

THE HORDER CENTRE

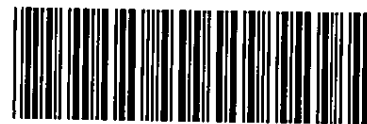
(A company limited by guarantee)

FINANCIAL STATEMENTS

for the year ended

30 June 2011

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THE HORDER CENTRE

CONTENTS

	Page
Legal and administrative information	1
Board of Directors' Report	2
Report of the Independent Auditor	6
Statement of Financial Activities	7
Balance Sheet	8
Cash flow statement	9
Accounting policies	10
Notes to the financial statements	11

THE HORDER CENTRE

LEGAL AND ADMINISTRATIVE INFORMATION

BOARD OF DIRECTORS

The directors who served during the period were

Mrs S E Brown
Prof J M Forsythe
Mr S C Gallannaugh
Mr R Greenhalgh (*Chairman*)
Mrs R Leigh
Dr D S J Maw
Mr J R Parry
Mrs K L Planterose
Mr C G Stebbing
Mrs D Thomas
Dr S J Grieve
Sir A D T Chessells (*appointed 1 June 2011*)

COMPANY SECRETARY

Mr H I Hatfield

CHIEF EXECUTIVE

Mrs D Thomas

REGISTERED OFFICE AND OPERATION ADDRESS

St John's Road
Crowborough
East Sussex
TN6 1XP

PROFESSIONAL ADVISORS

The charity's principal professional advisors include the following

Bankers	Barclays Bank Plc 1 Churchill Place London E14 5HP
Independent Auditor	Baker Tilly UK Audit LLP Hanover House 18 Mount Ephraim Road Tunbridge Wells Kent TN1 1ED
Solicitor	Cripps Harnes Hall LLP 12 Mount Ephraim Road Tunbridge Wells Kent TN1 1EG

THE HORDER CENTRE

BOARD OF DIRECTORS' REPORT

The Directors (who are also trustees of the charity for the purposes of the Charities Act) present their annual report together with the audited financial statements of the Horder Centre (the company) for the year ended 30 June 2011. The Board of Directors confirm that the Annual report and financial statements of the company comply with the current statutory requirements, the requirements of the company's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Status

The Horder Centre is a charitable company limited by guarantee established under a Memorandum of Association and governed by its Articles of Association.

Objective

The Horder Centre's charitable purpose is the advancement of health, being a leading provider of high quality orthopaedic and musculoskeletal services, demonstrably improving patient's mobility and striving to make a positive difference to people's lives.

Having completed a comprehensive strategic review, the company's vision has been established to become the very best provider of orthopaedic and musculoskeletal services, within a therapeutic atmosphere – a great place to work, practise medicine and receive care. It will achieve its ambition by deploying its values, meeting and exceeding patients' expectations, delivering high quality, effective and safe care. It aims to provide value for money, ensuring treatment and care is affordable for individuals and commissioners, making the service more accessible and thus benefiting more people, enhancing the quality of their lives.

The Directors have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the company's vision and objectives and in planning future activities. In particular, the Directors consider how planned activities and the management of resources will provide maximum 'benefit'.

Board of Directors

Under the Articles of Association, the Board of Directors is elected by vote.

The members of the Board who served during the year are set out on the Company Information page at the front of these financial statements.

In accordance with the Articles of Association, Dr DSJ Maw and Mr SC Gallannaugh retire by rotation and being eligible offer themselves for re-election. Sir ADT Chessells was appointed a director on 1 June 2011 and offers himself for re-election.

Trustees and governance

Appointment, training and induction

The Board of Directors (BoD) may appoint replacement or additional directors at any time. However the members at the next Annual General Meeting must formally elect these members. Prior to taking up their position, each Director undergoes a Criminal Records Bureau (CRB) check, following receipt of a satisfactory CRB report the Director receives an Induction Pack and undertakes a formal induction of the key activities of the Centre.

Training, to enhance skills and knowledge, is encouraged for all staff and Directors.

The BoD meets formally usually at least five times a year in addition to the Annual General Meeting and any ad-hoc workshops and meetings. The BoD is responsible for setting strategy, ensuring resources to achieve those strategic aims and monitoring performance of the Executive Team, and overseeing and ensuring that robust governance and risk management systems are in place.

