

**THE FRIENDS OF QUEEN ELIZABETH'S SCHOOL
ANNUAL REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2018**

THE FRIENDS OF QUEEN ELIZABETH'S SCHOOL

CONTENTS

	Page
Trustees' annual report	1-6
Independent Auditors' report	7-9
Consolidated Statement of Financial Activities including Consolidated Income and Expenditure Account	10
Charity Statement of Financial Activities including Charity Income and Expenditure Account	11
Group Balance Sheet	12
Charity Balance Sheet	13
Group and Charity Statement of Cash Flows	14
Accounting Policies	15 - 16
Notes to the Financial Statements	17 - 22

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 JULY 2018**

The Trustees submit their annual report and financial statements of The Friends of Queen Elizabeth's School for the year ended 31 July 2018

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

The Friends of Queen Elizabeth's School is a registered charity. Its objects, powers and other constitutional matters are set out in its Trust Deed of March 1993. It is governed by a Board of Trustees, which is responsible for setting the strategic direction of the organisation and for establishing policy. The financial statements comply with current statutory requirements, the charity's governing documents and the Charities SORP (FRS 102).

Trustees

The Trustees who served during the year were as follows:

E. Aghdiran MBA	Director of Covenants
N. Enright MA (Oxon), MBA, FRSA	Headmaster and President
N. Gaskell ACA	Honorary Treasurer
E. Houston BA	Retired Second Master
B. Martin FRICS, IRRV	Chairman
C. Price BA, PGDipEdLaw	Second Master

Appointment of Trustees

The Charity's Trust Deed lays down that the Trustees shall include:

- The Headmaster of Queen Elizabeth's Boys' School at Barnet for the time being;
- A Master of Queen Elizabeth's Boys' School at Barnet appointed from time to time by the Headmaster thereof;
- The Chairman of the Friends of Queen Elizabeth's for the time being;
- The Treasurer of the Friends of Queen Elizabeth's for the time being; and
- The Director of Covenants of the Friends of Queen Elizabeth's for the time being.

Other trustees may be appointed so long as the number of trustees is no more than eight and not less than five.

The Chair of the Trustees is responsible for the induction of any new trustee. This involves awareness of a trustee's responsibilities, the governing document, administrative procedures, the history and the philosophical approach of the School.

2. REFERENCE AND ADMINISTRATIVE DETAILS

Registered address	Queen Elizabeth's School Queen's Road Barnet Herts EN5 4DQ
Charity registration number	289174
Registered auditor	Moore Stephens LLP 150 Aldersgate Street London EC1A 4AB

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018**

Bankers

CAF Bank Limited
Kings Hill
West Malling
Kent
ME19 4TA

HSBC Plc
140 High Street
Barnet
Herts
EN5 5XW

Executive committee

B. Martin, Chairman
N. Enright, Headmaster
D. Mason, Secretary
A. Khimasia, School Captain
A. Binstock
R. Essex
K. Forrester
P. Forrester
C. Martin
P. Reid
W. Rodrigues
A. Westcott

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018****3. OBJECTIVES AND ACTIVITIES**

The Charity's objects, powers and other constitutional matters are set out in its Trust Deed. In setting the Charity's objectives and planning its activities, the Trustees have given careful consideration to the Charity Commission's public benefit guidance. The Charity has continued its principal activity of providing for all or any of the following:

- The advancement of education at Queen Elizabeth's School ("the School").
- The provision, maintenance, insurance, reconstruction or repair of the School buildings, fixtures, fittings and equipment including vehicles and any facility of whatsoever nature present at the School or subsequently to be erected at the School, including the provision or extension or maintenance of playing fields and any other recreational facility.
- The general encouragement of all educational pursuits by the students of the School, including the provision of films, books, lectures, educational equipment, sporting, recreational and musical equipment and costs involved in attending external educational courses or visits.
- The provision of financial assistance to necessitous pupils of the School for the purposes of acquiring clothing, books, tools, instruments and equipment.
- The furtherance of any general charitable object for the benefit of the School or for its present or future or past members.
- The promotion of cohesion between all members of the School's community through their involvement with the organisation of social events held for the benefit of the School.

