

# THE QUEEN ALEXANDRA HOSPITAL HOME

Report and Accounts  
For the year ended 31 December 2008



*“A remarkable charity, caring for remarkable people”*

Registered Charity No.1072334

Company No.3646570



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Boundary Road Worthing  
West Sussex BN11 4LJ

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Charity registration number: 1072334



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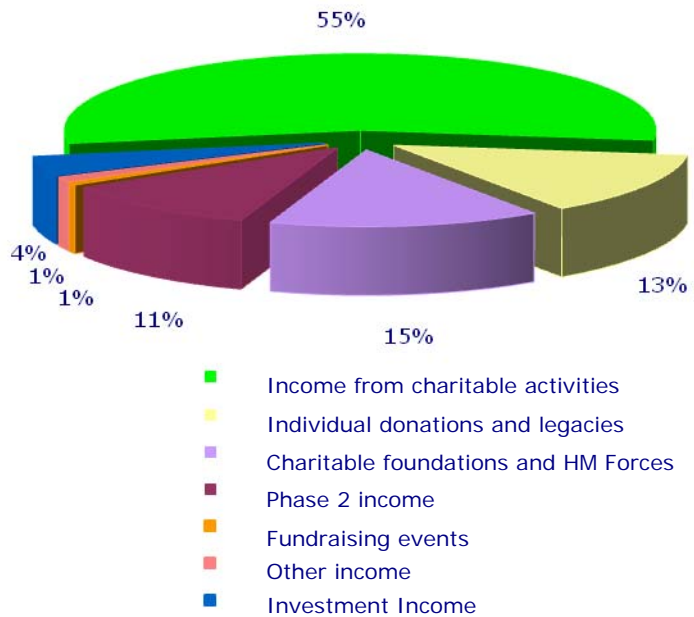
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## Our Mission

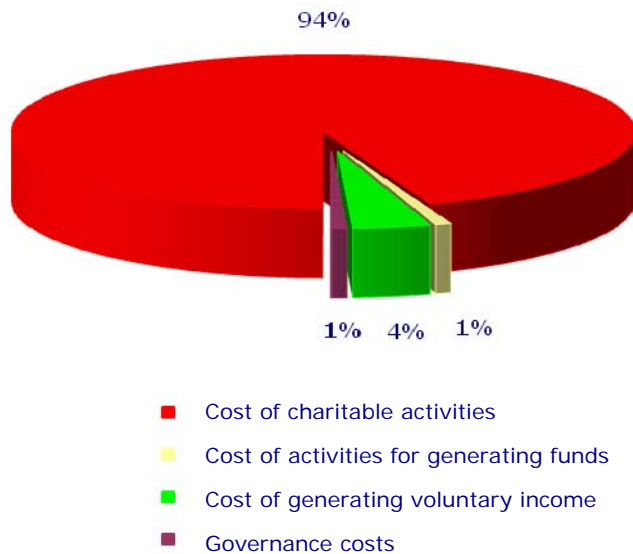
It is the mission of The Queen Alexandra Hospital Home to be recognised as one of the UK's leading independent, best practice, multidisciplinary, Acquired Brain Injury, nursing care and rehabilitation centres for physically disabled ex-Service men and women.

The Hospital Home seeks to carry out this mission by the provision of nursing and respite care in a home-like environment supported by high quality nursing care, professional therapy services, and a wide range of rehabilitation and leisure activities delivered by well qualified, dedicated and motivated staff.

## WHERE OUR MONEY CAME FROM (£4.35million)



## WHERE OUR MONEY HAS GONE (£3.72million)



# Report of the Trustees of The Queen Alexandra Hospital Home

## Reference and Administrative information

The Trustees are pleased to present their Report and Financial Accounts for The Queen Alexandra Hospital Home (QAHH) for the year ended 31 December 2008.

In preparing these accounts the Trustees should follow best practice, and:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- Follow applicable accounting standards and the Charities Statement of Recommended Practice (SORP) 2005, disclosing and explaining any departures in the accounts.
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.
- Be compliant with the Charities Act 1993.

The Queen Alexandra Hospital Home (QAHH) is constituted as an incorporated company limited by guarantee (registered number 3646570) and registered as a charity (registered number 1072334). Its address is Boundary Road, Worthing, West Sussex BN11 4LJ (tel: 01903 213458).

The Trustees, who for the purposes of company law are the directors of the company, oversee the operations of QAHH. The Trustees and senior executives of the charity are listed on page 14. Principal place of business and professional advisers of the charity are given on page 15.

The Charity has two subsidiary companies, QAHH Limited (company number 5064367) incorporated 4 March 2004 and QAHH Services Limited (company number 5802953) incorporated 2 May 2006. Both companies are limited by shares of which the single shareholder is The Queen Alexandra Hospital Home.



Physiotherapy is just one of the many options of therapy available at QAHH. It provides those with disabilities the opportunity to, in many cases, regain abilities that without the therapy would not be possible.

# Report of the Trustees of The Queen Alexandra Hospital Home

## Structure and Governance

The Queen Alexandra Hospital Home (QAHH) was founded in 1919 and incorporated as a Company Limited by Guarantee, therefore subject to Charity, Trust and Company Law, and governed by a Memorandum and Articles of Association.

The Board of Trustees oversees the governance of QAHH. The Board meets four times a year to review policy matters, financial control and the charity's investments. Between Board meetings, two appointed Trustees will carry out Trustees' Rounds and will visit QAHH for a detailed tour of inspection. New Trustees are invited to join the Board by the Chairman, with the approval of the Board, for a period of 4 years and then may be re-elected for further periods of 4 years. New Trustees who join the Board come with a specific skill or area of interest that will benefit the organisation – the major areas of interest being financial; fundraising; medical; legal and/or corporate experience/knowledge. There is an induction procedure for new Trustees and training is carried out periodically for all Trustees, when required or requested.



**Health care staff who form part of the large team providing the recognised, excellent standard of care.**

The day-to-day management of the affairs of QAHH is delegated by the Trustees to the Chief Executive, who is assisted by the Director of Nursing and Operations (known internally as Matron). Both give a detailed report on their areas of responsibility at each Board meeting.

Below this, there is a middle management team composed of the Deputy Matron; the Head of Finance; the Head of Fundraising and also the Human Resources Manager; it also includes the two Ward managers and the Night Services Manager.

There is one Board committee which is:

**Finance** - maintains an overview of the strategies, policies and operations of QAHH to secure effective management of QAHH's financial resources.

### Related parties

The Charity's wholly owned subsidiary QAHH Limited was established to design and build the new annex at QAHH which was completed during 2006. The Company is now dormant. A new wholly owned subsidiary, QAHH Services Limited was formed during 2006 to provide nursing and care services for a small number of residents who fall outside the objects of the Charity. Both companies gift aid any profits to the Charity.

# Report of the Trustees of The Queen Alexandra Hospital Home (continued)

## Objectives and Strategy

The Queen Alexandra Hospital Home is a charity constituted as a Company Limited by Guarantee, therefore subject to Charity, Trust and Company Law, and governed by a Memorandum and Articles of Association.

The Objects for which QAHH was established are:

**To maintain a Home for the permanent and short-term accommodation of disabled former members of HM Armed Forces and to provide nursing and medical care for all such persons during their stay.**

### We help our residents in the following ways:

- Full nursing and medical care, in a very comfortable environment with modern equipment and facilities, by a highly motivated and well-trained staff.
- Rehabilitation services such as physiotherapy, occupational therapy, speech therapy, counselling and an extensive range of social activities including external visits and trips are all available to residents who require or wish to participate.
- Social interaction with like-minded fellow ex-Service personnel – both male and female.
- Facilities and support to assist in personal matters.
- Contact re-established with former Service units and Regiments, if desired.
- A caring, supportive, family-environment until the end of life.

### Our Objectives for 2009 are:

- To maintain average bed occupancy at no less than 57 residents out of our maximum of 60 beds.
- To again meet – and exceed - all the requirements of the Care Standards.
- To maintain and try to increase the level of income through national fundraising.
- Raise specific restricted funding to enable the three remaining smaller-scale upgrading projects – the ablutions (£257,665); the corridors and general areas (£315,518) and finally the kitchen (£224,606) – and in that sequence - to be undertaken within the next 2 years, but only when the full cost of each project has been achieved.
- To continue the process to achieve a balanced budget.
- To continue to satisfy from our own resources or in conjunction with other charities the needs and requirements of all our residents.

### Our medium to long-term strategy is:

- To maintain and develop as appropriate, an effective organisation for the delivery of nursing care to meet the wide-ranging needs and demands of applicants.
- To continue to provide – and if possible increase – the facilities for the care of all current, and future, residents at QAHH.
- To promote increasing awareness of QAHH amongst potential beneficiaries and supporters throughout UK.
- To seek ways of enhancing the overall effectiveness of QAHH by working more closely with other ex-Service charities.
- To maximise income by maintaining maximum bed occupancy.
- To increase financial input through increased fundraising resources.

### Our main annual objectives for 2008 were:

- To satisfy from our own resources or in conjunction with other charities, the needs and requirements of our residents.
- To maintain bed occupancy at no less than 55 residents out of our maximum of 60 beds.
- To meet all the requirements of the Care Standards and to strive to achieve the best grading possible.
- To continue to meet changing requirements and circumstances so as to increase overall efficiency and reduce organisational costs.
- To increase the level of income through fundraising on a national scale.
- To continue the process for a balanced budget.