BoD Committees

In addition to the BoD meeting there are Remuneration, Audit and Clinical Governance committees in place which meet usually twice a year and each working within a constitution agreed by the main body.

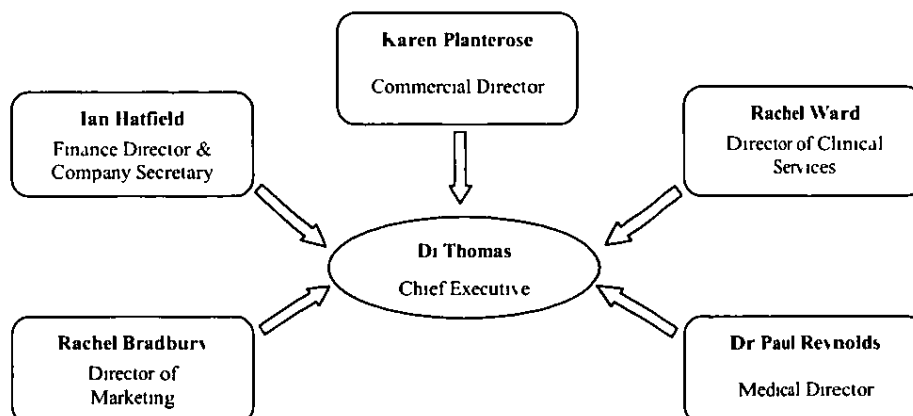
Executive management

The BoD has appointed a senior Executive Team to manage the activities of the Charity and to ensure that the Charity's operational plans are implemented. The BoD has established a framework of delegated authority levels for these officers.

THE HORDER CENTRE

BOARD OF DIRECTORS' REPORT

The senior Executive Team at the date when the Annual Report and Financial Statements were approved was



General activities and key achievements

The year proved to be a very challenging one, particularly due to the proposed changes in government health policy and the subsequent “pause”, the general situation brought about by the world financial crisis and the ensuing economic situation

However, despite this backdrop The Horder Centre continued to be faithful to its purpose. The company’s Impact Report and Quality Account provide compelling examples of how the company has continually improved, enhancing the service to its patients, making a truly positive impact on people’s lives

The Horder Centre has continued to provide services to NHS patients under the Any Qualified Provider contract, supporting the local healthcare community and enabling a real ‘choice’ for elective orthopaedic and musculoskeletal services in the South East. Care to the value of over 95% of turnover was delivered free, at the point of delivery, to patients

The Horder Centre has always recognised the need to invest in its people and to this effect a new e-learning platform, supervisory skills training for key staff and a general enhancement of the education programmes for all staff were introduced. Recognising that there is direct correlation between effective leadership and the quality of care provided to patients, a professional leadership and development programme was introduced for emerging managers, which along with personal coaching and management workshops for all key leaders continues to hone the management/leadership skills of key personnel

Excellent patient satisfaction levels have been maintained, with overall patient satisfaction levels being 99%, with patients reporting the service from good to excellent. The Horder Centre has some of the best clinical outcomes and patient reported outcome data in the country, which was recently acknowledged by David Cameron, Prime Minister, in June 2011

The capital investment programme has brought about significant improvements to patient’s experience. The key improvements being the creation of a new patient reception area, outpatients department, physiotherapy gym and 21 en-suite patient rooms

Plans for future periods

The Horder Centre will continue to invest in its people (staff, volunteers and medical practitioners), services, equipment, technology and the fabric of the building and will seek to achieve positive and enhanced outcomes

and experience for its patients. The ambition is to create a therapeutic environment and help people achieve their optimum health and well being, to enlighten and inform practice and people. Through a collaborative and inclusive approach The Horder Centre will seek to develop services which work best for the communities it serves and which will result in its long-term success. Some of the goals which will deliver this success and which will be progressed this coming year are to

THE HORDER CENTRE

BOARD OF DIRECTORS' REPORT

- Develop new innovative programmes of care helping patients get fit for their surgery enhancing their experience and outcome and coaching them to adopt lifestyle choices which will benefit them into the long term
- Develop a strategy for Clinical Excellence which takes account of the full breadth of clinical services and which is deployed across the entire operation
- Commence and complete phase 2 of the capital development programme, which will include state of the art pre-admission and day care suites and therapeutic gardens
- Develop Consultant/Practitioner led seminars, at The Horder Centre and in the community for General Practitioners, health professionals and patients
- Introduce an environmental management system, which leads to ISO 14001 accreditation
- Continue to improve, enhancing the performance management, controls assurance and corporate governance programmes, progressing the existing benchmarking arrangements comparing The Horder Centre with the best in class

