

Elizabeth College - Upper School

**Annual Report and Audited
Financial Statements**

**Year ended
31 August 2021**

**Annual Report and Audited Financial Statements
For the year ended 31 August 2021**

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Information

Board of Directors

The Very Reverend Tim Barker (Chairman)
Deputy Lyndon Trott
Mr Stephen Sharman
Mr Andreas Tautscher
Mrs Rosemary Bowyer
Mrs Michelle Galpin
Miss Katrina Bray
Advocate Mark Ferbrache
Mr John Roche

Address

Elizabeth College
The Grange
St Peter Port
Guernsey
GY1 2PY

Independent auditor

BDO Limited
Place du Pré
Rue du Pré
St Peter Port
GY1 3LL

The Board of Directors submits its report and the audited financial statements of Elizabeth College – Upper School (the “College”) for the year ended 31 August 2021.

Elizabeth College, founded in 1563 by Queen Elizabeth I, is a day school located in St Peter Port in Guernsey. The College includes the Upper School which is reported in these financial statements. The Junior School is reported in separate financial statements as Elizabeth College – Junior School.

Directors' responsibilities statement

The Board of Directors is responsible for preparing financial statements for each financial year which give a true and fair view of the state of affairs of the College and of the surplus or deficit of the College for that period and are in accordance with applicable law and generally accepted accounting practice. In preparing those financial statements the Board of Directors is required to:

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

The Board of Directors is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the College and which enable it to ensure that the financial statements have been properly prepared in accordance with applicable law. It is 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.

Principal activities

The principal activity of the College is the provision of education.

Results

The results of the College for the year are set out in detail on page 6.

Board of Directors

The Board of Directors of Elizabeth College who served during the year and to date were:

The Very Reverend Tim Barker (Chairman)	
Deputy Lyndon Trott	
Mr Mark Thompson	(resigned 5 January 2022)
Mr Stephen Falla	(resigned 5 January 2021)
Mr Stephen Sharman	
Mr Andreas Tautscher	
Mrs Rosemary Bowyer	
Mrs Michelle Galpin	
Miss Katrina Bray	(appointed 8 October 2020)
Advocate Mark Ferbrache	(appointed 5 January 2021)
Mr John Roche	(appointed 23 June 2021)

Independent auditor

BDO Limited have expressed their willingness to continue in office.

Disclosure of information to auditor

Each of the persons who are directors at the time when this report of the Board of Directors is approved has confirmed that:

- so far as each director is aware, there is no relevant audit information of which the College's auditor is unaware; and
- each director has taken all the steps that ought to have been taken as a director in order to be aware of any audit information and to establish that the College's auditor is aware of that information.

Approved by the Board of Directors and signed on its behalf by:

.....
The Very Reverend Tim Barker
Chairman

.....
Mr Andreas Tautscher
Director

Date:

Opinion on the financial statements

In our opinion, the financial statements of Elizabeth College – Upper School ("the College"):

- give a true and fair view of the state of the College's affairs as at 31 August 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Revised Statutes of Elizabeth College.

We have audited the financial statements of the College for the year ended 31 August 2021 which comprise the Statement of Income and Retained Funds, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and FRS 102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' ("United Kingdom Generally Accepted Accounting Practice").

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 College 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 Board of Directors' 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 College'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 Board of Directors with respect to going concern are described in the relevant sections of this report.

Other information

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

Responsibilities of Directors

As explained more fully in the Directors' responsibilities statement within the Report of the Board of Directors, the Board of Directors is 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 Board of Directors determines 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 Board of Directors is responsible for assessing the College'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 Board of Directors either intends to liquidate the College or to cease operations or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the College.
- We determined that the most significant, which are directly relevant to specific assertions in the financial statements, are those relating to the Revised Statutes of Elizabeth College, Guernsey and FRS 102.
- We understood how the College is complying with those legal and regulatory frameworks by making enquiries of management and those responsible for compliance. We corroborated our enquiries through our review of Board minutes and other management reports.
- We assessed the susceptibility of the College's financial statements to material misstatement, including how fraud might occur, by meeting with individuals from various parts of the College to understand where it is considered there was a susceptibility of fraud. We considered the controls that the College has established to address risks identified, or that otherwise prevent, deter, and detect fraud, and how management monitors those controls.
- We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free of fraud or error.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the College's Board of Directors, as a body, in accordance with our letter of engagements dated 30 November 2021. Our audit work has been undertaken so that we might state to the College's Board of Directors 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 College's Board of Directors, as a body, for our audit work, for this report, or for the opinions we have formed.

