

Company registration number: 5903364
Charity number: 1141784

AMENDED
TRUSTEES' REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2024

THE NEW VICTORIA
HOSPITAL LIMITED
(A company limited by
shares)

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

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THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS

FOR THE YEAR ENDED 31 MARCH 2024

Trustees	G A R Ball, Chair H E Bradbury A R Cooke J A Hamblin M A Matthews (resigned 13 May 2024) P D Willson D E Marshall (appointed 6 June 2023)
Company registered number	5903364
Charity registered number	1141784
Registered office	184 Coombe Lane West Kingston Upon Thames Surrey KT2 7EG
Chief Executive Officer	D Marshall
Finance Director	N Shah
Director of Clinical Services	G Welch
Medical Director	Mr P Willson
Independent auditors	Menzies LLP Chartered Accountants Magna House 18-32 London Road Staines-Upon-Thames TW18 4BP
Bankers	HSBC Bank plc 54 Clarence Street Kingston Upon Thames Surrey KT1 1NS
Solicitors	Stone King LLP Boundary House 91 Charterhouse Street Clerkenwell London EC1M 6HR

THE NEW VICTORIA HOSPITAL LIMITED

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TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees are pleased to present their report and the audited accounts of the Company for the year ended 31 March 2024.

The Company has chosen, in accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, to set out within the Company's Strategic Report the Company's Strategic Report Information required by Schedule 7 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulation 2008. This includes information that would have been included in the business review and details of the principal risks and uncertainties.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting Statement of Recommended Practice applicable in the UK and Republic of Ireland, FRS 102 (2019), as amended.

Principal activity and history

The Company, which is a registered charity, owns and operates The New Victoria Hospital, a private independent hospital in Kingston upon Thames, Surrey. The Company is wholly owned by another registered charity, The Victoria Foundation.

As a limited company the Charity's governing document is its Articles of Association. The Company adopted new Articles of Association in March 2011 when it applied for registration as a charity and as a result it now shares the same objects as The Victoria Foundation, namely:

“to promote good health and to relieve ill-health, particularly (without limitation) by providing, or assisting in the provision of, medical and surgical advice and treatment, medical and surgical equipment, and the training and education of medical, nursing, and para-medical staff.”

The New Victoria Hospital, located in Kingston upon Thames, has had a long and distinguished history as a voluntary and charitable institution. The original Victoria Hospital was established as a voluntary hospital in 1898 and, after serving the local population for 50 years, was incorporated into the National Health Service upon its creation in 1948.

As a result of popular demand, The New Victoria Hospital was constituted as a charity in 1951 to establish a new independent hospital with the same charitable aims as the original hospital. Coombe Manor, the original site of which is still occupied by the Hospital, was purchased in 1955 and the Hospital was opened in 1958.

The Trustees have due regard to the Charity Commission's guidance on public benefit.

The New Victoria Hospital continues to play a significant role in the local healthcare economy relieving pressure on local NHS facilities. In addition, the Hospital provides agreed free and heavily subsidised hospital services for local groups and explores new avenues in the provision of healthcare for public benefit.

As a charitable organisation, the Hospital prides itself in providing “excellent care for your health” delivered through the recruitment and retention of excellent staff and consultants, supported by private medical insurers and competitive fixed price self-pay packages and significant investment in infrastructure and technology.

The Hospital's vision statement is:

To provide outstanding treatment and individual patient care, delivered by the most dedicated professionals, whilst achieving our charitable and commercial objectives and retaining our independence. To be the hospital of choice.

The provision of excellent care and staff is enhanced by the Hospital's core values below which are embraced throughout the organisation:

Compassionate - Caring for patients and each other.
Exceptional - We believe in nothing less than excellence.
Ethical - We act with integrity and are committed to safety.
Charitable - We support those in need.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

STRATEGIC REPORT

Achievements and performance

The Hospital has continued to provide excellent patient care, with average patient satisfaction scores of the highest ratings during 2023/24. In total 99.1% of patients rated their overall quality of care, nursing care and consultant care as excellent, very good or good whilst 98.2% would be likely or extremely likely to recommend the Hospital to family and friends.

Overall, the Hospital admitted 5,553 patients in the year, with the proportion of day cases to inpatients being 73%.

During the year the Hospital has enjoyed a growth in patient numbers especially outpatients largely vindicating the decision to expand our facilities. In addition, it has developed its relationship with Kingston Hospital NHS Foundation Trust to our mutual benefit. Another full year of the Hospital operating its gender realignment (female to male) surgical contract for NHSE has made a significant improvement to the Hospital's financial performance during the year under review.

