

Charity Registration No. 307257

QUEEN MARY'S COLLEGE FOUNDATION
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

QUEEN MARY'S COLLEGE FOUNDATION

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L Bone (Chairman) C B Evans T S Jackson C S Killick R I A Knapman M A Lane (Treasurer) B V Linklater G Tomblin K G Chapman M.B.E
Clerk	J Stockdale
Charity number	307257
Principal address	c/o Queen Mary's College Cliddesden Road Basingstoke Hampshire RG21 3HF
Independent examiner	Alliotts LLP Friary Court 13-21 High Street Guildford Surrey GU1 3DL
Bankers	CAF Bank Limited 25 Kings Hill Avenue West Malling Kent ME19 4JQ
Investment advisors	M & G Investments Laurence Pountney Hill London EC4R 0HH CCLA Investment Management 85 Queen Victoria Street London EC4V 4ET

QUEEN MARY'S COLLEGE FOUNDATION

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QUEEN MARY'S COLLEGE FOUNDATION

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their annual report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the foundation's Trust Deed, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016).

Objectives and activities

The trustees confirm that they have referred to the Charity Commission's guidance on public benefit when reviewing the foundation's aims and objectives, in planning future activities, and setting the grant making policy for the year.

The foundation furthers its charitable purposes for the public benefit through its grant-making policy. The principal activities of the foundation continue to be the provision of grants for the furtherance of education, training and employment of students who are resident in the Borough of Basingstoke and Deane, or are attending, or who have for not less than one year attended, Queen Mary's College.

Grants are awarded to students in accordance with the requirements of the Trust Deed and the Objects of the foundation, i.e. the furtherance of education, training and employment.

Students seeking financial assistance must complete an approved application form which is always accompanied by comprehensive guidelines. Applications may be sent directly to the foundation or forwarded through Queen Mary's College.

The trustees consider applications at their quarterly meetings. The foundation does not undertake any fundraising activities.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the foundation should undertake.

Achievements and performance

The benefits of the foundation's work are the education and training of students resident in the Borough of Basingstoke and Deane. The trustees are pleased that the achievements and performance of the foundation, as set out below, continue to demonstrate positive progress.

Individual grants are made to students with varying educational and vocational needs and this policy will continue for the foreseeable future. The charity has seen a drop in the number of applications from individual students and a refreshed website and application process is hoped to help this cause in 2022.

Support continues for students of Queen Mary's College and Basingstoke College of Technology who face financial hardship or require help with specific educational needs. This particular fund is administered within the College by the Director of Student Support on behalf of the foundation. Grants are also made to students attending other senior schools within the Borough of Basingstoke and Deane where specific support needs are identified.

The trustees are pleased to report that the awards made to departments within Queen Mary's College continue and in the past 10 years, these have totalled £198,531 for equipment and resources.

QUEEN MARY'S COLLEGE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Financial review

The income from 25 Wote Street has been a large proportion of the income of the charity. We are pleased to report that the ground floor tenant has paid the full rent due in 2021 with the exception of an agreed discount for one quarter. The rent for the first quarter of 2022 has been received in full .

The upper floor tenant has vacated their space and paid all rents due and the upper floors have been vacant since May 2021

The trustees have further consulted chartered surveyors and planning advisers and the ground floor tenant has made an offer to acquire the entire property in 2022 and this offer has been accepted after carrying out the required independent valuation. The trustees have chosen not to update the carrying valuation in these accounts as the contract for the sale is not exchanged at the time of writing this report and the upper floors remain vacant at present

The other investments have performed well. £80,000 additional investment was made in 2020 so the overall income from M&G and CCLA investments has risen by £3,046.

The foundation has a policy to keep 12 months expenditure in hand the cash held at December 2021 is in excess of this sum. It is intended to invest the proceeds of the property sale along with the surplus held at the present time following independent advice due to be taken in 2022.

