the School, capital expenditure and senior staff appointments.

In the year to 31 August 2022 the SLT comprised:

Mr N Enright, Headmaster
Mrs A Macdonald, Deputy Head (Academic)
Ms T O'Reilly, Deputy Head (Operations)
Mr D Ryan, Deputy Head (Pastoral)
Mr C Bonham-Carter, Assistant Head (Pupil Involvement)
Mr M Feven, Assistant Head (Pupil Development)
Dr S Westcott, Assistant Head (Pupil Progress)
Mr M Rose, Head of External Relations (appointed 19th April 2022)
Mrs R Pandya, Chief Financial Officer (appointed 19th April 2022)

These managers control the School at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group, the Senior Leadership Team is responsible for the authorisation of spending within agreed budgets.

Some spending control is devolved to those with specific middle leadership roles, with limits above which a Senior Manager must countersign. The Governors devolve responsibility for staff appointments, other than those to the Senior Leadership Team, to the Headmaster.

Senior and Middle Leaders are responsible for the day to day operation of the School, in particular organising the teaching and support staff, facilities and pupils.

The Trust has no subsidiaries.

Governance

The Governing Body meets regularly and is advised by a range of sub committees which includes the Finance, Audit and Risk Committee, the Admissions Committee and the Salaries Committee.

The School is committed to exhibiting best practice in all aspects of corporate governance and its practices are consistent with the provisions of the Academies Trust Handbook and the Academies Accounts Direction 2021 to 2022. The Finance, Audit and Risk Committee of the Governing Body is responsible for the system of internal control operating within the School and for reviewing its effectiveness. Such a system can only provide reasonable, and not absolute, assurance against material misstatement or loss, and cannot eliminate business risk. The Finance, Audit and Risk Committee may identify areas for improvement in the system of internal control, based on reports and views from its own and other committees.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Arrangements for setting pay and remuneration of key management personnel

Key management personnel are considered to be the members of the Governing Body and the senior leadership team. No member of the Governing Body receives remuneration for their role of trustee. Staff governors receive remuneration from the School for their roles in the School itself. The Salaries Committee is responsible for setting remuneration of staff and in particular of the senior leadership team. In setting remuneration, the committee has regard to benchmarks of performance of individual staff and references national pay structures for teachers and other local government employees. The Governors employed a consultant, who is an experienced educationalist and a regular advisor on headship appointments, to support them in reviewing the performance and remuneration of the Headmaster.

Trade union facility time

The Academy had no relevant union officials during the reporting period, and accordingly the disclosure required under the Trade Union (Facility Time Publication Requirements) Regulations 2017 is nil.

Related parties and other connected charities and organisations

There is a related, but wholly independent, charitable undertaking, The Friends of Queen Elizabeth's School ("FQE") (registered charity number 289174) which has a wholly owned subsidiary, FQE Enterprises Limited, which operates the School Shop. FQE operates as the Parents' Association and raises funds, generally from the school community, which are granted to the school periodically to support the facilities at the school. Details of the transactions with the school are shown in note 21 to the financial statements. A second wholly independent charity, The Endowment Fund Of The Schools Of Queen Elizabeth The First, Barnet (registered charity number 1069496), operates in Barnet and used its resources to makes certain grants to pupils and the school for the furtherance of education. There is a third charity that supports the School; the Endowment Fund is correctly noted. The third charity gives prizes to the School. Its details are: The Special Prizes and Awards Fund of the Schools of Queen Elizabeth the First, Barnet. Charity number 1069489.

OBJECTIVES AND ACTIVITIES

Objects

The School is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a selective school offering a broad and balanced curriculum.

Strategies and activities

The School's main strategy is encompassed in its mission statement which is 'to produce young men who are confident, able and responsible'.

OBJECTIVES AND ACTIVITIES (continued)

Strategies and activities (continued)

A **confident** Elizabethan is adaptable to different contexts and secure in his own identity. He is principled, always open to learn, and prepared to challenge himself as well as others.

- We encourage boys to discover, develop and express a resilient identity that is based on their own values, interests and personality.
- We nurture intellectual, verbal and social skills, giving pupils poise – the ability to act appropriately in any situation.
- Thus, we equip each boy to present himself as a person of substance, communicating his views powerfully but without arrogance, aware both of his strengths and his weaknesses.
- We instil in boys a ready willingness to embrace challenge and change and to consider viewpoints different from their own, before acting consistently with the courage of well-formed convictions.

An **able** Elizabethan exemplifies that combination of a vigorous love of learning, of adaptable, high-level thinking and of an unquenchable intellectual curiosity which we call free-thinking scholarship.

- We lay the foundations of academic excellence by expecting our boys to work hard, by nurturing perseverance and emotional resilience, by rigorously challenging their thinking and by stimulating their genuine academic interests.
- Pupils benefit from being part of our vibrant academic community; we also instil in them habits of independent study: in this way, we prepare them to thrive at university and beyond.
- We nurture broad, analytical thinkers who are ready to seize the opportunity presented by their rapidly changing world to shape new solutions to its new problems.
- We celebrate diverse talents and aptitudes, encouraging boys to discover and develop these beyond the classroom, especially through participation in our extensive range of extra-curricular activities.

A **responsible** Elizabethan is kind and considerate. Wise and compassionate, he seeks to change things for the better, both in his own community and in society at large.

- We help boys to consider and understand the consequences of their words and actions, encouraging them to listen carefully to other people's perspectives and to
- treat others as they would like to be treated, and thus to play their part in fostering a happy, inclusive community.

OBJECTIVES AND ACTIVITIES (continued)

Strategies and activities (continued)

- We teach pupils about looking after their own physical and mental wellbeing and similarly watching out for the needs of others.
- We foster self-awareness and self-development, helping boys to be realistically ambitious and to become the best version of themselves.
- We promote generosity of spirit alongside civic engagement, so that pupils go on to deploy their abilities and accomplishments for the greater good.

During the year ended 31 August 2022, the School launched its Development Plan for 2021 – 2025, titled ***Building on Distinction***.

There are ten priorities set out in the Plan:

1. Foster academic curiosity through encouraging high-level thinking and intellectually rigorous activity.
2. Provide bespoke support to assist learning and remove barriers to progression.
3. Deliver personalised feedback, encouraging boys to learn from their own successes and failures, and respond appropriately.
4. Create opportunities for pupils to experience a broad range of social and cultural activities and to facilitate greater participation in a wide variety of academic enrichment activities.
5. Celebrate the diverse skills, talents, and achievements of pupils in all year groups, with the goal of recognising what is unique about each individual.
6. Support boys with their emotional challenges, including any that might be linked to learning in a high-achieving environment.
7. Strengthen literacy and develop research and revision skills to support academic achievement and ensure pupils' readiness for the next stage of their education.
8. Provide support and guidance to equip pupils to be broad-minded in considering the pathways open to them and to make decisions strategically for their future.
9. Develop skills of both leadership and collaboration.
10. Emphasise the importance of civic engagement and of cultivating positive relationships within the community.