BDO Limited
Chartered Accountants
Place du Pré
Rue du Pré
St Peter Port
Guernsey

Date

Elizabeth College – Upper School

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Statement of Income and Retained Funds
For the year ended 31 August 2021

	Note	2021 £	2021 £	2020 £	2020 £
Income					
States' block grant			468,523		325,420
Fees receivable			6,799,804		6,216,496
Other income			475,131		662,827
			<hr/>		<hr/>
			7,743,458		7,204,743
Expenses					
School and departmental expenses	5,073,964			4,932,154	
Administrative expenses	1,750,339			1,583,659	
Maintenance of buildings and grounds	516,846			355,270	
	<hr/>		(7,341,149)	<hr/>	(6,871,083)
Operating surplus before interest			402,309		333,660
Interest receivable			1,152		16,573
Interest payable			-		-
			<hr/>		<hr/>
Operating surplus for the year			403,461		350,233
<i>Restricted income</i>					
Grants from Elizabeth College Foundation	12		-		4,785,001
			<hr/>		<hr/>
Surplus for the year			403,461		5,135,234
			<hr/>		<hr/>
Retained funds at 1 September			11,786,753		6,651,519
			<hr/>		<hr/>
Retained funds at 31 August			12,190,214		11,786,753
			<hr/> <hr/>		<hr/> <hr/>

All income for the year derives wholly from continuing activities.

The notes on pages 9 to 14 form an integral part of these financial statements.

Statement of Financial Position
As at 31 August 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	5		10,670,285		9,666,793
Current assets					
Stock		1,893		5,278	
Debtors	6	165,405		127,165	
Cash and cash equivalents	7	3,769,334		4,086,379	
		3,936,632		4,218,822	
Creditors - amounts falling due within one year	8	(2,416,703)		(2,098,862)	
Net current assets			1,519,929		2,119,960
Net assets			12,190,214		11,786,753
Represented by:					
Retained funds			12,190,214		11,786,753

Approved by the Board of Directors and authorised for issue by:

.....
Chairman

.....
Date approved by the Board

The notes on pages 9 to 14 form an integral part of these financial statements.

Statement of Cash Flows
For the year ended 31 August 2021

	Note	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Surplus for the financial year		403,461		5,135,234	
Adjustments for:					
Depreciation	5	328,232		338,065	
Decrease/(increase) in stock		3,385		(2,503)	
Increase in operating debtors		(38,240)		(22,167)	
(Decrease)/increase in operating creditors		(72,513)		104,984	
Increase in current account – Elizabeth College Junior School		373,460		148,087	
Interest receivable		(1,152)		(16,573)	
Net cash inflows from operating activities			996,633		5,685,127
Investing activities					
Tangible fixed assets acquired	5	(1,331,724)		(5,091,780)	
Interest received		1,152		16,573	
Net cash outflows from investing activities			(1,330,572)		(5,075,207)
Net (decrease) / increase in cash and cash equivalents			(333,939)		609,920
Cash and cash equivalents at the beginning of the year	7		4,086,379		3,476,459
Cash and cash equivalents at the end of the year			3,752,440		4,086,379
Represented by:					
Cash and cash equivalents	7		3,769,334		4,086,379
Bank overdraft	8		(16,894)		-
			3,752,440		4,086,379

The notes on pages 9 to 14 form an integral part of these financial statements.

Notes to the Financial Statements For the year ended 31 August 2021

1. General information

Elizabeth College is a day school located in St Peter Port, Guernsey that was founded in 1563 and is governed by Statutes dated 1 January 2020 (previously 28 December 1852). The College is registered as a Guernsey Charity under the Charities and Non-Profit Organisations (Registration Guernsey) (Guernsey) Law, 2008. These financial statements only include the results of the Upper School. Separate financial statements are presented for Elizabeth College - Junior School as set out in the Report of the Board of Directors.

2. Significant accounting policies

(a) Basis of preparation of the financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the 'Financial Reporting Standard applicable in the UK and Republic of Ireland' ("FRS 102").

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies (see note 3).

