

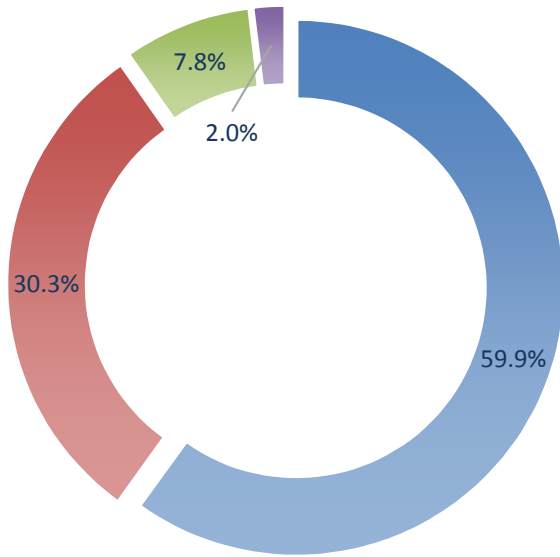


ANNUAL REPORT
& ACCOUNTS | 2013

qahh.org.uk

How the funds have helped

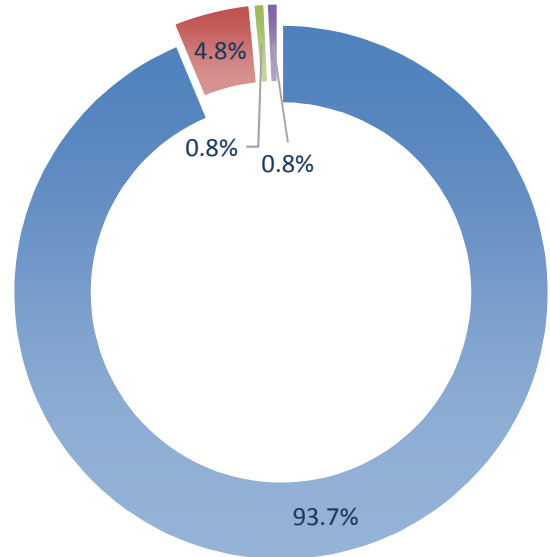
How the money came in (Fig1)



- Resident fee income
- Donations and fundraising events
- Legacies
- Investment and other income

Total income £4.51m

How the money went out (Fig2)



- Provision of care, rehabilitation and services
- Fundraising costs
- Governance costs
- Investment and other income costs

Total expenditure £4.50m

How the charity is supported

for every **£1** raised from fundraising
88p is spent directly supporting our

Property and equipment used by the charity	£5.55m
Investments held	£4.50m
Working capital	£0.55m
Other assets and liabilities	£(0.92m)

Total £9.68m

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CHAIRMANS REPORT

Chairman's Report

The Queen Alexandra Hospital Home's mission is to provide the highest quality nursing care and rehabilitation, for those who have served in Her Majesty's Armed Forces and for their immediate families.

It has not been an easy ride over the last four years of financial constraint. Along with many other Charities, we have suffered from reduced giving. Thankfully the challenges of the past lie behind us. Although funding has been difficult, we have successfully continued with our programme to upgrade our Hospital Home and to meet the new and challenging demands required in the provision of the finest standards of medical and rehabilitative care.

Our hard-working fundraising team have done well to meet the demands of the Trustees' programme of continuous improvement, as well as sharing the story of the Queen Alexandra Hospital Home, and its ambitions for the future, with many people.

We care for those who have served their Country. This has allowed us to benefit from the receipt of two grants from the Government's "Libor Fund". This money has enabled us to press forward with the complete refurbishment of our kitchens. When complete early in 2014, this will mark the fulfilment of the 10-year programme of improvements to facilities and services throughout the Queen Alexandra Hospital Home.

We are one of the leading care homes for ex-Service personnel in the United Kingdom. Plans for fundraising are already being drawn up for the next 10 years of continuous improvement.

The arrival of our first Afghanistan war casualty for an extended period of respite, during 2013, again indicates just how important it is for QAHH to adapt to changing needs. The support and care for which the Queen Alexandra Hospital Home's excellent reputation is known across the country should hold it in good stead. It is a sad fact that there will be increased demand, for our care and support, amongst ex-Service personnel over the coming years.

Our future plans are:

- Continuing to provide the highest quality nursing care and rehabilitation.
- Continuing to meet the individual needs of each of our residents.
- Maintaining our national role as a leading provider for those with a progressive neurological condition – especially for ex-Service personnel and others.
- Continuing fundraising nationally in order to enhance, sustain and continuously improve the Queen Alexandra Hospital Home's facilities and service levels.

As Chairman of the Trustees, it gives me pride to be associated with the invaluable work done by QAHH. The Trustees all join me in expressing our gratitude to all of the staff, whatever their role, under the leadership of John Paxman, Chief Executive, and Valerie Walker, Director of Nursing and Operations. The professionalism, cheerful commitment, loyalty and sense of humour which they all bring, enhances the quality of life of all our residents.

CPJ Field JP DL

Chairman of Trustees

REPORT OF THE TRUSTEES

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 2013.

In preparing these accounts the Trustees have sought to 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 2011.

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 34. The Principal place of business and professional advisers of the charity are given on page 35.

The Queen Alexandra Hospital Home 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 Charity has one subsidiary company, QAHH Services Limited (company number 5802953) incorporated 2 May 2006. The company is limited by shares of which the single shareholder is 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 in 1998, therefore subject to Charity, Trust and Company Law, and governed by a Memorandum and Articles of Association.

The Board of Trustees oversee the governance of QAHH. The Board meets four times a year.

Between Board meetings, two appointed Trustees will carry out Trustees' Rounds and makes a detailed inspection of all departments. 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 one further period of 4 years. They are not normally eligible for a further re-appointment. An induction programme is in place for new trustees.

The Board manages the business and affairs of QAHH and at its meetings the Board reviews the performance of QAHH. There is one subcommittee overseeing the financial affairs of QAHH.

It also considers and approves the operational and capital budgets. The Board has established levels of authority to ensure proper accountability and transparency.

The Board also appoints the Chief Executive Officer, who reports to the Chairman and is accountable to the Board. He attends meetings of the Board and the Finance committee. The current Chief Executive is John Paxman. He is the 'Nominated Individual' under the requirements of our registration body the Care Quality Commission (CQC) and is the point of contact in all matters emanating from them.

Related parties

The Charity's 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. The company gift aids any profits to the Charity.

REPORT OF THE TRUSTEES

Purpose and Aims

Casualties from the First World War reached appalling numbers and the Charity was established in 1919 to care for physically disabled members of HM Forces, providing the first steps in physiotherapy and occupational therapy. The objects of the charity have since been extended, and are currently to:

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

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of the activities and the benefits they have brought to those groups of people. The review also helps us to ensure that our aims, objectives and activities remain focused on our stated purpose.

We have referred to the guidance in the Charity Commission's General Guidance on Public Benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Our Ethos

The Queen Alexandra Hospital Home welcomes applications from all backgrounds and from all parts of the United Kingdom.

Prior to accepting a potential resident, we first ensure that QAHH is able to provide the appropriate level of nursing care and rehabilitation, and that our accommodation and the prospective resident's care plan will enable them to achieve their full potential.

The hospital home is an equal opportunity organisation and we are fully committed to providing a hospital home and a working environment that is free from any discrimination on the grounds of race, colour; religion, sex, ethnicity, sexual orientation, disability or age.

We also have a policy of making reasonable adjustments to accommodate the needs of staff and/or residents who are or who become disabled.

We also accept residents who are funded from a variety of sources, namely self-funding Health Authorities (continuing care cases), Local Authorities (Social Services) and War Pensioners (Service Personnel and Veterans Agency).

The care provided to residents at QAHH is subsidised, thanks to the generosity of the many supporters and donors to the Hospital Home.

We help our residents in the following ways:

- Full nursing and medical care, in a very comfortable environment with modern equipment and facilities, by highly motivated and well-qualified 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 former members of HM Forces – 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 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 QAHH.
- 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 the UK.
- To seek ways of enhancing the overall effectiveness of QAHH by working more closely with other similar charities.
- To maximise income by maintaining high bed occupancy.
- To increase financial input through increased fundraising resources.