### All of these objectives have been met by:

- ✓ All resident feedback is acted upon and implemented when at all possible.
- X Bed occupancy throughout the year averaged 54, this was slightly down on the budget of 55, due to the timing of the refurbishment stages and the beds available in the Norfolk Ward.
- ✓ Care standards requirements all met and in many cases exceeded.
- ✓ Restructuring of internal departments and cost-saving measures introduced where necessary.
- ✓ A cohesive and effective fundraising team now in place.
- ✓ All of the above reflect a move closer to a balanced budget.

# Report of the Trustees of The Queen Alexandra Hospital Home (continued)

## Achievements and Performance

### Review of Activities

The purpose of QAHH is to provide nursing and rehabilitation care to members of the ex-Service family - and their wives and dependents. Few other organisations now offer nursing care to the level and degree of QAHH, but are more commonly concerned with the cheaper and less costly area of Residential Care. The Board of Trustees' aim for QAHH to become the leading Care Home in the country for nursing and rehabilitation care for the ex-Service community is now an established reality.

During 2008 the main emphasis was the raising of funding in order to complete the Phase 2 upgrading project – being to bring the accommodation areas in the old wards up to a similar standard to that of the Alexandra Ward, which was opened in 2006. Work began in July and will be completed in February 2009. At the completion all rooms will have overhead ceiling hoists, upgraded lighting and heating and all rooms will be either single or double occupancy. It was decided to retain a number of double occupancy rooms at the request of current quadriplegic residents who dislike the loneliness and solitude of a single room - and also because of the increasing number of respite applications from married couples who are now able to be accommodated together, as opposed to being offered separate, single rooms.

Following agreement by the Charity Commission, the entry criteria for applicants was expanded in 2007 to include a small number of non-primary beneficiaries (those with no ex-Service connection). During 2008, four Primary Care Trust (PCT)-funded, non-primary beneficiaries were accepted into QAHH for varying lengths of time. QAHH is now deemed a 'preferred' placement for a number of PCT's for continuing care cases with complex disabilities and for end-of-life cases. Because of the facilities that QAHH is able to offer in the form of a large, well-equipped physiotherapy department, speech therapy and a large and busy occupational therapy department and because of the growing reputation of QAHH for the rehabilitation of those with an ABI, there has been an increase in the number of ABI-PCT- funded placements to the Hospital Home. The reputation of QAHH is now well-established for the rehabilitation of those in this category and it is envisaged that there will be an increase in this category, in the future.

In the past year QAHH was visited by the Minister of Veteran Affairs who made a detailed tour of the Hospital Home, meeting many residents and members of staff. His purpose was to ascertain what QAHH is able to offer to recently injured Service personnel, who may be required to leave the Armed Forces due to their injuries, following discharge from the Defence Medical Rehabilitation Centre at Hedley Court.

Links with the Universities of Sussex and also the University of Surrey continued with regular student nurse placements throughout the year. During the latter part of 2008 QAHH was graded as 'Excellent' in the Educational Audit carried out by the University of Sussex.

The Fundraising department is now well established and has proved very effective in attracting funding for specific areas of financial need. With the current economic climate and shrinking of many investment areas, the process of fundraising will become more acute over the next 3 years. QAHH fundraising will therefore be directed towards raising general funding and also funding for the three specific upgrading areas that remain to be completed as already mentioned earlier.

Applications for beds continue to increase. Average bed occupancy for the past year was 54 (with a maximum capacity of 60) – this was due to the closing of all rooms for 6 weeks at a time during the current upgrading works in the Norfolk wards. With the increasing facilities and specialisations that the Hospital Home now offers, the average age of those coming to QAHH has again fallen and continues to do so. The Trustees again considered increasing the registration of 60 beds but again decided against this course of action as 60 beds is considered to be the optimum figure for management purposes; for income generation and, most importantly, for successful individual care packages allowing the current number of residents to retain their individuality. A waiting-list for beds continues but as in past years, this is usually at the timing of the applicant as opposed to that of the Hospital Home.



# Report of the Trustees of The Queen Alexandra Hospital Home (continued)

## Achievements and Performance

### Review of Activities (continued)

Activities and outings continue to be a major part of life at the Hospital Home. A Social and Recreational committee (as in years' past, this is composed of Residents and members of staff and chaired by the Director of Nursing and Operations) continues to plan wide-ranging activities. Visits this past year have included trips to many London museums; Bovington Tank museum; the London Eye; Buckingham Palace, St James' Palace and the Twickenham rugby ground for a number of international matches. Perhaps the most popular of trips are the monthly country-runs along the coast and up onto the downs, with a pub stop and picnic lunch. We are as ever extremely grateful for all those organisations who have offered hospitality to the residents over the past 12 months the Not Forgotten Association, the London Taxi Drivers Benevolent Association, the Worthing Rotarians, the Royal Naval Association, the Worthing Burma Star Association; the Lest We Forget Association and in particular, the local branches of the Royal British Legion.

The Director of Nursing and Operations is responsible for the overall delivery of care and services; she is also the Registered Manager of QAHH under the Care Standards regulations. She is ably assisted by a Deputy Matron and by two Ward managers (Alexandra Ward and Norfolk Ward) and together they lead a large staff, making up a strong and committed team. QAHH attracts and retains good staff by offering an excellent package of pay and conditions, which is over-and-above that paid locally in other care homes. This is regularly reviewed and compared to other similar organisations. QAHH also abides by the Agenda for Change rates for all those under the umbrella of the Nursing and Midwifery Council.

Training is a high priority and is also under the management of the Director of Nursing and Operations. Apart from all mandatory training that is undertaken regularly as policies dictate, we ensure that all staff are fully qualified and trained for their role, to ensure safe practice, job satisfaction and individual personal development. This has resulted in a strong, loyal and committed staff with a low turnover, which further translates into minimum disruption to our residents.

## Policy

The policy of the Trustees continues to be that of maintaining QAHH as the leading provider of high quality nursing care and rehabilitation, delivered by a well-trained and committed, multi-disciplinary team, for members of the ex-Service community and also for a limited number of non-primary beneficiaries.

The policy of the Trustees continues to commit the organisation to further enhance and improve services and facilities as funds become available.

## Organisation

Day-to-day control of all activities within QAHH rests with **the Chief Executive**, who is responsible to the Board of Trustees for carrying out of the agreed policy and objectives of the Hospital Home. He deals specifically with all strategic matters relating to finance and fundraising; all matters concerned with Health and Safety and is responsible for the overall smooth running and financial health of the Hospital Home.

He is supported by **the Director of Nursing and Operations** (known internally as Matron), who is also the Registered Manager, who oversees the day-to-day management and affairs of the whole organisation – residents, all staffing matters, operational issues and importantly - all new applications for beds. Applicants applying to QAHH will first be directed to the Residents' Administration Secretary who will issue and process completed application forms. She will then arrange for Matron or one of her Ward Managers to undertake a formal assessment visit to the applicant - either at their home or in some cases in hospital - at which time the level of care (and rehabilitation needs) required by the applicant can be ascertained, which in turn will give an indication of the fee level that will be charged to the individual (based on the level of Registered Nurse input required).



A kind donation of a minibus. A vital aid in providing transport and excursions for the residents at QAHH.



## Review of the year

### Financial overview

**Total income** increased overall to £4.35million from £3.95million.

**Voluntary income** increased by £293,504 to £1,709,084 million from £1,415,580 in 2007. Restricted income for the Phase 2 project amounted to £481,050 with a further £59,885 received in interest as a result of investment of the funds held (2007: £708,300).

**Charitable activities** (self funded, authority funded or Veterans agency resident income) increased 8% to £2.39 million from £2.21 million. This is directly attributable to the current residents increased dependency levels which continue to rise.

**Fundraising events and activities** provided a return of £25,164 (2007: £20,428).

**Expenditure on charitable activities** increased in 2008 by £183,857 to £3,51million (2007: £3.33million) £131,610 of increases was in payroll and accounted for a considerable part. A general increase in running costs was attributable for the remainder.

**Net incoming resources** for the year before investment gains amounted to £636,499 (2007: incoming £391,249).

**The net movement in funds** for the year was a reduction of £809,879 (2007: increase £844,674), after accounting for

Realised losses on investments of £85,123 (2007: gains £84,048).

Un-realised losses of £1,019,255 (2007: losses £26,623).

Actuarial losses of £342,000 (2007: gains £396,000) in respect of the defined benefit pension scheme.

**The Investment policy** aims to `maximise return` and a benchmark is set to which the portfolio's structure and performance is compared. The portfolio's overall return, amounted to **-21%** (2007: 5.5%). This disappointing performance came as a result of the economy slipping into recession, not only in the UK but around the World. .

**During the year the trading subsidiary, QAHH Services Limited continued to trade for income outside the charitable status. The results are detailed in note 18.**

**QAHH Limited (is now dormant).**

### Voluntary income and fundraising

QAHH relies on voluntary income and fundraising to fund the shortfall between care fees and the true cost of providing our high level of nursing care and therapies.

In 2008 we received £1,709,084 (2007: £1,415,580) in donations through the generosity of our community, companies and charitable trusts and an additional £25,164 (2007: £20,428) was raised from fundraising events, raffles and collections.

2008 provided the final funds for the Phase 2 project (the refurbishment and development of the older Norfolk Wards) and £481,050 was received. The project is now underway and is expected to be complete early 2009.

Other restricted income for capital purposes amounted to £25,091 (2007: £149,217).