The following principal accounting policies have been consistently applied:

(b) Going concern

The Directors are satisfied that the College has adequate resources to continue to operate for the foreseeable future and will continue to meet its liabilities as they fall due for a period of at least twelve months from the date of approval of these financial statements and they have therefore prepared the financial statements on a going concern basis.

In making this assessment the Directors have considered the impact that COVID-19 lockdowns had on the school. In January 2021, although the school was not physically open to most students, the school ran a full remote provision for all students. In the event of a further lockdown situation, the school would expect to be able to continue with the remote learning provision.

(c) Income recognition

The States' Block Grant comprises a general grant from the States of Guernsey and is recognised on receipt of funds, or when entitlement of receipt by the College is certain. A new grant agreement was signed on 22 October 2018 which sees the general grant gradually increasing from 1 September 2019 until the end of the 7-year agreement on 31 August 2026.

School fee income is recognised as receivable on the first day of each term for which pupils are enrolled. Fees received in respect of future years are carried forward as fees received in advance within creditors and are recognised in income in the school term when the pupil attends or is otherwise refunded. Discounts given on fees are recognised in the same period as the associated fees and recorded within administrative expenses.

Other income, including the hire of facilities and catering income, is recognised in the period that the goods or services are provided.

(d) Expenses

All expenses are accounted for on an accruals basis in the period to which the cost relates and are classified under headings that aggregate all costs related to each relevant category. Costs recharged to the Junior School are offset against the College's expenses in the period in which the costs are incurred.

The costs of maintenance are charged in the period in which they are incurred.

(e) Pension costs

The College participates in a defined benefit multi-employer pension scheme and superannuation contributions are charged to the Statement of Income and Retained Funds when they fall due. Once the contributions have been paid, the College has no further payment obligations (see note 9 for further details)

2. Significant accounting policies (continued)

(f) Elizabeth College Foundation

Capital grants received from the Foundation are recognised in the Statement of Income and Retained Funds when received or when entitlement of receipt by the College is certain.

Other donations received from the Foundation relate to capital or project expenses which were underwritten by the donor and are recognised in the year that the capital item or project relate to.

(g) Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, less depreciation and any provision for impairment, this level is periodically reviewed by the Board, along with the need for a formal impairment review.

College buildings comprise the modern buildings on the main college site off the Grange, the modern changing room and groundsman's buildings at the College Field and the pavilion at the Memorial Field.

The historic college buildings, being those situated at the College's original site in the Grange and in College Street, and the College Field playing fields and pavilion at King's Road, were gifted to the College at no cost. College buildings which have been held for 50 years or more have not been capitalised as they are considered to have been fully depreciated.

Depreciation is provided to write off the cost of the assets, less their estimated residual values over the period of their expected useful lives, on a straight-line basis at the following annual rates:

College buildings	- 2% to 10%
Furniture and computer equipment	- 10% to 33.33%
Plant and machinery	- 10%
Motor vehicles	- 20%
Perrot Court	- No depreciation charged (see note 5)

(h) Financial instruments

The College only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities. All financial instruments entered into by the College are measured at amortised cost.

Financial assets that are measured at amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Income and Retained Funds.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and cash equivalents

Cash is represented by current accounts, cash in hand and deposits with financial institutions. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

(j) Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Significant accounting policies (continued)

(k) Retained Funds

Retained funds represent cumulative surpluses and deficits net of any adjustments.

(l) Prize funds and requests

Prize funds and other charitable bequests are not included in these financial statements as they do not constitute part of the day-to-day activities of the College, nor does the College have control over the associated bank accounts.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the Directors have made the following key judgements:

Tangible fixed assets (see note 5)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are reviewed annually and may vary depending on a number of factors. In reviewing asset lives, factors such as technological innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as original assumptions, future market conditions, the remaining life of the asset and projected disposal values.

4. Taxation

The College is registered under the Charities and Non Profit Organisations (Registration) (Guernsey) Law, 2008 and has been granted exempt status under Section 40(k) of the Income Tax (Guernsey) Law, 1975. The College's income is therefore not subject to tax.