The investments held are always compliant with the Charities Act 2011 and have a mix of income requirement and the need to maintain capital. The performance of the investments are reviewed annually by the trustees.

All investment decisions are taken by the full board of trustees and are investments are only made in assets that have been previously recommended by professional advisers.

It is the policy of the foundation that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the foundation's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The balance held as unrestricted funds at 31 December 2021 was £1,504,648 (2020: £1,355,884), of which £91,308 (2020: £65,225) is regarded as free reserves (general funds), after allowing for funds tied up in fixed asset investments. Actual cash payments for the year totalled £42,241. The current level of reserves is therefore considered to be sufficient to meet expenditure requirements.

QUEEN MARY'S COLLEGE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees have assessed the major risks to which the foundation is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The trustees identify eight major risks:

1. Loss of property at 25 Wote Street: this is adequately covered by insurance.
2. Loss of rent from 25 Wote Street: this is covered by the reserves and investment policies.
3. Loss of investment income: this is covered by the investment policy and performance.
4. Loss of key personnel: there are sufficient experienced trustees to provide cover.
5. Loss of key documents: evidence of relevant key documents can be ascertained from more than one source. The lease and the share certificates are held at the solicitor's offices.
6. Loss of accounting records: the accounting records of the foundation are held on the treasurer's computer system which is backed up daily onto the cloud.
7. Loss of clerk's records: the clerk holds the minute books, both past and current. In the event of a house fire, these might be lost. Documents may be archived at the Records office, Winchester when it is considered appropriate. The treasurer keeps copies of the current year's minutes, which will be required for the annual accounts. Other records, such as administration details are kept on a computer, backed up onto DVD.
8. Risk of an urgent cheque being needed when the treasurer is not available: henceforth, the cheque book can be accessed by the clerk who will obtain alternative signatories.

QUEEN MARY'S COLLEGE FOUNDATION

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Structure, governance and management

The powers of the foundation, which is unincorporated, are as set out in its Trust Deed dated 10 January 1955 as varied by schemes dated 4 August 1972, 20 March 2003 and 1 January 2015. The foundation is governed by its trustees who meet four times a year.

The trustees who served during the year and up to the date of signature of the financial statements were:

L Bone (Chairman)

C B Evans

T S Jackson

C S Killick

R I A Knapman

M A Lane (Treasurer)

B V Linklater

D M Reavell

(Resigned 1 March 2021)

G Tomblin

K G Chapman M.B.E

Ten trustees are appointed by:

- The trustees of Basingstoke Charities - one trustee for a period of four years;
- The foundation trustees - nine co-opted trustees by a resolution of the trustees for a period of four years.

New trustees are introduced to the work of the foundation with a personal contact and an information pack. This contains comprehensive information about the schemes, policies, recent minutes and administration.

At the quarterly meetings, the trustees examine the major strategic, business and operational risks which the foundation faces and confirm that systems have been established to mitigate our exposure to the major risks.

The day-to-day administration of grants and the processing and handling of applications is delegated to the Clerk employed by the trustees, liaising as necessary with the college.

The trustees' report was approved by the Board of Trustees.

M A Lane (Treasurer)

Dated: 6 April 2022

QUEEN MARY'S COLLEGE FOUNDATION

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF QUEEN MARY'S COLLEGE FOUNDATION

I report to the trustees on my examination of the financial statements of Queen Mary's College Foundation (the foundation) for the year ended 31 December 2021.

