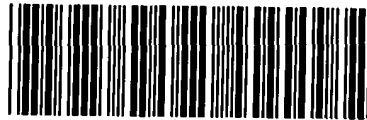


Company registered number: 03387540

QUEEN ALEXANDRA COLLEGE
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 JULY 2022

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QUEEN ALEXANDRA COLLEGE CHAIR'S INTRODUCTORY STATEMENT

A Mixed Year

The 2021/22 academic year saw some return to normality after the disruption of the Covid 19 pandemic. Due to the vulnerability of some of our students, staff continued to support them via different formats, ensuring that programmes were tailored to individual needs and anxieties caused by ongoing changes were managed.

This was a disappointing year in that the "requires improvement" result of the Ofsted inspection was not as we would have liked or indeed expected. Whilst there were plenty of positive comments, we have recognised that we must improve in the areas highlighted. Staff have been incredible in ensuring that we have responded to the findings of the inspection and have produced a plan of action to ensure that good practice is demonstrated consistently across the college and, importantly, that students always understand how their activities tie in with their desired outcomes. Ofsted will return for a monitoring visit before the end of 2022/23.

The values that define QAC will not change and students, and the life chances we provide, will always be at the heart of everything we do. We were pleased that Ofsted recognised the strength of our safeguarding and the positive and nurturing environment of the college.

The new "normal"

With restrictions lifted the College began to hold events again and SightVillage returned to external premises, allowing a larger event than last year. Events such as this have not returned to their pre-pandemic position, however and we continue to review how we support the visually impaired community.

323 visits to the College by potential students and their parents/carers took place, which represents an increase of 43.5% on the previous year. We also welcomed 176 young people to QAC through a bespoke group visit with their school, further demonstrating the positive work undertaken in terms of developing strong external relationships.

During the month of May, our Annual Student Showcase returned to celebrate the richness and diversity of our students' talents, following a two year absence due to the pandemic. Hosted at the QAC Community Services Hub, next door to the main College campus, the event was attended by various stakeholders, all of whom thoroughly enjoyed experiencing the wealth of talent our students possess.

Following a difficult couple of years with many employers unable to support work placements, our Supported Internship programme has again begun to flourish. Based at Pinewood Campus, the programme is designed to help prepare students for voluntary or paid employment and support is tailored to meet individual needs whilst providing valuable experience with an employer. QAC worked on a project with HSBC, resulting in ten students having an interview for paid full and part-time roles. To both their and our delight, three were offered jobs at HSBC – achieving their long-term goal of gaining paid employment.

Our transcription and accessibility advice service, AllFormats, had a successful trading year with the new website introduced last year www.allformats.org.uk helping to attract new customers.

Wider support for Disabled Young People

Our Community Services arm, which is a key part of the College's strategy, has grown from a fledgling service to an established provision now supporting 28 people with Personal Assistance services, in addition to holding holiday clubs for those with disabilities, which supported 80 young people during College holidays. (Figures requested from Jane/Gill 25.10)

QAC Community Services also launched 'Come As You Are', an all-inclusive monthly club night hosted at The Night Owl in Digbeth. 'Come As You Are' is a welcoming and safe space for people aged 18+ with autism or other support needs, as well as their friends, partners, family and carers to meet, dance and socialise. The night takes place on the third Monday of every month.

Our respite service introduced last year has really taken shape and a number of young people now stay with us on a regular basis offering support for their independence and respite for their home carers.

QUEEN ALEXANDRA COLLEGE CHAIR'S INTRODUCTORY STATEMENT

Supporting Inclusion and Sustainability

QAC was placed number 4 in the Top 100 Most Inclusive Workplaces Index 2022 at the National Centre for Diversity (NCFD) FREDIE Awards held in June. This latest achievement follows on from the College receiving the Investors in Diversity Award and the Leaders in Diversity Award from the NCFD, both of which are highly prized and prestigious quality marks.

During the year, the College became an active and proud member of EAUC – The Alliance for Sustainability Leadership in Education. QAC is the UK's only sustainability champion for the further and higher education sector. We have a newly developed sustainability strategy, with much action planned by students, clients, and staff so that everyone does their bit for the environment.

Governance

The College continues to be overseen by the Board of Governors, supported by our Governance Director, and reinforced by key sub-committees covering Curriculum & Quality, Finance & General Purposes, Student Services and Search & Governance. Our Audit Committee, which scrutinises all areas of the College's operation, included an Independent chair, Helen Parks. We continued to make use of the Zoom video platform for numerous meetings, though in-person and hybrid meetings allowed governors to see the college and each other in person

During the year we had an external Board review, undertaken by Shirley Collier, an experienced professional in this area, which is a requirement for all FE colleges. This showed that governance at the college is good, but a number of suggestions for improvement are included in a plan for the year ahead to ensure that governance of the college continues to evolve and improve.

The ongoing succession of governors meant that Jan McCall and Steve McCall, both highly experienced in education, visual impairment and disability, left the Board at the end of their terms of office. Patrick Wing also resigned from the Board during the year due the potential for a perceived conflict of interest with another of his community roles. I would like to thank them all for their outstanding contribution to the Board.

We introduced a Governance Diversity Working Group with the aim of improving the diversity of the Board and enabling it better to reflect the local community. There is an open application process, which is outlined on the QAC website [xx] and is applicable for both governors and co-opted members of committees and the board of our subsidiary trading company, QAC Enterprises Ltd.

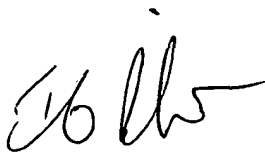
Our internal and external auditors have given appropriate assurance as to the effectiveness of our systems of internal control at the College.

Expansion

During the year we started to put in place plans to allow us to meet the needs of a growing demand for places. Work started on improvements to our Umberlade campus, which will turn it into a welcoming learning centre that will also support community activity outside of normal college hours. The first students started full time places there in September 2022 and we have received excellent feedback from them.

2022/23 will see the college consolidate improvements and expansion in many areas whilst planning for the next 5 years. Funding remains an ongoing concern, with only the basics covered by the income received from the government and local authorities. We rely on fundraising and commercial activities to provide funds for numerous, essential activities and resources.

Finally, I would like to say a sincere thank you to everyone who has continued to support our fundraising efforts during a difficult time when we need it more than ever.



Ian Richards
Chair of Governors
5 December 2022

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

The Governors, who are also the Trustees, present their report and the audited financial statements of Queen Alexandra College (the 'College' or the 'Company') for the year ended 31 July 2022.

CONSTITUTION AND PRINCIPAL ACTIVITIES

Queen Alexandra College (QAC) is a Specialist College for young people and adults with disabilities.

The company is limited by guarantee and has no share capital. The liability of each member shall not exceed £1. The company was incorporated on 17 June 1997 (Company No: 03387540) and is governed by its Memorandum and Articles of Association, as amended by special resolutions dated 29 September 1997, 13 July 1998 and 6 December 1999. The Company is a registered charity, number 1065794.

The College was part of Birmingham Royal Institution for the Blind (BRIB) until 31 December 1997 when its operations were transferred to a separate company.

Principal connected organisations are as follows:

Birmingham Royal Institution for the Blind (BRIB)

Birmingham Royal Institution for the Blind owns the main campus premises occupied by the College. They charge rent for the use of the premises and make grants to support the work of the College. The main grant to the College of £584,320 (2021; £584,320) is given to cover the rent charged in respect of the College main premises in accordance with an agreement dated 31 December 1997. In addition, BRIB gave 2 grants with a combined value of £80,392(2021; £nil) to fund campus improvements, and £nil (2021; £15,380) to cover an element of the rent charged in respect of Oakwood House. The College provides accounting services to BRIB under a service level agreement. The BRIB Board is made up of nine Governors, three of whom are appointed by Focus Birmingham, three by Queen Alexandra College and three by the members of BRIB. The College is very grateful to BRIB for its continued support and help, especially over the last year.

Focus Birmingham

Focus Birmingham was also part of BRIB until 31 December 1997 when it became a separate charity to provide and promote services to blind and partially sighted people in the community. It too has been granted a long lease by BRIB on part of its Harborne site, benefits from funding commitments made by BRIB and, together with QAC, appoints three Governors to the BRIB Board (see above). The College provides a contracted maintenance service to Focus Birmingham.

RESERVES

The College has unrestricted funds and a number of restricted funds. The unrestricted funds include accumulated surpluses, and the restricted funds consist of monies received for specific purposes, less expenditure to date.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

GOVERNORS

The administration of the College is affected by a Board of Governors (who are Trustees of the charity and directors of the Company) and those who held office during the year, and to the date of this report, were:

* Ian Richards (Chair)	Alex Lamle (Appointed 29.07.22)
Rosemary Adams	Janet McCall (Resigned 29.07.22)
Mark Bache (Appointed 06.12.21, Resigned 25.10.22)	Dr Steve McCall (Resigned 29.07.22)
Simon Blay	* Amanda McGeever (Vice Chair)
Sherv Garcha (Appointed 14.03.22)	Lorraine Moses-Copeman
Dr Anne Green	Richard Percival
Dr Ewan Hamnett	Dr A Julie Reed
Khalid Javaid	Monique Royle (Resigned 4.7.22 and became a co-opted member of F&GP)
Beverley Jessop	Kimberly Tierney
Naresh Kumar (Appointed 18.10.21)	Patrick Wing (Resigned 20.06.22)

None of the Governors has any beneficial interest in the College and all served without remuneration. Two of the Governors (* above) and one ex-governor (Chris Bradshaw) are currently nominated by the College to the BRIB Board, which comprises nine Governors in total.

Insurance is purchased to protect the College from losses arising from neglect or default of its Governors, officers and employees, and to indemnify the Governors, officers and employees against the consequences of neglect or default on their part. The amount paid for the year was included within the College's overall Combined Commercial Policy and the cost cannot be separately identified. The limit of indemnity is £5,000,000 (2020; £5,000,000).

Governors have set terms of office and a maximum total term.

