

Charity Registration No. 1122497

Company Registration No. 06430101 (England and Wales)

THE BOURNEMOUTH HEALTHCARE TRUST

COMPANY LIMITED BY GUARANTEE

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2017

taylorcocks

26-32 Oxford Road
Bournemouth
United Kingdom
BH8 8EZ

THE BOURNEMOUTH HEALTHCARE TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr. A Spotswood Mr. P Papworth	(Appointed 4 July 2017)
Secretary	Ms. K Flaherty	
Charity number	1122497	
Company number	06430101	
Registered office	Ward 10 Royal Bournemouth Hospital Castle Lane East Bournemouth Dorset United Kingdom BH7 7DW	
Auditor	Taylorcocks Bournemouth 26-32 Oxford Road Bournemouth Dorset United Kingdom BH8 8EZ	

THE BOURNEMOUTH HEALTHCARE TRUST

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THE BOURNEMOUTH HEALTHCARE TRUST

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)".

Objectives and activities

The Charity's objective is the advancement of health for the public benefit through the donation of medical equipment and other assets to The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust.

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

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Achievements and performance

2016/17 has been a successful year of trading for the Charity and its subsidiary, The Bournemouth Private Clinic Limited. During 2016/17, The Bournemouth Private Clinic Limited led the design of a new private patient unit within the Royal Bournemouth Hospital which will support further expansion and development of services during 2017/18.

During the year the charity made donations to the value of £151,173 to The Royal Bournemouth and Christchurch Hospitals NHS Foundation Trust as well as making contributions towards hospital running costs. The donations and contributions will continue to provide financial support to a number of initiatives to improve patient services and enhance patient experience.

Financial review

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

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

THE BOURNEMOUTH HEALTHCARE TRUST

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Structure, governance and management

The charity is a company limited by guarantee registered in England and Wales with the company number 06430101. It is a registered charity (registered charity number 1122497). The provisions governing the company are set out in its articles of association and in the Companies Act 2006.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

Mr. A Spotswood

Mr. S Hunter

(Resigned 19 June 2017)

Mr. P Papworth

(Appointed 4 July 2017)

Mr. P Papworth became a trustee and director of the charity following the resignation of Mr. S Hunter. Directors of the company are appointed by its board of directors. Mr. P Papworth, who is a qualified accountant, was appointed as a director as his skills, knowledge and experience complemented the skills, knowledge and experience of existing trustees, being similar to those of the departing director, Mr. S Hunter.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Bournemouth Private Clinic Limited is a wholly owned subsidiary of the charity. It is a company limited by shares and the charity holds one share with a nominal value of £1.

Statement of trustees responsibilities

The trustees, who are also the directors of The Bournemouth Healthcare Trust for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

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

THE BOURNEMOUTH HEALTHCARE TRUST

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity 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 charitable company's auditor is 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 auditor is aware of that information.

Auditor

A resolution to re-appoint Taylorcocks as auditor for the ensuing year will be proposed at the Annual General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.



Mr. P Papworth

Dated: 23/11/17

THE BOURNEMOUTH HEALTHCARE TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THE BOURNEMOUTH HEALTHCARE TRUST

We have audited the accounts of The Bournemouth Healthcare Trust for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows 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), including Financial Reporting Standard 102.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and regulations made under that Act. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of The Bournemouth Healthcare Trust 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. 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 Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees Annual Report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its 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.

Opinion on other matter prescribed by the Companies Act 2006

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

THE BOURNEMOUTH HEALTHCARE TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF THE BOURNEMOUTH HEALTHCARE TRUST

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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



James Blake ACA (Senior Statutory Auditor)
for and on behalf of

taylorcocks

Chartered Accountants
Statutory Auditor

23/11/17

Office: Bournemouth

THE BOURNEMOUTH HEALTHCARE TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	2016 £
<u>Income from:</u>			
Fundraising activities	3	2,226,593	3,141,469
Investments	4	8,070	15,895
Total income		<u>2,234,663</u>	<u>3,157,364</u>
<u>Expenditure on:</u>			
Fundraising activities	5	2,491,643	3,146,954
Governance costs	7	14,349	13,244
Total resources expended		<u>2,505,992</u>	<u>3,160,198</u>
Net expenditure for the year/ Net movement in funds		(271,329)	(2,834)
Fund balances at 1 April 2016		<u>2,524,700</u>	<u>2,527,534</u>
Fund balances at 31 March 2017		<u><u>2,253,371</u></u>	<u><u>2,524,700</u></u>

The movements in funds all relate to unrestricted funds.