The School's vision will be enabled through its commitment to the following:

OBJECTIVES AND ACTIVITIES (continued)

Strategies and activities (continued)

1. Excellence and advancement on merit

We will unrelentingly pursue our ambition to do our best and to be the best, achieving sector-leading outcomes in all areas. Through careful attention to staff recruitment and pupil admissions, we will gather the best talent, irrespective of background. We will work to ensure that all are highly motivated and to empower all to achieve their potential, while supporting their mental and physical wellbeing.

2. Open-mindedness, tolerance and kindness

We will promote and live out the values which reflect our Elizabethan traditions and the best of the modern world. While looking beyond the immediate and the reactive, we will engage with different perspectives in areas such as race and discrimination as we seek to pursue higher, shared human values.

We will foster a safe environment in which boys can share their experiences with those from diverse backgrounds, and will encourage thoughtful and open conversation about societal issues. By thus broadening pupils' horizons, we will nurture an atmosphere of friendship and friendliness in which we both learn from our diversity and recognise commonality.

3. Valuing and seeking inspiration from our heritage

The School celebrates its 450th anniversary during the period covered by this School Development Plan. We will draw on this long history in order to build on the accomplishments of our predecessors, mindful of our responsibility to be good stewards, improving the School for future generations.

4. Community building and partnerships

Working closely with the Friends of Queen Elizabeth's and our alumni, we will support the whole Elizabethan community, comprising current pupils, their families and our staff, as well as old boys and other supporters. The School is proud to belong to our local community of Barnet and recognises that it is also part of wider society: we will work with other schools and organisations for mutual benefit, while also promoting a culture of philanthropy among present and past pupils.

5. Maximising the advantages of our campus and location

We will invest strategically in the continual upgrading of our estates, anticipating future needs and planning accordingly for the timely provision of high-quality learning, working and social spaces. Our School is located in one of the world's great capital cities: we will ensure that the artistic, intellectual and sporting benefits of being educated in London accrue to our pupils.

6. Operational efficiency

We will be ambitious in making investments into our physical and digital infrastructure, recognising the cardinal importance of, firstly, maintaining an excellent learning environment on our campus, and, secondly, of pursuing a continuous programme of digital development to facilitate boys' education, whether at School, at home, or anywhere else. At the same time, in all our operations and investments, we will take a prudent approach, seeking to avoid unnecessary waste.

OBJECTIVES AND ACTIVITIES (continued)

Strategies and activities (continued)

We will work to generate income from a variety of sources. We will give a high priority to excellent communications, ensuring that we convey our values and report effectively on the School's activities and achievements; we will seek and implement appropriate solutions for ensuring optimal contact between staff and parents.

7. Strong governance

The Governing Body will provide both support and effective challenge to the leadership of the School. Operating in a transparent manner, the Governors will make considered, yet clear, decisions that will encourage bold innovation, while having due regard to mitigating risk. The Governing Body will meet or exceed the regulatory requirements applicable to the School.

8. Sustainability

We will exercise good environmental stewardship, endeavouring at all times to make ethical choices and to reduce the negative impact of our activities. We will instil a sense of responsibility for the environment in the boys.

Public benefit

The Governors acknowledge the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub sector guidance on public benefit. We have referred to this guidance when reviewing our aims, strategy and in planning future activities. All activities undertaken by School are for the public benefit.

The School is specifically restricted to advance, for the public benefit, education in the United Kingdom and reports annually on the ways in which it has successfully delivered in this regard.

STRATEGIC REPORT

Achievements and performance

Queen Elizabeth's is an ancient school founded in 1573. It was one of the first "converter" Academies on 1st September 2010. Total pupil numbers in the year ended 31 August 2022 were 1,292 (2021 – 1,281) and the School has a full complement in all year groups.

The School achieved excellent results in the 2022 public examinations. At GCSE 85.6% of Year 11 pupils were awarded levels 8 and 9 (the old A*), (85% in 2021). 95.4% of GCSEs were awarded levels 7 to 9 (the old A* or A grades) (95.8% in 2021) and 97.9% of boys gained more than five levels 7 to 9 (the old A* or A grades), (98.9% in 2021). At A level, the proportion of A* - B grades was 98.3% (97.8% in 2021). 2021 examinations were based on teacher-assessed grades.

To ensure that standards are continually maintained, the School operates a programme of observation of lessons as part of its performance management system; undertakes a self-evaluation of each department's performance and progress against the improvement priorities; and subscribes to various analyses of its performance data to benchmark its performance against the performances of other organisations.

STRATEGIC REPORT (continued)

Key performance indicators

- ◆ The School enjoys a national and local reputation for excellence and remains highly oversubscribed.
- ◆ Boys' achievements in Public Examinations are exceptional and the School's results rank amongst the very best of all schools nationally.
- ◆ Boys enjoy coming to School which is illustrated in the excellent attendance figures and high levels of participation in extra-curricular opportunities which serve to broaden their horizons.
- ◆ Most boys in the sixth form participate in voluntary work schemes that in turn support local charities, schools and hospitals.
- ◆ Boys enter competition on a national stage. This includes Mathematical challenges, Science Olympiads, Robotics challenges, National Schools Chess, Business and Economics competitions and Debating and Model United Nations Conferences.
- ◆ Almost all boys continue to go on to university. The focus remains on the most competitive courses at the most competitive universities. A higher proportion of pupils from the School go to Oxford or Cambridge than from any other state school in the country. In a typical year, 90% of those leaving after their A level studies take up a place on an undergraduate course at a Russell Group university.

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the School has adequate resources to continue in operational existence for the foreseeable future. Government grants, which comprise the major part of income are certain for the foreseeable future, as pupil numbers are fully expected to remain at current levels. Income from other sources such as lettings and catering has resumed and continues at levels consistent with the pre-Covid situation. The Trustees consider that the academy trust has free reserves sufficient to support future operations.

The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial review

The School's principal income is from the DfE in the form of recurrent, restricted grants. The grants received during the year ended 31 August 2022 and the associated expenditure are shown in the Statement of Financial Activities (SoFA).

The School also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2019), Rsuch grants are shown in the SoFA) as restricted income in the fixed asset fund.

STRATEGIC REPORT (continued)

Financial review (continued)

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

The School receives donations from the associated charity, The Friends of Queen Elizabeth's which the School has utilised to fund fixed asset additions and improvements.

During the year, the School continued to receive loans from the Condition Improvement Fund (CIF) of the ESFA to help fund the construction of the Mayes Music block. This major project resulted in a purpose-built music teaching block. Construction started in the summer of 2020 and the building opened in February 2022.