Investment Powers and Policy

Investment powers are governed by the Trust Deed. There are no restrictions on the Charity's absolute power of investment.

Organisation and Policy

The objects of the charity are to advance the education of the boys of the School by providing and assisting in the provision of facilities for education at the School and to engage in activities which support the School.

All parents and guardians of pupils of the School and members of the common room are voting members of the charity. Those who were formerly members and old boys of the School may be associate or honorary members. The Executive Committee deals with the planning and organisation of events and the Trustees administer the trust funds. The President, Chairman and Treasurer of the Charity are ex officio Trustees. The Executive Committee meets approximately 8 times per year and Sub-Committees meet more frequently to plan particular events to support the Trust.

The Headmaster and members of the common room attend the meetings of the Executive Committee and keep them informed of the School's plan and aspirations. The Committee's action programme is tailored to provide support for the plans. Ordinary members are kept informed by means of the School's termly newsletter and by additional mailings from the Executive from time to time. The annual report is presented to the Annual General Meeting. Reports of recent and future activities are made to each meeting of the School's Governing Body.

In addition to raising funds and providing facilities for education at the School, members assist at many school functions including briefings for prospective parents, new parents, work-experience and rugby teas.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018****Connected Organisations including Related Party Relationships**

The Friends of Queen Elizabeth's School provides funding for the provision of facilities for the education of pupils at Queen Elizabeth's School, Barnet.

The Friends of Queen Elizabeth's School is the parent company to FQE Enterprises Limited (the subsidiary). The subsidiary's principal trading activity is to provide school uniform, equipment and other related products and services to the pupils of Queen Elizabeth's School, Barnet. All profits from the subsidiary are donated to The Friends of Queen Elizabeth's School by Gift Aid.

Public Benefit

The Governors acknowledge the duty in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's published general and relevant sub-sector guidance on public benefit. They have referred to this guidance when reviewing the aims, strategy and planning future activities. All activities undertaken by the School are for the public benefit.

The Charity 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. The charity's overriding objective of advancing education at Queen Elizabeth's School meets the Charity Commission's public benefit guidance since the support given to Queen Elizabeth's School benefits all of the students at the school. In addition, the support given to The School by the Charity provides public benefit to the wider educational community. For example, the School's swimming pool was funded through donations from The Charity and is now used by several local primary schools at heavily subsidised rental rates.

Fundraising Practices

The Charity 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.

4. ACHIEVEMENTS AND PERFORMANCE**i) THE EXTENT TO WHICH OBJECTIVES HAVE BEEN MET**

During the last academic year, the Friends have continued to provide financial support to Queen Elizabeth's School.

There were a number of very successful social and fundraising events held throughout the year, including the traditional Founder's Day Fete in June and the popular annual Bowling Evening for the new Year 7 boys.

ii) SUMMARY

Capital projects financed by the FQE continue to impact profoundly upon the working environment and extra-curricular life of the School. The boys would simply not be able to enjoy the range of sporting and cultural experiences they do without the Friends' wide ranging support that also includes basics such as the running costs of the minibuses and costs of celebrations such as the Junior and Senior Awards ceremonies. These extra-curricular enrichments contribute significantly to the School's mission of producing rounded young people who are confident, able and responsible. There is also a direct correlation between the pupils' extra-curricular enrichment and their extraordinary academic achievements. Staff derive confidence from the support that the School receives from the FQE as they know that the work they do here is highly valued. Pupils take themselves seriously when they know that many have given so much voluntarily to enhance their educational experience.

In July 2018 the school commenced a project to refurbish the Main School Building, including modernising classroom layouts and decoration. This was carried out alongside a project to bring in new Fire Safety measures which will be substantially funded by a grant to the School from the Condition Improvement Fund ("CIF") from the Education and Skills Funding Agency. At the year-

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018**

end, the Charity has advanced funds by donation to the School of £371,427 to enable these works to be carried out. In addition to funding this major capital item the Charity has made significant donations to the School during the year for purposes which include the costs of upgrading the swimming pool boilers, the final completion costs of the Heard Building and the preparatory work required for planning the next phase of the School estates strategy. The Charity continues to make donations to the School to cover travel costs for pupils to attend events and fixtures.