Risk management

The Horder Centre has a wide-ranging approach to managing risk, from internal review and audit through to external audit and accreditation. Continuous improvement and risk prevention forms an important part of risk management, which is managed under the umbrella of the Integrated Governance programme. This integrated approach to risk management is supported by the Datix information technology system, which is also utilised to populate the company's Risk register. The key ongoing risk which has been identified is the uncertainty associated with how the local healthcare commissioners are responding to their economic situation, controlling their spend on elective work.

Financial review

Net increase in funds of £5.1m was as the previous year's of £5.1m, income was unchanged although costs only increased by 2%, reflecting tight control over the resources expended. Investments weathered the economic conditions well recording unrealised gains of nearly £0.4m over the year.

A further £4.2m was invested in facilities and equipment. The charity needs to accommodate the strategic capital expenditure programme envisaged over the coming years, with an expected spend on phases 2 & 3 of £8.1m and a further £6.6m for phase 4, there is currently a shortfall in unrestricted reserves of £5.5m.

Pay policy

The Remuneration Committee determines remuneration policy and practices with the aim of attracting, recruiting, motivating and retaining high calibre people. The Remuneration Committee makes reference to the external market ensuring that it is working within a framework which is legal, transparent, competitive, fair, affordable and providing value for money for the charity. The Remuneration Committee ensures that there is a clear link with performance and that there are terms of reference which delivers effective governance of this process.

Reserves policy

The Horder Centre requires investment in equipment and facilities of £14.7m to achieve its charitable aims and deliver its vision for the future, to create a therapeutic centre of excellence in the heart of the Ashdown Forest. This would be supported by the creation of a network of outreach musculoskeletal centres, based in the communities The Horder Centre serves, the cost of these are currently being evaluated.

The Horder Centre is also subject to fluctuations in its income and expenditure, which would impact on service quality and funding if the effects were not equalised over a period of time. For these reasons, The Horder Centre has calculated it requires unrestricted reserves of £24.3m, of which £14.7m is designated for investment.

Of the £29.7m currently held in reserves, approximately £10.9m is represented by buildings and other fixed assets, resulting in £18.8m of unrestricted reserves. There is therefore a shortfall in unrestricted reserves of £5.5m.

This policy is monitored and reviewed annually when the statutory accounts are presented for approval.

THE HORDER CENTRE

BOARD OF DIRECTORS' REPORT

Investment policy

The BoD consider the most appropriate policy for investing funds is to use both specialised funds designed for the charity sector which meet their requirements to generate both income and capital growth and government issued treasury stock for security. The BoD considers the return on investments to be satisfactory in the current economic climate.

Statement of Board of Directors' responsibilities

The Directors (who are also trustees of the charity for the purposes of charity law) are responsible for preparing the Board of Directors' 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 BoD 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 of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the BoD are required to

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP,
- make judgments 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 financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

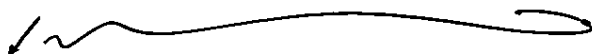
The BoD are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Provision of information to auditors

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

- so far as that Director is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

This report was approved by the Board of Directors on 27 October 2011 and signed on their behalf, by



Mr H I Hatfield
Secretary

INDEPENDENT AUDITOR S REPORT TO THE MEMBERS OF THE HORDER CENTRE

We have audited the financial statements of The Horder Centre for the year ended 30 June 2011 on pages 7 to 17. 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 charitable company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body for our audit work for this report or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Board of Directors Responsibilities set out on page 5, the directors (who are also the trustees of the charity for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2011 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 Companies Act 2006.

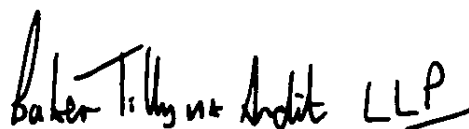
Opinion on other requirement of the Companies Act 2006

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

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:

- the charity has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, 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.