### Fundraising expenditure

Fundraising, marketing and publicity costs amounted to £145,713 (2007: £170,633) with event and associated fundraising costs amounting to £15,190 (2007: £15,212).

Events were kept to a minimum in 2008 as they were in 2007 with the emphasis and direction of fundraising being led by applications to charitable trusts.

Following our investment in the new Alexandra Ward and the Phase 2 refurbishment of the older Norfolk wards to keep pace with both residents' needs and regulations, we need to raise over £1million a year in voluntary income to provide our residents with the very best in care, therapies and activities with which to improve their quality of life.

# Report of the Trustees of The Queen Alexandra Hospital Home (continued)

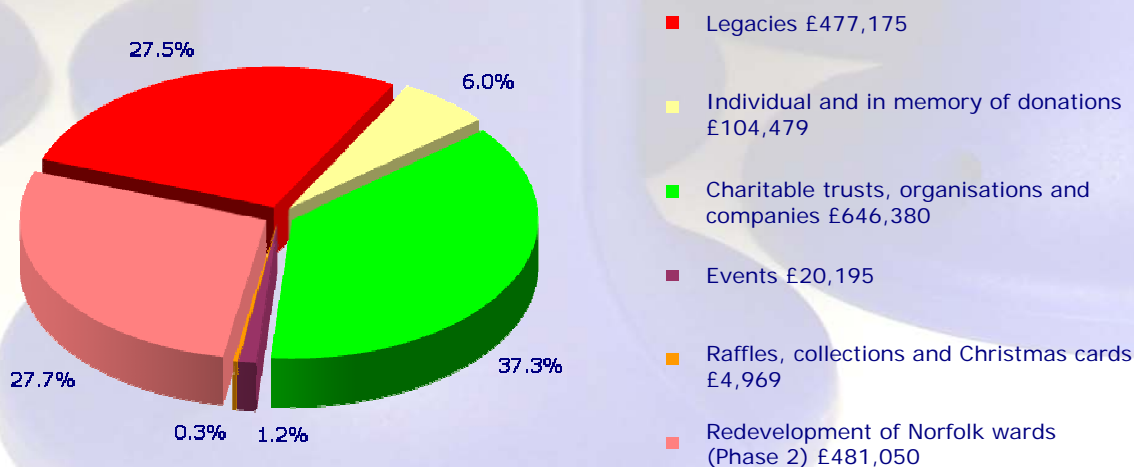
## Review of the year

### Fundraising activities in 2008 included:

- The major build and refurbishment of the 38 bedded Norfolk wards (phase2) commenced in March 2008 with funding identified through Trust and Foundation applications.
- Funding was identified to bring 2 part-time Senior Physiotherapist posts to full-time due to the demand on the service from the residents. In 2008 over 4700 Physiotherapy sessions were delivered due to the extension of these posts.
- QAHH teamed up with Southern FM's charity 'Help a Local Child' for the challenge event 'Hero for a Day' in November, raising money for both charities. 3 QAHH residents and over 100 individuals raised sponsorship and took part in an activity day consisting of abseiling, zip-wire and the leap of faith. The day raised £16,910 which was split between the two charities.
- The Carol Concert took place at Lancing College and raised over £1,700.
- The annual Open Day was a huge success with the weather being much kinder than last year. Over 800 tickets were sold and over £7,000 was raised.
- 200 Easter Eggs were donated. 60 were given to the residents, the others helped to raise over £150.

### Other activities and achievements in 2008 included:

- QAHH were taken on as the Worthing Chamber of Commerce's charity of the year.
- Support was pledged from local organisations and 3 local schools for the year.
- QAHH was nominated in the Charity/Not for Profit Organisation of the Year award at the Worthing Business Awards.
- Charity stalls were held at Shoreham Air Show, Veterans Weekend and the South of England show.
- Collections took place at Fontwell Racecourse, Gatwick Airport and Worthing Town Centre.
- Events were organised by other organisations and raised over £2000.
- A number of receptions were held throughout the year attended by over 70 Trusts, Foundations, Corporations, Organisations and Individuals from across the country that have donated or are looking to donate to the charity.



# Report of the Trustees of The Queen Alexandra Hospital Home (continued)

## Reserves

The Trustees have formulated the reserves policy for The Queen Alexandra Hospital Home based upon recommendations from the Finance Committee. The reserves policy is considered appropriate to ensure the continued ability of the Charity to meet its objectives.

### Unrestricted Fund

The total unrestricted reserves fund of £3.08million (2007: £4.24million) represents the general reserve fund less the deduction for the pension reserve fund. This equates to 10 months expenditure. In view of our aim to provide long term nursing care to the ex-Service community the trustees consider that a total unrestricted reserves fund of 24 month's expenditure is reasonable in order to achieve this. Fundraising activity will be used to maintain the funds on a long term basis and increase where possible to achieve the optimum level.

### Restricted Fund

The restricted and endowment reserves are materially represented by the charity's investment in fixed assets.

At the end of the year the restricted and endowment reserves stood at £6,775,333 (2007: £6,425,508) of which £6,109,335 (2007: £5,415,817) represents our investment in capital items, the buildings and equipment that constitute the home. Restricted funds and the Phase2 fund £355,589 (2007: £754,838), capital expenditure fund £112,247 (2007: £139,414), and other restricted funds of £198,162 (2007: £115,439) account for the remainder.



**QAHH residents and staff doing their bit for the soldiers currently serving in Afghanistan. This joint venture with Reed employment provided over 200 boxes in total of useful items and a welcome taste of home for the soldiers.**

## Investments and performance

QAHH investments are held as a reserve against any shortfall in income to ensure we can continue to deliver our charitable objectives.

Our investment objective for securities is to seek to outperform the benchmark over rolling three-year periods by 0.5% to 1.0%. The charity has a diversified portfolio with a medium risk in order to seek to maintain or enhance the real value of the fund.

The benchmark used is as follows:

50%	FTSE All Share
4%	FTSE World Europe ex UK
4%	FT World United States
2.5%	FT World Japan
2.5%	MSCI AC Far East ex Japan
3%	MSCI Emerging Markets Free
15%	FTA Brit Govt. All Stocks
5%	IPD
5%	Rogers Int. Commodity Index
9%	Cash

The finance committee annually reviews the benchmark to ensure that it is still appropriate and on a quarterly basis the committee monitors the investment managers' performance against it. In 2008, our investments took a heavy hit with the annual return at -21% (2007: 5.5%). The downturn in the markets was not confined to equity markets as property, hedge funds and corporate bonds all fell in value decreasing the total value of holdings and creating large un-realised losses in the year.

A cash management scheme (managed by Schroder & Co. Ltd) is also held to manage restricted funds received for the Phase2 capital project. At 31 December 2008 £353,228 was held (2007: £741,083).

## Pensions

The accounts as presented include the full adoption of accounting standard FRS 17.

At 30 April 2005 the existing defined benefit pension scheme was closed to future accrual. A replacement stakeholder scheme came into force on 1 May 2005.

Further information regarding the pension funds is set out in notes 5 and 6 to the financial statements.



## Future Prospects

The Board of Trustees remain confident of an increasing requirement for the high quality, multi-disciplinary nursing and rehabilitation care that is offered at QAHH. The development of the specialised ABI rehabilitation service has been very successful and with an increasing number of PCT- funded placements seeking beds at QAHH, this is an area of care for which the Trustees see an increasing demand. The widening of the entry criteria, as mentioned earlier, is in tune with this increasing demand.

With the contraction of public funding and the re-direction of the services of both the NHS and Social Services towards the cheaper option of domiciliary care, funding overall services remains the major issue for QAHH. Full-cost recovery, whilst remaining an aim, is unlikely to be achieved in the immediate future. This is because the dependency level of most residents now coming to QAHH is far higher than in years' past, and also due to factors connected with the cost of care generally and the reduced central-government funding for care. The Trustees continue in their agreed policy not to reduce or dilute any of the nursing services or rehabilitation - any operational deficit will be filled by a more concentrated focus upon professional, national, fundraising.

Applications and requests for information on QAHH over the past 12 months have increased, particularly through our newly enhanced and upgraded website ([www.qahh.org.uk](http://www.qahh.org.uk)) which is regularly updated and amended. This is becoming the more common method of accessing information on the Hospital Home by interested applicants.

**The intention of the Trustees for the future remains that of continuing to meet the demand for the nursing and rehabilitation services offered at QAHH - and to improve and expand on all the facilities and services of the Hospital Home, as funding allows**



**Resident Chris Binns during the 'Hero for a day' event, which he proved was an event for everyone**



**QAHH residents visiting a local farm. One of the many trips made possible through funding received by kind supporters.**

# Report of the Trustees of The Queen Alexandra Hospital Home (continued)

## Risk Management

The Chief Executive is responsible to the Board of Trustees for all matters of Risk Management and maintains the Risk Assessment Register. He and the Director of Nursing are collectively responsible for the overseeing of regular risk assessments in all areas and functions of the Hospital Home.

The Hospital Home Disaster Recovery Plan is current and updated annually and is now fully operational. All members of staff with specific responsibilities have read, are aware of and understand the document. It is regularly reviewed and updated by the Health and Safety committee.

The Hospital Home is annually visited by the West Sussex Fire Service when QAHH fire policies are reviewed - and also by an outside Risk and Health and Safety consultant. The recommendations of both are updated and acted upon. A full Fire Risk Assessment was also undertaken during the past year and relevant changes and actions have been undertaken, where recommended.