The School also received the final loan amount from CIF towards the costs of the Fern Building Fire Safety project. This has entailed works on fire doors, building layout and other fire measures in the Fern Building. These works were carried out in the holidays and other times the school was closed and are now complete.

During the year ended 31 August 2022 total expenditure of £10,519,000 (2021 – £9,156,000) was covered by recurrent grant funding from the Department for Education (DFE) together with other income. The total income for the year was £10,096,000 (2021 – £10,539,000) made up from: restricted fixed asset funds of £28,000 (2021 – £706,000); restricted general funds of £7,304,000 (2021 – £7,167,000) and unrestricted funds of £2,764,000 (2021 – £2,666,000).

At 31 August 2022 the net book value of fixed assets was £28,366,000 (2021 – £28,031,000). Movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the School. The buildings and land are owned by the School. Any alterations or improvements incurred by the School are shown as fixed assets.

The deficit in the Local Government Pension Scheme (LGPS) is recognised on the balance sheet in accordance with the provisions of FRS102 The Financial Reporting Standard. At 31 August 2022, the deficit stood at £497,000 (2021 – £2,403,000). The existence of the pension scheme deficit does not mean an immediate liability crystallises and is addressed over a series of years through pension contributions recommended by the pension scheme actuaries during subsequent triennial valuations of the scheme.

Reserves policy

The School has a rolling programme of improvements both to its physical and technological infrastructure. The School endeavours to manage the flow and efficiency of these capital projects through careful financial planning and maintains a level of reserves sufficient to meet these commitments. The School utilises funds developed from its own resources and from government grants and has also benefitted from grants from the Friends of Queen Elizabeth's charity. The trustees are particularly aware that both the School's own resources and the grant capacity of the charity are limited and plan carefully to ensure that commitments do not exceed likely available funds. The value of unrestricted reserves is £703,000 (2021 – £775,000). Details of the free reserves are shown in note 15 to the financial statements.

STRATEGIC REPORT (continued)

Investment policy

The School aims to manage its cash balance to ensure that there is adequate working capital to support its day to day requirements. Surplus cash funds are invested by the School in order to optimise return whilst ensuring that there is no risk of loss in the capital value of the cash funds.

Principal risks and uncertainties

The principal goal for the School is to safeguard its long term ability to continue to attract high calibre staff and deliver an excellent education to academically able students, and to maintain and renew its physical facilities.

The key uncertainty is the extent and impact of changes to Government funding and an uncertain economic climate and financial environment that puts pressure on enterprise and capital projects.

Risk management

The School recognises that it has a responsibility to minimise risk. Any risks to which the School may be exposed, as identified by the Headmaster and senior team, have been reviewed and systems have been established to mitigate these risks. The Finance, Audit and Risk Committee has implemented risk management processes, including maintaining a Risk Register. These processes include regular review and monitoring of key risks and the procedure adopted to mitigate them.

Financial and risk management policies

The main objective is to ensure the School operates within its allocated budget and settles its liabilities as they fall due. The current deficit on the LGPS, of which £497,000 (2021 – £2,403,000) has been apportioned to the School, does not crystallise immediately but the School ensures scheme contributions are paid as they fall due in line with those recommended by the pension scheme actuaries.

The actuaries of the scheme evaluated the fund as at 31 March 2019 and published their report in March 2020. They recommended contributions should continue at the relatively higher rate set at the previous valuation in order to mitigate the deficit. The trustees include the contributions within the budgets submitted to the ESFA as part of its annual application for GAG funding. The deficit is recognised on the balance sheet in accordance with FRS102.

In accordance with the School's statutes, the Governors and senior staff are responsible for the administration and management of the School's affairs. They are responsible for setting objectives and policies to ensure that:

- ◆ There is an effective system of internal control and that accounting records are properly kept;
- ◆ There are appropriate financial and management controls in place to safeguard the assets of the School and prevent and detect fraud; and
- ◆ The School secures economical, efficient and effective management of its income and expenditure.

STRATEGIC REPORT (continued)

Fundraising

The School does not engage in direct fundraising. The associated charity (as noted on page 6), The Friends of Queen Elizabeth's (FQE), raises funds which are donated by grant to the School as the Trustees of the Charity decide. FQE raises funds from only the wider School community of pupils, parents, friends, family and former pupils. It does not use any third parties to fundraise and limits its appeals to simple requests for donations through the Giving to QE covenant scheme and platforms such as JustGiving. The Charity is not subscribed to any scheme for fundraising regulations, and did not receive any complaints in the period.

Plans for future periods

2023 will be the 450th anniversary of the School. The Governors look forward to the celebrations to mark this significant milestone.

The Trustees will be working closely with the Friends of Queen Elizabeth's charity to plan funding for further developments on the site including a new Robert Dudley Studio, for which initial costs have been included as the asset under construction in note 11.

Alongside the achievement of high standards in lessons and public examinations, the School places equal importance on co-curricular activities. The School have therefore launched a programme, QE Flourish, for students to take advantage of the range of clubs on offer.

Governors' indemnities

The School's insurers indemnify against any claims in respect of any civil liability and which arises out of the conduct of the insured in their personal capacity as a Director, Governor, Trustee or Officer of the School.

Auditors

In so far as the trustees are aware:

- ◆ there is no relevant audit information of which the charitable company's auditors are 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' Report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on **8th December** 2022 and signed on its behalf by:



B Martin
Chair of Trustees
8th December 2022

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that the Queen Elizabeth's School, Barnet has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees have delegated the day-to-day responsibility to the Headmaster, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the Academy and the Secretary of State for Education. The Headmaster is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the statement of trustees' responsibilities. The board of trustees has formally met three times during the year, once each term by remote session. The trustees consider that as a single academy trust effective oversight of funds has been maintained by preparing monthly management accounts which are circulated to the Chairman and senior management and by circulating management accounts six times a year to all Governors.

Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mrs E Aghdiran	2	3
Mr M Bradish	1	3
Mr H Dave	2	3
Mr N Enright (in attendance)	3	3
Mr D Farrer	3	3
Mrs J Ferguson	3	3
Mr N Gaskell	3	3
Mr E Houston	3	3
Mr S Jana	2	3
Mr D Lowen	2	3
Mr B Martin	3	3
Mr C Price	3	3
Mr N Raval	3	3

The Governing Body receives regular updates from the Headmaster and other senior staff on the progress and development of education in the School. The Governing Body has a number of sub-committees which report in detail about their work to the full meetings.

Conflicts of interest

Within the Code of Conduct for Staff and Governors policy, there is a Conflicts of Interest paragraph, which the Governing Body and School staff must abide by. They have a responsibility to avoid any conflict between their business and personal interests and affairs and the interests of the School, which includes the connected entities as described on page 6 of the trustees' report. Governors and Staff declare such interests that are relevant to maintain public confidence and include relevant business interests of relatives and other individuals who may exert influence. Governors also give details of any other governance roles that they have in other educational institutions.