The Hospital has continued to raise its marketing profile during the year with local advertising, website improvements and engagement with consultants and GPs as well as through Hospital communications and events which have been well received.

To ensure that the Hospital's Executive Management Team remains effective, well led, and focused on achieving financial and clinical targets, the Hospital has continued with the development of its Heads of Departments to enable them to meet the evolving working practices required. The Hospital has developed a five-year strategy, embracing its Vision and Values, aligned to six key pillars:

- Growth and Profitability
- Customer Experience
- Resource Utilisation
- Marketing and Brand Awareness
- Governance and Quality
- People and Culture.

The Hospital surveys its staff which provides the opportunity for constructive feedback to ensure that the highest levels of engagement are maintained.

Financial review

The Trustees of The Victoria Foundation, the Parent, are fully committed to safeguarding the character and ethos of the Hospital for the benefit of patients, consultants, and staff to meet the Charity's objects and have contributed significantly to the funding required for the Hospital's development.

At 31 March 2024, an agreement was in place with the Hospital's bankers, HSBC, granting forbearance of both loans and the overdraft facility until December 2024, making the loans short term creditors. However, a further agreement was received in December 2024, granting continued support of the Hospital in the form of forbearance on the loans and the overdraft facility until November 2025.

Repayment of the loans, arrangement fees and accrued interest are due on 30 November 2025.

The Statement of Financial Activities on page 16 provides the detail of financial performance.

The Charity recognised incoming resources of £31.8m in the year (2023 - £29.1m), an increase of 9.3%.

Total resources expended were £32.0m (2023 - £29.6m).

Interest costs associated with the borrowings for its redevelopment, were £3,064,000 (2023 - £2,092,000) because of the fact that no bank loan interest was transferred to the costs of the building in the year.

Total net expenditure was £186,000 (2023: £505,000).

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

HSBC UK Bank Plc's valuation of the Hospital using professional independent advisors was carried out in January 2024, valuing the Hospital at £35.8m. The Hospital has been valued at £38.1m when trading at full capacity.

Reserves and going concern

The movement in reserves in the year is set out in note 16 to the accounts. The reserves at 31 March 2024 were deficit of £23,888,000 (2023 - deficit of £ 33,902,000).

The aim of the Trustees is to maintain cash and free reserves at a level sufficient to fund capital expenditure, meet liabilities as and when they fall due, and provide an appropriate level of risk protection in the event of an unforeseen emergency. The Hospital's reserves policy is reviewed considering the annual operating budget and the long-term projections prepared to support the refurbishment and redevelopment of the Hospital and presented to the Trustees.

HSBC continued to support the redevelopment of the Hospital which is now complete. In addition, they have provided an overdraft facility, now £1m, to support operational cash flow. Forbearance of loan repayments has been granted by the bank until November 2025 without affecting the term.

£10.98m had been drawn down against the HSBC Loan facility 1 of £17.5m by the end of the financial year (2023 - £10.98m) and £23.96m had been drawn down against the HSBC Loan facility 2 of £24.1m by the end of the financial year (2023 - £24.1m). Having reviewed and formally agreed the forecasts prepared in November 2024 and Facility documentation, for the continued funding, the Trustees believe, to the best of their knowledge, that the Hospital remains a going concern for the 12 months from the date of approval of the accounts. The Trustees are committed to the Strategy Plan integral to the forecast and to ensuring that adequate funding is in place to meet HSBC's repayment requirements in November 2025.

Clinical Review

The Hospital continued in achieving our mission of providing the highest level of care to our patients and creating a safe and respectful work environment for our staff, consultants and partners. Our values of compassionate, exceptional, ethical and charitable remained at the forefront of the care, treatment and service that was delivered.

These processes and outcomes were reviewed both internally and externally and the results used as validation of the services delivered and compliance with regulatory, legislative, and best practice requirements and guidance.

In January 2024, the MRI scanner received an extensive upgrade, bringing it in line with a brand-new MRI scanner.

The Pre-Operative Assessment (POA) service has expanded its use of the online patient health questionnaire to include patients being admitted for short stay procedures. The short stay questionnaire has contributed to the ongoing improvements with the POA service.