REPORT OF THE TRUSTEES

Objectives and Activities

Our main objectives for 2013 were:

- To satisfy from our own resources, or in conjunction with other charities, the needs and requirements of our residents.
- To seek to maintain bed numbers at 55 average weekly bed occupancy.
- Raise funding for the kitchen and catering areas upgrade with the launch of a Capital Appeal.
- Continue the close working relationship with local NHS funding bodies.
- Continue to fundraise in order to reduce the operational deficit.
- Further ensure the long-term future by maintaining cordial relationships with local NHS bodies, Clinical Commissioning Groups (CCGs), the Armed Forces, all ex-Service organisations and maintain a high profile.

Our main objectives for 2014 are:

- To meet the needs and requirements of all our residents.
- To maintain bed occupancy at an average of 56 residents.
- Complete the upgrade of the Kitchen/Catering areas.
- Continue the process to reduce the financial deficit.
- Maintain close working relationships with CCGs and local authority funding bodies.
- Ensure long-term future of the charity by maintaining cordial relationships with NHS bodies; CCGs; the Armed Forces; ex-Service organisations; and to maintain a high profile within Worthing and surrounding areas.

Review of Activities

The purpose of QAHH continues to be the high quality provision of nursing and rehabilitation care to former members of HM Forces and their immediate family members and dependents.

Demand for beds during the year continued to be high, however the issue of funding remains a problem to all new applicants, apart from self-funders. Government funding, be it CCG-funded or local authority funding, continues to be increasingly difficult to obtain for most new applicants and this situation is unlikely to change for the foreseeable future. Those who are successful in obtaining funding are now all of significantly higher nursing dependency than applicant cases of even two years. Consequently QAHH averaged 54 filled beds over 2013 which was slightly lower than the budgeted figure of 55. The issue is not a decrease in demand for QAHH nursing and rehabilitation services, but rather a significant tightening of state and local authority funding abilities. With this in mind, the trustees agreed to senior management proposals to increase the fundraising department with additional posts - one being a QAHH Marketing and PR Officer who will improve the organisation's current marketing abilities and material in order to attract an increase in self-funders; out-sourced hospital placements; and also from those who have obtained funding from other sources.

All new applicants to QAHH are visited in their home or in hospital by one of the senior nursing team and a detailed assessment of the applicant is then carried out in the activities of daily living. From this outcome, a fee can then be computed and is based on the time-input that will be required from a Registered Nurse (RGN) and also from a Health Care Assistant (HCA). This computerised fee system - which was created by QAHH - has now been developed further to include the time-input from members of the Multi-Disciplinary Team (MDT). It should also be noted that the QAHH charitable input continues to be in the region of 40% towards the cost of a bed for all ex-Service residents. The small number of 'non-primary beneficiaries' (non ex-Service residents), fund at full-cost. We continue to foresee an increase in demand for the nursing and rehabilitation services at QAHH over the next five years as financial pressures on NHS hospital budgets force them to outsource expensive and complex long-stay patients to cheaper external placements, who have MDT facilities and specialised expertise - such as QAHH.

REPORT OF THE TRUSTEES

Objectives and Activities

Review of Activities (continued)

Throughout 2013 the Occupational Therapy (OT) department; the Physiotherapy department; and the Speech and Language Therapy (SALT) department were in high and increasing demand – and as in previous years, numbers had to be limited on a daily basis due to the increasing need of these essential services which are so hard to source for most applicants from NHS facilities. The Social and Recreational side of the OT Department continued to be the hub of the organisation by day and the extended hours, introduced in 2012, were continued throughout 2013 such was the demand for - and popularity of - this service. There are plans to expand all the rehabilitation services in the future as specific restricted funding becomes available.

The launch of the Capital Appeal for the upgrade to the Kitchen and Catering areas was initiated in June – and through the generosity of supporters and donors the full sum of £296,016 was achieved by the end of December. This was a remarkable achievement and the Fundraising and Marketing Department must be praised for a very successful campaign. Initial, project pre-work was undertaken on the kitchens in November (new essential electrical wiring and air extraction pipe-work) and the full 6 week upgrading project will be undertaken in March 2014.

Notwithstanding the Trustees' avowed aim that QAHH will always strive for the highest possible standards in all it undertakes, the operational trading deficit has always raised concern. The Fundraising and Marketing Department (FR+M) was effective in raising the majority of the shortfall in the trading deficit in years past and it was agreed in late 2012 that the department be expanded by 50% in order that specific individuals were able to focus on dedicated FR areas that in the past were covered, but not in a dedicated long-term manner, with the aim of increasing the annual FR+M donated-income target. Consequently in early 2013 four new posts were established being: a Corporate Relations Officer; an Individual Giving Officer; a Marketing and PR officer; and an Armed Forces Liaison /Volunteer officer. These new posts produced an immediate effect as demonstrated by the achievement of the Kitchen Appeal target within 6months. Once this last upgrading project has been completed, the FR+M team will then focus on reducing the operational trading deficit, as one of their continuing medium/long-term aims.

QAHH continues to be one of a reduced number of placement sites for MOD student nurses during their second year of training.

Student nurses from the University of Sussex and also the University of Brighton also come to QAHH as one of their placement sites.

With an increasing number of residents with complex and progressive neurological conditions, all student nurses at QAHH are exposed to significant, and new learning situations and opportunities which they may not have encountered previously, and all under the guidance and direction of a specialist mentor from the QAHH senior nurse team.

The number of volunteers at QAHH again increased during 2013 and with a dedicated and experienced Armed Forces Liaison/Volunteer officer now in place within the FR+M department, the direction and management of over 40 volunteers continues to bring new enthusiasm; new ideas; increased efficiency and fun to the Hospital Home. Volunteers undertake many types of activity and roles at the Hospital Home – acting as Ward Receptionists; Fundraising Researchers; Gardeners; added support to the staff within the OT and Social and Recreational departments; Visitors to individual residents; Newspaper Readers to severely disabled residents; Wheelchair Pushers on outings and visits – and many other activities. We thank them all very sincerely for all they have done to enhance the quality of the lives of all the residents at QAHH during 2013.

QAHH has a staff body of 127 whole time equivalents – in addition to the Volunteers already mentioned. As disability nursing is a specialised attraction for the majority of the clinical staff at the Hospital Home, we are also very fortunate to have a well-trained and motivated; MDT and Support Services teams. Training and development continues to be a very high priority at QAHH and the issue of training is a particular area of interest for the Care Quality Commission (our registration body) inspections which are carried out annually in all care homes and medical establishments. QAHH continues to ensure that all staff - whatever their role and area of work - are fully qualified and trained to ensure safe practice; job satisfaction; and individual personal development. This continues to translate into a dedicated; loyal; and committed team of staff and also limits any disruption and upset to our residents.

REPORT OF THE TRUSTEES

Objectives and Activities

Review of Activities (continued)

As was well publicised, in early 2013 the Government decided to utilise the fines - levied against banks that had manipulated the inter-bank lending rates (LIBOR) - to charities that are involved with Service and ex. Service personnel. QAHH applied for grants towards specified areas of operation at the Hospital Home and we were fortunate enough to be successful in five areas. This has been tremendously helpful and will ensure that specific areas of operation – being the Social and Recreational department; outings for residents; purchasing of new equipment, primarily new overhead tracking for one ward; and the purchase of a replacement minibus used to transport up to 5 residents on outings or trips and many other areas. QAHH is extremely grateful to the Government for their far-sighted decision to allocate the majority of the LIBOR fines to Service and ex. Service-orientated charities which will significantly improve the lives of so many men and women who serve, or have served, their Country.

2013 also saw - for the first time - a respite resident at QAHH who had been injured in the current Afghanistan conflict. Whilst we have had a number of respite stays from those injured in the Iraq war, this was the first occasion of a respite case coming to QAHH from the on-going war in Afghanistan. Sadly this is likely to increase over the coming years.

Policy

The policy of the Trustees continues to be that of maintaining the Queen Alexandra Hospital Home as a leading provider of high quality nursing care and rehabilitation, delivered by a well-qualified and committed multi-disciplinary team – for former members of HM Forces – and also for a limited number of ‘non-primary beneficiaries’.