The Governors' declaration of interests listing is available on the School [website](#).

Governance review

The Academy Trust has a strong governance culture aimed at obtaining overall assurance. An exercise was completed in 2020 to review and revise its existing constitution in the light of emerging sector best practice and pronouncements from the ESFA. To this end, the routes for appointment are in line with up-to-date practice.

The Finance, Audit and Risk Committee is a sub-committee of the main Governing Body. Its purpose is to be responsible for the system of internal financial control operating within the School and for reviewing its effectiveness.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs E Aghdiran	3	4
Mr M Bradish	3	4
Mr N Enright	4	4
Mr N Gaskell (Committee Chair)	4	4
Mr B Martin	4	4
Mr C Price	3	4

Review of value for money

As Accounting Officer, the Headmaster has responsibility for ensuring that the academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by obtaining competitive tender offers for service contracts for cleaning and grounds maintenance, and selecting the best value suppliers to carry out contracts.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Queen Elizabeth's School Barnet for the year 1 September 2021 to 31 August 2022 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the Academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy's significant risks that has been in place for the year ended 31 August 2022 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

The Academy's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- ◆ regular reviews by the Finance, Audit and Risk Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties;
- ◆ identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and Azets LLP have been appointed to carry out specific internal scrutiny assignments.

Azets LLP's role includes giving advice on financial matters and performing a range of checks. Azets LLP reports to the board of trustees, through the Finance, Audit and Risk Committee. No material control issues have arisen as a result of their work.

The risk and control framework (continued)

In addition to the specific financial control review process, the trustees commission reviews of all academic departments. These are carried out by independent experts on a rolling programme which aims to cover all subjects over a period of four years. In addition, reviews of other operational aspects are commissioned as required from independent reviewers with expertise in the particular topic.

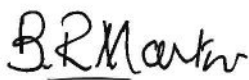
Review of effectiveness

As Accounting Officer, the Headmaster has responsibility for reviewing the effectiveness of the system of internal control. During the year in question, the review has been informed by:

- ◆ the work of the external auditor;
- ◆ the work of the independent scrutiny providers;
- ◆ the financial management and governance self-assessment process;
- ◆ the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance, Audit and Risk Committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 8th December 2022 and signed on their behalf by:



B Martin

Chair of Trustees

Date: 8th December 2022



N Enright

Accounting Officer

Date: 8th Dec. 2022

Statement on regularity, propriety and compliance 31 August 2022

As Accounting Officer of Queen Elizabeth's School, Barnet, I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academy Trust Handbook 2021.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academy Trust Handbook 2021.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.



N Enright

Accounting Officer

Date: 8th Dec. 2022

Statement of trustees' responsibilities 31 August 2022

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills Funding Agency, 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 Academy and of its income and expenditure 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 2019 and the Academies Accounts Direction 2021 to 2022;
- ♦ make judgments and estimates that are reasonable and prudent;
- ♦ state whether applicable United Kingdom Accounting Standards (FRS 102) 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 Academy will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy's transactions and disclose with reasonable accuracy at any time the financial position of the Academy 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 Academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the Academy applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 8th Dec 2022 and signed on its behalf by:



B Martin
Chair of trustees

Independent auditor's report to the members of Queen Elizabeth's School, Barnet

Opinion

We have audited the financial statements of Queen Elizabeth's School, Barnet (the 'charitable company') for the year ended 31 August 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (the Charities SORP 2019) and the Academies Accounts Direction 2021 to 2022.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 August 2022 and of its income and expenditure, for the period then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2021 to 2022.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- ◆ the information given in the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report.

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

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns;
- ◆ 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, the trustees (who are also the directors 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 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we identified the laws and regulations applicable to the charitable company through discussions with management, and from our knowledge of the academy trust sector;
- ◆ the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit;
- ◆ we considered the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant are the Companies Act 2006, the Charities SORP 2019, the Academies Accounts Direction 2021 to 2022, the Academy Trust Handbook 2021, and the academy trust's funding agreement with the ESFA as well as legislation pertaining to safeguarding in the UK;

Auditor's responsibilities for the audit of the financial statements (continued)

- ◆ we understood how the charitable company is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal, compliance and governance procedures. We corroborated our inquiries through our review of the minutes of trustees' meetings and papers provided to the trustees.
- ◆ we planned and carried out a separate limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management and those charged with governance as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ tested journal entries to identify unusual transactions;
- ◆ tested the authorisation of expenditure as part of our substantive testing thereon;
- ◆ assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
- ◆ used data analytics to identify any significant or unusual transactions and identify the rationale for them.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ agreeing financial statement disclosures to underlying supporting documentation;
- ◆ reviewing the minutes of trustees' meetings;
- ◆ enquiring of management and those charged with governance as to actual and potential litigation and claims;
- ◆ reviewing any available correspondence with Ofsted, ESFA and HMRC; and
- ◆ the work undertaken in relation to the limited assurance engagement in respect of regularity, propriety and compliance in accordance with the Framework and Guide for External Auditors and Reporting Accountants of Academy Trusts issued by the ESFA, as set out in our separate independent reporting accountant's assurance report on regularity.

Auditor's responsibilities for the audit of the financial statements (continued)

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. International Standards on Auditing also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

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

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.



Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Date: 12 December 2022

Independent reporting accountant's assurance report on regularity to Queen Elizabeth's School, Barnet and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 9 April 2019 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2021 to 2022, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Queen Elizabeth's School, Barnet during the period from 1 September 2021 to 31 August 2022 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Queen Elizabeth's School, Barnet and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Queen Elizabeth's School, Barnet and the ESFA those matters we are required to state in a 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 Queen Elizabeth's School, Barnet and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Queen Elizabeth's School, Barnet's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Queen Elizabeth's School, Barnet's funding agreement with the Secretary of State for Education and the Academies Trust Handbook, extant from 1 September 2021, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2021 to 2022. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period from 1 September 2021 to 31 August 2022 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Framework and Guide for External Auditors and Reporting Accountant of Academy Trusts issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Independent reporting accountant's report on regularity 31 August 2022

Approach (continued)

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2021 to 31 August 2022 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

Date: 12 December 2022

Statement of financial activities (including income and expenditure account) Year to 31 August 2022

	Notes	Unrestricted fund £000	Restricted £000	Restricted fixed asset fund £000	2022 Total funds £000	2021 Total funds £000
Income from:						
Donations and capital grants	1	550	—	28	578	2,205
Charitable activities:						
Funding for the academy trust's educational operations	2	1,905	7,304	—	9,209	8,139
Other trading activities	3	309	—	—	309	195
Total		2,764	7,304	28	10,096	10,539
Expenditure on:						
Raising funds	5	109	—	—	109	100
Charitable activities:						
Academy trust educational operations		1,484	8,319	607	10,410	9,056
Total	6	1,593	8,319	607	10,519	9,156
Net income (expenditure)		1,171	(1,015)	(579)	(423)	1,383
Transfers between funds	15	(1,243)	761	482	—	—
Other recognised gains and losses						
Actuarial gains (losses) on defined benefit pension scheme	20	—	2,160	—	2,160	(60)
Net movement in funds		(72)	1,906	(97)	1,737	1,323
Reconciliation of funds						
Total fund balances brought forward at 1 September 2021		775	(2,403)	27,366	25,738	24,415
Total fund balances carried forward at 31 August 2022		703	(497)	27,269	27,475	25,738

All of the Academy's activities derived from continuing operations during the above two financial periods.