In February, Gill Welch, Director of Clinical Services (DCS) retired from her position after 7 years at the Hospital. The Hospital celebrated her retirement with an afternoon event and thanked her for her significant contribution, support and hard work. The Hospital welcomed Carol Horsey, as the new Director of Clinical Services in the same month.

There were additional management changes, as the Theatre department said goodbye to Sarah Feeley, Theatre Manager in November 2023 and Mohammed Obeid, Pharmacy Manager in March 2024.

Changes in Business

The Hospital continued to provide surgical gender affirmation procedures for patients on the female to male transitioning pathway. 497 procedures were carried out during this period. The Hospital continued to offer MYA theatre time and 202 procedures were carried out during the year under review. In addition, 12 DIEP procedures were completed during the last quarter, and the Hospital continued to support Kingston Hospital NHS Foundation Trust with their pain management list up until the end of March 2024.

Care Quality Commission (CQC)

The Hospital is registered with, and regulated by, the CQC and is required to meet the Fundamental Standards of Care 2014 outlined in the Health and Social Care Act 2008 (Regulated Activities) Regulations 2014.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The CQC implemented a significant change to their process of inspection and monitoring. The new single assessment framework is based on a set of quality statements. They are arranged under topic areas and describe what good care looks like.

The quality statements in the single assessment framework are based on what people's experiences and the standards of care they expect. There are 6 evidence categories to which the CQC will use to structure their findings and outcomes.

A provider portal has been introduced which allows for the reporting of notifications and changes to registration.

The Integrated Governance and Risk Department and the Director of Clinical Services continues to review and monitor performance of all departments and support in the ongoing preparation for an anticipated CQC assessment.

The CQC have removed the Relationship Manager role. The Independent Healthcare Providers Network continued to work closely with the CQC, sharing the views of Independent Providers.

Comparative Health Knowledge System (CHKS) - Healthcare Accreditation and Quality Unit ISO 9001:2008

The Hospital entered a new 3-year cycle of accreditation and underwent a full 3-day inspection on 26, 27 & 28 February 2024 to fulfil the requirements of year one. A report has been received which concluded that the Hospital had fully met 98% of the 1,099 criteria inspected. 18 criteria were partially met and 4 not met. The Integrated Governance & Risk team are working with the responsible individuals to gather the evidence to meet the 22 outstanding criteria. Once these are submitted to the CHKS Accreditation Awards Panel for consideration, it is hoped that the accreditation will be awarded. Thereafter, continued accreditation requires annual surveillance visits to assess on-going compliance with International Organisation for Standardisation (ISO) and CHKS quality standards. The Hospital was commended by CHKS inspectors for the following;

- Strong links with the NHS
- Highly secured Pharmacy
- JAG accreditation awarded in January 2024
- Gold certificate for National Joint Register (NJR) quality data submission

Joint Advisory Group on GI Endoscopy (JAG) Accreditation

The Theatre Endoscopy team underwent an external inspection by JAG in December 2023 and were successfully awarded accreditation in January 2024. This accreditation provides an independent and impartial recognition that the endoscopy service demonstrates high levels of quality. This means that patients can feel confident in the service and be assured of receiving high quality consistent care.

Infection Prevention & Control

Surveillance of Hospital Acquired Infections (HAIs) enables the organisation to provide feedback to surgeons and the surgical team about the quality of infection prevention in the operating theatre. All infections are presented at the Infection Control Team meetings for discussion as to whether they were Hospital acquired. All patients were assessed for signs of infection on admission and all discharged patients were encouraged to report signs of infection and to seek advice from the organisation. An unknown number of superficial wound infections and urinary tract infections still went unreported as patients reported directly to their Consultant or General Practitioner. It is also thought that several GDSS patients sought help either from their GP or via their local NHS hospital.

In summary: -

- There were no outbreaks among patients
- There were no MRSA healthcare acquired infections
- During the period April 2023 - March 2024, there were no MRSA, MSSA, Klebsiella and pseudomonas bacteraemia or C. difficile infections reported by the Hospital to UKHSA via the Data Capture System. National results can be found at <http://www.hpa.org.uk/Topics/InfectiousDiseases/InfectionsAZ/HCAI/LatestPublicationsFromMandatorySurveillanceMRSACDIAndGRE/>
- There were 14 (11 in 2022-23) reported surgical site infections; 8 (5) private patients, 5 (7) GDSS (NHS) and 1 (1) MYA,
- 2 patients treated for cellulitis (1 x breast, 1 x GDSS)
- There was 1 healthcare acquired chest infection

The Hospital Acquired Infection rate for all inpatients was 0.3% (0.22% - 2022-23).