The Commission for Social Care Inspection also carry out their regular tour of inspection which includes a review of the risk management policies of the Hospital Home.



**A day out at Buckingham Palace for the residents and staff for one of HM The Queen's summer garden parties**



Areas of Risk Management that are regularly carried out are:

- All resident-focused clinical risk assessments.
- New Trustees undergo disclosure checks.
- All new staff under-go disclosure checks.
- An annual external audit of the financial policies and procedures - with action taken on all recommendations.
- QAHH follows full compliance with the Charities Act; the requirements of charity law and the Companies Act.
- Health and Safety matters are reviewed monthly.
- QAHH is fully compliant with all matters of Employment Law.
- Regular Trustees meetings and of the one Board subcommittee - are held.
- QAHH is registered and fully compliant with all aspects of Data Protection and Freedom of Information Services Act.

In line with recommended practice, QAHH regularly reviews the major strategic, financial and operational risks to which it may be exposed. The Trustees remain satisfied that all systems are in place and are able to take the necessary action to mitigate such risks, where and when necessary.

# Report of the Trustees of The Queen Alexandra Hospital Home (continued)

## Trustees' Responsibilities for the Financial Statements

The trustees (who are also directors of The Queen Alexandra Hospital Home for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the net income or expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to.

- select suitable accounting procedures and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- state whether applicable 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 charitable company will continue in business.

The trustees are responsible for ensuring that the charitable company keeps proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and;

to establish that the auditors are aware of that information

## Trustee indemnity insurance

The charity has taken out third party indemnity insurance cover for its trustees, as disclosed in note 5 to the financial statements.

## Auditors

A resolution to reappoint Carpenter Box LLP for the ensuing year will be proposed as the Annual General Meeting in accordance with section 385 of the Companies Act 1985.

## In gratitude

The Trustees wish to convey their sincere thanks to all the volunteers who have so generously given their time and support to the Queen Alexandra Hospital Home over the past year. With their support, we look forward to continuing to enhance the delivery of our charitable services.

It is with deep regret that I have to record the sudden death on the 19<sup>th</sup> February 2009 of Surgeon Vice Admiral Ian JENKINS CB.CVO.QHS.FRCS. who was a Trustee since January 2007. In February 2008 Ian was appointed Constable and Governor of Windsor Castle but still remained a Trustee of the Hospital Home. As a former Surgeon General to the Armed Forces he brought with him extensive knowledge and expertise which proved invaluable, this together with his great understanding and sympathetic approach to ex-Service personnel made him the perfect Trustee. He will be missed.

We are also particularly grateful to Dr Sunny Suntharalingham FRCP and Mr Ed Bacon, who both sadly resigned as Trustees during 2008.

This report was approved by the trustees on

16 April 2009

and signed on their behalf

**Rear Admiral R O Irwin, CB  
Chairman**



# Officers and Management

For the year ended 31 December 2008

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The names of the Trustees who have served during the year and the executives are set out below along with the committee of The Queen Alexandra Hospital Home.

## The Trustees

Rear Admiral RO Irwin, CB (Chairman)		
IG Bacon		resigned 23 October 2008
I Eady (Vice Chairman)	1	
DLE Jones FCA	1	
Air Vice-Marshal P Millar CB		
Brigadier WE Shackell CBE	1	
RMG Thornely		
F Wilson	1	
Dr M Suntharalingham		resigned 4 July 2008
Mrs S Geddes		
Surgeon Vice Admiral I L Jenkins CB CVO FRCS		deceased 19 February 2009
Colonel S D Rowland-Jones		
Mr C Field	1	appointed 4 July 2008

## Committee members

- 1 Finance Committee

One third of the Trustees retire at each Annual General Meeting but are eligible for re-election in the absence of any disqualifying factor. Additional Trustees and those to fill casual vacancies may be nominated by the existing Trustees and, upon a majority vote by the Board, appointed.

## Company Secretary

D A Hood

## Executives

JMA Paxman (Chief Executive)  
V Walker (Director of Nursing and Operations)  
D A Hood (Head of Finance)

# Professional Advisors and Company Information

For the year ended 31 December 2008

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## Registered Office

Gifford House  
Boundary Road  
Worthing  
West Sussex  
BN11 4LJ

## Bankers

Barclays Bank Plc  
1 Chapel Road  
Worthing  
West Sussex  
BN11 1EX

## Auditors and financial advisers

Carpenter Box LLP  
Grafton Lodge  
15 Grafton Road  
Worthing  
West Sussex  
BN11 1QR

## Pension Trustees

Lawrence Graham LLP  
4More London Riverside  
London  
SE1 2AU

## Legal advisors

Thomas Eggar LLP  
Belmont House  
Station Way  
Crawley  
West Sussex  
RH10 1 JA

## Investment advisors

Schroder & Co Limited  
Schroders Charities  
31 Gresham Street  
London  
EC2V 7QA

## Registered Charity Number

1072334

## Company Number

3646570

# Independent Auditors Report to the Members of The Queen Alexandra Hospital Home

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We have audited the financial statements of The Queen Alexandra Hospital Home for the year ended 31 December 2008 which comprise the principal accounting policies, the group statement of financial activities, the income and expenditure account, the group and charitable company balance sheets, the group cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## **Respective responsibilities of trustees and auditors**

As described in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of The Queen Alexandra Hospital Home for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Trustees' report is consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.



# Independent Auditors Report to the Members of The Queen Alexandra Hospital Home (continued)

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## Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in preparation of the financial statements, and of whether the accounting policies are appropriate to the groups and charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

## Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the parent charitable company's affairs as at 31 December 2008 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

Carpenter Box LLP

**Carpenter Box LLP**  
Chartered Accountants  
**Registered Auditor**

Grafton Lodge  
15 Grafton Road  
Worthing  
West Sussex  
BN11 1QR

Dated:

17.4.09.

# Consolidated Statement of Financial Activities

For the year ended 31 December 2008

	Note	Unrestricted Funds £	Endowment & Restricted Funds £	2008 Total £	2007 Total £
<b>Incoming resources</b>					
Voluntary income	2	917,555	791,529	1,709,084	1,415,580
Activities for generating funds	2	76,203	-	76,203	180,998
Investment income	2	148,026	59,886	207,912	168,093
<b>Incoming resources from generated funds</b>					
		<b>1,141,784</b>	<b>851,415</b>	<b>1,993,199</b>	<b>1,764,671</b>
<b>Incoming resources from charitable activities</b>					
	3	<b>2,390,759</b>	-	<b>2,390,759</b>	<b>2,219,767</b>
<b>Other incoming resources</b>					
		-	-	-	-
<b>Total incoming resources</b>					
		<b>3,532,543</b>	<b>851,415</b>	<b>4,383,958</b>	<b>3,984,438</b>
<b>Resources expended</b>					
Costs of generating voluntary income	4	141,949	3,764	145,713	170,633
Fundraising trading: costs of goods sold and other costs	4	31,783	4,400	36,183	35,685
Investment management costs	4	18,371	-	18,371	21,544
<b>Cost of generating funds</b>					
		192,103	8,164	200,267	227,862
<b>Charitable activities</b>					
	4	2,987,141	530,081	3,517,222	3,333,491
<b>Governance costs</b>					
	4	29,970	-	29,970	31,836
<b>Total resources expended</b>					
		<b>3,209,214</b>	<b>538,245</b>	<b>3,747,459</b>	<b>3,593,189</b>
<b>Net incoming / (outgoing) resources before transfers</b>					
		<b>323,329</b>	<b>313,170</b>	<b>636,499</b>	<b>391,249</b>
Transfers between funds					
		(36,655)	36,655	-	-
<b>Net incoming / (outgoing) resources and surplus / (deficit) of income over expenditure before other recognised gains and losses</b>					
		<b>286,674</b>	<b>349,825</b>	<b>636,499</b>	<b>391,249</b>
Gains/ (losses) on investment assets:					
• Realised		(85,123)	-	(85,123)	84,048
• Unrealised		(1,019,255)	-	(1,019,255)	(26,623)
Actuarial (losses)/gains on defined benefit pension scheme					
	6	(342,000)	-	(342,000)	396,000
<b>Net movement in funds</b>					
		<b>(1,159,704)</b>	<b>349,825</b>	<b>(809,879)</b>	<b>844,674</b>
Funds balance brought forward					
		4,244,230	6,425,508	10,669,738	9,825,064
<b>Funds balance carried forward</b>					
		<b>3,084,526</b>	<b>6,775,333</b>	<b>9,859,859</b>	<b>10,669,738</b>

The accompanying accounting policies and notes form an integral part of these financial statements.

All of the operations represented by the information above are continuing.

# Summary Income and Expenditure Account

For the year ended 31 December 2008

	<b>2008 Total £</b>	<b>2007 Total £</b>
Income	4,383,958	3,984,438
Realised (loss) / gain on disposal of investment assets	(85,123)	84,048
<b>Total income</b>	<b>4,298,835</b>	<b>4,068,486</b>
<b>Total expenditure from income funds</b>	<b>3,747,459</b>	<b>3,593,189</b>
<b>Net income for the year</b>	<b>551,376</b>	<b>475,297</b>

The summary income and expenditure account as required by the Companies Act 1985 is derived from the statement of financial activities, which together with the notes provides full information on the movements during the year on all funds of the charity.