NICHOLAS PAUL SLADDEN FCA DChA (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Hanover House
18 Mount Ephraim Road
Tunbridge Wells
TN11ED

Date 2 November 2011

THE HORDER CENTRE

STATEMENT OF FINANCIAL ACTIVITIES (incorporating an Income and Expenditure Account) for the year ended 30 June 2011

	Notes	Unrestricted Funds 2011 £	Restricted Funds 2011 £	Total Funds 2011 £	Total Funds 2010 £
INCOMING RESOURCES					
Income from generated funds					
Voluntary Income	2	196,136	2,789	198,925	465,645
Investment Income	3	223,187	-	223,187	158,852
Income from charitable activities	4	20 999,926	-	20 999,926	20,790,511
Other incoming resources		32,186	-	32,186	2,775
TOTAL INCOMING RESOURCES		21 451 435	2,789	21,454,224	21,417,783
RESOURCES EXPENDED					
Costs of generating funds	5				
Fundraising and publicity		69,160	-	69,160	114,271
Charitable activities	6				
Patient services		16,625,531	-	16,625,531	16,255,128
Governance costs	7	32,363	-	32,363	29 573
TOTAL RESOURCES EXPENDED		16,727,054	-	16,727,054	16,398,972
NET INCOMING RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		4,724,381	2,789	4 727,170	5,018,811
OTHER RECOGNISED GAINS AND LOSSES					
Gain on disposal of investment assets		-	-	-	15,093
Gain on revaluation of investment assets	13	377,128	-	377,128	95,124
NET MOVEMENT IN FUNDS		5,101,509	2,789	5,104,298	5,129,028
TRANSFERS BETWEEN FUNDS		2,789	(2,789)	-	-
TOTAL FUNDS AT 1 JULY 2010		24,621,579	-	24,621,579	19,492,551
TOTAL FUNDS AT 30 JUNE 2011		29,725,877	-	29,725,877	24,621,579

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Statement of Financial Activities

The net movement in funds for the year arise from the charity's continuing operations

THE HORDER CENTRE
BALANCE SHEET
30 June 2011

Company No 3052242

			(As restated)
	Notes	2011 £	2010 £
FIXED ASSETS			
Tangible assets	12	10 926,744	7 319 892
Investments	13	7 056,721	6,679 593
Tangible assets		<u>17,983,465</u>	<u>13,999,485</u>
CURRENT ASSETS			
Stock	14	552,610	567,576
Debtors	15	1,607,152	4 911,258
Investments	16	6,160,213	4,000,000
Cash at bank and in hand		<u>6,023,251</u>	<u>2,542,098</u>
		<u>14,343,226</u>	<u>12,020,932</u>
CREDITORS			
Amounts falling due within one year	17	(2,600,814)	(1,398,838)
NET CURRENT ASSETS		<u>11,742,412</u>	<u>10,622 094</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>29,725,877</u>	<u>24,621,579</u>
FUNDS			
Unrestricted	20	29,725,877	24,621,579
TOTAL FUNDS		<u>29,725,877</u>	<u>24,621,579</u>

These financial statements were approved and authorised by the Board of Directors on 27 October 2011



Mr R Greenhalgh
 Director

THE HORDER CENTRE
CASH FLOW STATEMENT
for the year ended 30 June 2011

	<i>Notes</i>	2011 £	2010 £
Net cash flow from operating activities	23 a	7 232 628	4 521 067
Returns on investments and servicing of finance	23 b	178,846	138 399
Capital expenditure and financial investment	23 b	(4 171,845)	(4 213,987)
Net cash inflow from charitable donations		241,524	326,825
CASH INFLOW BEFORE FINANCING		<u>3 481,153</u>	<u>772,304</u>
Financing	23 b	-	-
INCREASE IN CASH IN THE YEAR		<u><u>3,481,153</u></u>	<u><u>772,304</u></u>
 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT			
		2011 £	2010 £
Increase in cash in the year	23 c	3,481,153	772,304
NET FUNDS AT 1 JULY 2010		2,542,098	1,769,794
NET FUNDS AT 30 JUNE 2011	23 c	<u><u>6,023,251</u></u>	<u><u>2,542,098</u></u>