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

UK Health Security Agency (formerly Public Health, England)

Controlled Drug Local Intelligence network (CDLIN)

The DCS is the Controlled Drug Accountable Officer for the Hospital and submits a quarterly report to CDLIN regarding incidents, concerns and adverse events relating to Controlled Drugs (CD). No concerns were raised by the Hospital for this period. The DCS received minutes from the quarterly meetings of the CD National Group and disseminated pertinent information to staff via the Medication Safety and Optimisation Group.

Radiation Protection Advisor (RPA) Review

Radiological policies, procedures, quality checks and activities are reviewed annually against Ionising Radiation Medical Exposure Regulation (IRMER). The Radiological Protection Centre (RPC) completed their annual external RPA audit of the Hospital on 30 April 2024, with the following comments: "The overall management of radiation protection was found to be excellent and was judged to be largely in compliance with relevant radiation protection legislation and guidance. Your attention is drawn to the minor comments and recommendations: C1. The current version of the IRMER procedure on patient dose should be used in place of the one found at the audit. The new version (attached) has the most recent (Oct. 2022) national DRLs for CT. C2. Quality assurance tests should be done on the CR reader, as demonstrated at the time of the last audit." Remedial action has been taken on both comments above and completed by the end of May 2024.

National Joint and Cosmetic Breast Registries

Hip, knee and shoulder implant data was submitted to the National Joint Registry (NJR) and breast implant data (BIR) submitted to the Cosmetic Breast Registry throughout the year. The Hospital received a Gold Award in December 2023 to recognise the quality of data submitted to the NJR

Pathology Services

The Hospital continued to outsource most pathology services to Southwest London Pathology (SWLP). A limited amount of work continued to go to The Doctors Laboratory (TDL) and histology specimens were processed by St George's Hospital or Richmond Park Pathology (RPP). All pathology incidents were discussed at the regular contract review/operational meetings. SWLP were responsive with investigating problems in a timely manner. In the absence of an electronic reporting system, the Hospital worked closely with RPP to ensure histology results were received by email to the referring clinician in a timely manner. The Hospital continues to work with RPP to develop an electronic reporting system. Both, the revised contract with SWLP and the Service Level Agreement with Blood Transfusion Services to cover the provision of Blood and Blood Products, were agreed and signed off by all parties. Incidents continue to be reported through the Hospital's Datix system, and these are shared and discussed with SWLP at a quarterly contract monitoring meeting.

Medical Profession (Responsible Officer) Regulations 2010 and Revalidation

Dr Amira Girgis continued in her role as the Hospital's Responsible Officer (RO) and was RO for 11 connected doctors. She provided support to consultants no longer working in the NHS regarding the requirements set out in the RO regulations, regarding appraisal and revalidation, 360° colleague and patient feedback, activity, and adverse outcome data. She also liaised with and provided reports for the GMC regarding fitness to practice investigations.

NHSE Specialist Commissioning

The female to male surgical pathway for transgender patients continued. The Gender Dysphoria Surgical Service (GDSS) team consolidated with two fulltime (FT) administrator posts and two FT Clinical Nurse Specialist 's(CNS) dedicated to managing the service. This team was supported by the Business Analysis Unit Manager and DCS. Fortnightly Clinical Multidisciplinary (MDT) meetings take place, to ensure patients are being robustly reviewed and appropriate decisions made. Monthly operational and governance meetings were held with NHS England (NHSE).

Private Hospital Information Network (PHIN)

The Hospital continued to submit data to PHIN to meet the requirements of the Competition and Markets Authority.

Complaints

The Hospital takes complaints very seriously and adheres to the Independent Sector Complaints Adjudication Service (ISCAS) Code of Practice for Complaints Management, January 2022, and is a subscriber to ISCAS. All complaints were handled in accordance with the Complaints Policy which mirrors the ISCAS framework and learning outcomes shared as a part of the process.

The Hospital received 29 complaints (27 Stage 1, 1 Stage 2 & 1 Stage 3) in the year under review, compared to 35 (33 Stage 1, 2 Stage 2 & 0 Stage 3) received in the previous year.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Safeguarding Children and Vulnerable Adults

There was one safeguarding incident this year.

Concerns were raised regarding the patient's mental health and potential self-harm risk. Consent was sought and given by the patient to escalate the concerns to their GP and appropriate information was shared.