# Consolidated Balance Sheet

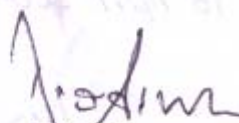
As at 31 December 2008


	Note	2008 £	2007 £
<b>Fixed assets</b>			
Tangible assets	8	6,177,985	5,415,817
Investments	9	4,102,855	5,244,922
<b>Total fixed assets</b>		<b>10,280,840</b>	<b>10,660,739</b>
<b>Current assets</b>			
Stocks	10	12,613	12,848
Debtors	11	227,922	184,201
Cash at bank and in hand		95,398	218,123
		<b>335,933</b>	<b>415,172</b>
Creditors – amounts falling due within one year	12	(259,914)	(207,173)
<b>Net current assets</b>		<b>76,019</b>	<b>207,999</b>
Creditors – amounts falling due after more than one year		-	-
<b>Net assets before pension liability</b>		<b>10,356,859</b>	<b>10,868,738</b>
Defined benefit pension scheme liability		(497,000)	(199,000)
<b>Net assets after pension liability</b>		<b>9,859,859</b>	<b>10,669,738</b>
<b>Capital funds</b>			
Endowment fund	14	21,000	21,000
<b>Income funds</b>			
Restricted	14	6,754,333	6,404,508
Unrestricted:			
Pension reserve fund	6	(497,000)	(199,000)
General fund	13	3,581,526	4,443,230
(including revaluation reserve £88,262 [2007: £754,745])			
Total unrestricted		3,084,526	4,244,230
<b>Total funds</b>		<b>9,859,859</b>	<b>10,669,738</b>

Approved by the Board of Trustees on

16 April 2009

and signed on its behalf by

  
R O Irwin  
Chairman

  
J Eady  
Vice Chairman

The accompanying accounting policies and notes form an integral part of these financial statements.



# Charity Balance Sheet

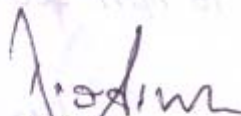
As at 31 December 2008


	Note	2008 £	2007 £
<b>Fixed assets</b>			
Tangible assets	8	6,341,255	5,579,087
Investments	9	4,102,857	5,244,924
<b>Total fixed assets</b>		<b>10,444,112</b>	<b>10,824,011</b>
<b>Current assets</b>			
Stocks	10	12,613	12,848
Debtors	11	240,133	226,989
Cash at bank and in hand		81,369	188,792
		<b>334,115</b>	<b>428,629</b>
Creditors – amounts falling due within one year	12	(258,096)	(220,630)
<b>Net current assets</b>		<b>76,019</b>	<b>207,999</b>
Creditors – amounts falling due after more than one year		-	-
<b>Net assets before pension liability</b>		<b>10,520,131</b>	<b>11,032,010</b>
Defined benefit pension scheme liability		(497,000)	(199,000)
<b>Net assets after pension liability</b>		<b>10,023,131</b>	<b>10,833,010</b>
<b>Capital funds</b>			
Endowment fund	14	21,000	21,000
<b>Income funds</b>			
Restricted	14	6,917,603	6,567,778
Unrestricted:			
Pension reserve fund	6	(497,000)	(199,000)
General fund	13	3,581,528	4,443,232
(including revaluation reserve £88,262 [2007: £754,745])			
Total unrestricted		3,084,528	4,244,232
<b>Total funds</b>		<b>10,023,131</b>	<b>10,833,010</b>

Approved by the Board of Trustees on

16 April 2009

and signed on its behalf by

  
R O Irwin  
Chairman

  
J Eady  
Vice Chairman

The accompanying accounting policies and notes form an integral part of these financial statements.

# Consolidated Cash Flow Statement

For the year ended 31 December 2008

	Notes	2008 £	2007 £
Net cash (outflow) from operating activities	a	731,277	445,173
Net cash (outflow) from financing		-	-
Returns on investment and servicing of finance	b	207,912	168,093
Capital expenditure and financial investments		(1,243,743)	(302,748)
Management of liquid resources		181,829	(288,918)
<b>Increase / (decrease) in cash in the year</b>	<b>d</b>	<b>(122,725)</b>	<b>21,600</b>
<b>Notes to the Cash Flow Statement</b>			
<b>a. Reconciliation of net incoming resources to net cash inflow/ (outflow) from operating activities</b>			
Net outgoing resources		636,499	391,249
Investment income		(207,912)	(168,093)
Depreciation		337,435	331,532
(Gain)/ Loss on asset disposal		-	-
(Increase) in stock		235	3,197
(Increase)/ decrease in debtors		(43,721)	7,084
Increase/ (decrease) in creditors		8,741	(119,796)
<b>Net cash inflow / (outflow) from operating activities</b>		<b>731,277</b>	<b>445,173</b>
<b>b. Returns on investments and servicing of finance</b>			
<b>Investment income received</b>		<b>207,912</b>	<b>168,093</b>
<b>c. Capital expenditure and financial investments</b>			
Capital expenditure		(1,099,602)	(105,459)
Sales of tangible fixed assets		-	-
Investment purchases		(443,030)	(1,027,391)
Investment sales		298,889	830,102
<b>Total capital expenditure and financial investment</b>		<b>(1,243,743)</b>	<b>(302,748)</b>
<b>d. Reconciliation of net cash flow to movement in net debt</b>			
(Decrease)/ Increase in cash in the year		(122,725)	21,600
Cash outflow from financing in the year		-	-
<b>Change in net funds</b>		<b>(122,725)</b>	<b>21,600</b>
Net funds balance brought forward		218,123	196,523
<b>Net funds balance carried forward</b>		<b>95,398</b>	<b>218,123</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 1. Accounting policies

### 1.1 Basis of accounting

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005) issued in March 2005 and applicable UK Accounting Standards and the Charities Act 1993.

### 1.2 Basis of consolidation

The group financial statements consolidate those of the charity and of its subsidiary undertakings (note 18) drawn up to 31 December 2008 in full. Surpluses or deficits on intra group transactions have been eliminated.

### 1.3 Incoming resources

Residents' contributions and capitation grants from the Veterans Agency are recognised in the Statement of Financial Activities on a receivable basis.

Donations and grants are recognised in the Statement of Financial Activities as received and are shown gross.

For estates in which probate has been granted the value of a quantifiable legacy, although not received in the financial year under review, is recognised in the Statement of Financial Activities with a corresponding amount being included as a debtor in the Balance Sheet.

Investment income comprises dividends declared during the accounting period and interest receivable on listed and unlisted investments.

### 1.4 Resources expended

Resources expended are all in respect of the sole activity of the provision of residential care.

The charitable company's objective is the provision of residential care and this is achieved principally through its staff. A high standard of buildings, equipment and other facilities are essential to the well-being of residents.

These elements underlie the categorisation of expenditure as follows:

Charitable expenditure comprises resources expended with the specific purpose of fulfilling the objects of the charity, predominantly the costs of care staff, and also expenditure incurred in support of the charity's primary purpose. This mainly consists of housekeeping expenses and other costs arising from the need to provide a comfortable living environment for the residents.

Governance costs include a proportion of the Chief Executive and the Head of Finance's salaries, Audit and accountancy fees and Trustees indemnity insurance.

Costs of generating funds include the costs associated with running the fund-raising appeals including the development of the donor database, and fund-raising events. Where applicable, costs have been apportioned on the basis of time or area, as appropriate to the relevant cost.

### 1.5 Fund accounting

The charitable company's assets represent the Capital Fund (resources invested in the buildings, equipment and vehicles), the Revenue Fund (resources held to produce income and to act as a reserve against temporary deficits), Special Funds (restricted or designated funds established to meet capital needs or specific projects) and Endowment Funds (resources invested in Gifford House).

The Capital fund is shown as a restricted fund, but part of this fund includes amounts designated by the Trustees. From time to time transfers between the Capital Fund and the Revenue (unrestricted) Fund occur in order to account for the results of projects which the Trustees had designated funds to complete.

### 1.6 Fixed assets and depreciation

Individual fixed assets costing £250 or more are capitalised at cost.

Tangible fixed assets are stated at cost net of depreciation. No depreciation is charged on fixed asset additions in the course of construction.

Depreciation is calculated to write down the cost of all tangible fixed assets except for freehold land by equal annual instalments over their expected useful lives, leading to an annual depreciation charge against the Capital Fund.

The periods generally applicable are:

**Property**- 25 years  
**Plant, equipment and vehicles**- 5 to 10 years  
**Computer equipment**- 3 years

# Notes to the consolidated accounts

For the year ended 31 December 2008

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## 1.7 Investments

Investments appear at market value as fixed assets in the balance sheet as they are held on a long-term basis to provide an essential income to offset part of the operating costs of the charity. Both realised and unrealised gains and losses are credited or charged to the Revenue Fund.

## 1.8 Retirement benefits Defined benefit pension scheme

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at appropriate high quality corporate bond rates. The net surplus or deficit is presented separately from other net assets on the balance sheet.

A net surplus is recognised only to the extent that it is recoverable by the charity.

The current service cost and costs from settlements and curtailments are included in operating costs and are allocated to the same expenditure headings as the related staff costs.

Past service costs are spread over the period until the benefit increases vest. Interest on the scheme liabilities and the expected return on scheme assets are included under the appropriate expenditure headings as other finance costs.

Actuarial gains and losses are reported in the Statement of Financial Activities with other gains and losses on investments.

## Defined contribution pension scheme

The pension costs charged against operating profits are the employers' contributions payable to the stakeholder pension scheme in respect of the accounting period.

## 1.9 Stock

Stocks are stated at lower of cost or net realisable value.