Balance sheet 31 August 2022

	Notes	2022 £000	2022 £000	2021 £000	2021 £000
Fixed assets					
Tangible fixed assets	11		<u>28,366</u>		<u>28,031</u>
Current assets					
Debtors	12	371		551	
Cash at bank and in hand		<u>954</u>		<u>1,015</u>	
		1,325		1,566	
Liabilities					
Creditors: amounts falling due within one year	13	<u>(866)</u>		<u>(813)</u>	
Net current assets			<u>459</u>		<u>753</u>
Total assets less current liabilities			<u>28,825</u>		<u>28,784</u>
Creditors: amounts falling due after more than one year	14		<u>(853)</u>		<u>(643)</u>
Net assets excluding pension scheme liability			<u>27,972</u>		<u>28,141</u>
Defined pension scheme liability	20		<u>(497)</u>		<u>(2,403)</u>
Total net assets			<u>27,475</u>		<u>25,738</u>
Funds of the Academy					
Restricted funds					
. Restricted income funds	15		—		—
. Restricted fixed asset funds	15		27,269		27,366
. Pension reserve	15		<u>(497)</u>		<u>(2,403)</u>
Total restricted funds			<u>26,772</u>		<u>24,963</u>
Unrestricted income funds					
General fund	15		<u>703</u>		<u>775</u>
Total funds			<u>27,475</u>		<u>25,738</u>

The financial statements on page 28 to 53 were approved by the trustees, and authorised for issue on 8 December 2022 and are signed on their behalf by:



B R Martin
Chair of Trustees

Queen Elizabeth's School, Barnet
Company Limited by Guarantee
Registration Number: 07351253 (England and Wales)

Statement of cash flows Year to 31 August 2022

	Note	2022 £000	2021 £000
Cash flows from operating activities			
Net cash provided by operating activities	A	421	1,592
Cash flows from investing activities	B	(914)	(2,636)
Cash flows from financing activities		432	621
Change in cash and cash equivalents in the year		(61)	(423)
Cash and cash equivalents at 1 September 2021		1,015	1,438
Cash and cash equivalents at 31 August 2022	D	954	1,015

A Reconciliation of net (expenditure) income to net cash provided by operating activities

	2022 £000	2021 £000
Net (expenditure) income for the year (as per the statement of financial activities)	(423)	1,383
Adjusted for:		
Depreciation charges	607	554
Capital grants from DfE and other capital income	(28)	(706)
Defined benefit pension scheme cost less contributions made	213	143
Defined benefit pension scheme finance cost	41	38
Decrease (Increase) in debtors	180	(41)
(Decrease) increase in creditors	(169)	221
Net cash provided by operating activities	421	1,592

B Cash flows from investing activities

	2022 £000	2021 £000
Purchase of tangible fixed assets	(942)	(3,342)
Capital grants from DfE/ESFA	28	706
Net cash (used in) investing activities	(914)	(2,636)

C Cash flows from financing activities

	2022 £000	2021 £000
Repayment of borrowing	(25)	(22)
Cash inflow from new borrowing	457	643
Net cash provided by financing activities	432	621

Statement of cash flows Year to 31 August 2022

D Analysis of cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	954	1,015
Total cash and cash equivalents	954	1,015

E Analysis of changes in net debt

	At 1 September 2021 £'000	Cash flows £'000	Other non-cash changes £'000	At 31 August 2022 £'000
Cash	1,015	(61)	—	954
	1,015	(61)	—	954
Loans falling due within one year	(22)	(222)	—	(244)
Loans falling due after more than one year	(643)	(210)	—	(853)
Total	350	(493)	—	(143)

Statement of accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2021 to 2022 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling and rounded to the nearest thousand pounds.

Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern.

The Trustees closely monitor the position each month. Government grants, which comprise the major part of income are certain for the foreseeable future, as pupil numbers are fully expected to remain at current levels. Income from other sources such as lettings and catering has resumed and continues at levels consistent with the pre-Covid situation. The Trustees consider that the academy trust has free reserves sufficient to support future operations.

The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income is recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Income (continued)

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

The General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

School trips and activities are included in unrestricted funds. Income is recognised when received. If income is received in advance of the trips and activities taking place, income is deferred and then released once the trip or activity is delivered.

Donations

Donations are recognised on a receivable basis where receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure (continued)

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All expenditure is stated net of recoverable VAT.

Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

♦ Freehold buildings	50 years
♦ Fixtures, fittings and equipment	4 years
♦ Plant and equipment	3 or 4 years

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

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

Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy 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 academy 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.

Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

Pensions (continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 20, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities incorporating Income and Expenditure Account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Department for Education Group.

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the statement of financial activities as the academy trust does not have control over the charitable application of the funds. The academy trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 22.

Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2022. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Notes to the financial statements Year to 31 August 2022

1 Donations and capital grants

	Unrestricted funds £000	Restricted funds £000	Restricted fixed assets funds £000	2022 Total funds £000	2021 Total funds £000
Capital grants	—	—	28	28	706
Other donations	550	—	—	550	1,499
2022 Total funds	550	—	28	578	2,205

	Unrestricted funds £000	Restricted funds £000	Restricted fixed assets funds £000	2021 Total funds £000
Capital grants	—	—	706	706
Other donations	1,499	—	—	1,499
2021 Total funds	1,499	—	706	2,205

2 Funding for the academy's educational operations

	Unrestricted funds £000	Restricted funds £000	2022 Total funds £000	2021 Total funds £000
DfE / ESFA revenue grants				
. General Annual Grant (GAG)	—	7,101	7,101	6,501
. Other DfE / ESFA	—	—	—	—
.. Pupil Premium	—	45	45	42
.. Others	—	158	158	441
	—	7,304	7,304	6,984
Exceptional government funding				
COVID-19 additional funding (DfE/ESFA)				
Catch-up premium	—	—	—	76
Other DfE/ESFA COVID-19 funding	—	—	—	16
COVID-19 additional funding (non-DfE / ESFA)				
Coronavirus Job Retention Scheme grant	—	—	—	37
Other COVID-19 funding	—	—	—	54
	—	—	—	183
Other income from the academy's educational operations	1,905	—	1,905	972
2022 Total funds	1,905	7,304	9,209	8,139

The academy trust was eligible to claim additional funding in 2020/21 from government support schemes in response to the coronavirus outbreak. The funding received was shown under "exceptional government funding".