Plans for future periods

The Hospital recognises its challenge to meet and exceed the forecasts that have been set and with a strong, stable Executive Management Team will be rising to the challenge to maximise revenue and embrace efficiencies and cost saving strategies that higher activity enables.

The Hospital continues to review its current portfolio of activity and explore new opportunities as well as increasing cardiac diagnostic, orthopaedic, gastroenterology, general surgery, gynaecology and urology services, and so attracting new consultants. The Hospital is keen to maximise its self-pay revenue streams with a competitive, transparent offering for patients.

The Hospital recognises the NHS requirement of having an Electronic Patient Record by 2024 and is in the process of implementing a new Electronic Patient record system, which is due to 'go live' on 1 October 2025, which will ensure it meets the digital transformation required by the NHS, as a provider of NHS & NHSE services.

The Hospital's consultants support the Hospital due to the quality of care and the standards it can offer as a charitable independent hospital. The Hospital is committed to ensuring that this is maintained with increased capacity and higher activity levels. The patient journey is being reviewed considering the new facilities and new Electronic Patient record pathway, reinforcing and challenging current practices to ensure that the Hospital continues to embrace best practice.

The Hospital recognises that excellent staff are its key asset and will continue to ensure that they provide a quality and safe service by providing adequate budgets for training and nursing revalidation support. In addition, partly as an action from staff survey feedback, the Hospital has reviewed its pay and benefits packages to ensure parity across the Hospital to remain competitive in attracting and retaining its staff.

Structure, Governance, and Management

Governing Document

As a limited company the Charity's governing document is its Articles of Association. The Company adopted new Articles of Association in March 2011 when it applied for registration as a charity and shares the same objects as its parent, The Victoria Foundation, which are detailed on page 2.

Organisational structure

Trustees / Directors

The Trustees are also the Directors of the Charity for the purposes of company law and as such are responsible for the management of the Hospital's affairs and its future strategy. The Trustees meet monthly, which some of the Executive Management Team attend. The Trustees review the financial and operational performance of the Hospital as well as clinical and financial governance and quality assurance programmes.

The Trustees of the Company who served during the year are:

G A R Ball*
 H E Bradbury
 A R Cooke*
 J A Hamblin*
 M A Matthews* (Retired 7th August 2024)
 P Willson
 David Marshall (Appointed on 6th June 2023)

* Four of the Hospital Trustees are also Trustees of The Victoria Foundation.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Rotation, recruitment and appointment and induction of Trustees

The Trustees consider it essential that the Board is strong, well-balanced and effective, comprising members with the requisite professional skills and experience in healthcare or local services to properly represent users of the Charity's services.

As in many charities, this process has successfully relied on Trustees' recommendations and their access to potential candidates in other healthcare and local organisations. To maintain its exacting standards, the Board's skill mix is reviewed regularly, and Trustee recruitment aligned.

The Trustees are responsible for ensuring that adequate segregation of duties is maintained across the structure and governance of the Hospital. To this endeavour the Trustees review its key posts and those defining the management of the Hospital's governance to ensure that these roles are adequately aligned and rotated.

An induction programme is provided to all new Trustees. They are advised of their responsibilities as Trustees and Directors, including their legal obligations under charity and company law and the Charity Commission guidance on public benefit, given copies of the Charity's governing documents, and are appraised of the Charity's aims and activities, current financial performance and its plans. All Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Statement of Trustees' Responsibilities

The Trustees are responsible for the approval of the annual accounts, ensuring compliance with the Charities Act 2011, the Companies Act 2006 and the Memorandum and Articles of Association and Accounting and Reporting Statement of Recommended Practice applicable in the UK and Republic of Ireland, FRS 102 (2019), as amended.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently.
- ensure compliance with the methods and principles in the Memorandum and Articles of Association and Accounting and Reporting Statement of Recommended Practice applicable in the UK and Republic of Ireland, FRS 102 (2019), as amended.
- make judgements and estimates that are reasonable and prudent.
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company 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 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.