THE HORDER CENTRE

ACCOUNTING POLICIES

for the year ended 30 June 2011

a) Accounting Convention

The financial statements have been prepared under the historical cost convention (except for listed investments which are included at valuation) and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" revised 2005 (SORP 2005), applicable accounting standards and the Companies Act 2006

b) Incoming resources

Fees are included on an accrual basis once treatment has been completed

Bequests are recognised in the accounts when the charity is entitled to receipt and the amount can be measured with reasonable certainty

Donations and other income are included on a receipts basis

c) Resources expended

Resources expended include attributable VAT which cannot be recovered and are recognised in the period in which they are incurred

Cost of generating funds are those costs associated with generating voluntary income

Charitable activities include expenditure on patients

Governance costs include those costs incurred in the governance of the charity and are primarily associated with constitutional and statutory requirements

Support costs are allocated to patients' expenditure

d) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Board of Directors in furtherance of the general objectives of the charity and which have not been designated for other purposes. Restricted funds represent income contributions which are restricted to a particular purpose, in accordance with the donor's wishes

e) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation

f) Depreciation

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives as follows

Freehold land	-	Nil
Freehold buildings	-	2% straight line
Equipment	-	10% to 25% straight line
Motor vehicles	-	25% reducing balance

g) Investments

Investments are stated at market value at the balance sheet date

The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year

h) Stock

Stock is stated at the lower of cost and net realisable value. Cost is computed on a first in first out basis. Net realisable value is based on estimated selling price after allowing for all further costs of completion and disposal

i) Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year

THE HORDER CENTRE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

1 LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

2 VOLUNTARY INCOME

	Unrestricted 2011 £	Restricted 2011 £	Total 2011 £	Total 2010 £
Donations and covenants receivable	73,376	2,789	76,165	222,410
General trusts	9,023	-	9,023	22,770
Bequests	113,737	-	113,737	220,465
	<u>196,136</u>	<u>2,789</u>	<u>198,925</u>	<u>465,645</u>

3 INVESTMENT INCOME

	Unrestricted 2011 £	Restricted 2011 £	Total 2011 £	Total 2010 £
Interest receivable	44,341	-	44,341	20,453
Income from UK listed investments	178,846	-	178,846	138,399
	<u>223,187</u>	<u>-</u>	<u>223,187</u>	<u>158,852</u>

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted 2011 £	Restricted 2011 £	Total 2011 £	Total 2010 £
Fees from NHS and other sources	20,999,926	-	20,999,926	20,790,511

5 COST OF GENERATING FUNDS

	Unrestricted 2011 £	Restricted 2011 £	Total 2011 £	Total 2010 £
Fundraising and publicity				
Advertising and publicity	35,165	-	35,165	28,220
Staff costs	33,995	-	33,995	21,806
Support costs (note 8)	-	-	-	64,245
	<u>69,160</u>	<u>-</u>	<u>69,160</u>	<u>114,271</u>

THE HORDER CENTRE
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

6 RESOURCES EXPENDED ON CHARITABLE ACTIVITIES

Patient services	Unrestricted 2011 £	Restricted 2011 £	Total 2011 £	Total 2010 £
Theatre and medical costs	5,057,738	-	5,057,738	5,108,431
Wages, salaries and national insurance	7,464,681	-	7,464,681	7,519,245
Pension cost	127,286	-	127,286	81,555
Depreciation	490,719	-	490,719	501,044
Support costs (note 8)	3,485,107	-	3,485,107	3,044,853
	<u>16,625,531</u>	<u>-</u>	<u>16,625,531</u>	<u>16,255,128</u>

7 GOVERNANCE COSTS

	Unrestricted 2011 £	Restricted 2011 £	Total 2011 £	Total 2010 £
Auditor's remuneration	13,850	-	13,850	13,513
Auditor's non audit services	2,350	-	2,350	2,350
Legal and professional	16,163	-	16,163	-
Support costs (note 8)	-	-	-	13,710
	<u>32,363</u>	<u>-</u>	<u>32,363</u>	<u>29,573</u>

8 SUPPORT COSTS

	Unrestricted 2011	Restricted 2011	Total 2011 £	Total 2010 £
Catering laundry and office costs	649,996	-	649,996	694,115
Legal and professional fees	247,868	-	247,868	212,058
Building and equipment maintenance	391,223	-	391,223	426,883
Staff costs	1,025,898	-	1,025,898	968,103
Finance costs	7,699	-	7,699	17,891
Clinical governance	69,365	-	69,365	49,842
Other direct costs	1,093,058	-	1,093,058	753,916
	<u>3,485,107</u>	<u>-</u>	<u>3,485,107</u>	<u>3,122,808</u>