The policy of the Trustees is also to continue to commit the organisation to further enhance and improve services and facilities, as funds become available.

Organisation:

The Chief Executive is responsible to the Board of Trustees for carrying out the agreed policies and objectives of the Hospital Home. He specifically deals with all strategic matters relating to finance and fundraising; all matters concerning Health and Safety; and he is also responsible for the smooth running and financial health of the Hospital Home. As already mentioned, he is also the ‘Nominated Individual’ for all matters relating to the Care Quality Commission (CQC) – QAHH’s registration body.

He is supported by the Director of Nursing and Operations (known internally Matron) who is the ‘Registered Manager’ for matters relating to CQC. She oversees the day-to-day management and affairs of the whole organisation – predominantly residents; but also all matters related to staffing and resources; operational issues, being both medical and administration; and all new applications for beds at QAHH.

The Chief Executive and the Director of Nursing and Operations are the QAHH senior management team (SMT).

Under the SMT there is the departmental management team which consists of the Head of Finance; the Head of Fundraising and Marketing; the Head of Support Services; and three Ward Managers.

REPORT OF THE TRUSTEES

STRATEGIC REPORT

Organsational Overview of 2013:

2013 was another financially difficult year for all charities – as the national economy slowly began to move out of recession. Funding for applicants to QAHH continued to be difficult to obtain, affecting bed occupancy levels. However the increased size and capacity of the Fundraising and Marketing team was instrumental in an improved income-generating year. The arrival of our first recently-injured respite resident from the Afghanistan conflict sadly underlined the long-term requirement of QAHH, as a provider of nursing and rehabilitation services.

Bed occupancy average of 55 throughout the year was not achieved in its entirety - and averaged only 54 – for the reasons already stated.

The Kitchen Upgrade Capital Appeal was launched in June and achieved its stated target of £296k by mid-December.

Close working relationships were maintained with the new CCGs who funded approximately 16% of all residents throughout the year - and local authorities who funded 31% of all residents throughout the year.

The enhanced FR+M team raised £1,720,521 during 2013 (2012: £820,699), having been set a target of £1.3m.

Maintaining cordial relationships locally and beyond, continued throughout 2013. The Quarterly Trust Receptions continued with over 160 representatives attending over the year; presentations to local groups – RBL clubs, Rotary clubs; church groups and other organisations by members of the management team and members of the FR+M team also continued; the annual Summer Open Day attracted a crowd of over 800 – and the Christmas Carol Service at Lancing College Chapel was again sold out 3 weeks prior to the event.

Voluntary Income and Fundraising

In 2013, QAHH expanded its fundraising and marketing team from 4 to 8 members of staff. New roles were created to increase income from corporates, individuals, major donors and legacy giving, and a Marketing and PR Officer was introduced to support the fundraising team in increasing awareness of the charity, its events and fundraising campaigns both locally and nationally.

QAHH had a positive year in securing funding for a range of capital projects as well as core operational costs. A total of £722,719 was awarded from The Armed Forces Covenant (LIBOR) fund towards essential equipment upgrades, refurbishment projects including £188,002 towards our core rehabilitation services and £205,973 towards the kitchen refurbishment project. Fundraising for the Kitchen Front Appeal was successful with a great amount of interest from individuals, the community and charitable trusts. Thanks to the injection of funding received from the LIBOR fund, the appeal was completed much sooner than anticipated.

Recruitment of new legacy donors continued to be a priority and as such, an on-going will writing scheme was initiated with a local firm of solicitors.

A new recruitment and stewardship strategy was implemented for our individual supporters, and our income from major donors exceeded the targets set providing £30,700 (2012: £41,000).

With a renewed focus on community fundraising, QAHH was represented at a number of local community events. Our annual Open Day and Carol Concert were once again extremely popular raising £17,067 between them (2012: £11,509).

Engaging corporate donors remained a key focus for the year and alongside donating many hours to volunteering within our garden and at our events, corporates also made cash donations totalling £48,290 (2012: £57,586).

REPORT OF THE TRUSTEES

STRATEGIC REPORT

Financial Overview of 2013

The Charity received total income £4.5m (2012: £3.7m) an increase of 22% on 2012. The income changes are attributed to the following:

Legacy income increased 33% to £350,513 (2012: £263,337)

Donations and grants, QAHH experienced significant support from donors in the year. Voluntary income (excluding legacies) rose to £1,345,417 (2012: £531,773) representing an increase of 153% on 2012. The donations included a total of £722,719 from the Armed Forces Covenant (LIBOR).

Investment income fell slightly in 2013 to £79,058 (2012: £95,324).

Income from charitable activities increased by 2% to £2,153,241 (2012: £2,113,333).

The net movement of funds for the year was an increase of £252,343 (2012: £410,403 reduction) after accounting for:

- Realised gains on the investments of £330,973 (2012: 145,462 gains),
- Un-realised gains on investments of £279,069 (2012: £269,413 gains) and
- Actuarial losses on defined benefit pension scheme of £376,000 (2012: 92,000 losses).

The Investment policy aims to 'maximise total return' and a benchmark is set to which the portfolio's structure and performance is compared. The portfolio's overall return amounted to 16.6% up against the benchmark of 12.4% (2012: 12.3% against benchmark of 9.0%).

Over the 3 year period to 31 December 2013 the portfolio produced a total return of 23.9% against the benchmark total return of 21.1% for the same period.

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.

Future Plans

QAHH will continue with its current strategy, developing its services and activities to keep up with residents care requirements.

The major initiatives planned for 2014 include:

- Completing the refurbishment of the catering and wash-up areas. This will then provide a modern working environment to allow for the continued provision of our high quality catering service.
- Developing volunteer roles across the organisation to provide additional support to the increasing demands of all managers.
- Updating the I.T services of the organisation to provide faster and more secure access to vital information needed for areas of nursing and care, fundraising and finance.
- Continuing our efforts to ensure that QAHH remains as a leading provider of nursing care and rehabilitation.
- Developing occupational therapy with the addition of an onsite wheelchair repair clinic.
- Continue to strengthen our links with the Armed Forces, raising QAHH's profile and awareness at all levels in the Service and ex-Service communities.

REPORT OF THE TRUSTEES

STRATEGIC REPORT

Future Prospects

The Board of Trustees continue to remain confident of an increasing requirement for the high quality, multi-disciplinary nursing and rehabilitation care that is offered at QAHH.

The Alexandra Ward development – completed in 2006 – and also housing the specialised complex neurological conditions' rehabilitation service, has been very successful. With a decreasing number of organisations qualified to the level of QAHH, or with the appropriately trained and specialised staff and high quality facilities that QAHH has developed (and continues to develop), the trustees are confident that increasing numbers of NHS-funded continuing care placements will be placed at the Hospital Home. In an era of continuing NHS financial constriction, all hospitals now seek to rapidly move patients on, to an external care setting once an acute medical emergency has been stabilised.

With an improving national economic climate, it is anticipated that funding overall services at QAHH will become less challenging than it has over the past four years. For many privately-funded residents at QAHH, the usual capital-release funding option of selling or down-sizing their home applies - in order to meet their placement costs. This should become easier with an increasingly active housing market.

The aim of full-cost recovery for our nursing and rehabilitation services at QAHH, whilst remaining a definite intention, is unlikely to be achieved in the short to medium term. This is also due to the fact that the dependency of most new applicants coming to QAHH is now far higher than it was even two years ago. This is due to factors concerned with the increasing cost and funding of care generally and because of the difficulty in accessing much-reduced and tightly controlled central and local Government care funding.

Despite these factors, the Trustees are unanimously agreed in their policy not to reduce or dilute any of the nursing or rehabilitation services at the Hospital Home and that 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 continued to increase, particularly through our website (www.qahh.org.uk) which is now the most commonly used method for accessing information on the Hospital Home. The website is updated and amended regularly.

Risk Management

The Chief Executive is responsible to the Board of Trustees for all matters of Risk Management and maintains the Risk Management 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 QAHH Quality Assurance Link Nurse also plays a vital role in the regular auditing of all clinical issues including the regular re-visiting of all policies and procedures in conjunction with the Director of Nursing and Operations.

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

The Hospital Home is visited annually by the West Sussex Fire and Rescue Service at which time all QAHH fire policies are reviewed. The recommendations are updated and acted upon.