Details of Trustees' interests in contracts and related party transactions are given in Note 24 to the accounts.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Executive Management Team

The Trustees delegate the day-to-day management of the Hospital to the Chief Executive and the officers of the Company, being the Director of Clinical Services, Finance Director, Operations Director, Business Development Director, Integrated Governance Director, IT Director and HR Director all of whom constitute the Hospital's Executive Management Team (EMT) which meets twice a month. The EMT is supported by the Heads of Department who meet monthly

Medical Advisory Committee

The Medical Advisory Committee comprises a chairperson, the Medical Director, consultants who have practising privileges at the Hospital, the Chief Executive, Director of Clinical Services and the Business Development Director. The Committee meets quarterly and is responsible for advising the Trustees on matters related to the management of medical practice and any regulatory obligations required. The purpose of the Committee is to:

- Act as a communication link between the Hospital and Consultants.
 - Advise when requested on issues of ethics and standards.
 - Advise the Chief Executive on the granting, maintenance and withdrawal of Practice and Admitting Privileges.
 - Advise the Chief Executive regarding proposed new practices and treatments.
 - Advise on all aspects of medical policy and clinical practice.
 - Review Clinical Governance Reports regarding Key Performance Indicators, patient clinical complaints and clinical incidents.
 - Review and oversee the Medicines management policy and ensure the safe and accurate use of medicines.
- Audit and Finance Committee.

Audit and Finance Committee

The Audit and Finance Committee is a joint committee of both The Victoria Foundation and the New Victoria Hospital and comprises Trustees of both companies. The Chief Executive and Finance Director of the New Victoria Hospital are also members. The Committee meets four times a year and its purpose is to:

- Review and challenge where necessary the financial reporting within the Victoria Foundation and the New Victoria Hospital.
- Review compliance with the financial covenants.
- Review the budgeting and forecasting process.
- Keep under review the adequacy and effectiveness of the Company's internal controls and risk management systems.
- Consider and make recommendations to the Trustees in relation to the appointment of the Companies' external auditor.
- Ensure financial and ethical controls are in place when agreeing the annual pay increase for staff including that for senior staff members and for bonus payments.

Risk Management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure that appropriate controls are in place to provide reasonable assurance against fraud and error. The Trustees review annually the major strategic, business, and operational risks to which the Charity is exposed and the systems and procedures that have been established to manage or mitigate those risks. The Hospital holds a centralised, comprehensive risk register, which is regularly reviewed by the Trustees and through the governance structure in the Hospital.

The key risk identified is aligned to meeting the budget for 2023/24 and subsequent three year forecast agreed with HSBC. The Trustees and Executive Management Team are in continual discussion with HSBC regarding financial performance and funding of capital projects. The key risks associated are:

- Meeting the EBITDA and cash flow forecasts agreed in the three-year forecast.
- Further capital expenditure requirements which are not currently foreseen.

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TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees and Executive Management Team regularly review the required management structures to ensure support for the Executive Management Team in the management of the Hospital. This will ensure that robust processes are in place, aligned to efficient staffing and cost management, to meet profitability against the forecasts and budgets set. The business development team has been enhanced to support the anticipated increases in activity through an agreed marketing plan, linked to the Hospital's strategy.

The Executive Management Team ensure that regular communications are made with the Trustees of the Hospital and those of The Victoria Foundation in addition to formal meetings to ensure all key decision makers are kept fully up to date on progress.

The Trustees have identified the following commercial and operational risks:

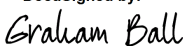
- Loss of revenue from Private Medical Insurers (PMIs) is a key risk in ever changing market conditions and a reduced number of PMIs through acquisition and reduced corporate policies together with more aggressive pricing. The Hospital has a self-pay product and services which are aligned to Competition and Markets Authority requirements as well as additional revenue streams which enhance current activity and the opportunity to work more closely with the NHS and NHSE.
- Loss of key consultants would have an adverse impact on revenue streams and the Hospital's ability to meet its forecasts. The Hospital continues to monitor activity and works closely with its consultants as well as actively seeking new consultants to meet its strategic objectives, keeps abreast of internal and external factors which may potentially affect practices. In addition, the Hospital is focussed on succession planning for those consultants who are mature in their careers.
- Increased costs associated with external regulatory compliance has impacted results in the year and will continue to do so with Competition and Markets Authority requirements which include the Private Healthcare Information Network (PHIN) subscriptions and clinical coding to provide transparent and comparable data, helping to inform patient choice of hospital and patient information requirements because of the Montgomery legal case and Duty of Candour requirements.
- There is a continuing requirement to increase the use of technology to support patient diagnosis and treatment with higher demands for IT support. Cyber threats and potential data loss is protected through robust security, data backup and disaster recovery plans. The Hospital has robust policies and procedures in place to monitor this and is accredited for its information management systems under ISO27001.

Auditors

Under section 487 (2) of the Companies Act 2006, Menzies LLP will be deemed to have been re-appointed 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is the earliest.