Governors sit on sub-committees which advise the full Board on matters of policy and management. Each committee

Finance and General Purposes Committee

Khalid Javaid
Beverley Jessop

*Richard Percival (wef 05.10.21, Chair from 15.11.21)
Ian Richards (Acting Chair 23.7.21 - 12.11.21)
Monique Royle (wef 01.09.21) (Resigned as Governor 04.07.22 now Independent)
Julie Reed

Curriculum & Quality Committee

Rosemary Adams (Chair from 01.09.22)
Sherv Garcha (wef 16.05.22)
*Dr Anne Green (Chair until 31.08.22)
Beverley Jessop
Naresh Kumar (wef 18.10.21)
Janet McCall (Resigned 31.07.22)
Dr Steve McCall (Resigned 31.07.22)
Ian Richards

Student Services Forum

Simon Blay
Ewan Hamnett

*Amanda McGeever (Chair)
Alex Lamle (wef 01.09.22)
Kimberly Tierney
Patrick Wing (Resigned 20.06.22)

Audit Committee

Rosemary Adams
Mark Bache (wef 14.02.22, resigned 25.10.22)
*Helen Parks (nee Edmonds) (Chair wef 05.10.21 Independent)
Amanda McGeever
Richard Percival (Chair - Until 04.10.21)

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS**

GOVERNORS - Continued

Search & Governance Committee

Rosemary Adams (wef 01.09.22)
Dr Anne Green (C&Q Chair handed over 31.09.22)
Amanda McGeever
*Ian Richards (Chair)

Remuneration Committee

Khalid Javaid
*Amanda McGeever (Chair)
Dr A Julie Read
Ian Richards
Monique Royle (wef 01.09.21) (Resigned as
Governor 04.07.22 now Independent)

OFFICERS AND ADVISERS

Principal and Chief Executive

Beverley Jessop

Company Secretary

Alison Lydon

External Auditors

Crowe UK
Black Country House
Rounds Green Road
Oldbury
B69 2DG

**Internal
Auditors**

Mazars LLP
45 Church Street,
Birmingham
B3 2RT

Principal Bank

Lloyds Bank PLC
PO Box 908
125 Colmore Row
Birmingham
B3 2DS

Insurance Advisers

FE Protect
Cherryfield Drive
Kirkby
Liverpool
L32 8SF

Investment Managers

Smith & Williamson
3rd Floor
9 Colmore Row
Birmingham
B3 2BJ

Registered Office

49 Court Oak Road
Harborne
Birmingham
B17 9TG

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

STRATEGIC REPORT

PUBLIC BENEFIT & REVIEW OF ACTIVITIES

Queen Alexandra College (QAC) is a registered charity and an independent specialist residential college (ISC) based in Birmingham. It provides education and training for students and clients with a wide range of disabilities and learning difficulties. QAC operates three services – College, Community and Residential, all of which operate within the values of 'Respect, Collaboration, Integrity, Enabling, Inclusion and Excellence'. The mission statement of QAC is 'To create challenging learning opportunities for people with a visual impairment and/or other disabilities to realise their potential to work and to live independently'.

The College's students and clients divide into two main groups: those aged 16 to 25 who are funded by a combination of the Education and Skills Funding Agency (ESFA) and between 25 to 30 Local Education Authorities and clients attending Independence Plus (IP) funded by Social Services/personal payments. The College also accesses a range of funding from external sources including statutory and charitable bodies. The College continues to offer a level of respite provision and plans to expand this further in future. Prior to being offered a place at the College, all individuals benefit from a thorough assessment of their needs to ensure they are placed on the most appropriate programme. The assessments, in combination with the Education Health and Care plans (EHCP) are also intended to identify the appropriate level of holistic support needs for each student (many requiring 1 to 1, 1 to 2, or 1 to 3 staff to student ratios). The College welcomes students and clients from all backgrounds. An individual's economic status, gender, ethnicity, race, religion, sex or sexual orientation do not form part of our assessment processes.

In setting the College's objectives, and planning activities, the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee charging.

The College achieved its mission during the year by providing education, training and independent living skills.

The curriculum at QAC is broad and ambitious and meets the diverse needs of each student. The curriculum is designed to maximise adult life opportunities for all students. Opportunities may be through increased independence, higher academic achievement or through skills that enable employment. The curriculum covers academic, therapeutic and support provision, all of which are essential components for success for QAC students. All QAC students are in receipt of an EHCP.

The College offers a broad range of courses from pre-entry to level 3 in the following vocational areas: Art and Design, Sports, Trades, Vehicle Mechanics, Health and Social Care, Performing Arts, Media, Hospitality and Information & Communication technologies (ICT). The Preparation for Life (PfL) pathway offers a diverse range of tasters and independence skills development and for some students, leads into LEAP (Learning for Employment and Progression) which will specialise in certain areas and have a focus on employment or higher vocational study. Supported Internships are well established at QAC, with work experience being expected for all students from year 1 onwards. The Access to College programme, a bespoke 1-year programme supports school non-attenders back into learning and has gained in popularity year on year with the local authorities and young people.

The College has a diversity of specialist support services, which are an essential and integral part of each student's curriculum offer, ensuring individual student needs are met and achievements maximised. Support Services consist of speech and language therapy, occupational therapy/specialist sensory; physiotherapy, counselling and mentoring, educational and clinical psychology, Positive Behaviour Support; a rehabilitation and travel training department; Braille, dyslexia and assistive & augmented technology services. In addition, there is a Resource Centre, a Health Care Centre and College 'buddy dogs'.

The extended curriculum and enrichment activities ('Club') is invaluable and is offered to both day and residential students. Club is designed to offer a range of activities which develop community, social and independence skills, promote sports, the arts; leisure activities and develop wellbeing, confidence and friendships. Club has continued throughout 2021/2022, but in a more contained way.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

PUBLIC BENEFIT & REVIEW OF ACTIVITIES (continued)

The College continues to provide residential services to students and employs approximately 38 residential support staff. The residential provision at QAC continues to be graded as 'good' by CQC (Care Quality Commission) who make unannounced inspections throughout the year. The College also provided 29 places to Independence Plus clients based in houses in the local community.

Achievement on accredited main programmes exceeded the colleges KPI for success by 3%, with an achievement rate of 88%. Maths overall achievement is at 76.1%, this represents a drop for the college which we are attributing to students withdrawing from college and becoming disengaged from their main programme. Despite this the maths results are still slightly above national average. English achievement is at 80%, a decrease of 2% which remains good, but the percentage decrease is also attributed to a number of student withdrawals, the same ones who have impacted on the maths overall figure, having disengaged from their main programme.

Target achievement continues to be measured for non-accredited learning programmes (RARPA). This successfully captures EHC plan outcomes in a meaningful and transparent way and is supported by the Local Authorities in Annual Reviews. QAC is in its eighth year of using the RARPA ('Recognising and Recording Progress and Achievement') system, which is well embedded and understood by the teaching staff. The % achievement rate remains good at 88.4% and remains at the national benchmark. The use of non-accredited programmes within the curriculum results in an educational experience that challenges learners who have significant barriers to conventional qualification learning. The RARPA process is tightly monitored and audited as with all accredited programmes to ensure it challenges and stretches students and the process aligns with EHC plan outcomes. The robust monitoring is overseen by some of our teaching staff who have achieved the Q2 status, who are RARPA Champions, and they support the Internal Verification process. QAC continued to provide 'best practice' support to local GFE provision for their RARPA processes and has their processes moderated through a structured Peer Review and Development group.

Success at QAC is not measured solely in terms of outcome success rates. Students have a comprehensive Individual Learning Plan with a range of negotiated challenging targets. Progress is measured on a regular basis and new targets are set and agreed as appropriate; value added, and distance travelled are important measures of achievement. Annual reviews were continued for all students with a focus on the transition journey through College into independence, further education and employment.

Safeguarding analysis across college and residential services is carried out against protected characteristics which enable us to monitor any patterns in safeguarding issues and respond as required. There is a robust safeguarding process in place with 10 staff having responsibility for safeguarding, one of whom is the lead designated safeguarding officer, with others acting as deputies, there is a weekly rota in place for swift interventions when needed. Staff teams are effectively trained in managing safeguarding issues with a regular, mandatory ongoing programme of training on all aspects of safeguarding in place, both via online training; workshop sessions and now includes surveys.

A governor safeguarding lead liaises with the college safeguarding team and ensures safeguarding updates are reported regularly and remain high on the governors' agenda. A clear audit trail of safeguarding is maintained and reported regularly to the governors, which ensures due process is followed by the college. Prevent Duty training is embedded into Safeguard training at Induction and ongoing.

Student involvement is high with students continuing to have the opportunity to apply for the positions of Student Council reps and College Ambassador and take part in a selection interview process with underpinning employment skills being developed. Such roles enhance their self-confidence and ability to engage competently with professional people with students making excellent use of established opportunities to participate and be involved in College activities and forums. The students play an important part in the College around marketing and fundraising campaigns. Through the promotion of the student voice, students contribute to the day-to-day operation of the College such as College 'values' planning, ideas for new enrichment groups, important considerations linked to building developments and improved food choices

Residential students also have a significant role to play, and the residential focus group continues to have a positive impact on aspects of residential life such as improving Wi-Fi across all houses, new furniture and establishing rules of etiquette and acceptable noise levels.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

PUBLIC BENEFIT & REVIEW OF ACTIVITIES (continued)

OFSTED INSPECTION

In March 2022, QAC had its first full inspection for 11 years and were graded as 'requires improvement'.

OFSTED are now using a new inspection framework which is different to previous inspections and does not enquire as to the breadth of a student's experience, but instead has a focus which "deep dives" into a student's educational provision. Inspectors comprehensively examine the sequential, logical design and implementation of the curriculum experience as a whole in the context of a "deep dive", establishing whether skills and knowledge acquisition towards an agreed and well understood end point are ambitious, challenging and understood and, that they have a positive impact.

The inspection grading QAC received did not reflect the grading of the Self- Assessment Report (2020-2021) which informs us that we were not examining the provision through the same lens as Ofsted. QAC responded immediately to this grading and implemented a comprehensive Post Inspection Plan which targets key areas of weakness and will bring about swift improvements, all of which are fully underway at the time of signing these financial statements.

Senior management are confident that QAC will be in a strong position when Ofsted return for their monitoring visit.

A copy of the full Ofsted report is available on their website <https://www.gov.uk/find-ofsted-inspection-report>.

COMMUNITY SERVICES

Community Services has grown rapidly over the year with there being an increase in client numbers from 28 registered clients to over 60, with a further 30 awaiting funding for services.

The Community Services Hub, close to the main QAC Campus at 109 Court Oak Road, which opened in June 2021, has grown into a well- utilised space. It provides a base for Day Opportunities, Personal Assistant and Peer Support services seven days per week and an increasing offer of after college activities for QAC students and other members of the QAC Community. The hub is also available for hire to community groups when not being used for QAC Community Services to raise additional income to support the service.

Personal Assistant (PA) / Day Opportunities service

The PA and Day Opportunities service provides person centred support to an increasing cohort of young adults from Birmingham and a number of neighbouring local authorities.