## 1.10 Taxation

No provision for taxation, deferred or otherwise, has been made in these financial statements as the Hospital Home is a charity in accordance with the Charities Act 1993 and is exempt from taxation except Value Added Tax, provided that income and gains are applied for charitable purposes under S.505 of the Income and Corporation Taxes Act 1988 and S.145 of the Capital Gains Tax Act 1979.

## 1.11 Cash and liquid resources

For the purpose of the cash flow statement, cash comprises cash in hand and deposits repayable on demand, less overdrafts payable on demand.

Liquid resources comprise term deposits of less than one year (other than cash), and are included in fixed asset investments as they are integral to the portfolio managed by investment managers.

## 1.12 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.



# Notes to the consolidated accounts

For the year ended 31 December 2008

## 2. Analysis of income from generated funds

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
<b>Voluntary income:</b>				
Legacies	477,175	-	477,175	163,777
Donations:				
Individuals	103,550	929	104,479	85,588
Charitable foundations and HM Forces	336,830	790,600	1,127,430	1,166,215
<b>Total voluntary income</b>	<b>917,555</b>	<b>791,529</b>	<b>1,709,084</b>	<b>1,415,580</b>
<b>Activities for generating funds:</b>				
Fundraising events	25,164	-	25,164	20,428
Nursing and care (non-primary purpose)	35,359	-	35,359	143,908
Other income	15,680	-	15,680	16,662
<b>Total activities for generating funds</b>	<b>76,203</b>	<b>-</b>	<b>76,203</b>	<b>180,998</b>
<b>Investment income:</b>				
Fixed interest securities	22,027	-	22,027	22,804
Equities (UK)	64,890	-	64,890	62,347
Equities (Overseas)	5,302	-	5,302	5,419
Short term deposits	25,001	59,886	84,887	40,721
UK Unit Trusts	5,463	-	5,463	5,511
Rebates on unit trusts	25,343	-	25,343	31,291
<b>Total investment income</b>	<b>148,026</b>	<b>59,886</b>	<b>207,912</b>	<b>168,093</b>

Other income in "Activities for generating funds" includes meals income from staff, bar and payphone income, none of which are individually material.

## 3. Analysis of income from charitable activities

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
<b>Incoming resources from charitable activities</b>				
Contributions from residents	1,873,621	-	1,873,621	1,757,768
Veterans Agency capitation grant	517,138	-	517,138	461,999
<b>Total incoming resources from charitable activities</b>	<b>2,390,759</b>	<b>-</b>	<b>2,390,759</b>	<b>2,219,767</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 4. Analysis of resources expended

	Unrestricted £	Restricted £	2008 Total £	2007 Total £
<b>Resources expended</b>				
<b>Costs of generating voluntary income</b>				
Telephone, rates, utilities and insurances	1,315	-	1,315	1,359
Advertising and publicity	2,340	-	2,340	-
Administration salaries and associated costs	15,829	-	15,829	14,602
Fundraising salaries and associated costs	86,610	-	86,610	105,398
Fundraising, advertising and publicity	35,855	3,764	39,619	49,274
	141,949	3,764	145,713	170,633
<p>Costs of generating voluntary income include the costs associated with running the fund-raising appeals including the development of the donor database. Where applicable, administration and other costs have been apportioned on the basis of time or area as appropriate to the relevant cost and on a basis consistent with the use of resources by the fundraising department.</p>				
<b>Costs of activities for generating funds</b>				
Bar staff and provisions	20,480	-	20,480	19,848
Fundraising costs re: events	223	3,900	4,123	8,351
Fundraising salaries and associated costs	10,567	500	11,067	6,861
Payphones	513	-	513	625
	31,783	4,400	36,183	35,685
Investment management fees	18,371	-	18,371	21,544
<b>Total cost of generating funds</b>	<b>192,103</b>	<b>8,164</b>	<b>200,267</b>	<b>227,862</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 4. Analysis of resources expended (continued)

	Unrestricted £	Restricted £	Direct £	Other £	2008 Total £	2007 Total £
<b>Resources expended</b>						
<b>Costs of charitable activities</b>						
Nursing care	683,095	6,965	690,060	-	690,060	686,410
Nursing care – Agency	4,202	-	4,202	-	4,202	499
Physiotherapy	-	91,759	91,759	-	91,759	68,262
Health care assistants	939,534	4,057	943,591	-	943,591	896,572
Health care assistants – Agency	5,523	-	5,523	-	5,523	9,193
Occupational therapy	1,334	44,989	46,323	-	46,323	64,136
Speech therapist	-	19,090	19,090	-	19,090	9,663
Kitchen	87,891	-	87,891	-	87,891	85,050
Kitchen – Agency	12,511	-	12,511	-	12,511	21,953
Housekeeping	224,509	-	224,509	-	224,509	191,449
Housekeeping – Agency	10,571	-	10,571	-	10,571	42,288
Drivers	25,393	-	-	25,393	25,393	22,293
Chaplain	5,908	2,250	-	8,158	8,158	8,552
Administration	269,750	634	-	270,384	270,384	260,168
Administration – Agency	11,608	-	-	11,608	11,608	1,042
Maintenance	53,633	3,922	-	57,555	57,555	56,346
Gardener	17,125	-	-	17,125	17,125	16,774
	2,352,587	173,666	2,136,030	390,223	2,526,253	2,440,650
Closed pension scheme costs:						
Current service cost less overprovision						
of fees brought forward	66,700	-	56,687	10,013	66,700	50,000
Pension Protection Fund levy	30,527	-	25,998	4,579	30,577	-
Contributions	-	-	-	-	-	-
Curtailement gains	-	-	-	-	-	-
Administration costs	-	-	-	-	-	-
<b>Total payroll costs</b>	<b>2,449,864</b>	<b>173,666</b>	<b>2,218,715</b>	<b>404,815</b>	<b>2,623,530</b>	<b>2,490,650</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 4. Analysis of resources expended (continued)

	Unrestricted £	Restricted £	Direct £	Other £	2008 Total £	2007 Total £
<b>Costs of charitable activities (continued)</b>						
<b>Total payroll costs</b>	<b>2,449,864</b>	<b>173,666</b>	<b>2,218,715</b>	<b>404,815</b>	<b>2,623,530</b>	<b>2,490,650</b>
Medical officer & locum fees	12,286	-	12,286	-	12,286	14,597
Provisions	107,320	271	107,591	-	107,591	97,986
Surgery, dispensary & therapy	37,123	2,730	39,853	-	39,853	43,584
Bad debts	-	-	-	-	-	6,281
Other finance costs / (income)	(15,000)	-	(12,750)	(2,250)	(15,000)	(11,000)*
Depreciation	-	337,435	-	337,435	337,435	331,532
Profit on disposal of assets	-	-	-	-	-	-
Vehicle running costs	14,618	3,881	18,499	-	18,499	20,662
Travel for assessments	1,841	-	1,841	-	1,841	1,298
Hospital repairs & renewals	26,418	274	-	26,692	26,692	23,652
Domestic and kitchen repairs	8,894	1,000	-	9,894	9,894	12,591
Staff vending machine	1,433	-	-	1,433	1,433	1,822
Publications	16	-	-	16	16	143
Sundries (including entertainment and pets)	5,201	4,055	-	9,256	9,256	9,446
Property maintenance	30,931	5,090	-	36,021	36,021	18,174
Gardening	1,323	-	-	1,323	1,323	456
Repairs & renewals of equipment	2,728	-	-	2,728	2,728	3,552
Laundry and cleaning	56,929	473	-	57,402	57,402	54,133
Utilities	102,021	1,206	-	103,227	103,227	97,342
Insurance	44,656	-	-	44,656	44,656	44,587
Computer costs	6,736	-	-	6,736	6,736	4,567
Bank charges	2,275	-	-	2,275	2,275	2,315
Arrangement fees & interest	-	-	-	-	-	-
Other fees & subscriptions	71,005	-	-	71,005	71,005	41,636
Personnel management fees	-	-	-	-	-	1,234
Printing & stationary	6,754	-	-	6,754	6,754	14,780
Postages and telephones	11,769	-	-	11,769	11,769	7,471
<b>Total non payroll costs</b>	<b>537,277</b>	<b>356,415</b>	<b>167,320</b>	<b>726,372</b>	<b>893,692</b>	<b>842,841</b>
<b>Total cost of charitable activities</b>	<b>2,987,141</b>	<b>530,081</b>	<b>2,386,035</b>	<b>1,131,187</b>	<b>3,517,222</b>	<b>3,333,491</b>

\*Note: Other finance costs/(income) represent the net return on the pension scheme (see note 6 for further information).