It is also of paramount importance that Queen Elizabeth's holds to a steady course and stands firm on the common core values that bind the School community together. In so doing we ensure that parents, staff, old boys, trustees and governors work together effectively to realise the School's priorities and achieve our mission. It is this unity of purpose, reflected materially in the many donations to FQE that lies at the heart of our boys' burgeoning successes.

The School had another splendid year with excellent examination results at all levels. The pupils and staff are immensely grateful for the support which the School receives from The Friends of Queen Elizabeth's School.

iii) PLANS FOR THE FUTURE

The Charity will continue to work closely with Queen Elizabeth's School, Barnet, and provide support as needed with the School's Priorities for Development. The Heard Building project was completed last year and during this year improvements to the Main Building have been funded by the Charity. Attention now turns to gathering funds for the next improvements to the School's estate.

5. FINANCIAL REVIEW

The results are reported within the financial statements and the Charity's assets are sufficient to meet its obligations.

The principal funding sources are by way of donations to the Charity and income generated from fund-raising activities within Queen Elizabeth's School, Barnet.

Total incoming resources for the year were £893,511 (2017: £878,420) and total resources expended were £802,013 (2017: £1,387,499). Funds are being used to support building projects and educational developments within Queen Elizabeth's School, Barnet.

Reserves Policy

Note 7 to the financial statements shows the movement in funds by type. The Charity's policy is to build up reserves by means of annual operating surpluses and judicious management of its investment assets to enable the pursuance of the charity's objects. As at 31 July 2018, sufficient reserves are held to cover the expected donations to The School during the 2018/19 year.

Grant Making Policy

Grants to Queen Elizabeth's School are made in accordance with the procedures laid down by the Board of Trustees and established by the conditions set down by the donor of the funds.

Risk Management

The Board continues to keep the charity's activities under review, particularly with regard to any major risks that may arise from time to time and to monitor the effectiveness of the system of internal controls.

Investment in FQE Enterprises Ltd

The Charity holds an investment of £25,000 in FQE Enterprises Ltd, a wholly owned subsidiary of the Charity which runs the School's shop. All of the Shop's profits are donated to the Charity each year.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 JULY 2018**

6. STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

7. KEY MANAGEMENT REMUNERATION POLICY

The key management of the charity are regarded as its trustees. The trustees do not receive any remuneration or benefits in kind.



N Enright
President

10.10.2018

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE FRIENDS OF QUEEN ELIZABETH'S SCHOOL
FOR THE YEAR ENDED 31 JULY 2018**

Opinion

We have audited the financial statements of The Friends of Queen Elizabeth's School (the 'charitable company') for the year ended 31 July 2018 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charity's Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 July 2018 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our 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 audit opinion.

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE FRIENDS OF QUEEN ELIZABETH'S SCHOOL
FOR THE YEAR ENDED 31 JULY 2018**

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities Statement set out on page 6, the trustees 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

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.

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

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF THE FRIENDS OF QUEEN ELIZABETH'S SCHOOL
FOR THE YEAR ENDED 31 JULY 2018**

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Simkins, Senior Statutory Auditor

For and on behalf of Moore Stephens LLP, Statutory Auditor

Moore Stephens LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

150 Aldersgate Street
London
EC1A 4AB

Date: 24/10/2018

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2018

INCOME FROM:	Notes	Unrestricted Funds £	Total 2018 £	Total 2017 £
Donations and legacies	1	696,810	696,810	686,186
Charitable activities	3	36,089	36,089	29,086
Other trading activities		160,144	160,144	162,431
Investment		468	468	717
Total		893,511	893,511	878,420
EXPENDITURE ON:				
Raising funds	2	141,284	141,284	143,372
Charitable activities	2	660,729	660,729	1,244,127
Total		802,013	802,013	1,387,499
Net Income / (expenditure) for the Year and Net Movement in Funds		91,498	91,498	(509,079)
Reconciliation of Funds				
Total funds brought forward		677,238	677,238	1,186,317
Total funds carried forward	7	768,736	768,736	677,238