5. Tangible assets

	College buildings £	Perrot Court £	Furniture and computer equipment £	Plant and machinery £	Motor vehicles £	Total £
Cost						
At 1 September 2020	5,567,814	5,042,928	1,603,503	312,704	26,322	12,553,271
Additions	20,659	1,011,389	259,323	40,353	-	1,331,724
At 31 August 2021	5,588,473	6,054,317	1,862,826	353,057	26,322	13,884,995
Depreciation						
At 1 September 2020	1,710,716	-	960,745	188,695	26,322	2,886,478
Charge for the year	119,171	-	180,593	28,468	-	328,232
At 31 August 2021	1,829,887	-	1,141,338	217,163	26,322	3,214,710
Net book value						
At 31 August 2021	3,758,586	6,054,317	721,488	135,894	-	10,670,285
At 31 August 2020	3,857,098	5,042,928	642,758	124,009	-	9,666,793

Included within fixed assets is the building Perrot Court which was purchased on 7 January 2020 for the sum of £4,749,733 including costs associated with the purchase. At the time of purchase a bond was registered against the property for the sum of £3,000,000.

Perrot Court is being developed to become part of the main school site and therefore no depreciation will be charged on the building until it is in use. It is anticipated that the building will be available for educational use from September 2022.

As an indication of the relative value of the College's freehold property assets, and the values at which they are included within the financial statements, the following table sets out (a) the cost values at which the properties are included within the accounts and (b) their estimated insurance values as at 1 March 2021. All figures exclude land.

	Cost At 31 August 2020 £	Cost Additions £	Cost At 31 August 2021 £	Insurance Valuation £
Main College site				
- Historic buildings	-	-	-	21,965,632
- Modern buildings	4,233,376	20,659	4,254,035	27,195,545
- Sixth Form Centre	388,470	-	388,470	522,991
College playing fields				
- CF - Old pavilion	-	-	-	678,017
- CF - Modern buildings	149,670	-	149,670	1,356,033
- MF Pavilion	796,298	-	796,298	2,834,332
	<hr/> 5,567,814	<hr/> 20,659	<hr/> 5,588,473	<hr/> 54,552,550

6. Debtors

	2021 £	2020 £
Fee debtors	49,151	44,405
Sundry debtors	107,773	74,006
Prepayments and accrued income	8,481	8,754
	<hr/> 165,405	<hr/> 127,165

7. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	2,884,661	3,202,370
States' Treasury Cash Pool Deposit	884,673	884,009
	<hr/> 3,769,334	<hr/> 4,086,379

Amounts totalling £14,383 (2020: £14,181) held by the Ernest Gardner Bursary Fund are excluded from these financial statements on the basis that they represent monies held on behalf of third parties.

Elizabeth College – Upper School

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Notes to the Financial Statements (continued) For the year ended 31 August 2021

8. Creditors – amounts falling due within one year

2021 £	2020 £
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Creditors and accruals	154,802	139,908
Fee refunds	-	126,525
Payroll creditors	249,178	241,517
Fees received in advance	227,283	190,999
Other sundry creditors	89,790	94,617
Current account: Elizabeth College – Junior School	1,678,756	1,305,296
Bank overdraft	16,894	-
	<hr/>	<hr/>
	2,416,703	2,098,862
	<hr/>	<hr/>

Due to the physical closure of the school in 2020, as a result of the COVID-19 pandemic, a rebate of fees was made at a rate of 7% of one term's fee. This is disclosed as fee refunds above. There were no rebate of fees in the year ended 31 August 2021.

9. Pension costs

A majority of the employees of the College are members of the States of Guernsey Superannuation Scheme ("the Scheme"). This is a defined benefit pension scheme, funded by contributions from both employer and employee, at rates which are determined on the basis of actuarial advice, which are calculated to spread the expected cost of benefits to employees over the period of those employees' expected working lives.

The Scheme is a multi-employer scheme and the level of contributions made to the Scheme by each employer will be affected by actuarial risks relating to the employees of other employers. It is not possible for the underlying pension assets and liabilities within the Scheme relating to the employees of the College to be determined on a reasonable and consistent basis, as required by FRS 102. In addition, the Board of Directors considers that the additional costs which would be incurred were it possible to do so, in providing such information considerably outweigh any benefit to the proposed users of these financial statements.

The last actuarial valuation of the Scheme was conducted at 31 December 2016. At that date the actuarial value of the assets relating to the "Combined pool" within the overall Scheme, to which the College's staff belong, represented 93% of the actuarial valuation of the liabilities relating to that group. The rate of employer's contribution remained at 14.1% in respect of all staff after the valuation. A valuation is currently being undertaken and is due to be reported to the States in Spring 2022.