# Notes to the consolidated accounts

For the year ended 31 December 2008

## 4. Analysis of resources expended (continued)

	Unrestricted £	Restricted £	2008 Total £	2007 Total £	
<b>Resources expended</b>					
<b>Governance costs</b>					
Staff costs	18,762	-	18,762	16,244	
Insurance	1,575	-	1,575	1,578	
Audit – Charity	7,675	-	7,675	11,568	
Audit – Subsidiaries	1,958	-	1,958	1,506	
Accountancy fees	-	-	-	940	
<b>Total governance costs</b>	<b>29,970</b>	<b>-</b>	<b>29,970</b>	<b>31,836</b>	
<b>Analysis of total resources expended</b>					
	Staff Costs £	Depreciation £	Other £	2008 Total £	2007 Total £
<b>Provision of residential care</b>					
Provision of services and support costs	2,623,530	337,435	556,257	3,517,222	3,333,491
<b>Other expenditure</b>					
Fundraising, publicity and other	124,286	-	50,638	174,924	196,571
Management and administration	18,762	-	11,208	29,970	31,836
<b>Total resources expended</b>	<b>2,766,578</b>	<b>337,435</b>	<b>618,103</b>	<b>3,722,116</b>	<b>3,561,898</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 5. Trustees and employees

	<b>2008</b>	<b>2007</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Staff costs during the year were as follows:		
Wages and salaries	2,529,262	2,428,415
Social security costs	209,591	193,001
Pension costs:		
Defined benefit scheme	-	-
Defined contribution scheme	27,725	25,755
	<b>2,766,578</b>	<b>2,647,171</b>

The average number of employees of the charitable company during the year was:

	<b>2008</b>	<b>2007</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Nurses and health care assistants	75	70
Support	46	46
Management and administration	1	1
	<b>122</b>	<b>117</b>

No trustees received any remuneration for their services or any reimbursement of expenses for the year ended 31 December 2008 (2007: nil).

A premium of £1,575 was paid during the year for trustee's indemnity insurance (2007: £1,578).

Two employees' earned more than £60,000 (2007: one employee exceeded £60,000). During the year pension contributions of £6,673 (2007: £2,945) were paid on behalf of the employees' as members of the Stakeholder scheme operated by the charity.

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 6. Retirement benefits

The charitable company has been operating a defined benefit pension scheme for the benefit of employees. The scheme is administered by AEGON (formerly Scottish Equitable) and its assets are held separately from those of the charitable company. The scheme was closed to further accrual with effect from 30 April 2005.

In accordance with FRS 17 costs and liabilities of the scheme are based on actuarial valuations. The most recent draft actuarial valuation was as at 31 December 2008 and was prepared by a qualified actuary. Based on the actuarial valuation, the market value of the pension fund assets at 31 December 2008 excluding insured pensioners was £1,938,000 (2007: £2,429,000).

The employer contributed 9.8% of salaries during the period up to the closure of the scheme to future accrual on 30 April 2005. The most recently completed triennial actuarial valuation of the scheme was carried out as at 31 March 2007. Following the valuation the Scheme's Trustees agreed with the Company that annual contributions of £109,000, payable by equal monthly instalments be paid to remove the deficit over the 10 years from 31 March 2008.

Because the scheme is closed to further accrual the current service cost under the projected unit method will increase as the members of the scheme approach retirement.

The major assumptions used for the updated actuarial valuation were:

	2008	2007	2006
Price inflation	3.10%	3.40%	3.30%
Salary inflation	N/A	N/A	N/A
Rate of increase in pensions in payment	3.20%	3.10%	3.00%
Rate of revaluation of pensions in deferment	3.10%	3.40%	3.30%
Rate used to discount schemes liabilities	6.70%	5.80%	5.10%

At 31 December 2008 the assets in the scheme and expected long-term rate of return have been estimated by the actuary to be:

	Rate of return %	2008 £	Rate of return %	2007 £	Rate of return %	2006 £
Equities	7.90%	1,559,000	8.10%	1,955,000	8.16%	1,870,000
Bonds	-	-	-	-	5.14%	300,000
Gilts	3.90%	232,000	4.80%	291,000		-
Cash	2.00%	147,000	5.75%	183,000	5.00%	153,000
Annuities	N/A	-	N/A	-	N/A	-
Total market value of assets		1,938,000		2,429,000		2,323,000
Present value of scheme liabilities		(2,435,000)		(2,628,000)		(2,963,000)
(Deficit) / Surplus in the scheme		(497,000)		(199,000)		(640,000)
<b>Net pension (deficit) / asset</b>		<b>(497,000)</b>		<b>(199,000)</b>		<b>(640,000)</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 6. Retirement benefits (continued)

	2008	2007
<b>Amounts included in total resources expended:</b>	<b>£</b>	<b>£</b>
Current service costs	74,000	50,000
<b>Total amount included in total resources expended</b>	<b>74,000</b>	<b>50,000</b>
<b>Analysis of net return on scheme</b>	<b>£</b>	<b>£</b>
Expected return on pension scheme assets	167,000	160,000
Interest on pension scheme liabilities	(152,000)	(149,000)
<b>Net return</b>	<b>15,000</b>	<b>11,000</b>
<b>Amounts included in other recognised gains and losses:</b>	<b>£</b>	<b>£</b>
Difference between actual and expected return on scheme assets	(630,000)	(4,000)
Experience gains and losses arising on the scheme liabilities	(20,000)	(24,000)
Changes in assumptions underlying the present value of scheme liabilities	308,000	424,000
<b>Total actuarial gain / (loss) recognised in the statement of recognised gains and losses</b>	<b>(342,000)</b>	<b>396,000</b>
<b>Amounts included in other recognised gains and losses:</b>	<b>%</b>	<b>%</b>
As a % of scheme assets:		
Difference between actual expected return on scheme assets:	32.5%	0.2%
As a % of present value of scheme liabilities:		
Experience gains arising on scheme liabilities	1.0%	1.0%
Changes in assumptions underlying the present value of scheme liabilities	15.9%	16.1%
Total actuarial gains and losses in net movement of funds	14.9%	15.1%
<b>Analysis of movement in scheme during the year</b>	<b>£</b>	<b>£</b>
(Deficit) in the scheme at the beginning of the year	(199,000)	(640,000)
Current service cost	(74,000)	(50,000)
Curtailment gains	-	-
Contributions	103,000	84,000
Other finance income / (costs)	15,000	11,000
Actuarial (loss) / gain	(342,000)	396,000
<b>Deficit in the scheme at the end of the year</b>	<b>(497,000)</b>	<b>(199,000)</b>

### Defined contribution scheme

The charitable company has put in place a stakeholder scheme for the benefit of the employees, to which the charity contributes a matched figure up to the value of 5% of the gross contribution.



# Notes to the consolidated accounts

For the year ended 31 December 2008

## 7. Taxation

No provision has been made for taxation in these financial statements as the company is a charity in accordance with Section 4 of the Charities Act. It is exempt from taxation other than Value Added Tax provided that income and gains are applied to charitable purpose.

## 8. Tangible Fixed Assets

<b>GROUP</b>	<b>Freehold property £</b>	<b>Plant and equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
Cost or valuation				
At 1 January 2008	5,926,244	712,123	210,340	6,848,707
Additions	1,044,800	54,803	-	1,099,603
Disposals	-	(7,202)	-	(7,202)
<b>At 31 December 2008</b>	<b>6,971,044</b>	<b>759,724</b>	<b>210,340</b>	<b>7,941,108</b>
Depreciation				
At 1 January 2008	1,017,038	266,002	149,850	1,432,890
Provided in period	239,216	78,071	20,148	337,435
On disposals	-	(7,202)	-	(7,202)
<b>At 31 December 2008</b>	<b>1,256,254</b>	<b>336,871</b>	<b>169,998</b>	<b>1,763,123</b>
<b>Net book amount at 31 December 2008</b>	<b>5,714,790</b>	<b>422,853</b>	<b>40,342</b>	<b>6,177,985</b>
<b>Net book amount at 31 December 2007</b>	<b>4,909,206</b>	<b>446,121</b>	<b>60,490</b>	<b>5,415,817</b>
<b>CHARITY</b>	<b>Freehold property £</b>	<b>Plant and equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
Cost or valuation				
At 1 January 2008	6,089,514	712,123	210,340	7,011,977
Additions	1,044,800	54,803	-	1,099,603
Disposals	-	(7,202)	-	(7,202)
<b>At 31 December 2008</b>	<b>7,134,314</b>	<b>759,724</b>	<b>210,340</b>	<b>8,104,378</b>
Depreciation				
At 1 January 2008	1,017,038	266,002	149,850	1,432,890
Provided in period	239,216	78,071	20,148	337,435
On disposals	-	(7,202)	-	(7,202)
<b>At 31 December 2008</b>	<b>1,256,254</b>	<b>336,871</b>	<b>169,998</b>	<b>1,763,123</b>
<b>Net book amount at 31 December 2008</b>	<b>5,878,060</b>	<b>422,853</b>	<b>40,342</b>	<b>6,341,255</b>
<b>Net book amount at 31 December 2007</b>	<b>5,072,476</b>	<b>446,121</b>	<b>60,490</b>	<b>5,579,087</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 9. Fixed Asset Investments

	2008 £	2007 £
Quoted Investments		
Market value at 1 January 2008	4,279,061	4,024,347
Additions	443,030	1,027,391
Disposals	(298,889)	(830,102)
Net realised / unrealised investment (losses) / gains	(1,104,378)	57,425
Market value at 31 December 2008	3,318,824	4,279,061
Short term deposits	784,031	965,861
Investments (Group) (Historical cost £4,014,593 [2007: £4,490,177])	4,102,855	5,244,922
Investments in group undertakings at 1 January 2008	2	2
And at 31 December 2008	-	-
Investments (Charity) (Historical cost £4,014,595 [2007: £4,490,179])	4,102,857	5,244,924
	2008 £	2007 £
Analysed as:		
Fixed interest securities – Unit Trusts	464,790	577,219
Equities – UK	1,664,113	2,393,419
Property funds – UK	142,249	211,927
Property funds – Overseas	83,003	28,464
Equities – Overseas	577,593	785,294
Commodities	77,721	-
Hedge Funds	309,355	282,738
	3,318,824	4,279,061
	2008 £	2007 £
Holdings which <b>exceed 5%</b> of the total portfolio at 31 December 2008 are:		
Schroder Charity Equity Fund A Income Units	585,031	786,352
Schroder UK Alpha Plus Fund Income Units	329,918	525,416
Schroder Charity Fixed Interest Fund Income Units	464,790	476,193
Schroder Income Fund A Income Units	294,751	403,352
Opus AIF Diversified	245,259	282,738
Merrill Lynch UK Dynamic Fund	-	255,674

### The Charity wholly owns the following subsidiaries:

	Country of Incorporation	Class of share capital held	Principal activity
QAHH Limited	England	Ordinary	Dormant Company
QAHH Services Limited	England	Ordinary	Provision of nursing care and other trading activities

The results for these subsidiaries are disclosed in Note 18.