Support costs have been split as follows

	Total 2011 £	Total 2010 £
Costs of generating funds	-	64,245
Resources expended on charitable activities	3,485,107	3,044,853
Governance costs	-	13,710
	<u>3,485,107</u>	<u>3,122,808</u>

THE HORDER CENTRE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

8 SUPPORT COSTS (continued)

The basis for the allocation of expenditure on support costs was reviewed during the year. This review determined that it is more appropriate to allocate expenditure on support costs solely to patients and governance costs. However, as a result of this review the allocation of expenditure across these categories for the current year is not fully consistent with the approach adopted in the prior year.

9 TAXATION

The Horder Centre is a registered charity and as such its income and gains falling within Sections 471 to 489 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 are exempt from corporation tax to the extent that they are applied to its charitable objectives.

10 STAFF COSTS AND DIRECTORS' REMUNERATION

	Total 2011 £	Total 2010 £
Wages and salaries	8,280,542	7,900,671
Social security costs	395,378	420,294
Pension costs	180,793	165,726
	<u>8,856,713</u>	<u>8,486,691</u>

The number of higher paid employees, including clinicians was

	2011 No	2010 No
In the band £70,001 - £80,000	1	-
In the band £80,001 - £90,000	1	3
In the band £90,001 - £100,000	1	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-
In the band £140,001 - £150,000	1	-
In the band £150,001 - £160,000	-	1
In the band £160,001 - £170,000	1	-
	<u>6</u>	<u>5</u>

The Chief Executive is a member of the Board of Directors and received remuneration and benefits for her services in that office of £166,157 (2010 £156,451), pension contributions for the year were £15,929 (2010 £15,235).

The Commercial Director is also a member of the Board of Directors and received remuneration and benefits for her services in that office of £123,193 (2010 £117,561), pension contributions for the year were £11,259 (2010 £7,624).

No other members of the Board of Directors received any emoluments during the year (2010 – none).

No members of the Board of Directors were reimbursed expenses during the year (2010 – none).

EMPLOYEES

The average number of full-time equivalent employees during the year was made up as follows

	2011 No	2010 No
Clinical	86	86
Non-clinical	86	84
	<u>172</u>	<u>170</u>

THE HORDER CENTRE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

11 MOVEMENT IN TOTAL FUNDS FOR THE YEAR

This is stated after charging	Total 2011 £	Total 2010 £
Depreciation	564,993	725,533
Auditor's remuneration – audit of the financial statements	13,850	13,513
Auditor's remuneration – non audit services	2,350	2,350

12 TANGIBLE FIXED ASSETS

	Freehold Land and Buildings £	Equipment £	Motor Vehicles £	Total £
Cost				
At 1 July 2010	7,281,722	5,218,597	55,883	12,556,202
Additions	3,917,392	254,453	-	4,171,845
At 30 June 2011	<u>11,199,114</u>	<u>5,473,050</u>	<u>55,883</u>	<u>16,728,047</u>
Depreciation				
At 1 July 2010	1,237,965	3,968,708	29,637	5,236,310
Charge for the year	199,493	358,131	7,369	564,993
At 30 June 2011	<u>1,437,458</u>	<u>4,326,839</u>	<u>37,006</u>	<u>5,801,303</u>
Net book value				
At 30 June 2011	<u>9,761,656</u>	<u>1,146,211</u>	<u>18,877</u>	<u>10,926,744</u>
At 30 June 2010	<u>6,043,757</u>	<u>1,249,889</u>	<u>26,246</u>	<u>7,319,892</u>

13 FIXED ASSET INVESTMENTS

Investments at market value	Total 2011 £
At 1 July 2010	6,679,593
Net unrealised gain	377,128
At 30 June 2011	<u>7,056,721</u>

Investments comprise COIF Charities Investment Funds, fixed interest Treasury stock and cash deposits

THE HORDER CENTRE
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

14 STOCK

	Total 2011	Total 2010 (As restated)
	£	£
Theatre medical and surgical consumables and drugs	173,488	175,837
Prosthesis	379,122	391,739
	<u>552,610</u>	<u>567,576</u>

15 DEBTORS

	Total 2011	Total 2010 (As restated)
	£	£
Fee debtors	647,574	3,706,966
Other debtors	525,018	752,431
Prepayments and accrued income	434,560	451,861
	<u>1,607,152</u>	<u>4,911,258</u>

In 2010 ongoing procedures were disclosed under stock. This year, for both 2010 and 2011, they are disclosed under accrued income as this is considered to be a more appropriate description.