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING CHARITY INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 JULY 2018

INCOME FROM:	Notes	Unrestricted Funds £	Total 2018 £	Total 2017 Restated £
Donations and legacies	1	720,753	720,753	708,594
Charitable activities	3	36,089	36,089	29,086
Investment		462	462	714
Total		757,304	757,304	738,394
EXPENDITURE ON:				
Raising funds	3	8,420	8,420	11,296
Charitable activities	2	653,885	653,885	1,237,711
Total		662,305	662,305	1,249,007
Net Income for the Year and Net Movement in Funds		94,999	94,999	(510,613)
Reconciliation of Funds				
Total funds brought forward		653,295	653,295	1,163,908
Total funds carried forward	7	748,294	748,294	653,295

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

**GROUP BALANCE SHEET
AT 31 JULY 2018**

	Note	2018	2017
		£	£
Current assets			
Stocks		64,837	55,940
Debtors	5	52,866	48,168
Bank accounts		1,090,924	846,570
Total Current Assets		1,208,627	950,678
Creditors: Amounts falling due within one year	6	(439,891)	(273,440)
Total assets less current liabilities		768,736	677,238
Comprising:			
Funds			
Unrestricted: General funds	7	768,736	677,238
Total Funds		768,736	677,238

The financial statements were approved by the Trustees on 10th October 2018 and signed on their behalf by

N Enright
President

N Gaskell
Honorary Treasurer

**CHARITY BALANCE SHEET
AT 31 JULY 2018**

	Note	2018	2017
		£	Restated £
Fixed asset investment			
Investment in subsidiary company		25,000	25,000
<hr/>			
Current assets			
Debtors	5	46,710	42,170
Bank accounts		1,031,481	773,467
		1,078,191	815,637
<hr/>			
Creditors: Amounts falling due within one year	6	(354,897)	(187,342)
<hr/>			
Current assets less current liabilities		723,294	628,295
<hr/>			
Total assets less current liabilities		748,294	653,295
<hr/>			
Comprising:			
Funds			
Unrestricted: General funds	7	748,294	653,295
Total Funds		748,294	653,295
<hr/>			

The financial statements were approved by the Trustees on 10th October 2018 and signed on their behalf by

N Enright
President

N Gaskell
Honorary Treasurer

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDING 31 JULY 2018

Note	GROUP		CHARITY	
	Total funds 2018 £	Total funds 2017 £	Total funds 2018 £	Total funds 2017 Restated £
Cash flows from operating activities:				
Net cash provided by / (used in) operating activities	11	243,886	(592,977)	257,552
Cash flows from investing activities:				
Interest		468	717	462
Change in cash and cash equivalents in the year				
Cash and cash equivalents brought forward		244,354	(592,260)	258,014
Cash and cash equivalents carried forward	12	1,090,924	846,570	1,031,481
				773,467
				1,364,018

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2018****A Accounting Convention and Basis of Preparation**

The financial statements of the Charity are prepared in accordance with The Charities Act 2011, The Charities (Accounts and Reports) Regulations 2008 and the Charities SORP (FRS 102) issued in 2015 ("SORP"), and with applicable accounting standards. These financial statements are drawn up on the historical cost accounting basis except that investment assets are carried at valuation.

Group Financial Statements

These financial statements consolidate the results of the charity and its wholly-owned subsidiary, FQE Enterprises Limited on a line by line basis.

The Financial Reporting Council published amendments to FRS102 in December 2017. The Charity has adopted the only applicable amendment, relating to the treatment of charitable donations from the subsidiary to the charity parent undertaking. Such payments are now treated as distributions and accounted in the period in which payment is made. A prior year adjustment has been presented. Comparative figures have been restated to reflect the adjustments made.

B Donations

Donations representing Deeds of Covenant and Gift Aid are accounted for in the period in which the charity is entitled to receive.

C Income Tax Reclaimed

Income tax reclaimed on income from Deeds of Covenant and Gift Aid is accounted for on an accruals basis.

D Activities Income

Activities income represents the gross income arising on fundraising activities during the year.