A review of the risk management policies of the Hospital Home is regularly undertaken by the senior management team.

Areas of Risk Management that are regularly carried out are:

- All resident-focused clinical risk assessments
- All new Trustees, staff and volunteers undergo Disclosure Barring Service checks
- An annual external audit reporting on identified weaknesses in 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 regularly - and by the Trustee Board in 2013
- QAHH undertake all matters that comply with Employment Law
- Regular Trustee and Board sub-committee meetings are held
- QAHH is registered and fully compliant with all aspects of Data Protection and the Freedom of Information 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 can take the necessary action to mitigate such risks, if and when necessary.

REPORT OF THE TRUSTEES

Reserves

The Trustees have formulated the reserves policy for QAHH 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.

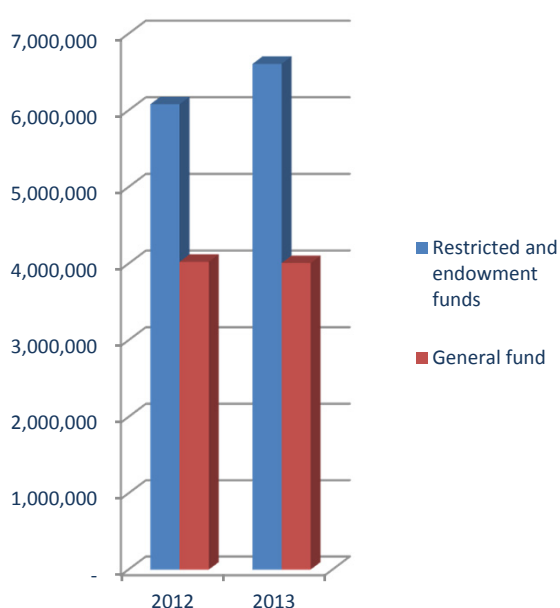
Unrestricted Fund

The total unrestricted reserves fund of £3.17million (2012: £3.35million) represents the general reserve fund less the deduction for the pension reserve fund. This equates to 8.4 months expenditure (2012: 9 months). 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 18-24 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 reserves including the endowments stood at £6,515,868 (2012: £6,081,065) of which £5,554,323 (2012: £5,841,821) represents our investment in capital items, the buildings and equipment that constitute the Home. Capital expenditure and other restricted funds £828,204 (2012: £120,709) and the permanent endowment of £133,341 (2012: £118,506) account for the remainder.



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 benchmarks used are as follows:

50%	FTSE All Share
4%	FTSE Europe ex UK
4%	FTSE United States
2.5%	FTSE Japan
2.5%	MSCI Far East ex Japan
3%	MSCI Emerging Markets
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.

2013 saw a significant improvement in the performance of the investment portfolio. Net unrealised gains were made in the year of £279,069 (2012: £269,413). Net realised gains amounted to £330,973 (2012: £145,462). Despite the cash drawdowns from investments, amounting to £375,000 (2012: £495,000) the value of the investments increased by 7% (2012: reduction of 0.5%). The investments total return was up against the 3 year rolling benchmark, with a return of 23.9% against the targeted composite index of 21.1%. (2012: down against the benchmark 18.1% v 22.1%). The Trustees were satisfied with the performance of the fund managers in 2013.

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.

From 1st May 2014 a new pension scheme will be provided for all employees to comply with the workplace pension law.

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

REPORT OF THE TRUSTEES

Statement of 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 the application of resources, including 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 appropriate to presume that the charitable company will not continue in business.

The Trustees are responsible for the keeping of 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 2006. They are also responsible for the safeguarding of 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 steps to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit.

Trustee Indemnity Insurance

The charity has 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 coming year will be proposed at the Annual General Meeting in accordance with the Companies Act 2006.

In Gratitude

The Trustees wish to convey their sincere thanks to all the volunteers who gave so generously their time and support to the Queen Alexandra Hospital Home during 2013. With their continued support, we look forward to enhancing the delivery of our charitable services.

This report was approved by the Trustees

on 21st May 2014 and signed on their behalf by:



CPJ Field JP DL

Chairman

**INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF THE QUEEN ALEXANDRA HOSPITAL HOME**



We have audited the accounts of The Queen Alexandra Hospital Home for the year ended 31 December 2013 which comprise the group statement of financial activities, the summary income and expenditure account, the group and parent charitable company balance sheets, the group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's members and trustees, as a body, in accordance with the Companies Act 2006 and the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's members and trustees 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 charity and its trustees and 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 explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

A description of the scope of an audit of accounts is provided on the FRC's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2013, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; and
- we have not received all the information and explanations we require for our audit.

E M Houghton ACA FCCA DChA (Senior Statutory Auditor)

for and on behalf of Carpenter Box LLP

Chartered Accountants

Statutory Auditor

Worthing

27th May 2014

Carpenter Box LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 December 2013

	Note	Unrestricted Funds £	Endowment & Restricted Funds £	2013 Total £	2012 Total £
Incoming resources					
Voluntary income	2	710,023	985,907	1,695,930	795,110
Activities for generating funds	2	586,126	-	586,126	698,117
Investment income	2	79,058	-	79,058	95,324
Incoming resources from generated funds		1,375,207	985,907	2,361,114	1,588,551
Incoming resources from charitable activities	3	2,153,241	-	2,153,241	2,113,333
Other incoming resources		-	-	-	-
Total incoming resources		3,528,448	985,907	4,514,355	3,701,884
Resources expended					
Costs of generating voluntary income	4	180,338	10,621	190,959	152,684
Fundraising trading: Costs of goods sold and other costs	4	27,715	205	27,920	14,832
Investment management costs	4	29,576	-	29,576	17,344
Cost of generating funds	4	237,629	10,826	248,455	184,860
Charitable activities	4	3,639,275	573,436	4,212,711	4,216,417
Governance costs	4	34,888	-	34,888	33,885
Total resources expended		3,911,792	584,262	4,496,054	4,435,162
Net incoming/(outgoing) resources before transfers		(383,344)	401,645	18,301	(733,278)
Transfers between funds		(18,353)	18,353	-	-
Net incoming/(outgoing) resources and surplus/(deficit) of income over expenditure before other recognised gains and losses		(401,697)	419,998	18,301	(733,278)
Gains/(losses) on investment assets:					
Realised		330,973	-	330,973	145,462
Unrealised		264,263	14,806	279,069	269,413
Actuarial gains/(losses) on defined benefit pension scheme	6	(376,000)	-	(376,000)	(92,000)
Net movement in funds		(182,461)	434,804	252,343	(410,403)
Funds balance brought forward		3,352,524	6,081,065	9,433,589	9,843,992
Funds balance carried forward		3,170,063	6,515,869	9,685,932	9,433,589

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 2013

	2013 Total £	2012 Total £
Income	4,514,355	3,701,884
Realised (loss)/gain on disposal of investment assets	330,973	145,462
Total income	4,845,328	3,847,346
Total expenditure from income funds	4,496,054	4,435,162
Net (expenditure)/income for the year	349,274	(587,816)

The summary income and expenditure account as required by the Companies Act 2006 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 AND CHARITY BALANCE SHEETS

As at 31 December 2013

	Note	Group		Charity	
		2013 Total £	2012 Total £	2013 Total £	2012 Total £
Fixed assets					
Tangible assets	8	5,575,323	5,862,821	5,738,593	6,026,091
Investments	9	4,498,980	4,204,851	4,498,981	4,204,852
Total fixed assets		10,074,303	10,067,672	10,237,574	10,230,943
Current assets					
Stocks	10	7,307	8,333	7,307	8,333
Debtors	11	191,147	175,752	225,186	209,896
Cash at bank and in hand		584,131	115,236	548,082	79,171
		782,585	299,321	780,575	297,400
Creditors - amounts falling due within one year	12	(231,956)	(261,404)	(229,946)	(259,483)
Net current assets		550,629	37,917	550,629	37,917
Creditors - amounts falling due after more than one year		-	-	-	-
Net assets before pension liability		10,624,932	10,105,589	10,788,203	10,268,860
Defined benefit pension scheme liability		(939,000)	(672,000)	(939,000)	(672,000)
Net assets after pension liability		9,685,932	9,433,589	9,849,203	9,596,860
Capital funds					
Endowment fund	14	133,341	118,535	133,341	118,535
Revenue funds					
Restricted	14	6,382,528	5,962,530	6,545,798	6,125,800
Unrestricted:					
Pension reserve fund	6	(939,000)	(672,000)	(939,000)	(672,000)
General fund	13	4,109,063	4,024,524	4,109,064	4,024,525
(including revaluation reserve £874,779 [2012: £602,050]) for Group and Charity					
Total unrestricted		3,170,063	3,352,524	3,170,064	3,352,525
Net assets after pension liability		9,685,932	9,433,589	9,849,203	9,596,860