16 CURRENT ASSET INVESTMENTS

	Total 2011	Total 2010
	£	£
Bank deposits	<u>6,160,213</u>	<u>4,000,000</u>

17 CREDITORS Amounts falling due within one year

	Total 2011	Total 2010
	£	£
Trade creditors	981,645	521,693
Social security and other taxes	126,370	105,568
Other creditors	8,446	11,009
Accruals and deferred income (note 18)	1,484,353	760,568
	<u>2,600,814</u>	<u>1,398,838</u>

18 DEFERRED INCOME

	2011	2010
	£	£
Deferred income as at 1 July 2010	136,368	-
Incoming resources received requiring deferment	523,756	136,368
Release of incoming resources during the year	(136,368)	-
Deferred income as at 30 June 2011	<u>523,756</u>	<u>136,368</u>

19 PENSION

The charity operates a defined contribution scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £180,793 (2010: £165,726).

THE HORDER CENTRE

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

20 FUNDS

	Unrestricted General fund £
Balance at 1 July 2010	24 621,579
Movement in funds for the year	5,101,509
Transfers in the year	2,789
Balance at 30 June 2011	<u>29,725,877</u>

General Fund – this relates to unrestricted and undesignated funds which are available for expending in line with the charity's objects

	Restricted fund £
Balance at 1 July 2010	-
Income in the year	2,789
Transfers in the year	(2 789)
Balance at 30 June 2011	<u>-</u>

Restricted Fund – this relates to funds received for the purchase of tangible fixed assets as specified by the donor. The transfer during the year was made because at the 30 June 2011 the specific tangible fixed assets had been purchased in accordance with the wishes of the donor

21 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible fixed assets	Investments	Net current assets	Total
	£	£	£	£
General fund	<u>10,926,744</u>	<u>7,056,721</u>	<u>11,742,412</u>	<u>29,725,877</u>

22 CAPITAL COMMITMENTS

	Total 2011 £	Total 2010 £
Contracted for but not provided in these financial statements	<u>533 933</u>	<u>359,076</u>

THE HORDER CENTRE
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

23 CASH FLOWS

a Reconciliation of operating profit to net cash inflow from operating activities

	2011	2010
	£	£
Net incoming resources before other recognised gains and losses	4,727,170	5,018,811
Gains on disposal of investment assets	-	15,093
Returns on investments and servicing of finance	(178,846)	(138,399)
Charitable donations	(198,925)	(465,645)
Loss on disposals of tangible fixed assets	-	4,040
Depreciation	564,993	725,533
Decrease / (increase) in stocks	14,966	(53,484)
Decrease / (increase) in debtors	3,261,507	(387,662)
Increase in current asset investments	(2,160,213)	-
Increase / (decrease) in creditors	1,201,976	(197,220)
Net cash inflow from operating activities	<u>7,232,628</u>	<u>4,521,067</u>

23 CASH FLOWS

b Analysis of cash flows for headings netted in the cash flow

Returns on investment and servicing of finance

	2011	2010
	£	£
Income from investments	<u>178,846</u>	<u>138,399</u>

Capital expenditure and financial investment

	2011	2010
	£	£
Purchase of fixed assets	(4,171,845)	(849,162)
Sale proceeds from disposal of fixed assets	-	1,510
Purchase of investments	-	(4,917,323)
Sale of investments	-	1,550,988
Net cash outflow from capital expenditure and financial investment	<u>(4,171,845)</u>	<u>(4,213,987)</u>

Financing

	2011	2010
	£	£
Repayment of other loans	<u>-</u>	<u>-</u>

c Analysis of net debt

	At 1 July 2010 £	Cash flows £	At 30 June 2011 £
Cash at bank and in hand	2,542,098	3,481,153	6,023,251
Net funds	<u>2,542,098</u>	<u>3,481,153</u>	<u>6,023,251</u>