E Investment & Investment Income

Investment in the subsidiary has been stated at cost less any provision for permanent diminution in value. Investment income is accounted for in the period in which the charity is entitled to receive.

F Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. It is recognised when there is a legal or constructive obligation to pay, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of resources used on those activities.

G Grants Payable

Grants payable are charged to the income and expenditure account in the period at which they have been paid.

H Fund Accounting

All of the Funds held by the Charity are unrestricted general funds: these are funds which can be used in accordance with the charitable objects at the discretion of the Trustees.

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2018****I 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 charity to continue as a going concern. The Trustees make this assessment in respect of period of one year from the date of approval of the financial statements. The Trustees conclude that there are no material uncertainties about the Charity's ability to continue and accordingly the financial statements are prepared on a going concern basis.

J Financial instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments which are measured at amortised cost. Prepayments are not financial instruments. Amounts due from the Charity's related undertakings are held at amortised cost.

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 cost. 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 instrument. Amounts due to related undertakings are held at amortised cost.

K Stocks

Stocks are valued at the lower of cost and net realisable value and after making due allowance for obsolete and slow moving stocks.

L Critical judgements and estimates

There are no significant areas of judgement, estimates or key assumptions that effect items in the financial statements with respect to the next reporting period for the year ended 31 July 2019.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

1 Donations and legacies

	Group	2018 £	2017 £	Charity	2018 £	2017 Restated £
Donations		569,629	559,601	593,572	582,009	
Income tax recoverable		127,181	126,585	127,181	126,585	
		<u>696,810</u>	<u>686,186</u>	<u>720,753</u>	<u>708,594</u>	

2 Expenditure

Group	Unrestricted funds £	Total 2018 £	Total 2017 £
<i>Expenditure on raising funds:</i>			
Activities expenditure	3	8,420	8,420
Cost of sales		89,864	89,864
Shop management fee		<u>43,000</u>	<u>43,000</u>
<i>Total expenditure on raising funds</i>		<i>141,284</i>	<i>141,284</i>
<i>Expenditure on charitable activities:</i>			
Grants payable in furtherance of the charity's objects:			
- Contribution to School Projects	628,720	628,720	1,180,732
- Pupil travel	20,997	20,997	53,460
Support costs: Bank and credit card charges	3,832	3,832	3,405
Governance costs: Auditor's remuneration:			
Audit fees	6,280	6,280	5,805
Other	900	900	725
<i>Total expenditure on charitable activities</i>		<i>660,729</i>	<i>660,729</i>
Total expenditure		802,013	802,013
		<u>1,387,499</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

2 Expenditure (continued)

Charity	Unrestricted funds £	Total 2018 £	Total 2017 £
<i>Expenditure on raising funds:</i>			
Activities expenditure	3 8,420	8,420	11,296
<i>Total expenditure on raising funds</i>	<i>8,420</i>	<i>8,420</i>	<i>11,296</i>
<i>Expenditure on charitable activities:</i>			
Grants payable in furtherance of the charity's objects:			
- Contribution to School Projects	628,720	628,720	1,180,732
- Pupil travel	20,997	20,997	53,460
Support costs: Bank and credit card charges	388	388	339
Governance costs: Auditor's remuneration	3,780	3,780	3,180
<i>Total expenditure on charitable activities</i>	<i>653,885</i>	<i>653,885</i>	<i>1,237,711</i>
Total expenditure	662,305	662,305	1,249,007

3 Charitable activities income and expenditure (Group and Charity)

	Income £	Expenditure £	2018 Net Surplus/(Deficit) £	2017 Net Surplus/(Deficit) £
Founder's Day Fete	30,854	6,824	24,030	15,826
Supper Quiz	1,999	661	1,338	1,639
Parents' Evenings	1,369	23	1,346	-
Bowling Evening	1,377	912	465	373
Other activities	490	-	490	(48)
	36,089	8,420	27,669	17,790

4 Trustees

The key management of the charity are regarded as its trustees. The Trustees received no remuneration or expenses in either of the two financial years.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