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 10. Stocks

	2008		2007	
	Group £	Charity £	Group £	Charity £
Consumable stores	12,613	12,613	12,848	12,848
<b>Total consumable stores</b>	<b>12,613</b>	<b>12,613</b>	<b>12,848</b>	<b>12,848</b>

## 11. Debtors

	2008		2007	
	Group £	Charity £	Group £	Charity £
Residents contributions receivable	91,929	91,929	116,470	116,470
Group debtors	-	-	-	8,879
Capitation fees receivable	44,527	44,527	20,355	20,355
Legacies receivable	61,531	61,531	9,711	9,711
Income tax recoverable	4,059	4,059	6,069	6,069
Prepayments and other debtors	25,876	25,876	21,139	21,139
Gift aid donations	-	12,211	-	44,366
Trade debtors	-	-	10,457	-
<b>Total Debtors</b>	<b>227,922</b>	<b>240,133</b>	<b>184,201</b>	<b>226,989</b>

## 12. Creditors: amounts falling due within one year

	2008		2007	
	Group £	Charity £	Group £	Charity £
Trade creditors	45,063	45,063	56,906	56,906
Staff remuneration	35,834	35,834	34,900	34,900
Pension	4,759	4,759	4,519	4,519
Social security and other taxes	57,450	57,450	55,094	55,094
Amounts owed to group undertakings	-	-	-	15,221
Other creditors and accruals	116,808	114,990	55,754	53,990
<b>Total Creditors</b>	<b>259,914</b>	<b>258,096</b>	<b>207,173</b>	<b>220,630</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 13. General fund

	2008		2007	
	Group £	Charity £	Group £	Charity £
<b>Revenue fund</b>				
At 1 January 2008	4,443,230	4,443,232	4,623,017	4,622,994
Retained surplus / (deficit) for the year	(825,049)	(825,049)	(150,583)	(150,558)
Transfer from/(to) restricted funds	(36,655)	(36,655)	(29,204)	(29,204)
<b>At 31 December 2008</b>	<b>3,581,526</b>	<b>3,581,528</b>	<b>4,443,230</b>	<b>4,443,232</b>

## 14. Restricted and endowment funds

GROUP	Endowment Fund £	Capital Fund £	Phase 2 Fund £	Capital	Other	Total £
				Expenditure Fund £	Restricted Funds £	
At 1 January 2008	21,000	5,394,817	754,838	139,414	115,439	6,425,508
Incoming resources	-	-	540,936	25,091	285,388	851,415
Expenditure	-	(337,435)	-	-	(200,810)	(538,245)
Transfers between funds	-	1,079,593	(956,830)	(120,908)	(1,855)	-
Transfers from Revenue Fund	-	20,010	16,645	-	-	36,655
<b>At 31 December 2008</b>	<b>21,000</b>	<b>6,156,985</b>	<b>355,589</b>	<b>43,597</b>	<b>198,162</b>	<b>6,775,333</b>

The Capital Expenditure Fund comprises funds received for specific purposes or designated by trustees for the acquisition of tangible assets. Once applied they form part of the Capital Fund and are consequently all regarded as restricted, although the Trustees recognise that not all of the funds so described are technically restricted as defined by the SORP.

The transfers between funds during the year are represented by an additional fund for the Phase 2 development which was set up separately to show its progress; transfers to and from this fund represent the introduction of funds from restricted income and the distribution of costs to the revenue or capital funds. Transfers to the revenue fund represent restricted funds received for the allocation against revenue costs.

The endowment fund is represented by an estimate of the original cost of the main site of the Home at Boundary Road, Worthing, which is considered to be inalienable property.

CHARITY	Endowment Fund £	Capital Fund £	Phase 2 Fund £	Capital	Other	Total £
				Expenditure Fund £	Restricted Funds £	
At 1 January 2008	21,000	5,558,087	754,838	139,414	115,439	6,588,778
Incoming resources	-	-	540,936	25,091	285,388	851,415
Expenditure	-	(337,435)	-	-	(200,810)	(538,245)
Transfers between funds	-	1,079,593	(956,830)	(120,908)	(1,855)	-
Transfers to / from Revenue Fund	-	20,010	16,645	-	-	36,655
<b>At 31 December 2008</b>	<b>21,000</b>	<b>6,320,255</b>	<b>355,589</b>	<b>43,597</b>	<b>198,162</b>	<b>6,938,603</b>

# Notes to the consolidated accounts

For the year ended 31 December 2008

## 15. Analysis of net assets between funds

GROUP	Tangible Fixed Assets £	Investments £	Net Current Assets £	Creditors due > 1 year £	Total £
<b>Endowment fund</b>					
Capital fund	21,000	-	-	-	21,000
	<b>21,000</b>	-	-	-	<b>21,000</b>
<b>Restricted fund</b>					
Capital fund	6,156,985	-	-	-	6,156,985
Capital expenditure fund	-	-	43,597	-	43,597
Refurbishment and revenue fund	-	-	198,162	-	198,162
Phase 2 restricted fund	-	355,589	-	-	355,589
	<b>6,156,985</b>	<b>355,589</b>	<b>241,759</b>	-	<b>6,754,333</b>
<b>Unrestricted fund</b>					
Revenue fund (including unrealised losses of £267,531)	-	3,747,266	(165,740)	-	3,581,526
Pension fund liability	-	-	-	(497,000)	(497,000)
	-	<b>3,747,266</b>	<b>(165,740)</b>	<b>(497,000)</b>	<b>3,084,526</b>
<b>Group</b>	<b>6,177,985</b>	<b>4,102,855</b>	<b>76,019</b>	<b>(497,000)</b>	<b>9,859,859</b>
<b>CHARITY</b>					
<b>Endowment fund</b>					
Capital fund	21,000	-	-	-	21,000
	<b>21,000</b>	-	-	-	<b>21,000</b>
<b>Restricted fund</b>					
Capital fund	6,320,255	-	-	-	6,320,255
Capital expenditure fund	-	-	43,597	-	43,597
Refurbishment and revenue fund	-	-	198,162	-	198,162
Phase 2 restricted fund	-	355,589	-	-	355,589
	<b>6,320,255</b>	<b>355,589</b>	<b>241,759</b>	-	<b>6,917,603</b>
<b>Unrestricted fund</b>					
Revenue fund (including unrealised losses of £267,531)	-	3,747,268	(165,740)	-	3,581,528
Pension fund liability	-	-	-	(497,000)	(497,000)
	-	<b>3,747,268</b>	<b>(165,740)</b>	<b>(497,000)</b>	<b>3,084,528</b>
<b>Charity</b>	<b>6,341,255</b>	<b>4,102,857</b>	<b>76,019</b>	<b>(497,000)</b>	<b>10,023,131</b>

## 16. Capital commitments

The capital commitments at 31 December 2008 were those of the Phase 2 project, with the remainder of the work to be completed and invoiced estimated to be £303,424 (2007: Nil). Refer to note 20.



# Notes to the consolidated accounts

For the year ended 31 December 2008

## 17. Related party transactions

During the year the Charity incurred legal fees amounting to £2,174 (2007: £2,643) payable to Thomas Eggar LLP. The balance outstanding at the year-end was Nil (2007: Nil). R M G Thornely, Trustee, is a partner in Thomas Eggar. There were no other transactions with Trustee's during the year or prior year.

No other transactions with related parties were undertaken such as are required to be disclosed under FRS8 or the SORP.

## 18. Subsidiary companies

The Charity owns the whole of the issued ordinary share capital of QAHH Limited registered number 5064367 and QAHH Services Limited registered number 5802953, companies registered in England and Wales.

The trading activities of the subsidiary QAHH Services Limited for the year ended 31 December 2008 were as follows:

	QAHH Services Limited <b>2008</b> £	QAHH Services Limited <b>2007</b>
Turnover	35,359	143,908
Cost of sales	21,175	97,729
	14,184	46,179
Other operating income and charges	1,973	1,813
<b>Profit / (Loss) on ordinary activities before taxation</b>	<b>12,211</b>	<b>44,366</b>
Appropriation to holding company	(12,211)	(44,366)
<b>(Loss) / Profit for the financial year</b>	<b>-</b>	<b>-</b>
Net current assets	1	1
<b>Net assets</b>	<b>1</b>	<b>1</b>
Share capital	1	1
Retained profit	-	-
<b>Net assets</b>	<b>1</b>	<b>1</b>

QAHH Limited is dormant.

## 19. Surplus of income over expenditure

The charity has taken advantage of section 230 of the Companies Act 1985 and has not included its own income and expenditure account in these financial statements. The surplus of income over expenditure for the period includes a surplus of £622,315 (2007: surplus £345,070) which is dealt with in the financial statements of the charity.

## Notes

## Notes

## Notes



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