Some clients accessing PA services are current QAC students, who access services evenings, weekends and in the holidays. We also provide support to some Independence Plus clients, and former residential students who are transitioning to Independence Plus and who need additional 1:1 support to facilitate activities. Many former QAC students access the PA and Day Opportunities services seeking a range of different support including support with work and volunteering, with social and leisure opportunities, with the development of independent living skills and taking part in cultural or faith-based activities. A number of young adults who have no previous connection to QAC are choosing to use their direct payments to access QAC Community Services.

Peer Support / After College / Weekend Activities

This year has seen our provision of social opportunities go from strength to strength. As well as men's and women's groups (inclusive of cis and trans individuals), we also now offer a weekly community-based LGBTQ+ group. All of these groups run from the Community Hub, but we also get out and about for socialising and over the summer the women's group took part in Strength Strings, a piece of work funded by the Birmingham Festival and facilitated by Stryx Gallery. This culminated in an exhibition as part of Digbeth First Friday in August. All of the peer groups are open to all individuals aged 18 and over with autism or other support needs. We also offer a monthly 'Social Saturday'. Social Saturdays are for anyone who wants to come along and PAs, carers, parents are welcome to attend. These events take place outside the Community Hub and provide an opportunity to meet in a relaxed setting with some support. Come As You Are, our inclusive nightclub, is now a well- established and much-loved monthly club night, supported generously by The Night Owl nightclub in Digbeth. With the Night Owl's help are able to offer opportunities for DJs with support needs to play sets in a real nightclub setting. Over the summer we were asked to partner with Birmingham International Dance Festival to take Come As You Are to an outside festival setting, and we were honoured to close the Smithfield festival site with our DJs.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

Holiday provision

Community Services ran Holiday Clubs for QAC students at a subsidised cost in the Easter and summer holidays. Term time staff who were willing to do some work in the holidays supported Community Services with the capacity to run the clubs. Feedback from the students was very positive. The provision was for 3 days per week and included on campus provision and trips out into the community. This gave many families a structure for the students over the longer holidays, which they find beneficial. However, we are aware that some families could not afford the provision, even at a reduced cost. We are continuing to seek funding opportunities / sponsorship, which would enable us to widen our holiday offer to reach more students

THE FUTURE

Inevitably the College's traditional funding streams remain uncertain. Changes in funding models, differing interpretations by local authorities of funding and SEND (Special Education Needs and Disabilities) legislation, together with a policy of funding specialist provision after other options have been explored, results in less ability to predict future student numbers and consequently levels of income. This in turn leads to difficulties in budgeting and forecasting.

September 2021 brought about an unprecedented uplift in student numbers, going from 285 to 352 which evidenced the challenges mentioned above. Throughout 2021.22 we were unsure what student numbers would look like in 2022.23 as it was felt that the 2021.22 increase was partly as a result of students being funded for an additional year due to the impact of COVID on their studies. Financial forecasts throughout the year predicted a reduction in student numbers. But, as mentioned above forecasting in this sector is very difficult, and pleasingly forecasts were proven to be wrong with student numbers increasing further in September 2022 to 360.

The sustained and further growth in student numbers is extremely positive for future income levels but it does put pressure on the College's estate. Whilst all students were accommodated at our main campus and satellite sites during 2021/22, it is important that we ensure the facilities available to our learners is optimised so that they can receive the full College experience. During 2021.22 we explored options for campus expansion and in June 2022 we commenced the redevelopment of a property we occupy on a long-term lease. The development of this site will take place over a two-year period, phase one of which was completed in Sep 2022. When phase 2 is complete (September 2023) we will have capacity at that site for 60 learners, which is an increase of approximately 40 students. This development will cost the college approximately £550k and supports QAC's 5-year strategy of continued growth.

Our growth strategy details that QAC aims to be recognised as a leading, national specialist provider for independence, education and training and employment. The College will do this through 3 strategic pathways

1. Residential Services
2. Curriculum Services
3. Community Services

In achieving its aims, QAC will provide the following across all services:

1. A highly skilled, flexible and fulfilled workforce
2. Effective financial strength, which is sustainable and has flexibility to achieve its goals
3. The highest standards and recognition for Equality, Diversity and Inclusion
4. The highest standards and recognition for investing in high quality staff
5. All learners, clients and staff supported within safe and well-resourced environments

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

THE FUTURE - continued

Each of these pathways and objectives has a number of clear actions and targets.

The Governors are confident that the strategy is ambitious but achievable, which is evidenced by the clear demand that the College has for its service as was seen in September 2021 and again September 2022. Although uncertainty and difficulty in predicting remains, the College continues to focus on ensuring the financial position remains resilient enough to overcome these uncertainties and ensure it can maintain the service it provides to an ever-increasing range of clients.

With growth in student numbers being well established the focus will shift slightly over the next two years, with growth in residential services being a priority area. This will require investment expenditure over the next 2-3 years, particularly in relation to the College's estate. The expectation is that the investment will be funded by reserves and for that reason the Governors have maintained the designated reserve that was created last year.

In 2023 the College will start to work on the next 3–5-year strategy, but in the meantime it will continue to deliver on the current strategy and continue to challenge its students and clients, working with them to enhance their lives, promote their achievements and overcome their disabilities.

FINANCIAL SUMMARY

The consolidated financial results of the College and its subsidiary company (QAC Enterprises Limited) for the year ended 31 July 2022 show net movement in funds of a surplus £218,121 compared to a surplus of £575,528 in the previous financial year, and generated a positive cash flow of £371,789 (2021; inflow of £63,846). It is important to note that this year's net movement on funds has been negatively impacted by the loss on investments of £168,736 whereas last year the College benefited from an annual gain on investments of £426,455. This means that the overall operating result before return on investment was actually significantly better in 2022 than it was in 2021.

Income increased from £12,590,303 to £14,500,362 between 2020/21 and 2021/22 as a result of the significant increase in student numbers.

Expenditure increased from £12,444,230 to £14,113,505. Staffing costs remain the main expenditure for QAC and this year as in previous years there have been continued increases in staffing and related costs. The increased costs are partly driven by the increase in staff numbers, but they are also driven by an overall increase in the College's rates of pay. We recognise the challenges our employees are facing with the cost-of-living crisis and have provided a higher cost of living uplift than in previous years. Whilst this has put additional pressure on the College's finances the Board agreed it was the right course of action. This against a backdrop of constrained sources of funding creates challenge. We are addressing this challenge under the current strategy and will ensure it is given priority for consideration when setting the next strategy.

QAC uses a number of internal financial Key Performance Indicators (KPIs), including underlying cash flow, aged debts, fundraising income and staff costs/ overheads as a proportion of income. These are scored as RAG (Red, Amber, and Green) based on the management accounts and are reported to the Board of Governors throughout the year. Despite the increases in staff costs, QAC consistently achieved or exceeded its financial targets in the last year, the key ones being:

- College and Group Surplus/ (Deficit) – GREEN rating
- Underlying cash flow before working capital movements – GREEN rating
- Staff costs as a percentage of income – GREEN rating

Staff costs as a percentage of income KPI is looking more challenging for 2022.23 and for that reason careful monitoring of this KPI will take place throughout the year.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

RESERVES POLICY

As at 31 July 2022, the College and its subsidiary company have unrestricted general funds of £10,400,519 (2021: £10,269,722), unrestricted designated funds of £1,385,000 (2021: £1,290,000) and restricted funds of £1,255,912 (2021: £1,263,538). Total reserves, including restricted funds, are £13,041,431 (2021: £12,823,310).

The analysis of net assets between funds is set out in Note 16 to the Financial Statements. Of the total unrestricted reserves of £11,785,519, £6,780,335 is held as tangible fixed assets and £1,385,000 is held in designated funds, leaving free reserves (including investments) of £3,620,184 (2021: £3,511,283).

During the year under review Governors carried out a review of QAC's reserves policy to ensure it sufficiently supports QAC's developing 5-year strategic plan, the current funding climate and the risks the College is exposed to. Following that review the Governors concluded that QAC should aim to have a baseline figure for free reserves of £2,390,000 (2021: £2,000,000) plus an additional contingency that represents the value of unrealised gains on investments that are included on the Colleges Balance sheet. By adding this contingency, the College is mitigating against the volatility of the stock markets and ensuring the free reserves can sustain any significant fluctuations. This contingency equates to £310k which in turn results in a combined free reserve target of £2,700,000.

The Governors also reviewed the designated reserves to assess whether the use and value remained appropriate. The outcome of which is detailed below.

Site Expansion Fund

In 2020/21 the Governors designated £1m to support the necessary investment in site expansion that will be required if the College is to achieve its objectives in its strategic plan. With growth in student numbers being a significant element of the strategic plan it is estimated that approximately £1m worth of investment from reserves will be required in order to provide the facilities needed to accommodate the growth.

Community Service

In 2020.21 the Governors designated £140k to support a Community Services project that aims to support previous QAC leavers and other young people with disabilities who have, as a result of the pandemic, become isolated and need support. This full designation has been used in 2021/22 to fund that project and also to partly fund the deficit that the Community Service provision generated.

Community Services remains a fledgling service and at present is costing the college circa £150k per year to run. It is apparent that without voluntary income this service will not be able to break even.

Following a review of the short to medium term financial forecast, the Governors have agreed to designate £335k to Community Services to cover development costs and the estimated losses over the next two years, it is the expectation that after two years the service will need to be financially viable in its own right.

Information Technology Development Fund

Governors have designated £50k to support the ongoing work required to improve IT/Cyber security at the College.

INVESTMENT POLICY

The Governors have an agreed investment policy for the College aimed at providing long-term capital growth with medium risk. Smith & Williamson act as Investment Managers to the College to manage investments under this policy.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

INVESTMENTS

Queen Alexandra College owns the whole of the issued share capital of 100 shares of £1 each of QAC Enterprises Limited, a company incorporated in England & Wales (Company Number 1986389). The company operates three distinct businesses: a specialist transcription services ("All Formats"), the sale of canes for the visually impaired and the "Sight Village" series of exhibitions for the blind and visually impaired. All profits from the businesses are Gift Aided to the College. The turnover for the year ended 31 July 2022 was £604,582 (2021; £494,221) and the Gift Aid payment was £202,242 (2021; £148,573). QAC Enterprises had net assets and reserves of £10,100 at the year-end (2021; £10,100).

Queen Alexandra College also owns the whole of the issued share capital of 1 share of £1 of QAC Sight Village Limited and the whole of the issued share capital of 1 share of £1 of Sight Village Limited. These companies are incorporated in England & Wales and have remained dormant since their incorporation on 6 February 2010 and 16 July 2012 respectively.

RISK ASSESSMENT AND MANAGEMENT

The Governors have considered risks and risk management throughout the year as part of the business of the full Board and sub-committee meetings. QAC has a formal risk management process for the College and QAC Enterprises - this is managed by the College Management Team and Governors via the Audit Sub-Committee.