Approved by the Board of Trustees on 21st May 2014

and signed on its behalf by


CPJ Field JP
Chairman

M Walker JP FCA
Trustee

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

Company No.3646570

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2013

	Note	2013 £	2012 £																																									
NET CASH INFLOW FROM OPERATING ACTIVITIES	<i>a</i>	181,401	(638,810)																																									
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE																																												
Investment income and interest receivable		79,058	95,324																																									
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS																																												
Purchase of tangible fixed assets		(110,182)	(39,946)																																									
Purchase of investments		(854,329)	(290,303)																																									
Sale of investments		1,172,947	792,545																																									
Net cash inflow from capital expenditure and financial investments		208,436	462,296																																									
INCREASE/(DECREASE) IN CASH IN YEAR	<i>b</i>	468,895	(81,190)																																									
<table border="1"> <thead> <tr> <th></th> <th>2013 £</th> <th>2012 £</th> </tr> </thead> <tbody> <tr> <td>a. Reconciliation of Changes in Resources to Net Cash Inflow from Operating Activities</td> <td></td> <td></td> </tr> <tr> <td>Net incoming/(outgoing) resources before gains and losses on investment assets</td> <td>18,301</td> <td>(733,278)</td> </tr> <tr> <td>Investment income and interest receivable</td> <td>(79,058)</td> <td>(95,324)</td> </tr> <tr> <td>Depreciation</td> <td>397,680</td> <td>405,744</td> </tr> <tr> <td>(Increase)/decrease in cash on deposit</td> <td>(2,705)</td> <td>(85,585)</td> </tr> <tr> <td>(Increase)/decrease in stock</td> <td>1,026</td> <td>1,760</td> </tr> <tr> <td>Decrease/(increase) in debtors</td> <td>(15,395)</td> <td>(10,531)</td> </tr> <tr> <td>(Decrease) in creditors</td> <td>(138,448)</td> <td>(121,596)</td> </tr> <tr> <td>Net cash inflow from operating activities</td> <td>181,401</td> <td>(638,810)</td> </tr> <tr> <td>b. Analysis of Changes in Cash During the Year</td> <td></td> <td></td> </tr> <tr> <td></td> <td>2013</td> <td>Change in Year</td> <td>2012</td> </tr> <tr> <td>Cash at bank and in hand</td> <td>584,131</td> <td>468,895</td> <td>115,236</td> </tr> </tbody> </table>					2013 £	2012 £	a. Reconciliation of Changes in Resources to Net Cash Inflow from Operating Activities			Net incoming/(outgoing) resources before gains and losses on investment assets	18,301	(733,278)	Investment income and interest receivable	(79,058)	(95,324)	Depreciation	397,680	405,744	(Increase)/decrease in cash on deposit	(2,705)	(85,585)	(Increase)/decrease in stock	1,026	1,760	Decrease/(increase) in debtors	(15,395)	(10,531)	(Decrease) in creditors	(138,448)	(121,596)	Net cash inflow from operating activities	181,401	(638,810)	b. Analysis of Changes in Cash During the Year				2013	Change in Year	2012	Cash at bank and in hand	584,131	468,895	115,236
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NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

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 2011.

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 2013 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 Finances' 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 property' and a fund held in investments with income at the charity's discretion).

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

Capitalisation levels :

- Individual fixed assets costing £2,500 or more are capitalised at cost (2012: £2,500).
- IT equipment £400 (2012: £400).

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 2013

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 2011 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.

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

2. Analysis of income from generated funds

	Unrestricted £	Restricted £	2013 Total £	2012 Total £
Voluntary income:				
Legacies	350,513	-	350,513	263,337
Donations:				
Individuals	69,059	22,495	91,554	248,065
Charitable foundations and HM Forces	290,451	963,412	1,253,863	283,708
Total voluntary income	710,023	985,907	1,695,930	795,110
Activities for generating funds:				
Fundraising events	24,591	-	24,591	25,589
Nursing and care (non-primary purpose)	552,256	-	552,256	664,041
Other income	9,279	-	9,279	8,487
Total activities for generating funds	586,126	-	586,126	698,117
Investment income:				
Fixed interest securities	13,045	-	13,045	8,879
Equities (UK)	42,700	-	42,700	48,979
Equities (Overseas)	7,786	-	7,786	3,905
Short term deposits	393	-	393	645
UK unit trusts	9,237	-	9,237	8,135
Rebates on unit trusts	5,897	-	5,897	24,781
Total investment income	79,058	-	79,058	95,324

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**Incoming resources from charitable activities**

Contributions from residents	1,940,324	-	1,940,324	1,839,486
Veterans Agency capitation grant	212,917	-	212,917	273,847
Total incoming resources from charitable activities	2,153,241	-	2,153,241	2,113,333

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

4. Analysis of resources expended

	Unrestricted £	Restricted £	2013 Total £	2012 Total £
Resources expended				
Cost of generating voluntary income				
Telephone, rates, utilities and insurances	2,024	-	2,024	1,624
Advertising and publicity	1,865	-	1,865	5,399
Administration salaries and associated costs	17,040	-	17,040	17,846
Fundraising salaries and associated costs	121,467	10,621	132,088	102,245
Fundraising , advertising and publicity	37,942	-	37,942	25,570
	<hr/>	<hr/>	<hr/>	<hr/>
	180,338	10,621	190,959	152,684
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.				
Cost of activities for generating funds				
Coffee Bar provisions	4,574	205	4,779	2,372
Fundraising event costs	7,962	-	7,962	5,742
Fundraising salaries and associated costs	15,002	-	15,002	6,549
Payphones	177	-	177	169
	<hr/>	<hr/>	<hr/>	<hr/>
	27,715	205	27,920	14,832
Investment management fees	29,576	-	29,576	17,344
Total cost of generating funds	<hr/>	<hr/>	<hr/>	<hr/>
	237,629	10,826	248,455	184,860

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

4. Analysis of resources expended (continued)

	Unrestricted £	Restricted £	Direct £	Other £	2013 Total £	2012 Total £
Resources expended						
Cost of charitable activities						
Nursing care	869,931	10,770	880,701	-	880,701	876,406
Nursing care - agency staff	-	-	-	-	-	12,324
Health care assistants	1,101,356	-	1,101,356	-	1,101,356	1,076,252
Health care assistants - agency staff	22,578	-	22,578	-	22,578	18,128
Physiotherapy	37,492	81,690	119,182	-	119,182	108,392
Alternative therapy	-	11,440	11,440	-	11,440	7,556
Occupational therapy and social and recreation	105,297	34,417	139,714	-	139,714	138,834
Speech therapy	14,983	16,864	31,847	-	31,847	32,356
Kitchen	132,875	-	132,875	-	132,875	105,962
Kitchen - agency staff	3,999	-	3,999	-	3,999	5,056
Housekeeping	238,371	-	238,371	-	238,371	245,635
Drivers	28,287	-	-	28,287	28,287	26,779
Chaplain	5,847	1,687	-	7,534	7,534	8,497
Administration	302,013	-	-	302,013	302,013	317,645
Maintenance	55,305	-	-	55,305	55,305	72,241
Gardener	7,408	-	-	7,408	7,408	7,966
	2,925,742	156,868	2,682,063	400,547	3,082,610	3,060,029
Closed pension scheme costs:						
Charges	33,000	-	-	33,000	33,000	36,000
Pension Protection Fund Levy	200	-	-	200	200	270
Total payroll costs	2,958,942	156,868	2,682,063	433,747	3,115,810	3,096,299
Medical officer and locum fees	23,462	-	23,462	-	23,462	17,188
Provisions	114,060	250	114,310	-	114,310	116,063
Surgery, dispensary and therapy	42,411	5,651	48,062	-	48,062	46,383
Other finance costs/(income)	15,000	-	15,000	-	15,000	2,000
Depreciation	-	397,680	-	397,680	397,680	405,744
Vehicle running and travel costs	19,156	-	19,156	-	19,156	20,922
Hospital repairs and renewals	48,230	1,649	-	49,879	49,879	52,664
Domestic and kitchen repairs	12,219	-	-	12,219	12,219	13,485
Sundries	5,347	4,343	-	9,690	9,690	12,707
Property maintenance	25,917	-	-	25,917	25,917	31,461
Gardening	4,355	335	-	4,690	4,690	3,721
Repairs and renewals of equipment	11,292	-	-	11,292	11,292	13,356
Laundry and cleaning	63,375	-	-	63,375	63,375	73,131
Utilities	138,028	4,038	-	142,066	142,066	135,123
Insurance	41,598	-	-	41,598	41,598	35,798
Computer costs	14,760	-	-	14,760	14,760	14,081
Bank charges	4,175	-	-	4,175	4,175	3,819
Other fees and subscriptions	69,561	2,622	-	72,183	72,183	92,263
Printing, stationery and publications	12,653	-	-	12,653	12,653	12,732
Postage and telephones	14,734	-	-	14,734	14,734	17,477
Total non-payroll costs	680,333	416,568	219,990	876,911	1,096,901	1,120,118
Total cost of charitable activities	3,639,275	573,436	2,902,053	1,310,658	4,212,711	4,216,417