5 Debtors

	Group		Charity	
	2018 £	2017 £	2018 £	2017 Restated £
Due in one year:				
Income tax recoverable	30,182	30,279	30,182	30,279
Prepayments and accrued income	22,684	17,889	16,528	11,891
	52,866	48,168	46,710	42,170

6 Creditors: Amounts falling due within one year

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Other creditors	439,891	273,440	354,897	187,342
	439,891	273,440	354,897	187,342

7 Funds: Unrestricted Funds

Group	Investments	Tangible Assets	Net Current Assets/ Liabilities	Total Funds
	£	£	£	£
General Funds				
Balance at 1 August 2017	-	-	677,238	677,238
Incoming resources	-	-	893,511	893,511
Resources expended	-	-	(802,013)	(802,013)
Balance at 31 July 2018	-	-	768,736	768,736

Charity	Investments	Tangible Assets	Net Current Assets/ Liabilities	Total Funds
	£	£	£	£
General Funds				
Balance at 1 August 2017	25,000	-	628,295	653,295
Incoming resources	-	-	757,304	757,304
Resources expended	-	-	(662,305)	(662,305)
Balance at 31 July 2018	25,000	-	723,294	748,294

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

7 Funds: Unrestricted Funds (continued)

Comparatives for year ended 31 July 2017

Group	Investments	Tangible Assets	Net Current Assets/ Liabilities	Total Funds
	£	£	£	£
General Funds				
Balance at 1 August 2016	-	-	1,186,317	1,186,317
Incoming resources	-	-	878,420	878,420
Resources expended	-	-	(1,387,499)	(1,387,499)
Balance at 31 July 2017	-	-	677,238	677,238

Charity	Investments	Tangible Assets	Net Current Assets/ Liabilities	Total Funds
	£	£	£	£
General Funds				
Balance at 1 August 2016		-		
As previously reported	25,000	-	1,161,317	1,186,317
Prior period adjustment -				
Change in accounting policy	-	-	(22,409)	(22,409)
As restated	25,000	-	1,138,908	1,163,908
Incoming resources				
As previously reported	-	-	739,928	739,928
Prior period adjustment -				
Change in accounting policy			(1,534)	(1,534)
As restated			738,394	738,394
Resources expended	-	-	(1,249,007)	(1,249,007)
Balance at 31 July 2017	25,000	-	628,295	653,295

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

7 Funds: Unrestricted Funds (continued)

Combined position over the 24 month period included in these accounts

Group	Investments	Tangible Assets	Net Current Assets/ Liabilities	Total Funds
				£
General Funds				
Balance at 1 August 2016	-	-	1,186,317	1,186,317
Incoming resources	-	-	1,771,931	1,771,731
Resources expended	-	-	(2,189,512)	(2,189,512)
Balance at 31 July 2018	-	-	768,736	768,736

Charity	Investments	Tangible Assets	Net Current Assets/ Liabilities	Total Funds
				£
General Funds				
Balance at 1 August 2016 (as restated)	25,000	-	1,138,908	1,163,908
Incoming resources	-	-	1,495,698	1,495,698
Resources expended	-	-	(1,911,312)	(1,911,312)
Balance at 31 July 2018	25,000	-	723,294	748,294

8 Investment in Subsidiary Company

The Friends of Queen Elizabeth's School has invested £25,000 in its wholly owned subsidiary, FQE Enterprises Limited, a company registered in England. The company's principal trading activity is to provide school uniform, equipment, other related products and services to the pupils of the School.

The subsidiary donates its annual taxable profit to The Friends of Queen Elizabeth's School by Gift Aid. Following the change in accounting policy, this is treated as a distribution in the subsidiary financial statements and accounted when paid over. The audited results for the year ended 31 July 2018 were:

	2018 £	2017 Restated £
Turnover	160,144	162,431
Cost of sales	89,864	89,076
Gross profit	70,280	73,355
 Less: Administrative expenses	49,844	49,416
Charitable donation	-	-
 Plus: Bank interest	6	4
Retained in the subsidiary	20,442	23,943
Aggregate capital and reserves	45,442	48,943

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

9 Related party transactions

The subsidiary has been granted a licence to run the School shop from Queen Elizabeth's School, Barnet, at a peppercorn rent.