As part of its risk management process, the Governors assessed QAC's risk appetite. QAC is generally risk averse and has no appetite for risk exposure that results in significant impact on the delivery of our operational core activities (delivery of education and provision of care). It is also cautious in the pursuit of existing expansion plans and externally focussed commercial activities. However, QAC is willing to accept, in some circumstances, risks that may result in some financial loss or exposure to its financial reserves, provided that such risks are identified and managed with Management and Board oversight and contribute to QAC's overall strategic objectives.

The Governors have assessed the major risks to which the College is exposed, in particular, those related to the operations and finances of the organisation, and are satisfied that systems and processes are in place to mitigate the College's exposure to these major risks.

The Board of Governors have identified the following key strategic risks to the charity. Actions to mitigate against these risks are also detailed:

- | | |
|--------------------|---|
| Risk: | Major change in finances resulting in a threat to long term organisational viability |
| Mitigation: | Reserves policy that sets aside funds for longer term plans & reasonable operating; Development of medium- term financial plan; Financial appraisal of longer term committing opportunities, Sensitivity analysis of changes in costs affecting bottom line; On-going monitoring of expenditure against budgets; Review of budgets in-year to identify where cost savings can be made; Formal reporting to F&GP of variances. |
| Risk: | Failure of strategic initiatives across Service areas (Umberlade/ Pinewood/ Community Services/ Residential Services) |
| Mitigation: | Control of application and assessment process; panel meetings; SMT meetings; reshaping of curriculum and timetable to maximise resource use; dev of new campuses; estates planning and project management controls. |
| Risk: | Inadequate reporting to the Board |
| Mitigation: | Strategic planning, objective setting & budgeting processes; timely & accurate reporting; timely preparation of reports; triumvirate meetings/ reg contact between Board/senior staff.
Reg Board & AC meetings. SAR presented to Board. Progress against KPIs presented regularly to Board. Periodic governance reviews where reporting is assessed. |
| Risk: | H&S risk to the organisation |
| Mitigation: | H&S Officers in place at QAC who ensure Compliance with law & regs; Publicised H&S policies; Regular inspection & testing of appliances, smoke and fire alarms; Trained first aiders/Trained fire marshals. Fire safety training, including use of extinguishers. Fire notices in all areas; Evacuation areas; Fire, H&S consultancy used regularly. Risk Assessments logged into central system; H&S group meetings with governor attendance; Regular evacuation drills; |

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

RISK ASSESSMENT AND MANAGEMENT – continued

- Risk:** Safeguarding risks to the organisation
Mitigation: Robust safeguarding policy & procedures; Governor lead for safeguarding; E-safe' monitoring tool; Robust training programme for ALL staff.
- Risk:** IT and cyber security disaster recovery
Mitigation: IT Continuity plan; firewall in place; Cyber Security Plus achieved (Aug 22); Daily data backups; documented recovery procedures; encryption of backed up data; appropriate software to mitigate; JISC runs DDOS service to circumvent cyber-attacks; cyber-attack insurance held.
- Risk:** Loss of key staff
Mitigation: Undertake an annual strategic Training Needs Analysis aligned to the strategic plan, appraisal information and best practice. Career pathways developed in certain areas from ground through to management positions and appropriate training at each stage of development. Board aware of CMT structure & contingencies for Principal/Deputy cover.
- Risk:** Curriculum not meeting needs of students
Mitigation: Strategic curriculum review and update; a new structure and formal model of strategic curriculum; training to all College staff; robust initial diagnostic testing and baseline assessment; clarity of outcomes for each student; SAR.QIP. PIAP.
- Risk:** Ofsted improvements following inspection
Mitigation: Performance Improvement Action Plan and monitoring; Self-Assessment Return(SAR) process and College SAR & Quality Improvement Plan; increased quality actions for reviewing curriculum; restructure of academic management; working with external contacts for benchmarks and support; Student Council; reviews; QA calendar.
- Risk:** Adverse Publicity
Mitigation: Quick response strategy in place for dealing with adverse events/social media comments or negative publicity; Maintaining of positive public links; Follow AoC/Natspec PR guidance.

BOARD OPERATION AND MEMBERSHIP

The composition of the Board is assessed by a Search & Governance committee, which reviews the methods of recruiting new Governors and advises the Board as to new appointments. Governor induction procedures seek to ensure that all new appointments to the Board gain a good understanding of different aspects of College life. Governors are encouraged to visit the College outside formal meetings to ensure that they remain in touch with students and staff and a link programme also exists for this purpose. Governors undertake regular training, and their training needs are periodically reviewed and appropriate additional training undertaken.

The Board receives regular and timely information on the overall financial performance of the College and subsidiaries together with other information such as performance against targets, learning outcomes, admissions and destinations, Safeguarding and Prevent issues, complaints, proposed capital expenditure, quality matters and personnel matters. The regular meetings held between the Chair, Vice-Chair, Principal and Governance Director that were established during lockdown have continued and notes of these meetings were shared with all Governors and Independent Directors. Scheduled meetings were held in person, using online methods or as "hybrid" meetings to ensure that relevant information was shared, and discussion and debate could take place.

The Board drives the strategy and quality of the College and monitors outcomes. Scrutiny is also provided by specific Governors with responsibility for health & safety, safeguarding, diversity and wellbeing. Further, scrutiny is provided by its committees. Each of the committees through which business is conducted has terms of reference, which have been approved by the Board as well as an annual business cycle. All decisions of a material nature are made or ratified by the Board and a schedule of matters reserved for the Board has also been approved by the Board to ensure clarity in this regard.

The pay for key management personnel is proposed to the Board by the Remuneration Committee following discussion, which takes into account relevant benchmark information including the Association of Colleges (AoC) pay survey as well as the performance of the individuals concerned and the financial position of the College as a whole. The agreed principle is that senior post holders will be awarded the same pay rise as the majority of staff unless there is a specific reason for variance from this and during this year due to financial constraints a lower pay award was made so that a more reasonable award could be made to those most affected by cost-of-living increases.

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

The College has undertaken a detailed internal review of its compliance with the Charities Governance Code for Larger Charities and applies all the principles to its work. The College also complies with the bulk of the relevant recommended practice of the Code. Governors undertake an annual assessment against this Code and the AoC Code for English Colleges and has a plan to implement / evidence any additional recommended practice points. An external audit of governance took place during the year and returned a report of good governance with a number of recommendations for ongoing improvement. A plan to implement these recommendations, as well as a number of further improvements, will be implemented in the year ahead .

The Code requires Charities to disclose if the Trustee's Maximum Term of Office exceed 9 years. The maximum term of office for College Governors is currently set at 10 years based on numerous factors including specialist skills requirements for some positions. In order to allow for orderly succession planning, some Governors completed their final term based on the date last appointed and it was agreed that both the Chair and Vice-Chair would remain in position until 2024 to support orderly succession.

FIXED ASSETS

All tangible fixed assets are held for the purpose of carrying out the College's main objectives. The Governors believe the market value of the College's freehold land and buildings to be more than their net book value, although no independent valuations have been obtained, as it is considered that the cost of obtaining these is out of proportion to the usefulness of the information.

EMPLOYEES WITH DISABILITIES

Queen Alexandra College aims to ensure its recruitment, development and retention practice is exemplary. The College is a 'Disability Confident Employer', a 'Mindful Employer' and in October 2021 was awarded the prestigious 'Leaders in Diversity Award'. We ensure appropriate support to disabled people at the application stage (to ensure access needs for interview are met) through to successful interview and support as an employee. Our practice ensures no particular group or individual is treated more or less favourably based on the characteristics defined in the Equality Act 2010. Equality and Diversity is embedded into the College's management and the College's Equality and Diversity report is formally reviewed by Governors annually.

The College will do its utmost to ensure individual needs are met in the workplace, whether through assistive technology, ergonomics, counselling, flexible working or other individual requirement. All employees, disabled or non-disabled are offered equality of training, career development and promotion opportunities.

EMPLOYEE CONSULTATION

Numerous consultation processes take place throughout the College year. A Joint Consultative Committee made up of managers and employee union representatives meet to discuss not only terms and conditions of employment but factors affecting the organisation as a whole. There are management/staff 'feedback' and 'diary meetings' which take place weekly as well as staff survey and consultations. Employees also provide input into policies and the Principal shares strategic and external influences, which affect the College business with the whole staff group. The College's Senior Management Team have regular "open door" sessions whereby individual staff members can discuss any issues one to one with a member of the Senior Management Team.

The College's Staff Forum ("Staff Voice") brings together interested staff from all areas of QAC to participate in decision-making and has continued to prove successful and attract favourable comments from staff.

FUNDRAISING

Section 162a of the Charities Act 2011 requires Charities to make a statement regarding fundraising activities.

Although the College does not undertake widespread fundraising from the general public, it does undertake fundraising to support specific projects (largely from Charitable Trusts and Foundations) as well as its day-to-day activities. The College is very grateful to all donors and sponsors. Such amounts receivable are presented in the accounts as "Donations and Legacies".

QUEEN ALEXANDRA COLLEGE REPORT OF THE GOVERNORS

The day-to-day management of all income generation is delegated to the College Management Team. The College has a Fundraising Policy, which is approved by Governors and reviewed regularly; with Governors, receiving regular reports on fundraising activity and performance. The College has a dedicated fundraising team, which is led by a qualified fundraiser, who is a member of the Institute of Fundraising. The College manages all fundraising in house without involvement of commercial participators, external fundraisers or any other third party.

The College is registered with the Fundraising Regulator and complies fully with the Regulator's Standards and Code of Fundraising Practice. QAC does not make unsolicited approaches to members of the public and always gets consent from individuals before approaching them for support/ involvement. QAC has received no complaints in relation to fundraising activities and the policy requires staff to behave reasonably at all times.

VOLUNTEERS

The College is committed to providing opportunities for volunteering, placements and work experience to people from all walks of life. Many ex-students come back to volunteer, as do trainee teachers, social workers and people who just want to give something back to society or test out a new career in education or care. We provide projects for organisations looking to deliver to Corporate Social Responsibility agendas and have enjoyed productive partnerships with local and national businesses that enhance the overall experience of our students. Volunteer application forms are available on our website. In accordance with DBS guidance, our volunteers are all subject to stringent background checks.

STATEMENT OF GOVERNORS' RESPONSIBILITIES

The Governors are responsible for preparing the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the Governors 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 group and charity and of the incoming resources and application of resources, including the income and expenditure, of the group and charity for that period.