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE BOURNEMOUTH HEALTHCARE TRUST

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11		520,867		691,429
Current assets					
Debtors	14	354,655		456,954	
Investments	15	-		166,892	
Cash at bank and in hand		2,055,563		1,487,831	
		<u>2,410,218</u>		<u>2,111,677</u>	
Creditors: amounts falling due within one year	16	<u>(677,714)</u>		<u>(278,406)</u>	
Net current assets			1,732,504		1,833,271
Total assets less current liabilities			<u>2,253,371</u>		<u>2,524,700</u>
Income funds					
Unrestricted funds			2,253,371		2,524,700
			<u>2,253,371</u>		<u>2,524,700</u>

The accounts were approved by the Trustees on 23/11/17



Mr. P Papworth
Trustee

Company Registration No. 06430101

THE BOURNEMOUTH HEALTHCARE TRUST

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Fixed assets					
Tangible assets	11	518,572		691,429	
Investments	12	1		1	
		<u>518,573</u>		<u>691,430</u>	
Current assets					
Debtors	14	82,833		525,130	
Investments	15	-		166,892	
Cash at bank and in hand		1,719,126		1,156,330	
		<u>1,801,959</u>		<u>1,848,352</u>	
Creditors: amounts falling due within one year	16	<u>(56,523)</u>		<u>(15,081)</u>	
Net current assets		1,745,436		1,833,271	
Total assets less current liabilities		<u>2,264,009</u>		<u>2,524,701</u>	
Income funds					
Unrestricted funds		2,264,009		2,524,701	
		<u>2,264,009</u>		<u>2,524,701</u>	

The accounts were approved by the Trustees on



Mr. P Papworth
Trustee

Company Registration No. 06430101

THE BOURNEMOUTH HEALTHCARE TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	20		395,065		(745,791)
Investing activities					
Purchase of tangible fixed assets		(2,295)		-	
Proceeds on closure of fixed term interest bearing deposits		166,892		425,890	
Interest received		8,070		15,895	
Net cash generated from investing activities			172,667		441,785
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			567,732		(304,006)
Cash and cash equivalents at beginning of year			1,487,831		1,791,837
Cash and cash equivalents at end of year			2,055,563		1,487,831

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity information

The Bournemouth Healthcare Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Ward 10, Royal Bournemouth Hospital, Castle Lane East, Bournemouth, Dorset, BH7 7DW, United Kingdom. The directors of the company are the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

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

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2017 are the first accounts of The Bournemouth Healthcare Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

1.2 Going concern

At the time of approving the accounts, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the accounts.

1.3 Charitable funds

Unrestricted funds comprise those funds which the trustees are free to use in accordance with the charitable objects.

Restricted funds are subject to specific conditions by donors as to how they may be used. There are no restricted funds during the period.

1.4 Incoming resources

Incoming resources from fundraising activities represent amounts receivable in respect of the provision of medical treatment to customers during the period.

The trustees have reviewed the classification of the activities carried out by The Bournemouth Private Clinic and have deemed that they are to be disclosed as fundraising activities rather than as charitable activities.

Investment income is included in the accounts when receivable.

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

1.5 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are the expenses incurred in fulfilling the charitable company's constitutional and statutory requirements.

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the Trust. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and any condition attaching to the grant is outside the control of the Trust.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment	straight line over 3 years
Da Vinci System	straight line over 7 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The investment in the subsidiary The Bournemouth Private Clinic Limited is valued at cost.

Current asset investments relate to fixed term deposits and are stated at the lower of cost and net realisable value.

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in income/expenditure for the year, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately, unless the relevant asset is carried in at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

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

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

(Continued)

Basic financial liabilities

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

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

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

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Impairment of Da Vinci Robot

Each year a review is carried out to determine whether there is an impairment condition on the Da Vinci Robot ("the Robot"). Following a detailed analysis of the future attributable cash flows of the Robot, the trustees have taken the view that there is no impairment condition on the Robot in the current accounting period.