2 Funding for the academy's educational operations (continued)

	Unrestricted funds £000	Restricted funds £000	2021 Total funds £000
<i>DfE / ESFA revenue grants</i>			
. General Annual Grant (GAG)	—	6,501	6,501
. Other DfE / ESFA			
.. Pupil Premium	—	42	42
.. Others	—	441	441
	—	6,984	6,984
Exceptional government funding			
COVID-19 additional funding (DfE/ESFA)			
Catch-up premium	—	76	76
Other DfE/ESFA COVID-19 funding	—	16	16
COVID-19 additional funding (non-DfE /ESFA)			
Coronavirus Job Retention Scheme grant	—	37	37
Other COVID-19 funding	—	54	54
	—	183	183
Other income from the academy's educational operations	972	—	972
2021 Total funds	972	7,167	8,139

The School received £76,000 of funding for catch-up premium and costs incurred in respect of this funding totalled £76,000.

The School furloughed some of its support staff under the government's CJRS at various times during the year. The funding received of £37,000 relates to staff costs in respect of 17 staff which are included within note 8 as appropriate.

The School received £16,000 from the ESFA for costs related to the pandemic incurred in 2019/20. In addition, £33,000 was received from the Department of Health for costs associated with mass testing of pupils and staff. The local authority, the London Borough of Barnet, made a grant of £21,000 to assist with exceptional costs of the pandemic.

3 Other trading activities

	Unrestricted funds	
	2022 Total funds £000	2021 Total funds £000
Hire of facilities	252	145
Miscellaneous income	57	50
	309	195

Notes to the financial statements Year to 31 August 2022

4 Expenditure

	Non pay expenditure			2022 Total funds £000	2021 Total funds £000
	Staff costs £000	Premises £000	Other costs £000		
Expenditure on raising funds (see note 5)					
. Direct Costs	—	—	86	86	78
. Support costs	12	8	3	23	22
Charitable activities (see note 6)					
. Academy's educational operations					
.. Direct costs	5,053	607	2,538	8,198	7,035
.. Allocated support costs	1,166	747	299	2,212	2,021
2022 Total funds	6,231	1,362	2,926	10,519	9,156

	Non pay expenditure			2021 Total funds £000
	Staff costs £000	Premises £000	Other costs £000	
Expenditure on raising funds (see note 5)				
. Direct Costs	—	—	78	78
. Support costs	12	8	2	22
Charitable activities (see note 6)				
. Academy's educational operations				
.. Direct costs	5,127	554	1,354	7,035
.. Allocated support costs	1,086	723	212	2,021
2021 Total funds	6,225	1,285	1,646	9,156

This is stated after charging:

	2022 £000	2021 £000
Net (expenditure) income for the year includes:		
Depreciation of tangible fixed assets	607	554
Operating lease rentals	14	9
Auditor's remuneration		
. Audit	11	11
. Other services	2	2

5 Expenditure on raising funds

	Unrestricted funds	
	2022 Total funds £000	2021 Total funds £000
Maintenance of premises and equipment	33	23
Heat and light	27	26
Support staff costs	26	29
Allocated support costs	23	22
	109	100

Notes to the financial statements Year to 31 August 2022

6 Charitable activities - academy's educational operations

	2022 Total funds £000	2021 Total funds £000
Direct costs	8,198	7,035
Support costs		
Support staff pay costs	1,166	1,086
Premises costs	747	723
Other support costs	277	186
Legal costs	12	11
Governance	10	15
	2,212	2,021
	10,410	9,056

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2021 between restricted and unrestricted funds:

	Notes	Unrestricted fund £000	Restricted £000	Restricted fixed asset fund £000	2021 Total funds £000
<i>Income from:</i>					
Donations and capital grants	1	1,499	—	706	2,205
<i>Charitable activities:</i>					
Funding for the academy trust's educational operations	2	972	7,167	—	8,139
Other trading activities	3	195	—	—	195
Total		2,666	7,167	706	10,539
<i>Expenditure on:</i>					
Raising funds	5	100	—	—	100
<i>Charitable activities:</i>					
Academy trust educational operations		600	7,902	554	9,056
Total	6	700	7,902	554	9,156
Net income (expenditure)		1,966	(735)	152	1,383
Transfers between funds	15	(2,131)	554	1,577	—
<i>Other recognised gains and losses</i>					
Actuarial (losses) on defined benefit pension scheme	20	—	(60)	—	(60)
Net movement in funds		(165)	(241)	1,729	1,323
<i>Reconciliation of funds</i>					
Total fund balances brought forward at 1 September 2020		940	(2,162)	25,637	24,415
Total fund balances carried forward at 31 August 2021		775	(2,403)	27,366	25,738

Notes to the financial statements Year to 31 August 2022

8 Staff

(a) Staff costs

Staff costs during the year were:

	2022 Total funds £000	2021 Total funds £000
Wages and salaries	4,495	4,586
Social security costs	496	487
Pension costs	1,212	1,145
	6,203	6,218
Agency staff costs	28	7
	6,231	6,225

(b) Severance payments

The academy trust paid one (2021 – £nil) severance payment in the year falling in the £0 - £25,000 band.

(c) Staff numbers

The average numbers of persons (including senior management team) employed by the Academy during the year was as follows:

Charitable activities	2022 No.	2021 No.
Teachers	82	84
Administration and support	26	28
Management	8	7
	116	119

8 Staff (continued)

(d) Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) fell within the following bands was:

	2022 No.	2021 No.
£60,001 - £70,000	3	3
£70,001 - £80,000	3	3
£160,001 - £170,000	—	1
£170,001 - £180,000	1	—

Six (2021 – six) of the above employees participated in the Teachers' Pension Scheme. The other employee (2021 – one) participated in the Local Government Pension Scheme.

(d) Key management personnel

The key management personnel of the academy trust comprise the trustees listed on page 1 together with the senior management team as listed on page 5. The total amount of employee benefits (including employer pension and national insurance contributions) received by key management personnel for their services to the academy trust was £870,824 (2021 – £868,000).