In preparing these financial statements, the Governors are required to:

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

GOING CONCERN

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

In preparing the financial statements, the Governors have considered whether the going concern basis of preparation for these accounts remains appropriate. To make this assessment the Governors have reviewed short-medium term financial forecasts and cashflow forecasts, and have completed a review of the reserves policy. The outcome of that review is that at no point in the next 12 months, or the medium-term forecast does the college breach its free reserves position.

**QUEEN ALEXANDRA COLLEGE
REPORT OF THE GOVERNORS**

Taking into account the above, including the level of cash and near liquid investments, the Governors believe that whilst inherent uncertainty exists, this does not pose a material uncertainty that would cast doubt on the College's ability to continue as a going concern for the foreseeable future, which is a period of at least 12 months from the signing of the accounts and audit report. The Governors therefore consider it appropriate for the accounts to be prepared on a going concern basis.

STATEMENTS AS TO DISCLOSURE OF INFORMATION TO AUDITORS

All of the current Governors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's Auditors for the purpose of their audit and to establish that the Auditors are aware of that information. The Governors are not aware of any relevant information of which the Auditors are not aware.

The Board of Governors approve the Annual Report and, in their capacity as company directors approve the Strategic Report incorporated therein.

On behalf of the Governors,



Alison Lydon
Secretary
5 December 2022

Registered Office
49 Court Oak Road
Harborne
Birmingham B17 9TG

Registered Company Number 03387540

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEEN ALEXANDRA COLLEGE

We have audited the financial statements of Queen Alexandra College ('the charitable company') and its subsidiaries ('the group') for the year ended 31 July 2022 which comprise consolidated statement of financial activities, consolidated balance sheet, consolidated statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 July 2021 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 trustee's 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 or the group'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 governors with respect to going concern are described in the relevant sections of this report.

Other information

The governors are responsible for the other information contained within the annual report. 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.

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the governors' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the governors' report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUEEN ALEXANDRA COLLEGE

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the governors' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of governors

As explained more fully in the governors' responsibilities statement set out on page 15, the governors (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the governors 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 governors 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 the governors 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company and group operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's and the group's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company and the group for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and Safety and Employment legislation, Ofsted and CQC Regulations for service providers and managers'.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Governors and other management and inspection of regulatory and legal correspondence, if any.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
QUEEN ALEXANDRA COLLEGE**

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income and the override of controls by management. Our audit procedures to respond to these risks included enquiries of management and the Audit Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, designing procedures over income, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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.



Kerry Brown (Senior Statutory Auditor)

For and on behalf of

Crowe U.K. LLP

Statutory Auditor

Black Country House

Rounds Green Road

Oldbury

West Midlands

B69 2DG

Date: 16 February 2023

QUEEN ALEXANDRA COLLEGE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE
ACCOUNT FOR THE YEAR ENDED 31 JULY 2022

Income	Notes	Year			Year		
		Unrestricted Funds	Restricted Funds	31 Jul 2022 Total	Unrestricted Funds	Restricted Funds	31 Jul 2021 Total
		£	£	£	£	£	£
Charitable Activities	3	12,873,455	83,945	12,957,400	11,110,765	88,200	11,198,965
Donations and legacies							
Grant: BRIB Rent		584,320	-	584,320	594,559	-	594,559
Other Donations and Grants		31,308	180,488	211,796	3,340	224,776	228,116
		615,628	180,488	796,116	597,899	224,776	822,675
Other Trading Activities							
Sales in Enterprises		604,582	-	604,582	494,221	-	494,221
Other Trading Income		82,224	-	82,224	25,852	-	25,852
		686,806	-	686,806	520,073	-	520,073
Investment Income							
Interest		6,436	-	6,436	1,420	-	1,420
Investment Income		53,604	-	53,604	47,170	-	47,170
		60,040	-	60,040	48,590	-	48,590
Total Income		14,235,930	264,432	14,500,362	12,277,327	312,976	12,590,303
Expenditure							
Charitable Activities	4	13,381,195	179,498	13,560,693	11,722,668	280,999	12,003,667
Raising Funds	5	551,924	1,188	553,112	440,563	-	440,563
Profit on Disposal of Fixed Assets		(300)	-	(300)	-	-	-
Total Expenditure		13,932,819	180,686	14,113,505	12,163,231	280,999	12,444,230
Net Income/(Expenditure) before movements on Investment Assets		303,111	83,746	386,857	114,096	31,977	146,073
Gains/(Losses) on Investment Assets		(168,736)	-	(168,736)	426,455	-	426,455
Net Income/(Expenditure)	13	134,375	83,746	218,121	540,551	31,977	572,528
Transfers between Funds		91,372	(91,372)	-	23,406	(23,406)	-
Net movement in Funds		225,747	(7,626)	218,121	563,957	8,571	572,528
Funds at 31 July 2021		11,559,772	1,263,538	12,823,310	10,995,815	1,254,967	12,250,782
Funds at 31 July 2022	13	11,785,519	1,255,912	13,031,431	11,559,772	1,263,538	12,823,310

There are no recognised gains or losses other than those shown above.

All of the Group's activities during the year ended 31 July 2022 are continuing.

The notes on pages 25 to 37 form part of these financial statements

QUEEN ALEXANDRA COLLEGE
COLLEGE STATEMENT OF FINANCIAL ACTIVITIES AND INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 July 2022

	Notes	Unrestricted Funds £	Restricted Funds £	Year 31 Jul 2022 Total £	Unrestricted Funds £	Restricted Funds £	Year 31 Jul 2021 Total £
Income							
Charitable Activities	3	12,873,455	83,945	12,957,400	11,110,765	88,200	11,198,965
Donations and legacies							
Grant: BRIB Rent		584,320	-	584,320	594,559	-	594,559
Other Donations and Grants		232,912	180,488	413,400	151,913	224,776	376,689
		817,232	180,488	997,720	746,472	224,776	971,248
Other Trading Activities							
Other Trading Income		154,822	-	154,822	113,626	-	113,626
Investment Income							
Interest		6,436	-	6,436	1,420	-	1,420
Investment Income		53,604	-	53,604	47,170	-	47,170
		60,040	-	60,040	48,590	-	48,590
Total Income		13,905,550	264,432	14,169,982	12,019,453	312,976	12,332,429
Expenditure							
Charitable Activities		13,381,194	179,498	13,560,693	11,722,668	280,999	12,003,667
Raising Funds		222,182	1,188	223,370	182,689	-	182,689
Profit on Disposal of Fixed Assets		(300)	-	(300)	-	-	-
Total Expenditure		13,603,076	180,687	13,783,763	11,905,357	280,999	12,186,356
Net Income/(Expenditure) before movements on Investment Assets		302,474	83,746	386,220	114,096	31,977	146,073
Gains/(Losses) on Investment Assets		(168,736)	-	(168,736)	426,455	-	426,455
Net Income/(Expenditure)	13	133,738	83,746	217,484	540,551	31,977	572,528
Transfers between Funds		91,372	(91,372)	-	23,406	(23,406)	-
Net movement in Funds		225,110	(7,626)	217,484	563,957	8,571	572,528
Funds at 31 July 2021		11,549,772	1,263,538	12,813,310	10,985,815	1,254,967	12,240,782
Funds at 31 July 2022	13	11,774,882	1,255,912	13,030,794	11,549,772	1,263,538	12,813,310

There are no recognised gains or losses other than those shown above.

All of the Charity's activities during the year ended 31 July 2022 are continuing.

The surplus for the year for Companies Act 2006 purposes excludes unrealised loss on investments of £143,187 (2021; gain £397,772) and amounts to a surplus of £361,947 (2021; surplus £174,756). The notes on pages 25 to 37 form part of these financial statements

**QUEEN ALEXANDRA COLLEGE
CONSOLIDATED BALANCE SHEET
31 JULY 2022**

	Notes	31 Jul 2022		31 Jul 2021	
		£	£	£	£
Fixed Assets					
Tangible Assets:	8				
Land and Buildings – Freehold		1,005,086		1,033,544	
Land and Buildings – Leasehold		5,154,063		5,225,646	
Fixtures Fittings and Equipment		1,055,387		790,648	
Motor Vehicles		24,067		37,748	
Computer Equipment		<u>289,751</u>		<u>227,161</u>	
			7,528,354		7,314,747
Investments	9		<u>2,619,282</u>		<u>2,739,422</u>
Total Fixed Assets					<u>10,054,169</u>
Current Assets					
Stock		6,472		5,964	
Debtors	10	1,293,029		1,295,352	
Short term Deposits		1,129,948		1,132,941	
Cash at Bank and In Hand		<u>2,298,806</u>		<u>1,924,024</u>	
Total Current Assets		4,728,255		4,358,281	
Liabilities					
Creditors: Amounts falling due within one year	11	<u>(1,834,460)</u>		<u>(1,589,140)</u>	
Net Current Assets			<u>2,893,795</u>		<u>2,769,141</u>
Total Assets less Current Liabilities					
			<u>13,041,431</u>		<u>12,823,310</u>
Total Net Assets			<u>13,041,431</u>		<u>12,823,310</u>
Funds					
Unrestricted Funds					
General		10,400,519		10,269,772	
Designated		<u>1,385,000</u>		<u>1,290,000</u>	
	13		11,785,519		11,559,772
Restricted Funds	13		<u>1,255,912</u>		<u>1,263,538</u>
			<u>13,041,431</u>		<u>12,823,310</u>

The Financial Statements on pages 19 to 36 were approved and authorised for issue by the Governors on 5 December 2022 and signed on their behalf by:

Ian Richards
Chair



Amanda McGeever
Vice Chair



The notes on pages 25 to 37 form part of these financial statements

Registered Company Number 03387540

**QUEEN ALEXANDRA COLLEGE
COLLEGE BALANCE SHEET
31 JULY 2022**

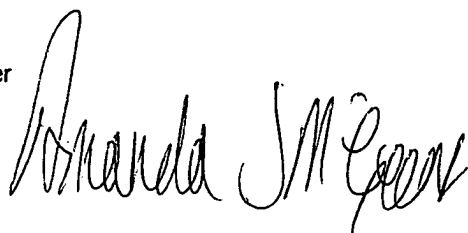
	Notes	31 Jul 2022		31 Jul 2021	
		£	£	£	£
Fixed Assets					
Tangible Assets:	8				
Land and Buildings - Freehold		1,005,086		1,033,544	
Land and Buildings - Leasehold		5,154,063		5,225,646	
Fixtures, Fittings and Equipment		1,055,387		790,648	
Motor Vehicles		24,067		37,748	
Computer Equipment		<u>289,751</u>		<u>227,161</u>	
			7,528,354		7,314,747
Investments	9		<u>2,619,384</u>		<u>2,739,524</u>
Total Fixed Assets			<u>10,147,738</u>		<u>10,054,271</u>
Current Assets					
Debtors	10	1,323,011		1,360,731	
Short term Deposits		1,129,948		1,132,941	
Cash at Bank and In Hand		<u>2,249,798</u>		<u>1,829,450</u>	
Total Current Assets		<u>4,702,757</u>		<u>4,323,122</u>	
Liabilities					
Creditors: Amounts falling due within one year	11	<u>(1,819,701)</u>		<u>(1,564,083)</u>	
Net Current Assets			2,883,056		2,759,039
Total Assets less Current Liabilities			<u>13,030,794</u>		<u>12,813,310</u>
Total Net Assets			<u>13,030,794</u>		<u>12,813,310</u>
Funds					
Unrestricted Funds					
General		10,389,882		10,259,772	
Designated		<u>1,385,000</u>		<u>1,290,000</u>	
	13		11,774,882		11,549,772
Restricted Funds	13		<u>1,255,912</u>		<u>1,263,538</u>
			<u>13,030,794</u>		<u>12,813,310</u>

The Financial Statements on pages 19 to 36 were approved and authorised for issue by the Governors on 5 December 2022 and signed on their behalf by:

Ian Richards
Chair



Amanda McGeever
Vice Chair



The notes on pages 25 to 37 form part of these financial statements.