3 Fundraising activities

	2017 £	2016 £
The Bournemouth Private Clinic Limited turnover	1,920,927	2,863,928
Income from hire of equipment	36,000	36,000
Consumables recharged	269,666	241,541
	<u>2,226,593</u>	<u>3,141,469</u>

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Investments

	2017	2016
	£	£
Interest receivable	8,070	15,895

5 Fundraising activities

	2017	2016
	£	£
Purchases	1,723,034	2,592,085
Materials purchased	245,052	205,225
Wages and salaries	75,882	124,462
Pension costs	8,892	-
Staff welfare and training	8,232	2,465
Travelling	136	1,673
Rent	4,800	4,800
Insurance	4,477	4,357
Telephone	2,260	1,710
Computer software and maintenance	6,194	5,187
Printing, postage and stationery	5,295	3,717
Subscriptions	4,777	2,100
Sundry	453	112
Advertising	18,502	4,520
Depreciation	172,857	172,857
Bad debts written off (including movement on provisions)	35,980	1,887
BPC PPU launch / set up costs	23,647	-
Reversal of impairment of robot	-	(218,143)
	2,340,470	2,909,014
Grant funding of activities (see note 6)	151,173	237,940
	2,491,643	3,146,954
Analysis by fund		
Unrestricted funds	2,491,643	3,146,954
	2,491,643	3,146,954

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

6 Grants paid and payable

	2017 £	2016 £
Grants to The Royal Bournemouth and Christchurch Hospital NHS Foundation Trust:		
0813 Bowel & Breast Cancer Website	-	9,466
0913 Robot Maintenance Contract	120,000	120,000
0114 Obstetric USS Machine	-	52,074
0614 Haematology/Oncology Private Patient Service	-	52,770
0115 Aromatherapy Course Expenses	-	40
1115 Advertising for The Bournemouth Private Clinic	-	3,590
0317 Equipment for The Bournemouth Private Clinic	31,173	-
	<u>151,173</u>	<u>237,940</u>

7 Governance costs

	2017 £	2016 £
Audit fee	7,250	7,290
Accountancy fees	820	1,056
Bank charges	2,829	2,954
Legal fees	3,444	1,852
Foreign currency losses	6	92
	<u>14,349</u>	<u>13,244</u>

8 Trustees

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

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9	Net movement in funds	2017 £	2016 £
	Net movement in funds is stated after charging/(crediting)		
	Fees payable to the company's auditor for the audit of the group's financial statements	7,250	7,290
	Depreciation of owned tangible fixed assets	172,857	172,857
	Reversal of past impairment of tangible fixed assets	-	(218,143)
	Operating lease charges	124,800	124,800
		<u> </u>	<u> </u>

10 Employees

The average monthly number of employees during the year was 4 (2016 - 8).

Employment costs	2017 £	2016 £
Wages and salaries	74,221	120,165
Social security costs	1,661	4,297
Pension costs	8,892	-
	<u> </u>	<u> </u>
	84,774	124,462
	<u> </u>	<u> </u>

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

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

11 Tangible fixed assets

Group	Equipment £
Cost	
At 1 April 2016	1,211,800
Additions	2,295
Disposals	(1,800)
At 31 March 2017	1,212,295
Depreciation and impairment	
At 1 April 2016	516,771
Depreciation charged in the year	172,857
Eliminated in respect of disposals	(1,800)
At 31 March 2017	691,428
Carrying amount	
At 31 March 2017	520,867
At 31 March 2016	691,429

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

11 Tangible fixed assets (Continued)

Charity	Equipment £
Cost	
At 1 April 2016	1,210,000
At 31 March 2017	1,210,000
Depreciation and impairment	
At 1 April 2016	518,571
Depreciation charged in the year	172,857
At 31 March 2017	691,428
Carrying amount	
At 31 March 2017	518,572
At 31 March 2016	691,429

12 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2016 & 31 March 2017	1
Carrying amount	
At 31 March 2017	1
At 31 March 2016	1

	2017 £	2016 £
Other investments comprise:		
Investments in subsidiary	1	1

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

13 Income from the subsidiary's trading income

The charity owns the whole of the issued ordinary share capital of The Bournemouth Private Clinic Limited, a company registered in England. The subsidiary's principal activity is the management of private healthcare operations. All activities have been consolidated on a line by line basis in the Statement of Financial Activities. The total net profit is gifted to the charity.