The total amount of superannuation contributions payable by the College to the Scheme for the year ended 31 August 2021 was £576,809 (2020: £555,044). At 31 August 2021 the amount of outstanding contributions not paid over to the Scheme was £144,756 (2020: £140,223).

Further details relating to the funding of the superannuation scheme are provided in the Consolidated Superannuation Fund section of the accounts of The States of Guernsey.

10. Controlling party

Throughout the year the College was under the control of the Board of Directors acting in concert. In the opinion of the Board of Directors there is no single controlling party as defined by FRS 102 as no party has the ability to direct the financial and operating policies of the College with a view to gaining economic benefits from their direction.

Notes to the Financial Statements (continued)
For the year ended 31 August 2021

11. Related party disclosures

Elizabeth College operates a central accounting system administered by the Finance Bursar, elements of which cover the activities of both the Upper School and Junior School. The Junior School has its own bank account however, a majority of the operating receipts and some operating expenditure related to the College's activities, whether related to the Upper School or otherwise, pass through common bank accounts, all of which are included in the Statement of Financial Position within these financial statements. The net movement arising from cash transactions relating to non-Upper School activities are disclosed in the Statement of Cash Flows as a movement on the current account operated between the two Schools (note 8). Periodically and at each year end, account balances within the central accounting system, including individual debtor and creditor account balances, are allocated as appropriate into the financial statements of the different Schools.

Included in prepayments and accrued income is £5,030 (2020: £186) due from the Ernest Gardner Bursary Fund (note 7).

During the year ended 31 August 2021 an amount of £194,484 (2020: £194,484) was recharged from the Upper School of the College to the Junior School in relation to the employment expenses of administrative and accounting staff, a proportion of whose duties relate to the Junior School. At 31 August 2021 £1,678,756 (2020: £1,305,296) was due to Elizabeth College – Junior School and is included in creditors (note 8). This amount is interest free, unsecured and payable upon demand.

Key management personnel includes all directors and a number of senior managers across the College who together have authority and responsibility for planning, directing and controlling the activities of the College. The Directors are unpaid. The total compensation paid to key management personnel for services provided to the College was £454,621 (2020: £458,403).

12. Elizabeth College Foundation

The Elizabeth College Foundation comprises two charitable trusts (one UK and one Guernsey) which were established in 2006 to raise funds, principally from parents and alumni of Elizabeth College, to enable Elizabeth College to undertake projects and activities which might otherwise be beyond the means of the school to finance from its own operations. The Trustees of the Foundation trusts, although initially appointed by the College's Board of Directors, are independent of Elizabeth College and are required to act in accordance with the terms of the relevant trust deeds.

The basis upon which donations to the Foundation have been requested from donors is such that all monies donated are to be retained within the Foundation until such time as they may be expended as grants towards the funding of specified projects or activities for the benefit of Elizabeth College.

Included within donations is £nil (2020: £4,725,001) which was donated from the Elizabeth College Foundation and used to purchase the Perrot Court building (note 5). In January 2022 a donation of £725,000 was received from the Elizabeth College Foundation to assist with the renovation of Perrot Court.

Other than donations and interest arising on retained funds, the Foundation trusts have no other sources of income. Therefore, the Foundation is reliant upon Elizabeth College to meet a substantial proportion of its annual running costs, including the employment of Foundation staff involved with fund-raising, clerical support and project development. Included in administrative expenses for the year are costs of £67,264 (2020: £68,997) paid on behalf of the Foundation.

13. Commitments

On 16 August 2021, a Standard Building Contract was signed with R. G. Falla Limited in relation to Perrot Court. The total sum of the contract is £6,449,993 to be paid in stage payments until completion of the project in August 2022. The funding of this contract will be from donations, current reserves, a bank loan (note 14) and a loan from the Elizabeth College Foundation.

14. Post balance sheet event

The College entered into a loan agreement with NatWest Bank on 12 October 2021 to assist with the refurbishment of Perrot Court. The loan of £2 million will be drawn down by 31 October 2022. The loan and interest is repayable in monthly instalments and will be fully repaid 120 months after the loan is drawn down. The loan interest rate is 2.75% per annum over base rate. The first registered bond in the sum of £3 million is held as security for the loan (see note 5).