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

4. Analysis of resources expended (continued)

	Unrestricted £	Restricted £	2013 Total £	2012 Total £	
Resources expended					
Governance costs					
Staff costs	21,755	-	21,755	21,422	
Insurance	1,989	-	1,989	1,946	
Audit fees - Charity	9,134	-	9,134	8,597	
Audit fees - Subsidiary company	2,010	-	2,010	1,920	
Total governance costs	34,888	-	34,888	33,885	
Analysis of total resources expended					
	Staff costs	Depreciation	Other	2013 Total £	2012 Total £
Provision of residential care					
Provision of services and support costs	3,115,810	397,680	699,221	4,212,711	4,216,417
Other expenditure					
Fundraising, publicity and other	168,704	-	79,751	248,455	184,860
Management and administration	21,755	-	13,133	34,888	33,885
Total resources expended	3,306,269	397,680	792,105	4,496,054	4,435,162

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

5. Trustees and employees

	2013 Total £	2012 Total £
Staff costs during the year were as follows:		
Wages and salaries	3,032,839	2,970,921
Social security costs	237,813	237,200
Pensions costs:		
Defined benefit scheme *	-	-
Defined contribution scheme	35,617	36,347
	3,306,269	3,244,468

* See cost detail at note 6.

Staff costs above include agency staff.

The full time equivalent number of employees of the charitable company during the year was:

	2013 Total	2012 Total
Nurses and health care assistants	82	82
Fundraising	8	4
Other	37	38
	127	124

A payment totalling £83.54 was made to a Trustee of QAHH on 31 October 2013 for reimbursement of travel costs. No other trustees received any remuneration for their services or any reimbursement of expenses for the year ended 31 December 2013 (2012: nil).

A premium of £1,990 was paid during the year for trustee's indemnity insurance (2012: £1,945).

Details of employees who received more than £60,000 in the year are as follows:

	2013	2012
£60,001 - £70,000	-	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	1
£90,001 - £100,000	2	1

During the year pension contributions of £7,810 (2012: £7,752) 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 2013

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.

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 2010. Following the valuation the Scheme's Trustees agreed with the Charity that annual contributions of £160,000 which includes £36,000 payable for administering the scheme, payable by equal monthly instalments to remove the deficit over the 12 years from 31 March 2011. The cost of administering the scheme was removed from the contribution during the year due to the appointment of The Cartwright Group as administrators. The scheme fees are now paid directly to the administrators of the scheme, the additional contribution was paid until November 2013.

In accordance with FRS 17 costs and liabilities of the scheme are based on actuarial valuations. The most recent FRS17 valuation was as at 31 December 2013 and was prepared by a qualified actuary. Based on the actuarial valuation, the market value of the pension fund assets at 31 December 2013 was £3,107,000 (2012: £2,864,000).

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 principal actuarial assumptions at the balance sheet date (expressed as weighted averages) were:

	2013	2012	2011	2010	2009
Price inflation	2.50%	2.20%	2.20%	3.00%	3.70%
Salary inflation	N/A	N/A	N/A	N/A	N/A
Rate of increase in pensions in payment	3.50%	3.00%	3.00%	3.50%	3.70%
Rate of revaluation of pensions in deferment ^(Based on CPI)	2.50%	2.20%	2.20%	3.00%	3.70%
Rate used to discount schemes liabilities	4.60%	4.50%	4.70%	5.40%	5.70%

The underlying mortality assumption is based upon the standard table known as S1PA CMI-2011 on a year of birth basis, subject to a 1.25% p.a long term annual rate of future improvement (2012: same). This results in the following life expectancies:

- Male age 65 now has a life expectancy of 87 years
- Female age now 65 has a life expectancy of 90 years

Employee benefit obligations

The amounts recognised in the balance sheet as at 31 December 2013 (with comparative figures as at 31 December 2012, 2011, 2010 and 2009) are as follows:

	2013	2012	2011	2010	2009
	£	£	£	£	£
Total market value of assets	3,107,000	2,864,000	2,615,000	2,598,000	2,339,000
Present value of scheme liabilities	(4,046,000)	(3,536,000)	(3,317,000)	(3,150,000)	(3,391,000)

(Deficit)/surplus in the scheme	(939,000)	(672,000)	(702,000)	(552,000)	(1,052,000)
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The amounts to be recognised in the consolidated statement of financial activities for the year ending 31 December 2013 (with comparative figures for the years ending 31 December 2012, 2011, 2010 and 2009) are as follows:

	2013	2012	2011	2010	2009
	£	£	£	£	£
Current service cost	-	-	-	-	-
Interest on Scheme liabilities	156,000	153,000	168,000	191,000	164,000
Expected return on Scheme assets	(141,000)	(151,000)	(147,000)	(142,000)	(124,000)
Past service cost	-	-	-	-	-
Curtailement gain	-	-	-	-	-

Total other finance costs/(income)	15,000	2,000	21,000	49,000	40,000
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Actual return on scheme assets	253,000	235,000	(58,000)	257,000	370,000
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NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

6. Retirement benefits**Changes in the present value of the Scheme liabilities for the year ending 31 December 2013 (with comparative figures for the years ending 31 December 2012, 2011, 2010 and 2009) are as follows:**

	2013	2012	2011	2010	2009
	£	£	£	£	£
Present value of Scheme liabilities at beginning of period	3,536,000	3,317,000	3,150,000	3,391,000	2,452,000
Service cost	-	-	-	34,000	18,000
Employee contributions	-	-	-	-	-
Interest cost	156,000	153,000	168,000	191,000	164,000
Past service cost	-	-	-	-	-
Curtailement gain	-	-	-	-	-
Actuarial losses/(gains)	488,000	176,000	75,000	(359,000)	852,000
Benefits paid	(134,000)	(110,000)	(76,000)	(73,000)	(77,000)
Charges	-	-	-	(34,000)	(18,000)
Additional obligation for insured pensioners	-	-	-	-	-
Present value of Scheme liabilities at end of period	4,046,000	3,536,000	3,317,000	3,150,000	3,391,000

Changes in the present value of the Scheme assets for the year ending 31 December 2013 (with comparative figures for the years ending 31 December 2012, 2011, 2010 and 2009) are as follows:

	2013	2012	2011	2010	2009
	£	£	£	£	£
Present value of Scheme assets at beginning of period	2,864,000	2,615,000	2,598,000	2,339,000	1,955,000
Expected return on Scheme assets	141,000	151,000	147,000	142,000	124,000
Actuarial gains/(losses)	112,000	84,000	(205,000)	115,000	246,000
Benefits paid	(134,000)	(110,000)	(76,000)	(73,000)	(77,000)
Charges paid	(33,000)	(36,000)	(23,000)	(34,000)	(18,000)
Contributions paid by Company	157,000	160,000	174,000	109,000	109,000
Employee contributions	-	-	-	-	-
Additional obligation for insured pensioners	-	-	-	-	-
Market value of scheme assets at end of period	3,107,000	2,864,000	2,615,000	2,598,000	2,339,000