During the year, the subsidiary collected monies in the School Shop amounting to £15,651 (2017: £13,806) which relates to the activities of Queen Elizabeth's School Barnet. At the year-end, £1,422 (2017: £361) was owed to the School.

Year-end creditors include £43,000 (2017: £43,000) owed to Queen Elizabeth's School, Barnet in respect of the management charge for the School Shop.

10 Contributions to School Projects

During the year The Friends of Queen Elizabeth's School donated £628,720 (2017: £ 1,180,732) to Queen Elizabeth's School, Barnet, in respect of capital projects and £20,997 (2017: £53,460) in relation to minibuses for pupil travel. Of this sum £349,717 (2017: £184,192) is included within creditors and was paid to the School after the year end.

11 Cash flows from operating activities

	GROUP		CHARITY	
	Total funds 2018 £	Prior year 2017 £	Total funds 2018 £	Prior year 2017 Restated £
Net income / (expenditure) for the reporting period	91,498	(509,079)	94,999	(510,613)
Adjustment for interest	(468)	(717)	(462)	(714)
Decrease/(increase) in debtors	(4,698)	7,483	(4,540)	7,840
(Increase)/decrease in stock	(8,897)	(9,212)	-	-
(Decrease)/increase in creditors	166,451	(81,452)	167,555	(87,778)
Net cash used in operating activities	243,886	(592,977)	257,552	(591,265)

12 Cash and cash equivalents

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Cash in hand and bank	1,090,924	846,570	1,031,481	773,467
	1,090,924	846,570	1,031,481	773,467

**ACCOUNTING POLICIES
FOR THE YEAR ENDED 31 JULY 2018****I 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 charity to continue as a going concern. The Trustees make this assessment in respect of period of one year from the date of approval of the financial statements. The Trustees conclude that there are no material uncertainties about the Charity's ability to continue and accordingly the financial statements are prepared on a going concern basis.

J Financial instruments

The Charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, and loans to related parties.

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

Financial assets – trade and other debtors are basic financial instruments and are debt instruments which are measured at amortised cost. Prepayments are not financial instruments. Amounts due from the Charity's related undertakings are held at amortised cost.

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 cost. 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 instrument. Amounts due to related undertakings are held at amortised cost.

K Stocks

Stocks are valued at the lower of cost and net realisable value and after making due allowance for obsolete and slow moving stocks.

L Critical judgements and estimates

There are no significant areas of judgement, estimates or key assumptions that effect items in the financial statements with respect to the next reporting period for the year ended 31 July 2019.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2018**

2 Expenditure (continued)

Charity	Unrestricted funds £	Total 2018 £	Total 2017 £
<i>Expenditure on raising funds:</i>			
Activities expenditure	3 8,420	8,420	11,296
<i>Total expenditure on raising funds</i>	<i>8,420</i>	<i>8,420</i>	<i>11,296</i>
<i>Expenditure on charitable activities:</i>			
Grants payable in furtherance of the charity's objects:			
- Contribution to School Projects	628,720	628,720	1,180,732
- Pupil travel	20,997	20,997	53,460
Support costs: Bank and credit card charges	388	388	339
Governance costs: Auditor's remuneration	3,780	3,780	3,180
<i>Total expenditure on charitable activities</i>	<i>653,885</i>	<i>653,885</i>	<i>1,237,711</i>
Total expenditure	662,305	662,305	1,249,007

3 Charitable activities income and expenditure (Group and Charity)

	Income £	Expenditure £	2018 Net Surplus/ (Deficit) £	2017 Net Surplus/ (Deficit) £
Founder's Day Fete	30,854	6,824	24,030	15,826
Supper Quiz	1,999	661	1,338	1,639
Parents' Evenings	1,369	23	1,346	-
Bowling Evening	1,377	912	465	373
Other activities	490	-	490	(48)
	36,089	8,420	27,669	17,790

4 Trustees

The key management of the charity are regarded as its trustees. The Trustees received no remuneration or expenses in either of the two financial years.