A summary of the results of the subsidiary is shown below:

	2017 £	2016 £
Turnover	1,920,927	2,863,928
Cost of sales	(1,723,034)	(2,592,086)
Gross profit	197,893	271,842
Administrative expenses	(210,503)	(167,125)
Net interest receivable	1,972	3,634
Interest payable and similar charges	-	-
Net income for the year	(10,638)	108,351
Gift Aid donation	-	(108,351)
Retained loss for the year	(10,638)	-

The aggregate of the net assets, liabilities and funds was:

	2017 £	2016 £
Tangible fixed assets	2,295	-
Current assets	608,259	726,752
Current liabilities	(635,081)	(263,326)
Amounts owed from / (to) the charity	13,890	(463,425)
Funds (representing one ordinary share of £1 each)	(10,637)	1

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

14 Debtors

	Group 2017 £	2016 £	Charity 2017 £	2016 £
Amounts falling due within one year:				
Trade debtors	266,359	356,937	-	-
Amounts due from subsidiary undertakings	-	-	-	463,425
Amounts due from related parties	81,231	63,988	81,231	59,874
Other debtors	1,602	1,831	1,602	1,831
Prepayments and accrued income	5,463	34,198	-	-
	<u>354,655</u>	<u>456,954</u>	<u>82,833</u>	<u>525,130</u>

15 Current asset investments

	Group 2017 £	2016 £	Charity 2017 £	2016 £
Fixed term interest bearing deposits	-	166,892	-	166,892
	<u>-</u>	<u>166,892</u>	<u>-</u>	<u>166,892</u>

16 Creditors: amounts falling due within one year

	Group 2017 £	2016 £	Charity 2017 £	2016 £
Trade creditors	38,541	47,796	6,330	10,190
Amounts due to group undertakings	-	-	13,890	1
Amounts due to related parties	445,415	-	-	-
Other taxation and social security	1,737	1,952	-	-
Accruals and deferred income	178,181	219,616	36,303	4,890
Other creditors	13,840	7,042	-	-
	<u>677,714</u>	<u>276,406</u>	<u>56,523</u>	<u>15,081</u>

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

17 Financial instruments

	Group 2017 £	2016 £	Charity 2017 £	2016 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	349,193	422,756	82,833	525,130
Equity instruments measured at cost less impairment	-	-	1	1
Instruments measured at fair value through profit or loss	-	166,892	-	166,892
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount of financial liabilities				
Measured at amortised cost	675,977	276,454	56,523	15,081
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2017 £	2016 £	Charity 2017 £	2016 £
Within one year	121,200	121,200	120,000	120,000
Between two and five years	300,000	420,000	300,000	420,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	421,200	541,200	420,000	540,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

19 Related party transactions

The Charity and Group are under the control of The Royal Bournemouth and Christchurch Hospital NHS Foundation Trust (the Hospital) by virtue of the powers within its Articles of Association.

During the year the Group received income totalling £309,776 (2016 - £2,174) and made purchases of £1,906,975 (2016 - £526,965) from the Hospital. In addition a grant of £151,173 (2016 - £237,940) was made from the Group to the Hospital towards medical equipment and other related costs. As at 31 March 2017 a net balance of £364,184 was owed to the Hospital (2016 - the Hospital owed the Group £63,988).

THE BOURNEMOUTH HEALTHCARE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

20	Cash generated from operations	2017	2016
		£	£
	Deficit for the year	(271,329)	(2,834)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(8,070)	(15,895)
	Depreciation and impairment of tangible fixed assets	172,857	(45,286)
	Movements in working capital:		
	Decrease/(increase) in debtors	102,299	(9,246)
	Increase/(decrease) in creditors	399,308	(672,530)
		<hr/>	<hr/>
	Cash generated from/(absorbed by) operations	395,065	(745,791)
		<hr/>	<hr/>