Responsibilities and basis of report

As the trustees of the foundation you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the foundation's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with 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) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the foundation as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Christopher Cairns

Christopher Cairns (Apr 11, 2022 18:01 GMT+1)

Christopher Cairns BSc FCA

Alliotts LLP

Friary Court
13-21 High Street
Guildford
Surrey
GU1 3DL

Dated: 11/04/2022

QUEEN MARY'S COLLEGE FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Unrestricted funds general	Unrestricted funds investment	Total 2021	Total 2020
		£	£	£	£
Income from:					
Investments	3	70,285	-	70,285	58,825
Expenditure on:					
Raising funds	4	1,648	-	1,648	838
Charitable activities	5	42,553	-	42,553	43,702
Total resources expended		44,201	-	44,201	44,540
Net gains/(losses) on investments	9	-	122,681	122,681	(60,300)
Net movement in funds		26,084	122,681	148,765	(46,015)
Fund balances at 1 January 2021		65,224	1,290,659	1,355,883	1,401,899
Fund balances at 31 December 2021		91,308	1,413,340	1,504,648	1,355,884

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

QUEEN MARY'S COLLEGE FOUNDATION

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Investment properties	10		400,000		400,000
Investments	11		1,013,340		890,659
			<u>1,413,340</u>		<u>1,290,659</u>
Current assets					
Cash at bank and in hand		109,756		66,423	
Creditors: amounts falling due within one year					
	12	<u>(18,448)</u>		<u>(1,198)</u>	
Net current assets			<u>91,308</u>		<u>65,225</u>
Total assets less current liabilities			<u>1,504,648</u>		<u>1,355,884</u>
Income funds					
<u>Unrestricted funds</u>					
Designated funds	13	1,413,340		1,290,659	
General unrestricted funds		<u>91,308</u>		<u>65,225</u>	
			<u>1,504,648</u>		<u>1,355,884</u>
			<u>1,504,648</u>		<u>1,355,884</u>

The financial statements were approved by the Trustees on 6 April 2022



 L Bone
 Chairman

QUEEN MARY'S COLLEGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

Queen Mary's College Foundation is an unincorporated trust registered with the Charity Commission (No. 307257). The principal office is c/o Queen Mary's College, Cliddesden Road, Basingstoke, Hampshire, RG21 3HF.

1.1 Accounting convention

The financial statements have been prepared in accordance with the foundation's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The foundation is a Public Benefit Entity as defined by FRS 102.

The foundation has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the foundation. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the investment properties at fair value. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives unless the funds have been designated for other purposes.

The general fund, after payment of any expenses of administration, shall be applied by the foundation trustees for the benefit of anyone who, in opinion of the foundation trustees, is in need of financial assistance in the furtherance of education, training and employment, and who either:

- is resident in the Borough of Basingstoke and Deane, or
- is attending, or has for not less than one year attended, Queen Mary's School, or Queen Mary's College.

The foundation trustees may also apply such yearly sums as they think fit, being not more than one third of the net income of the general fund, in providing such special benefits of any kind not normally provided by the trustees of Queen Mary's College for Queen Mary's College as the foundation trustees may determine.

The investment fund represents the carrying value of the investments held by the foundation.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the foundation.

QUEEN MARY'S COLLEGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.3 Income

Income is recognised when the foundation is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the foundation has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the foundation has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

The costs of raising funds consist of investment management fees and certain legal fees, as well costs incurred to maintain the investment property.

Grants payable are payments made to third parties in the furtherance of the charitable objects of the foundation. In the case of an unconditional grant offer this is accrued once the recipient has been notified of the grant award. The notification gives the recipient a reasonable expectation that they will receive the one-year or multi-year grant. Grants awards that are subject to the recipient fulfilling performance conditions are only accrued when the recipient has been notified of the grant and any remaining unfulfilled condition attaching to that grant is outside of the control of the foundation.

Governance costs comprise amounts payable for the administration of the foundation.

All support costs are allocated to the foundation's only charitable activity.

Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

QUEEN MARY'S COLLEGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the foundation's contractual obligations expire or are discharged or cancelled.

1.7 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the foundation is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the foundation's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount 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 these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements:

Valuation of investments

A key accounting estimate is the value at which trustees recognise investments. The risk of misstatement of listed investments is mitigated by the use of investment managers who publish a portfolio valuation. Listed investments are valued by reference to their market value prevailing at the balance sheet date.