9 Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of remuneration and other benefits paid to Trustees during their periods of service was as follows:

	2022 £	2021 £
Mr N Enright (Headmaster and Governor)		
. Remuneration	175,000 – 180,000	160,000 – 165,000
. Employer's pension contributions	35,000 – 40,000	35,000 – 40,000
Mr C Price (Staff Governor)		
. Remuneration	15,000 – 20,000	25,000 – 30,000
. Employer's pension contributions	—	5,000 – 10,000
Mrs A Macdonald (Staff Governor)		
. Remuneration (for period whilst a Trustee)	—	10,000 – 15,000
. Employer's pension contributions	—	0 – 5,000
Mrs E Aghdiran (Staff Governor)		
. Remuneration (for period whilst a Trustee)	—	10,000 – 15,000
. Employer's pension contributions	—	0 – 5,000
Mr D Burton (Staff Governor)		
. Remuneration (for period whilst a Trustee)	—	5,000 – 10,000
. Employer's pension contributions	—	0 – 5,000

During the year ended 31 August 2022, £nil travel and subsistence expenses (2021 – £nil) were reimbursed or paid directly to Trustees in their role as employees of the School.

Other related party transactions involving the trustees are set out in note 21.

10 Trustees' and Officers' insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2022 was £5,220 (2021 – £5,000).

11 Tangible fixed assets

	Freehold land and building £'000	Furniture and fixtures £'000	Plant and equipment £'000	Assets under construction £'000	Total funds £'000
Cost/valuation					
At 1 September 2021	26,506	1,625	812	3,212	32,155
Transfer	3,212	—	—	(3,212)	—
Additions	721	69	121	31	942
At 31 August 2022	30,439	1,694	933	31	33,097
Depreciation					
At 1 September 2021	1,915	1,490	719	—	4,124
Charge in year	415	109	83	—	607
At 31 August 2022	2,330	1,599	802	—	4,731
Net book value					
At 31 August 2022	28,109	95	131	31	28,366
At 31 August 2021	24,591	135	93	3,212	28,031

Included within freehold land and building is non-depreciated land of £8,195,000. The asset under construction transferred represents the construction cost of the new Music block, which completed in February 2022. The remaining asset under construction represents costs in respect of the new Robert Dudley drama studio.

12 Debtors

	2022 £000	2021 £000
Trade debtors	71	68
VAT recoverable	52	257
Other debtors	31	104
Prepayments and accrued income	217	122
	371	551

13 Creditors: amounts falling due within one year

	2022 £000	2021 £000
Trade creditors	87	—
Accruals and deferred income	535	791
ESFA creditor: loan under Condition Improvement Fund (see note 14)	244	22
	866	813
Deferred income		
Deferred Income at 1 September 2021	346	284
Resources deferred in the year	456	346
Amounts released from previous years	(346)	(284)
Deferred Income at 31 August 2022	456	346

At the balance sheet date the Academy Trust was holding funds received in advance for coach fees, trips and clubs of £416,000 (2021 – £305,000) and lettings of £40,000 (2021 – £41,000).

14 Creditors: amounts falling due in greater than one year

	2022 £000	2021 £000
ESFA creditor: loan under Condition Improvement Fund (see below)	853	643
	853	643

A loan of £65,000 in respect of fire safety works in the main building was received in the year ended 31 August 2019 from the ESFA under the Condition Improvement Fund. This is repayable over three years commencing September 2019 at an interest rate of 1.45%. In the year, £22,000 was repaid (2021 – £22,000), representing the final payment.

A loan of £1,000,000 in respect of construction of the Mayes Music block was received, of which £457,000 was received in the year ended 31 August 2022 (2021 – £543,000) from the ESFA under the Condition Improvement Fund. This is repayable over five years commencing September 2022 at an interest rate of 2.01%. No repayments were made in the year. £787,780 is included in creditors falling due in greater than one year and £212,220 is included in creditors falling due within one year.

A loan of £100,000 in respect of fire safety works in the Fern building was received in the year ended 31 August 2021 from the ESFA under the Condition Improvement Fund. This is repayable over three years commencing September 2022 at an interest rate of 1.45%. £2,755 Salix element of the loan was repaid within the year. £64,960 is included in creditors falling due in greater than one year and £32,485 is included in creditors falling due within one year.

The loans fall due for repayment as follows:

	2022 £000	2021 £000
Debt due in one year or less	244	22
In more than one year but not more than two years	244	233
In more than two years but not more than five years	609	410
	1,097	665

Notes to the financial statements Year to 31 August 2022

15 Funds

	Balance at 1 September 2021 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains & losses £000	Balance at 31 August 2022 £000
Restricted funds						
General Annual Grant (GAG)	—	7,101	(7,862)	761	—	—
Pupil Premium	—	45	(45)	—	—	—
Other ESFA	—	158	(158)	—	—	—
Pension reserve	(2,403)	—	(254)	—	2,160	(497)
	(2,403)	7,304	(8,319)	761	2,160	(497)
Restricted fixed asset funds						
Revaluation	1,074	—	—	—	—	1,074
DfE/ESFA capital grants	2,268	28	(53)	—	—	2,243
Capital expenditure from GAG	2,507	—	(58)	—	—	2,449
Private sector capital sponsorship	21,517	—	(496)	482	—	21,503
	27,366	28	(607)	482	—	27,269
Total restricted funds	24,963	7,332	(8,926)	1,243	2,160	26,772
Unrestricted funds						
General funds	775	2,764	(1,593)	(1,243)	—	703
Total unrestricted funds	775	2,764	(1,593)	(1,243)	—	703
Total funds	25,738	10,096	(10,519)	—	2,160	27,475

The specific purposes for which the funds are to be applied are as follows:

Restricted funds and restricted fixed asset fund

- ◆ General Annual Grant (GAG) must be used for the normal running costs of the Academy.
- ◆ Pupil Premium grant must be used for the educational benefit of pupils.
- ◆ Other ESFA grants consist primarily of funding for additional payroll and pension costs for teachers as mandated by government £99,000 (2021 – £368,000) and business rates charges of £33,000 (2021 – £32,000).
- ◆ The DfE/ESFA capital grants represents fixed asset funding for various capital projects.
- ◆ Private sector capital sponsorship represents funding from the Friends of Queen Elizabeth's School.

Unrestricted funds

- ◆ General fund relates to income and expenditure from all other unrestricted sources, including lettings and income and expenditure from activities and trips.