Registered Company Number 03387540

**QUEEN ALEXANDRA COLLEGE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 JULY 2022**

	Year 31 Jul 2022	Year 31 Jul 2021
	£	£
Cash flows from Operating Activities	1,117,370	851,007
Cash flows from Investing Activities:		
Dividends and Interest from Investments	60,040	48,590
Proceeds from the Sale of Fixed Assets	(300)	-
Purchase of Fixed Assets	(756,725)	(343,324)
Proceeds from Sale of Investments	245,182	299,078
Purchase of Investments	(293,778)	(791,505)
Change in Cash and Cash Equivalents in the reporting period	371,789	63,846
Cash and Cash Equivalents at the beginning of the reporting period	3,056,965	2,993,119
Cash and Cash Equivalents at the end of the reporting period	3,428,754	3,056,965

Notes to the Consolidated Cash Flow Statement

1. Reconciliation of Net Income to Net Cash Flow from Operating Activities

Net Income for the reporting period	218,121	572,528
Adjustments for:		
Depreciation Charge	543,118	535,354
(Gains)/Losses on Investments	168,736	(426,455)
Dividends and Interest from Investments	(60,040)	(48,590)
Profit on Disposal of Fixed Assets	300	-
(Increase)/Decrease in Stocks	(508)	(627)
(Increase) in Debtors	2,323	(94,888)
Increase/(Decrease) in Creditors	245,320	313,685
Net Cash Provided by Operating Activities	1,117,370	851,007

2. Analysis of Change in Cash and Cash Equivalents

	At 31 July 2021	Cash Flows	At 31 July 2022
	£	£	£
Cash at Bank and in Hand	1,924,024	374,782	2,298,806
Short term Deposits	1,132,941	(2,993)	1,129,948
	3,056,965	371,789	3,428,754

The notes on pages 25 to 37 form part of these financial statements

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

1. ACCOUNTING POLICIES

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain assets and in accordance with the Statement of Recommended Practice, "Accounting and Reporting by Charities" preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Second edition October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006, the Charity's governing documents, and applicable Accounting Standards.

Queen Alexandra College meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

(b) Going Concern

In preparing the financial statements, the Governors have considered whether the going concern basis of preparation for these accounts remains appropriate. To make this assessment the Governors have reviewed short-medium term financial forecasts and cashflow forecasts and have completed a review of the reserves policy. The outcome of that review is that at no point in the next 12 months, or the medium-term forecast does the college breach its free reserves position.

Taking into account the above, including the level of cash and near liquid investments, the Governors believe that whilst inherent uncertainty exists, this does not pose a material uncertainty that would cast doubt on the College's ability to continue as a going concern for the foreseeable future, which is a period of at least 12 months from the signing of the accounts and audit report. The Governors therefore consider it appropriate for the accounts to be prepared on a going concern basis.

(c) Judgements in Applying Accounting Policies and Key Sources of Estimation Uncertainty

In preparing these financial statements, the Governors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and underlying assumptions are continually reviewed.

The following is a critical judgement that the Governors have made in the process of applying the accounting policies: Determining whether leases entered into by the group either as lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease-by-lease basis.

Other Key sources of estimation uncertainty:

- Tangible fixed assets (see note 8). Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of these assets are assessed annually and may vary depending on a number of factors. In assessing asset lives, factors such as life cycle and maintenance programmes are taken into account. Residual value assessments consider issues such as the remaining life of the asset and project disposal values.
- Trade debtors (see note 10). At each reporting date, trade debtors are assessed for recoverability if there is any evidence of impairment, the carrying amount of the debtor is reduced to its recoverable amount. The impairment loss is recognized immediately in the income statement.

(d) Basis of Consolidation

The group financial statements consolidate the financial statements of the College and QAC Enterprises Limited. Intra group transactions are fully eliminated on consolidation. The Governors consider that the presentation of the consolidated statement of financial activities and income and expenditure account, prepared on a line-by-line basis, gives a true and fair view of the group's results.

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

1. ACCOUNTING POLICIES (continued)

(e) Tangible Fixed Assets

Tangible fixed assets are recorded at cost on 31 December 1997, when they were allocated to the College by Birmingham Royal Institution for the Blind, plus additions since, at cost. Expenditure of less than £1,000 on plant, furniture, fixtures and fittings and educational equipment is charged to revenue in the period of acquisition. The equivalent figure for computer equipment is £500.

Fixed assets funded by specific donations are capitalised and depreciated in line with the normal depreciation rates shown below. Specific donations to acquire such assets are brought into the Statement of Financial Activities when receivable and included in restricted funds. Depreciation is charged within the Statement of Financial Activities under the appropriate fund heading.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost of each asset less its estimated residual value over its expected useful life as follows:

Freehold land	Nil
Freehold and Leasehold Property	2% on cost, or if shorter the remaining period of the lease
Fixtures and Fittings	10% - 20% on cost
Computer Equipment	33 1/3% on cost
Motor Vehicles	20% on cost

The carrying value of the Charity's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If events or changes in circumstances indicate an impairment, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of fair value less costs to sell the asset and its value in use. 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 Activity.

(f) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is virtually certain that the income will be received and the amount can be measured reliably. Income from ESFA and Local Authority Fees, Government and other grants whether 'capital' grants or 'revenue' grants is recognised when the charity has entitlement to the funds and it is virtually certain that the income will be received. Income from other sources is recognised when the charity has entitlement to the funds. Income received in advance of provision of a specified service is deferred until the criteria for income recognition are met.

(g) Expenditure

Expenditure is accounted for on an accrual's basis. The cost of irrecoverable Value Added Tax is included with the item of expense to which it relates. Charitable activities include expenditure associated with the charity's Objects including both the direct costs and support costs relating to these activities. Costs of raising funds are those costs incurred in attracting voluntary income and those incurred in trading activities that raise funds including income from QAC Enterprises. Overheads are not apportioned between charitable, fund generating and governance activities as the sums involved are deemed immaterial and all the functions other than charitable activities have the primary function of supporting those charitable activities.

(h) Operating Leases

Operating lease costs are charged to the Statement of Financial Activities as incurred. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

(i) Financial Instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

(j) Stocks and Assets Held for Sale

Stocks and Assets Held for Sale are stated at the lower of cost or net realisable value.

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

1. ACCOUNTING POLICIES (continued)

(k) Investments

Investments are stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Investments in subsidiaries are shown at cost.

(l) Pension Costs

Retirement benefits to teaching staff are provided by the Teachers' Pension Scheme ('TPS'). This is a defined benefit scheme and the assets are held separately from those of the College. The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the College 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 quinquennial valuations using a prospective benefit method. The TPS is a multi-employer scheme and the College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS scheme is therefore treated as a defined contribution scheme and contributions are recognised as they are paid each year.

The College also operates two separate defined contribution schemes for non-teaching staff. The cost to the group of pension contributions is shown in note 7 to the financial statements and the group had no arrears of contributions at the year-end.

(m) Funds

Restricted Funds

These consist of monies received by the College for specific purposes less expenditure to date.

Unrestricted Funds

This fund represents the accumulated surpluses arising from the College's activities.

(n) Voluntary Help and Gifts in Kind

No financial value has been attributed to the voluntary help received by the College during the year. Any other gift in kind is valued when received and is included in the Statement of Financial Activities.

(o) Recognition of Liabilities

All known liabilities at 31 July 2022 have been provided for in these accounts.

2. CHARITABLE STATUS

Queen Alexandra College is a registered charity and is exempt from Income Tax and Capital Gains Tax provided its income and gains are applied for charitable purposes.

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

3. CHARITABLE ACTIVITIES INCOME

	Year 31 July 2022	Year 31 July 2021
	£	£
Income from Charitable Activities:		
Education and Skills Funding Agency Student Funding	3,795,800	3,384,708
Education and Skills Funding Agency Free Meals Funding	36,126	48,877
Education and Skills Funding Agency Capital Maintenance Funding	204,343	98,143
Education and Skills Funding Agency Teachers Pension Funding	81,565	79,699
Education and Skills Funding Agency Covid Mass Testing Funding	13,064	58,020
Education and Skills Funding Agency 16-19 Tuition Fund	69,495	88,200
Total Education and Skills Funding Agency	4,200,393	3,757,647
Local Authorities Student Funding	7,335,390	6,301,062
Other Employment Programmes Income	9,324	9,837
Independence Plus Client Social Services/Private Income	927,103	892,650
Respite Care & Private Student Fee Income	192,737	121,798
Community Services Income	220,792	78,652
Student Transport Fees	4,408	3,454
Catering Income	44,396	26,825
Other Charitable activities Income	22,858	7,040
Total Income from Charitable Activities	12,957,400	11,198,965

4. CHARITABLE ACTIVITIES EXPENDITURE

	Year 31 July 2022	Year 31 July 2021
	£	£
Expenditure from Charitable Activities		
Unrestricted Funds		
Direct Teaching and Support Staff Costs	7,912,698	6,849,950
Indirect Staff Costs to support Charitable Activities	1,689,786	1,614,605
Other Employee Related Costs	131,745	101,615
Premises Costs	1,293,444	1,191,739
Catering and Cleaning	815,014	715,938
Depreciation	516,361	508,597
Equipment Maintenance	99,982	115,379
Exam Fees and Courses	13,671	13,561
Subscriptions	19,090	24,602
Student Transport and Other Allowances	74,856	51,105
Student Bursaries	533	1,270
Medical Costs	38,913	20,880
Learning Equipment , Consumables and Activities	45,924	28,022
Educational Subcontract Fees	76,965	34,992
Student Support Professional Fees	64,559	50,950
Staff Travel Expenses	16,255	4,659
College Transport	36,284	16,086
Printing, Stationery, Postage and Computing Consumables	416,695	286,704
Marketing and Advertising	38,869	23,709
Miscellaneous	10,830	9,075
Legal, Professional & Consulting Fees and Charges	49,856	38,443
External Audit Fees	24,960	20,012
Development	212	593
Volunteers' Expenses	71	-
Books and Publications	3,622	182
	13,381,194	11,722,668
Restricted Funds		
Depreciation	26,757	26,757
Infection Control Non-Staff Costs	6,648	28,813
Learning Equipment and Consumables	110,124	52,586
Staff Costs	76,719	172,843
	179,498	280,999
Total Expenditure from Charitable Activities	13,560,693	12,003,667

Included in the above expenditure are support costs of £2,501,690 (2021: £2,249,154) and governance costs of £104,921 (2021: £95,984).