The major categories of Scheme assets as a percentage of total Scheme assets for the year ending 31 December 2013 (with comparative figures for the years ending 31 December 2012, 2011, 2010 and 2009) are as follows:

	2013	2012	2011	2010	2009
Equities and Property	65%	58%	59%	62%	64%
Bonds	18%	19%	17%	16%	12%
Gilts	8%	8%	9%	7%	11%
Cash	9%	14%	14%	14%	12%
Insured Pensioners	0%	1%	1%	1%	1%
	100%	100%	100%	100%	100%

The expected long-term rate of return on the Scheme assets has been calculated based upon the major asset categories shown in the above table these are as follows:

	2013	2012	2011	2010	2009
Equities	6.50%	6.50%	7.80%	8.00%	8.50%
Bonds	4.60%	4.50%	4.70%	5.40%	5.70%
Gilts	3.60%	2.50%	2.80%	4.20%	4.50%
Cash	0.50%	0.50%	0.50%	0.50%	0.50%
Annuities	N/A	N/A	N/A	N/A	N/A

Amounts included in other recognised gains and losses:

	2013	2012	2011	2010	2009
	£	£	£	£	£
Difference between actual and expected return on scheme assets	112,000	84,000	(205,000)	115,000	246,000
Experience gains and losses arising on the scheme liabilities	(301,000)	(92,000)	(50,000)	128,000	(45,000)
Changes in assumptions underlying the present value of scheme liabilities	(187,000)	(84,000)	(25,000)	231,000	(807,000)

Total actuarial gain/(loss) recognised in the statement of recognised gains and losses	(376,000)	(92,000)	(280,000)	474,000	(606,000)
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NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

6. Retirement benefits

Movement in surplus/(deficit) during the year ending 31 December 2013 (with comparative figure for the year ending 31 December 2012, 2011, 2010 and 2009) are as follows:

	2013	2012	2011	2010	2009
	£	£	£	£	£
Surplus/(deficit) in Scheme at beginning of the year	(672,000)	(702,000)	(552,000)	(1,052,000)	(497,000)
Expenses recognised in the statement of consolidated financial activities	(15,000)	(2,000)	(21,000)	(49,000)	(40,000)
Contributions by the Company	157,000	160,000	174,000	109,000	109,000
Charges paid	(33,000)	(36,000)	(23,000)	(34,000)	(18,000)
Actuarial gain/(loss)	(376,000)	(92,000)	(280,000)	474,000	(606,000)
Surplus/(deficit) in Scheme at the end of the year	(939,000)	(672,000)	(702,000)	(552,000)	(1,052,000)

Amounts for the current and previous accounting periods are as follows:

	2013	2012	2011	2010	2009
	£	£	£	£	£
Present value of Scheme liabilities	(4,046,000)	(3,536,000)	(3,317,000)	(3,150,000)	(3,391,000)
Market value of Scheme assets	3,107,000	2,864,000	2,615,000	2,598,000	2,339,000
Surplus/(deficit) in Scheme	(939,000)	(672,000)	(702,000)	(552,000)	(1,052,000)
Actual return less expected return on Scheme assets	112,000	84,000	(205,000)	115,000	246,000
Experience gain/(loss) arising on Scheme liabilities	(301,000)	(92,000)	(50,000)	128,000	(45,000)
Change in assumptions underlying present value of Scheme liabilities	(187,000)	(84,000)	(25,000)	231,000	(807,000)

The agreed contribution to be paid by the Company for the forthcoming year (year ending 31 December 2014) is £124,000 (2013: £124,000), the expenses of running the Scheme will be paid directly by QAHH, subject to review at future actuarial valuations.

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.

Charge over assets

In 2009 security over the property of QAHH was sought to reduce the Pension Protection Fund levy (PPF). This security was agreed by the PPF in 2010 and is currently in place. The security is renewed annually and can be removed at anytime, but will result in the re-instatement of the full PPF levy.

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

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 purposes.

8. Tangible Fixed Assets

Group	Freehold property	Plant and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2013	8,005,282	919,890	208,840	9,134,012
Additions	38,607	61,075	10,500	110,182
Disposals	-	-	-	-
At 31 December 2013	8,043,889	980,965	219,340	9,244,194
Depreciation				
At 1 January 2013	2,432,327	630,024	208,840	3,271,191
Provided in period	325,574	70,006	2,100	397,680
On disposals	-	-	-	-
At 31 December 2013	2,757,901	700,030	210,940	3,668,871
Net book value at 31 December 2013	5,285,988	280,935	8,400	5,575,323
Net book value at 31 December 2012	5,572,955	289,866	-	5,862,821

Charity	Freehold property	Plant and equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 January 2013	8,168,552	919,890	208,840	9,297,282
Additions	38,607	61,075	10,500	110,182
Disposals	-	-	-	-
At 31 December 2013	8,207,159	980,965	219,340	9,407,464
Depreciation				
At 1 January 2013	2,432,327	630,024	208,840	3,271,191
Provided in period	325,574	70,006	2,100	397,680
On disposals	-	-	-	-
At 31 December 2013	2,757,901	700,030	210,940	3,668,871
Net book value at 31 December 2013	5,449,258	280,935	8,400	5,738,593
Net book value at 31 December 2012	5,736,225	289,866	-	6,026,091

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

9. Fixed Asset Investments

	2013 Total £	2012 Total £
Quoted Investments		
Market value at 1 January 2013	4,033,727	4,121,094
Additions	854,329	290,303
Disposals	(1,172,947)	(792,545)
Net realised/unrealised gains/(losses)	610,042	414,875
Market value at 31 December 2013	4,325,151	4,033,727
Short term deposits	173,829	171,124
Investments (Group) (Historical cost £3,624,201 [2012: £3,602,801])	4,498,980	4,204,851
Investments in group undertakings at 1 January 2013 And at 31 December 2013	1	1
Investments (Charity) (Historical cost £3,624,202 [2012: £3,602,802])	4,498,981	4,204,852
	2013 Total £	2012 Total £
Analysed as:		
Fixed interest securities - unit trusts	447,012	459,235
Equities - UK	2,337,093	2,138,259
Property funds - UK	136,186	111,706
Property funds - Overseas	108,019	111,639
Equities - Overseas	979,205	892,842
Commodities	133,345	147,795
Alternatives - other	102,680	95,478
Hedge Funds	81,611	76,773
	4,325,151	4,033,727
	2013 Total £	2012 Total £
Holdings which exceed 5% of the total portfolio at 31 December 2013 are:		
Schroder UK Alpha Plus Fund Income Units	286,796	451,377
Schroder Income Fund A Income Units	483,633	418,753
AXA Framlington UK Select	385,947	302,546
Legal & General UK Index Trust	230,984	290,231
Artemis UK Special Situations Fund	330,291	255,878
Kames Capital ICVC - UK equity Fund		245,774
Schroder Emerging Markets Debt		214,494
Scottish Widows Investment Partnership	264,310	
Majedie UK Equity Fund	302,698	

The Charity wholly owns the following subsidiaries:

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

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

10. Stocks

	2013		2012	
	Group £	Charity £	Group £	Charity £
Consumable stores	7,307	7,307	8,333	8,333
Total consumable stores	7,307	7,307	8,333	8,333

11. Debtors

	2013		2012	
	Group £	Charity £	Group £	Charity £
Resident contributions receivable	135,103	92,438	107,040	63,267
Group debtors	-	-	-	-
Capitation fees receivable	16,262	16,262	21,683	21,683
Legacies receivable	500	500	16,981	16,981
Income tax recoverable	11,420	11,420	4,145	4,145
Prepayments and other debtors	27,862	27,862	25,903	24,850
Gift aid donations from trading subsidiary	-	17,259	-	24,921
Amounts due from group undertakings	-	59,445	-	54,049
Trade debtors	-	-	-	-
Total Debtors	191,147	225,186	175,752	209,896