The report of the Trustees, including the strategic report, was approved and signed on behalf of the Trustees on 23 December 2024.

Approved by order of the members of the board of Trustees on and signed on their behalf by:

DocuSigned by:

6DCE132AF5234BD...
Graham Ball
Executive Chairman

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

MENZIES
BRIGHTER THINKING

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE NEW VICTORIA HOSPITAL LIMITED

Amended Opinion

We have audited the financial statements of The New Victoria Hospital Limited (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 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 and Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to the going concern accounting policy on note 2.3 and the wording contained in the 'Reserves and Going Concern' section of the Trustees' Annual Report, both of which indicate that there is a significant uncertainty on the charitable company's ability to repay bank financing due for repayment in November 2025. This material uncertainty casts significant doubt on the charitable company's ability to continue as a going concern beyond December 2025. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditors' report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NEW VICTORIA HOSPITAL LIMITED

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report including the Strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

Responsibilities of trustees

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 financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

- The charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant including Charities Act 2011, Health and safety regulations, employment law, Care Quality Commission and other medical regulatory bodies. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the Charity is complying with those legal and regulatory frameworks by making inquiries to management and those responsible for legal and compliance procedures. We corroborated our inquiries through our review of board minutes.

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE NEW VICTORIA HOSPITAL LIMITED

- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.

We assessed the susceptibility of the Charity's financial statements to material misstatement, including how fraud might. We considered the opportunities and incentives that may exist within the organisation for fraud and identified thereat potential for fraud in the following areas; posting of fraudulent journal entries, authorisation, processing, nonpayment of fraudulent expenses and timing of revenue recognition.

Audit procedures performed by the engagement team included.

- Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
- Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- Challenging assumptions and judgments made by management in its significant accounting estimates; and identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more backplane with a law or regulation is removed from the events and transactions reflected in the financial statements, as freewill be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of our report

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 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.

DocuSigned by:

Janice Matthews

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Janice Matthews FCA (senior statutory auditor)

for and on behalf of

Menzies LLP

Chartered Accountants

Statutory Auditor

Magna House

18-32 London Road

Staines-Upon-Thames

TW18 4BP

23 December 2024

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2024

	Note	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Income from:				
Charitable activities	4	31,803	31,803	29,128
Total income		31,803	31,803	29,128
Expenditure on:				
Charitable activities		28,925	28,925	27,541
Interest payable	6	3,064	3,064	2,092
Total expenditure		31,989	31,989	29,633
Net movement in funds before other recognised gains/(losses)		(186)	(186)	(505)
Other recognised gains/(losses):				
Gains on revaluation of fixed assets		10,200	10,200	-
Net movement in funds		10,014	10,014	(505)
Reconciliation of funds:				
Total funds brought forward		(33,902)	(33,902)	(33,397)
Net movement in funds		10,014	10,014	(505)
Total funds carried forward		(23,888)	(23,888)	(33,902)

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

The notes on pages 17 to 31 form part of these financial statements.

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)
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BALANCE SHEET AS AT 31 MARCH 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	11	37,319	27,121
		<u>37,319</u>	<u>27,121</u>
Current assets			
Stocks		781	728
Debtors	12	1,943	1,894
Cash at bank and in hand		3,722	1,794
		<u>6,446</u>	<u>4,416</u>
Creditors: amounts falling due within one year	13	(43,018)	(41,131)
Net current liabilities		<u>(36,572)</u>	<u>(36,715)</u>
Total assets less current liabilities		<u>747</u>	<u>(9,594)</u>
Creditors: amounts falling due after more than one year	14	(24,635)	(24,308)
Total net liabilities		<u>(23,888)</u>	<u>(33,902)</u>
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	(23,888)	(33,902)
Total funds		<u>(23,888)</u>	<u>(33,902)</u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

DocuSigned by:

Graham Ball

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Graham Ball
Executive Chairman
Date: 23 December 2024

Signed by:

John Hamblin

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John Hamblin
Director

The notes on pages 17 to 31 form part of these financial statements.