Notes to the financial statements Year to 31 August 2022

15 Funds (continued)

Comparative information

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Gains & losses £000	Balance at 31 August 2021 £000
<i>Restricted funds</i>						
General Annual Grant (GAG)	—	6,501	(7,055)	554	—	—
Pupil Premium	—	42	(42)	—	—	—
Catch-up premium	—	76	(76)	—	—	—
Other DfE/ESFA COVID-19 funding	—	16	(16)	—	—	—
Coronavirus Job Retention Scheme grant	—	37	(37)	—	—	—
Other COVID-19 funding	—	54	(54)	—	—	—
Other ESFA	—	441	(441)	—	—	—
Pension reserve	(2,162)	—	(181)	—	(60)	(2,403)
	(2,162)	7,167	(7,902)	554	(60)	(2,403)
<i>Restricted fixed asset funds</i>						
Revaluation	1,074	—	—	—	—	1,074
DfE/ESFA capital grants	1,613	706	(51)	—	—	2,268
Capital expenditure from GAG	2,563	—	(56)	—	—	2,507
Private sector capital sponsorship	20,387	—	(447)	1,577	—	21,517
	25,637	706	(554)	1,577	—	27,366
<i>Total restricted funds</i>	23,475	7,873	(8,456)	2,131	(60)	24,963
<i>Unrestricted funds</i>						
General funds	940	2,666	(700)	(2,131)	—	775
<i>Total unrestricted funds</i>	940	2,666	(700)	(2,131)	—	775
<i>Total funds</i>	24,415	10,539	(9,156)	—	(60)	25,738

Notes to the financial statements Year to 31 August 2022

16 Analysis of net assets between funds

	Unrestricted funds £000	Restricted General Funds £000	Restricted Fixed Asset Fund £000	Total 2022 £000	Total 2021 £000
Fund balances at 31 August 2022 are represented by:					
Tangible fixed assets	—	—	28,366	28,366	28,031
Current assets	703	622	—	1,325	1,566
Current liabilities	—	(622)	(244)	(866)	(813)
Non-current liabilities	—	—	(853)	(853)	(643)
Pension scheme liability	—	(497)	—	(497)	(2,403)
Total net assets	703	(497)	27,269	27,475	25,738

Comparative information

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds £000	Restricted General Funds £000	Restricted Fixed Asset Fund £000	Total 2021 £000
Fund balances at 31 August 2021 are represented by:				
Tangible fixed assets	—	—	28,031	28,031
Current assets	1,566	—	—	1,566
Current liabilities	(791)	—	(22)	(813)
Non-current liabilities	—	—	(643)	(643)
Pension scheme liability	—	(2,403)	—	(2,403)
Total net assets	775	(2,403)	27,366	25,738

17 Capital commitments

	2022 £000	2021 £000
Contracted for, but not provided in the financial statements	—	536

The contract for the construction of the Mayes Music block was signed in September 2020. The work on this major project completed in February 2022. There are no other capital commitments.

18 Commitments under operating leases

Operating leases

At 31 August 2022, the total of the Academy's future minimum lease payments under non-cancellable operating leases was as follows:

	2022 £000	2021 £000
Amounts due within one year	20	4
Amounts due between two and five years inclusive	79	—
	99	4

19 Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

20 Pension and similar obligations

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by London Borough of Barnet. Both are Multi-Employer Defined Benefit Pension Schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS to the period ended 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- ♦ employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy) from 1 September 2019. Previously the contribution rate was 16.48%;
- ♦ total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million; and

20 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme (continued)

- ♦ the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. The assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £840,000 (2021 – £849,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pension Scheme website](#).

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2022 was £205,000 (2021 – £203,000), of which employer's contributions totalled £159,000 (2021 – £153,000) and employees' contributions totalled £46,000 (2021 – £50,000). The agreed contribution rates for future years are 23.8% for employers and between 5.5% and 12.5% for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions	At 31 August 2022	At 31 August 2021
Discount rate for scheme liabilities	4.25%	1.65%
Rate of increase in salaries	3.60%	3.60%
Rate of increase for pensions in payment / inflation	3.20%	2.90%

20 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2022	At 31 August 2021
<i>Retiring today</i>		
Males	21.7	21.9
Females	24.3	24.4
<i>Retiring in 20 years</i>		
Males	23.1	23.3
Females	26.1	26.4

The Academy's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2022 £000	Fair value at 31 August 2021 £000
Equities	2,625	2,522
Cash	38	155
Debt instruments	913	1,048
Property	228	155
Total market value of assets	3,804	3,880

The actual return on scheme assets was a loss of £206,000 (2021 – £653,000).

Sensitivity analysis	2022 £000	2021 £000
Discount rate -0.5%	410	610
Salary increase rate of +0.5%	50	75
Pension increase rate of +0.5%	365	520

Amounts recognised in statement of financial activities	2022 £000	2021 £000
Current service cost	(369)	(312)
Interest income	65	53
Interest cost	(106)	(91)
Total amount recognised in the SOFA	(410)	(350)

20 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Changes in the present value of defined benefit obligations were as follows:	2022 £000	2021 £000
At 1 September 2021	6,283	5,215
Current service cost	369	312
Interest cost	106	91
Employee contributions	45	52
Actuarial (gains) losses	(2,433)	676
Benefits paid	(69)	(63)
At 31 August 2022	4,301	6,283

Changes in the fair value of the Academy's share of scheme assets:	2022 £000	2021 £000
At 1 September 2021	3,880	3,053
Interest income	65	53
Actuarial (losses) gains	(273)	616
Employer contributions	156	169
Employee contributions	45	52
Benefits paid	(69)	(63)
At 31 August 2022	3,804	3,880

The amount shown in the balance sheet comprises:	2022 £000	2021 £000
Closing defined benefit obligation	(4,301)	(6,283)
Closing fair value of scheme assets	3,804	3,880
Defined benefit pension scheme liability	(497)	(2,403)

21 Related party transactions

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

The following related party transactions took place in the period of account (certain trustees' remuneration and expenses are already disclosed in note 9).

22 Related party transactions (continued)

There is a related, but wholly independent, charitable undertaking, The Friends of Queen Elizabeth's School ("FQE") (registered charity number 289174) which has a wholly owned subsidiary, FQE Enterprises Limited, which operates the School Shop. FQE operates as the Parents' Association and raises funds, generally from the school community, which are granted to the school periodically to support the facilities at the school.

During the academic year the following amounts were receivable from The Friends of Queen Elizabeth's School, in respect of:

	2022 £000	2021 £000
School minibus expenditure	20	3
Capital works around site	100	1,456
Grant for specific projects	31	17

Of this amount, £120,000 was received shortly after the year-end and is therefore included within debtors as at 31 August 2022 (2021 – £76,000).

The School also collected monies and paid monies relating to the Founders Day Fete and other activities on behalf of the Friends. At 31 August 2022, £31,000 (2021 – £1,000) was owed from the charity to the school.

Transactions involving the School and FQE Enterprises Limited

During the financial year FQE Enterprises Limited, which operates the School's shop, collected monies of £12,000 (2021 – £7,000) which was paid over to the School. At the Balance Sheet date £4,000 (2021 – £2,000) was due to the school.

The School also received funds relating to salary costs and overheads paid by the school for Staff working in the FQE shop. This totals £52,000 (2021 – £50,000). This was received after the year end and is included in debtors.

The Academy Trust conducted the above related party transactions in accordance with the requirements of the Academies Trust Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with their financial regulations and procurement procedures.

22 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2022 the academy trust received £13,000 and disbursed £13,000 from the fund. An amount of £nil is included in other creditors relating to undistributed funds repayable to ESFA.

Comparatives for the accounting period ending 31 August 2021 are £13,000 received, £13,000 disbursed and £nil included in other creditors.