12. Creditors: amounts falling due within one year

	2013		2012	
	Group £	Charity £	Group £	Charity £
Trade creditors	67,878	67,878	61,836	61,836
Staff remuneration	42,341	42,341	43,550	43,550
Pension	7,079	7,079	7,178	7,178
Social security and other taxes	58,431	58,431	65,487	65,487
Amounts owed to group undertakings	-	-	-	-
Other creditors and accruals	56,227	54,217	83,353	81,432
Total Creditors	231,956	229,946	261,404	259,483

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

13. General fund

	2013		2012	
	Group £	Charity £	Group £	Charity £
Revenue fund				
At 1 January 2013	4,024,524	4,024,525	4,135,677	4,135,679
Retained surplus/(deficit) for the year	102,892	102,892	(98,716)	(98,717)
Transfer from/(to) restricted funds	(18,353)	(18,353)	(12,437)	(12,437)
At 31 December 2013	4,109,063	4,109,064	4,024,524	4,024,525

14. Restricted and endowment funds

Group	Endowment Funds	Capital Fund	Kitchen project fund	Capital Expenditure Fund	Other Restricted Funds	Total
	£	£	£	£	£	£
Revenue fund						
At 1 January 2013	118,535	5,841,821	-	-	120,709	6,081,065
Incoming resources	-	-	276,970	-	708,937	985,907
Expenditure	-	(397,680)	(37,375)	-	(149,207)	(584,262)
Gains/(losses) on investments	14,806	-	-	-	-	14,806
Transfers between funds	-	91,829	-	-	(91,829)	-
Transfers from/(to) Revenue Fund	-	18,353	-	-	-	18,353
At 31 December 2013	133,341	5,554,323	239,595	-	588,610	6,515,869

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 Kitchen refurbishment project 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 capital funds. Transfers to the revenue fund represent restricted funds received for the allocation against revenue costs.

The 'other restricted funds' represents the smaller funds with restrictions placed on them. In 2013 this fund included £516,746 received from the Armed Forces Covenant in respect of specific projects scheduled to be undertaken in 2014.

The endowment funds are represented as follows;

The endowment (permanent) fund of £21,000 represents the value of premises owned by the unincorporated charity The Queen Alexandra Hospital Home (208721). The Queen Alexandra Hospital Home (1072334) was appointed as the sole Trustee of the Charity (208721) and a "uniting direction" was made by the Charity Commission enabling the two charities to be treated as one.

Two additional endowments (permanent) were added in 2010 and held in 'special trust' for The Sailors & Soldiers Home Fund and Bloomfield Bequest. These two funds are invested separately from the Charity's main fund and its income is available for the charity's purpose.

Charity	Endowment Fund	Capital Fund	Kitchen project fund	Capital Expenditure Fund	Other Restricted Funds	Total
	£	£	£	£	£	£
Revenue fund						
At 1 January 2013	118,535	6,005,091	-	-	120,709	6,244,335
Incoming resources	-	-	276,970	-	708,937	985,907
Expenditure	-	(397,680)	(37,375)	-	(149,207)	(584,262)
Gains/(losses) on investments	14,806	-	-	-	-	14,806
Transfers between funds	-	91,829	-	-	(91,829)	-
Transfers from/(to) Revenue Fund	-	18,353	-	-	-	18,353
At 31 December 2013	133,341	5,717,593	239,595	-	588,610	6,679,139

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

15. Analysis of net assets between funds

Group	Tangible Fixed Assets	Investments	Net Current Assets	Creditors due > 1year	Total
	£	£	£	£	£
Endowment fund					
Capital fund (including unrealised gains of £14,806)	21,000	112,341	-	-	133,341
	21,000	112,341	-	-	133,341
Restricted fund					
Capital fund	5,554,323	-	-	-	5,554,323
Capital expenditure fund	-	-	-	-	-
Refurbishment and revenue fund	-	-	588,610	-	588,610
Kitchen Project Fund	-	239,595	-	-	239,595
	5,554,323	239,595	588,610	-	6,382,528
Unrestricted fund					
Revenue fund (including unrealised gains of £264,263)	-	4,147,044	(37,981)	-	4,109,063
Pension fund liability	-	-	-	(939,000)	(939,000)
	-	4,147,044	(37,981)	(939,000)	3,170,063
Group	5,575,323	4,498,980	550,629	(939,000)	9,685,932

Charity	Tangible Fixed Assets	Investments	Net Current Assets	Creditors due > 1year	Total
	£	£	£	£	£
Endowment fund					
Capital fund (including unrealised gains of £14,806)	21,000	112,341	-	-	133,341
	21,000	112,341	-	-	133,341
Restricted fund					
Capital fund	5,717,593	-	-	-	5,717,593
Capital expenditure fund	-	-	-	-	-
Refurbishment and revenue fund	-	-	588,610	-	588,610
Kitchen Project Fund	-	239,595	-	-	239,595
	5,717,593	239,595	588,610	-	6,545,798
Unrestricted fund					
Revenue fund (including unrealised gains of £264,263)	-	4,147,045	(37,981)	-	4,109,064
Pension fund liability	-	-	-	(939,000)	(939,000)
	-	4,147,045	(37,981)	(939,000)	3,170,064
Charity	5,738,593	4,498,981	550,629	(939,000)	9,849,203

16. Capital commitments

Capital expenditure on the refurbishment of the kitchen of £296,016 (2012: £Nil) had been authorised at 31 December 2013. The contract for the works was signed in February 2014. No other commitments had been made at 31 December 2013 (2012: None).

NOTES TO THE CONSOLIDATED ACCOUNTS

For the year ended 31 December 2013

17. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under FRS8 or the SORP (2012: Nil).

18. Subsidiary companies

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

The trading activities of the subsidiary QAHH Services Limited for the year ended 31 December 2013 were as follows:

	QAHH Services Limited	QAHH Services Limited
	2013	2012
	£	£
Turnover	552,256	664,041
Cost of sales	487,693	551,896
	64,563	112,145
Other operating income and charges	2,304	2,224
Profit/(loss) on ordinary activities before taxation	62,259	109,921
Appropriation to holding company	(62,259)	(109,921)
(Loss)/profit for the financial year	-	-
Net current assets	1	1
Net assets	1	1
Share capital	1	1
Retained profit	-	-
Net assets	1	1

19. Surplus of income over expenditure

The charity has taken advantage of section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements. The deficit of income over expenditure for the period includes a surplus of £284,711 (2012: deficit £699,961) which is dealt with in the financial statements of the charity.

OFFICERS AND MANAGEMENT

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

¹ CPJ Field JP DL	Chairman	
¹ Mrs J Annis	Deputy Chairman	
Commander D Habershon RN		appointed November 2013
Dr P Hughes RD QHP MD FRCP		
¹ GR Jordan		
Air Vice-Marshal P Millar CB		
Captain C Pile RN		
¹ AMA Price JP		
Mrs R Taylor		appointed February 2013
¹ M Walker JP FCA		
J Williams		

Committee members

¹ Member of Finance Committee at 31 December 2013

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

DA Hood, CIPFA (Affil)

Executives

JMA Paxman, JP RMA	Chief Executive
V Walker, RGN JP RMA	Director of Nursing and Operations
DA Hood, CIPFA (Affil)	Head of Finance

PROFESSIONAL ADVISORS AND COMPANY INFORMATION

Auditors and Financial Advisors

Carpenter Box LLP
Amelia House
Crescent Road
Worthing
West Sussex
BN11 1QR

Registered Office

Gifford House
Boundary Road
Worthing
West Sussex
BN11 4LJ

Bankers

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

Registered Charity Number

1072334

Company Number

3646570

Investment Advisors

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

Pension Trustees

Independent Trustee Services Limited
Central Court
1b Knoll Rise
Orpington
Kent
BR6 0JA

Pension Advisors

Cartwright Group Ltd
Mill Pool House
Mill Lane
Godalming
Surrey
GU7 1EY

Notes

Notes

THE QUEEN ALEXANDRA HOSPITAL HOME
BOUNDARY ROAD
WORTHING
WEST SUSSEX
BN11 4LJ
T: 01903 213458

REGISTERED CHARITY NUMBER: 1072334
REGISTERED COMPANY NUMBER: 3646570