**QUEEN ALENDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

4. CHARITABLE ACTIVITIES EXPENDITURE (continued)

Insurance is purchased to protect the College from losses arising from neglect or default of its Governors, officers and employees, and to indemnify the Governors, officers and employees against the consequences of neglect or default on their part. The amount paid for the year was included within the College's overall Combined Commercial Policy and the cost cannot be separately identified. The limit of indemnity is £5,000,000 (2020; £5,000,000).

5. COST OF RAISING FUNDS

	Year 31 July 2022	Year 31 July 2021
	£	£
Enterprises		
Salaries	266,723	230,280
Premises Costs	6,579	27,461
Cost of Goods Sold	19,016	7,120
Audit and Accounting Fees	6,200	7,125
Other Costs	103,822	73,662
	<u>402,340</u>	<u>345,648</u>
Other Costs of Raising Funds		
Staff Costs	87,739	65,936
Catering Costs	-	288
Management Charges Investment Funds	13,132	11,626
Cost of Goods Sold	2,636	30
Other Costs	47,264	17,035
	<u>150,772</u>	<u>94,915</u>
Total Costs of Raising Funds	<u>553,112</u>	<u>440,563</u>

6. NET INCOME

	Year 31 July 2022	Year 31 July 2021
	£	£
Net Income is stated after charging:		
Operating Leases:		
Rent	747,735	686,765
Hire of Equipment	11,086	14,302
Staff Costs	9,835,258	8,968,789
Auditors' Remuneration: External Audit Services	29,600	26,037
Other services	1,560	1,100
Depreciation of Owned Assets	<u>543,118</u>	<u>535,354</u>

7. STAFF COSTS

	Year 31 July 2022	Year 31 July 2021
	£	£
Staff Costs:		
Wages and Salaries	8,421,433	7,821,792
Social Security Costs	707,349	634,460
Other Pension Costs	498,277	451,486
Agency staff costs	208,199	61,051
	<u>9,835,258</u>	<u>8,968,789</u>

Staff Costs of £9,835,257 (2021; £8,968,789) include ex gratia and redundancy costs of £nil (2021; £29,360).

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

7. STAFF COSTS (continued)

	Year 31 July 2022 Number	Year 31 July 2021 Number
The average weekly number (full time equivalent) of employees during the year was as follows:		
Teaching and Support Staff	208	190
Care Staff	118	99
Office and Management	42	39
QAC Enterprises	9	8
Maintenance Staff	8	8
	385	344

Average headcount throughout the year was 423 employees.

The number of employees included above whose earnings (including taxable benefits in kind, ex gratia and redundancy costs) exceeded £60,000 were:

	Year 31 July 2022 Number	Year 31 July 2021 Number
£60,000 to £69,999	4	3
£80,000 to £89,999	-	-
£90,000 to £99,999	-	1
£100,000 to £109,999	1	-

The College also made pension contributions in respect of 5 (2021; 4) of the 5 (2021; 4) employees noted above. Contributions into pension schemes for higher paid employees amounted to £45,657 (2021; £41,963)

The key management personnel of the College are the Principal, Deputy Principal, the Director of Governance and the Director of Finance and Resources. The employee benefits of key management personnel were £311,104 (2021; £270,122)

No remuneration was paid to any Governor. During the year no Governor claimed any expenses (2021: nil). All expenses are incurred wholly and exclusively in carrying out duties as Governors of the College and are in accordance with the College constitution.

8. FIXED ASSETS

Group and College	Freehold Land and Buildings £	Leasehold Land and Buildings £	Fixtures and Fittings £	Motor Vehicles £	Computer Equipment £	Assets Under Construction £	Total £
Cost							
31 July 2021	1,497,608	6,940,569	2,547,667	287,294	2,754,270	-	14,027,408
Additions	-	68,368	260,923	-	208,915	218,519	756,725
Disposals	-	-	-	(49,060)	-	-	(49,060)
31 July 2022	1,497,608	7,008,937	2,808,590	238,234	2,963,185	218,519	14,735,073
Depreciation							
31 July 2021	464,064	1,714,923	1,757,019	249,546	2,527,109	-	6,712,661
Provided in the Year	28,458	139,951	184,309	13,680	176,720	-	543,118
Eliminated on disposal	-	-	-	(49,060)	-	-	(49,060)
31 July 2022	492,522	1,854,874	1,941,328	214,166	2,703,829	-	7,206,719
Net Book Values							
31 July 2022	1,005,086	5,154,063	867,262	24,068	259,356	218,519	7,528,354
31 July 2021	1,033,544	5,225,646	790,648	37,748	227,161	218,519	7,314,747

The Net Book Value of Assets that are subject to depreciation as at 31 July 2022 was £7,453,679 (2021; £7,240,072).

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

9. INVESTMENTS

Group and College

Queen Alexandra College owns the whole of the issued share capital of 100 shares of £1 each of QAC Enterprises Limited, a company incorporated in England & Wales (Company Number 1986389). The company operates three distinct businesses: a specialist transcription services ("All Formats"), the sale of canes for the visually impaired and the "Sight Village" series of exhibitions for the blind and visually impaired. All profits from the businesses are Gift Aided to the College. The turnover for the year ended 31 July 2022 was £604,582 (2021; £494,221) and the Gift Aid payment was £202,242 (2021; £148,573). QAC Enterprises had net assets and reserves of £10,100 at the year-end (2021; £10,100).

Queen Alexandra College also owns the whole of the issued share capital of 1 share of £1 of QAC Sight Village Limited and the whole of the issued share capital of 1 share of £1 of Sight Village Limited. These companies are incorporated in England & Wales and have remained dormant since their incorporation on 6 February 2010 and 16 July 2012 respectively.

Investments

Unrestricted Fund

Movements in the Investment Fund managed by Smith & Williamson were:

	Year 31 July 2022	Year 31 July 2021
	£	£
Market Value at beginning of the year	2,739,424	1,820,541
Additions to investment at cost	293,776	791,505
Disposals at market value	(245,182)	(299,078)
Net realised and unrealised investment gain/(loss)	(168,736)	426,454
Total Investment Fund	<u>2,619,282</u>	<u>2,739,422</u>
Shares in subsidiary companies	102	102
Closing Balance	<u>2,619,384</u>	<u>2,739,524</u>

At 31 July 2022 no investments represented in excess of 5% of the portfolio (2021, nil).

Cash held by the Investment Fund managers Smith & Williamson at 31 July 2022 of £118,930 (2021; £121,924) has been included on the balance sheet under short-term deposits within current assets.

	31 July 2022	31 July 2021
	£	£
Listed Securities	<u>2,619,282</u>	<u>2,739,422</u>
Total Investments in Investment Fund	2,619,282	2,739,422
QAC Enterprises Limited	100	100
QAC Sight Village Limited	1	1
Sight Village Limited	1	1
Total Investments	<u>2,619,384</u>	<u>2,739,524</u>

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 JULY 2022**

10. DEBTORS: Amounts falling due within one year

	31 July 2022		31 July 2021	
	Group £	College £	Group £	College £
Amount due from BRIB	1,431	1,431	3,500	3,500
Trade Debtors	414,672	259,804	399,529	181,645
Amounts due from Subsidiary	-	319,129	-	408,572
Prepayments	267,017	256,080	218,056	213,224
Accrued Income	595,105	471,763	665,787	545,310
Other Debtors	14,804	14,804	8,480	8,480
	<u>1,293,029</u>	<u>1,323,011</u>	<u>1,295,352</u>	<u>1,360,731</u>

11. CREDITORS: Amounts falling due within one year

	31 July 2022		31 July 2021	
	Group £	College £	Group £	College £
Trade Creditors	468,501	464,051	275,529	261,662
Amount due to BRIB	-	-	-	-
Amount due to Subsidiary	-	-	-	-
Other Loan	-	-	-	-
Tax and Social Security	218,686	218,686	195,441	195,441
Pensions Contributions	71,515	71,515	61,806	61,806
Other Creditors	90,449	90,449	18,272	18,272
Accruals	745,348	738,039	702,304	692,874
Fees in Advance	239,961	236,961	335,788	334,028
	<u>1,834,460</u>	<u>1,819,701</u>	<u>1,589,140</u>	<u>1,564,083</u>

Deferred income relates to income from the Education and Skills Funding Agency, Local Authorities and other sources received in advance. The movement on the deferred income account during the year was:

	Group £	College £
Balance at 1 July 2021	335,788	334,028
Amounts released in the year	(332,110)	(330,350)
Amounts deferred in the year	236,280	233,280
Balance at 31 July 2022	<u>239,961</u>	<u>236,961</u>

12. FINANCIAL INSTRUMENTS

	31 July 2022		31 July 2021	
	Group £	College £	Group £	College £
Financial Assets				
Financial Assets measured at fair value through SOFA	2,619,284	2,619,384	2,739,422	2,739,422
Cash & Cash Equivalents	3,428,754	3,379,749	3,056,965	2,962,391
Financial Assets that are Debt Instruments Measured at Amortised Cost	1,024,581	746,371	1,077,296	738,935
	<u>7,072,619</u>	<u>6,745,504</u>	<u>6,873,683</u>	<u>6,440,748</u>
Financial Liabilities				
Financial Liabilities Measured at Amortised Cost	1,304,298	1,292,539	996,105	972,808

Financial assets measured at fair value through the SOFA comprise fixed asset investments in a trading portfolio of listed company shares and unlisted securities, which are valued at the quoted market price. Financial instruments measured at amortised cost comprise trade debtors, accrued income and other debtors. Financial assets also include cash and cash equivalents. Financial liabilities measured at amortised cost comprise trade creditors, other creditors, other loans and accruals.