Trustees perform an annual market rent review in order to assess the market value of the investment property and do not seek professional valuations.

QUEEN MARY'S COLLEGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

3 Investments

	2021 £	2020 £
Rental income	36,235	27,799
Income from listed investments	34,044	30,998
Interest receivable	6	28
	<u>70,285</u>	<u>58,825</u>

4 Raising funds

	2021 £	2020 £
Costs relating to investment property	1,648	838
	<u>1,648</u>	<u>838</u>

5 Grants payable

	2021 £	2020 £
Grants to institutions:		
Queen Mary's College	17,731	18,150
Queen Mary's College Educational Support Fund	3,000	6,000
	<u>20,731</u>	<u>24,150</u>
Grants to individuals	5,506	14,325
	<u>26,237</u>	<u>38,475</u>
Share of support costs (see note 6)	11,838	179
Share of governance costs (see note 6)	4,478	5,048
	<u>42,553</u>	<u>43,702</u>

QUEEN MARY'S COLLEGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

6 Support costs	Support Governance costs		2021	2020
	costs	costs		
	£	£	£	£
Staff costs	-	3,224	3,224	3,781
Legal & Professional Fees	10,098	-	10,098	-
Sundry	1,740	-	1,740	179
Independent examination fees	-	1,050	1,050	1,050
Clerk's expenses	-	204	204	217
	<u>11,838</u>	<u>4,478</u>	<u>16,316</u>	<u>5,227</u>
Analysed between				
Charitable activities	<u>11,838</u>	<u>4,478</u>	<u>16,316</u>	<u>5,227</u>

Governance costs includes payments to independent examiners of £1,050 (2020 - £1,050) for independent examination fees.

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the foundation during the year.

8 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
	<u>1</u>	<u>1</u>
Employment costs	2021	2020
	£	£
Wages and salaries	<u>3,224</u>	<u>3,781</u>

There were no employees whose annual remuneration was £60,000 or more.

QUEEN MARY'S COLLEGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Net gains/(losses) on investments

	Unrestricted funds investment 2021 £	Total 2020 £
Revaluation of investments	122,681	14,700
Revaluation of investment properties	-	(75,000)
	<u>122,681</u>	<u>(60,300)</u>

10 Investment property

	2021 £
Fair value	
At 1 January 2021 and 31 December 2021	<u>400,000</u>

The trustees have considered the valuation of 25 Wote Street as part of the market rent review performed during the year, as well as sale prices of similar properties in the area in the year, and consider its current value an appropriate reflection of its fair value.

11 Fixed asset investments

	Unlisted investments £
Cost or valuation	
At 31 December 2021	890,659
Valuation changes	122,681
At 31 December 2021	<u>1,013,340</u>
Carrying amount	
At 31 December 2021	<u>1,013,340</u>
At 31 December 2020	<u>890,659</u>

QUEEN MARY'S COLLEGE FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Other creditors	15,000	-
Accruals and deferred income	3,448	1,198
	<u>18,448</u>	<u>1,198</u>

13 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds					
	Balance at 1 January 2020	Incoming resources	Revaluations, gains and losses	Balance at 1 January 2021	Revaluations, gains and losses	Balance at 31 December 2021
	£	£	£	£	£	£
Investment funds	1,270,959	80,000	(60,300)	1,290,659	122,681	1,413,340
	<u>1,270,959</u>	<u>80,000</u>	<u>(60,300)</u>	<u>1,290,659</u>	<u>122,681</u>	<u>1,413,340</u>

14 Analysis of net assets between funds

	General unrestricted funds	Designated funds	Total
	£	£	£
Fund balances at 31 December 2021 are represented by:			
Investment properties	400,000	-	400,000
Investments	1,013,340	-	1,013,340
Current assets/(liabilities)	91,308	-	91,308
	<u>1,504,648</u>	<u>-</u>	<u>1,504,648</u>

15 Related party transactions

There were no disclosable related party transactions during the year (2020-none).