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
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13. RECONCILIATION OF MOVEMENT IN GROUP AND COLLEGE FUNDS

	Unrestricted Fund £	Designated Fund £	Restricted Funds £	31 July 2022 Total £	31 July 2021 Total £
As at 31 July 2021					
College	10,259,772	1,290,000	1,263,538	12,813,310	12,240,782
Subsidiary	10,000	-	-	10,000	10,000
Group	10,269,772	1,290,000	1,263,538	12,823,310	12,250,782
Movement in the Period					
Net Income					
College	320,926	(187,189)	83,746	217,483	572,528
Subsidiary	638	-	-	638	-
Group	321,564	(187,189)	83,746	218,121	572,528
Transfers between funds					
College	(190,817)	282,189	(91,372)	-	-
Subsidiary	-	-	-	-	-
Group	(190,817)	282,189	(91,372)	-	-
As at 31 July 2022					
College	10,389,881	1,385,000	1,255,912	13,030,793	12,813,310
Subsidiary	10,638	-	-	10,638	10,000
Group	10,400,519	1,385,000	1,255,912	13,041,431	12,823,310

PURPOSE OF DESIGNATED FUNDS

Site Expansion Fund

In 2020.21 the Governors designated £1m to support the necessary investment in site expansion that will be required if the college is to achieve its objectives in its strategic plan. With growth in student numbers being a significant element of the strategic plan it is estimated that approximately £1m worth of investment from reserves will be required in order to provide the facilities needed to accommodate the growth.

Community Service

In 2020.21 the Governors designated £140k to support a Community Services project that aims to support previous QAC leavers who have, as a result of the pandemic, become isolated and not able to follow their transition path. This full designation has been used in 2021.22 to fund that project and also to partly fund the deficit that the Community Service provision generated.

Community Services remains a fledgling service and at present is costing the college circa £150k per year to run. It is apparent that without voluntary income this service will not be able to break even.

Following a review of the short to medium term financial forecast, the Governors have agreed to designate £335k to Community Services to cover development costs and the estimated losses over the next two years, it is the expectation that after two years the service will need to be financially viable in its own right.

Information Technology Development Fund

Governors have designated £50k to support the ongoing work required for to improve IT security at the College.

**QUEEN ALEXANDRA COLLEGE
NOTES TO THE FINANCIAL STATEMENTS
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13. RECONCILIATION OF MOVEMENT IN GROUP AND COLLEGE FUNDS (continued)

The balances on Restricted Funds and their movement during the year are as follows:

	At 31 July 2021					At 31 July 2022
		Income	Depreciation	Expenditure	Transfers	
	£	£	£	£	£	£
Social Demographic Fund	488,415	-	(8,932)	-	-	479,483
ISP Maintenance Fund	349,515	-	(10,221)	-	-	339,294
Community Café Fund	193,328	-	(7,604)	-	-	185,724
Community Integration Fund	10,724	10,150	-	(4,058)	-	16,816
Community Services Funds	33,727	42,384	-	(24,373)	1,770	53,508
ESFA 16-19 Tuition Fund	23,841	69,495	-	(85,522)	(7,814)	-
Indoor Climbing Fund	4,531	-	-	(1,250)	-	3,281
Minibus Fund	3,000	-	-	-	-	3,000
Music Development Fund	16,931	58	-	(1,884)	-	15,105
National Express Supported Interns	11,841	10,000	-	(7,886)	-	13,955
Outdoor Teaching Space	10,628	-	-	-	-	10,628
Performing Arts Fund	33,913	-	-	(374)	-	33,539
Sensory Cabin Fund	15,641	-	-	-	-	15,641
Sensory Garden Fund	1,650	-	-	-	-	1,650
Sport & Recreation Fund	5,656	-	-	(918)	-	4,738
Umberslade Fund	18,839	19,550	-	(319)	-	38,070
Campus Improvements Funds	-	80,392	-	(1,835)	(78,557)	-
Environmental Projects	-	7,400	-	-	-	7,400
Others (35 funds)	41,358	25,003	-	(25,511)	(6,770)	34,080
TOTAL	1,263,538	264,432	(26,757)	(153,929)	(91,372)	1,255,912

Purpose of Restricted Funds

Social Demographic Fund

A grant received to create a secondary education site for QAC. This was initially used to purchase 494-498 Bearwood Road where a dual-purpose retail unit and commercial/educational café was created. In March 2020 this property was sold for £475,000. The grantor confirmed the funds could be retained to fund future off-site developments. The additional £4,483 that is included in this fund represents the net book value of assets that were funded by this grant and transferred to the main site for use on the sale of the property.

In 2021/22 the College entered into a long-term lease for the Umberslade site that it has previously occupied. The site has been identified as a site that with development could accommodate 60 learners. As the development of the site fits the criteria of the Social Demographic Fund it has been agreed that expenditure relating to the redevelopment of Umberslade will be allocated to this fund. The project commenced in June 2022 and expenditure of £218,519 has been incurred in the year ended 31 July 2022, this expenditure has been capitalised and categorised as assets under construction. As the site did not open until September 2022 no depreciation has been charged in this financial year.

ISP Maintenance Fund

The Independent Specialist Providers Building Condition Improvement Fund was received to fund the refurbishment of the educational buildings known on site as Springboard and Evolution.

Community Café Fund

A Grant received to fund the creation of a new dual purpose on-site retail unit, a community café and a sensory room.

**QUEEN ALEXANDRA COLLEGE
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14. GUARANTEES AND OTHER FINANCIAL COMMITMENTS

Financial commitments under non-cancellable operating leases will result in minimum lease payments falling due in the following periods

	31 July 2022	31 July 2021
	Land and Buildings £	Land and Buildings £
Not later than one year	761,320	696,765
within 2-5 years	158,833	55,000
Over 5 years	22,500	-

Included in lease commitments not later than one year is a lease from BRIB for the College's main premises £584,320 (2021; £584,320). Under an agreement dated 31 December 1997 BRIB has undertaken to provide an annual grant to cover this cost.

15. CAPITAL COMMITMENTS

	31 July 2022 £	31 July 2021 £
Authorised and contracted for but not provided for in the financial statements.	<u>156,596</u>	<u>135,027</u>

The commitments for capital projects at 31 July 2022 of £156,596 include £24,977 for resurfacing at Umberslade and £72,000 for the redevelopment of the main building at Umberslade.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total £
Group				
Fund balances at 31 July 2022 are represented by:				
Tangible Fixed Assets	6,780,335	-	748,019	7,528,354
Investments	2,619,282	-	-	2,619,282
Current Assets	2,835,362	1,385,000	507,893	4,728,255
Current Liabilities	(1,834,460)	-	-	(1,834,460)
	<u>10,400,519</u>	<u>1,385,000</u>	<u>1,255,912</u>	<u>13,041,431</u>
College				
Fund balances at 31 July 2022 are represented by:				
Tangible Fixed Assets	6,780,335	-	748,019	7,528,354
Investments	2,619,384	-	-	2,619,384
Current Assets	2,809,864	1,385,000	507,893	4,702,757
Current Liabilities	(1,819,701)	-	-	(1,819,701)
	<u>10,389,882</u>	<u>1,385,000</u>	<u>1,255,912</u>	<u>13,030,794</u>

**QUEEN ALEXANDRA COLLEGE
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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

	Unrestricted Fund £	Designated Fund £	Restricted Funds £	Total £
Group				
Fund balances at 31 July 2021 are represented by:				
Tangible Fixed Assets	6,758,489	-	556,258	7,314,747
Investments	2,739,422	-	-	2,739,422
Current Assets	2,355,175	1,290,000	713,106	4,358,281
Current Liabilities	(1,583,314)	-	(5,826)	(1,589,140)
	<u>10,269,772</u>	<u>1,290,000</u>	<u>1,263,538</u>	<u>12,823,310</u>
College				
Fund balances at 31 July 2021 are represented by:				
Tangible Fixed Assets	6,758,489	-	556,258	7,314,747
Investments	2,739,524	-	-	2,739,524
Current Assets	2,320,016	1,290,000	713,106	4,323,122
Current Liabilities	(1,558,257)	-	(5,826)	(1,564,083)
	<u>10,259,772</u>	<u>1,290,000</u>	<u>1,263,538</u>	<u>12,813,310</u>

17. RELATED PARTIES

the principal connected organisations are as follows:

QAC Enterprises Limited (Subsidiary Company)

During the financial year ended 31 July 2022 the following transactions occurred between Queen Alexandra College (the College) and its subsidiary company, QAC Enterprises Limited:

- Management recharges of £72,598 (2021: £87,774) to cover staff and other costs, incurred during the year by the College, on behalf of QAC Enterprises Limited.
- QAC Enterprises made a Gift Aid Distribution of £202,242 (2021: £148,573) to the College

At 31 July 2022 QAC Enterprises Limited owed the College £319,767 (2021: £408,572).

Birmingham Royal Institution for the Blind (BRIB)

During the year Birmingham Royal Institution for the Blind charged Queen Alexandra College £627,700 (2021; £627,700) in respect of rent and made grants of £584,320 (2021; £594,559) to the College in respect of rent. Queen Alexandra College also received a total of £5,200 (2021; £5,000) from BRIB in respect of accounting services provided by the College under a Service Level Agreement.

At the year end the net amount owed by the College to BRIB was £9,413 (2021: £267).

Focus Birmingham

During the year QAC received £12,025 (2021: £6,333) from Focus Birmingham in respect of recharging gas costs.

At the year end the net amount owed by Focus Birmingham to the College was £Nil (2021; £5,401).

**QUEEN ALEXANDRA COLLEGE
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17. RELATED PARTIES (continued)

The National Association of Specialist Colleges

Bev Jessop is a Director of The National Association of Specialist Colleges (NATSPEC). During the year NATSPEC charged the College £6,676 (2021; £6,124) in respect of membership subscriptions and training/conferences. Queen Alexandra College received during the year £nil (2021; £nil) from NATSPEC in respect of services supplied. At the year-end the amount owed by the College to NATSPEC was £nil (2021; £48).

Governor Donations

There were no donations from Governors in the year, other than individual sponsorships and tickets for fundraising events (2021; £nil).

The College has taken advantage of the exemptions conferred by FRS102 not to disclose transactions with members of the group headed by Queen Alexandra College on the grounds that 100% of the voting rights in the Charity are controlled within that group and the Charity is included in the consolidated financial statements.

18. POST BALANCE SHEET EVENTS

There are no post balance sheet events that require adjustment or disclosure in these financial statements.