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £000	2023 £000
Cash flows from operating activities			
Net cash used in operating activities	18	5,549	4,026
Cash flows from investing activities			
Purchase of tangible fixed assets	11	(524)	(479)
Net cash used in investing activities		(524)	(479)
Cash flows from financing activities			
Repayments of finance leases/loans		(33)	(116)
Interest paid on bank borrowings	6	(2,849)	(1,886)
Interest paid on intra group borrowings	6	(200)	(200)
Interest paid on finance lease borrowings	6	(15)	(6)
Net cash used in financing activities		(3,097)	(2,208)
Change in cash and cash equivalents in the year		1,928	1,339
Cash and cash equivalents at the beginning of the year	19	1,794	455
Cash and cash equivalents at the end of the year	19	3,722	1,794

The notes on pages 17 to 31 form part of these financial statements

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

1. General information

The New Victoria Hospital Limited is a private company limited by shares incorporated in England and Wales and a registered charity. The address if the registered office is disclosed on the legal and administrative information page (page 1).

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 2019) and the Companies Act 2006.

The New Victoria Hospital Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Critical accounting estimates and areas of judgement

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. In the opinion of the Trustees the main estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the use of the going concern basis and valuation of fixed assets, both of which are noted below.

2.3 Going concern

During the financial period, the Charity had an excess of expenditure over income of £186k. At the year-end it had net total liabilities of £23,888k including bank borrowings of £34,939k. At the date of approving these financial statements, the Charity had increased its total bank borrowing facilities to £37,600k in order to fund the completion of the hospital redevelopment plan and to cover all working capital requirements.

The Trustees have prepared, reviewed and formally approved detailed trading and cash flow projections covering the period beyond 31 December 2025. The Trustees are committed to the business transformation plan integral to these projections, and to ensuring that adequate funding is in place to meet the Bank's requirement for loan repayment in full in November 2025, if necessary, through refinancing. Based on these projections and the bank facility documentation for the increased funding, the Trustees believe, to the best of their belief and knowledge, that the Charity remains a going concern for at least the period to 31 December 2025 and, accordingly, these financial statements have been prepared on the going concern basis.

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.4 Income

All income is recognised once the Company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Voluntary income comprises donations, legacies, and income generated from fundraising activities.

Investment income includes rental income, the net income received from dividends, interest and realised and unrealised gains generated from investments, and interest received on loans and deposits.

Income from charitable activities represents the total value of charges made to patients and other customers for the provision of hospital services.

2.5 Fund accounting

Unrestricted funds are available to spend on activities that further any of the objects of the Charity.

2.6 Expenditure

Expenditure is recognised on an accruals basis and allocated to the appropriate activity and fund.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Costs of generating voluntary income include the net costs of fund-raising charitable events.

Expenditure on charitable activities comprise the costs of grant-funding activities and the provision of hospital services, and include both direct costs and the support costs incurred to enable those activities and services to be provided.

Support costs comprise the costs associated with the funding of grants and those incurred in the general, financial, and clinical management of the Hospital, which include the costs of its human resources, IT, and quality assurance functions as well as the cost of the general maintenance of its land and buildings.

Governance costs, which are disclosed separately in the Notes to the Accounts, comprise the costs incurred in the governance and general management of the Charity rather than in the provision of its charitable activities. Governance costs include audit fees, the cost of legal and other advice given to Trustees, and an apportionment of the costs of employing the Charity's officers.

Costs of generating voluntary income include the net costs of fund-raising charitable events.

2.7 Leases

Assets held under finance leases and hire purchase agreements are recorded in the balance sheet as tangible fixed assets and are depreciated over the shorter of their estimated useful lives and the term of the agreement. Interest is charged to the profit and loss account in proportion to the balance of the obligations outstanding; and the capital element of future payments is included in creditors.

Rentals paid under operating leases are charged directly to income.

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

Individual assets or groups of similar assets having a value of greater £1,000 and a useful economic life in excess of 1 year are treated as fixed assets. Assets with a value below £1,000 are fully written off in the year of acquisition. Assets are initially measured at purchase cost plus any associated costs in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended including, for example, any site preparation, initial delivery, installation and testing costs.

Land and buildings includes borrowing costs directly attributable to the construction project at the Hospital. Borrowing costs are capitalised from the point at which expenditure begins on the build project and capitalisation ceases during the extended periods between the major phases in development and will cease completely upon final completion of the building works. Only borrowing costs from loans directly attributable to the project are treated in this way. Borrowing costs to cover general borrowing are not capitalised.

Following initial recognition, freehold land and buildings are carried at valuation. The Trustees of the Company deem that the property held by the Company is a specialised asset; assets of this type are usually only sold as part of the sale of a continuing business. As such, the land and buildings are valued on an income-generating basis. Revaluations are undertaken with sufficient regularity to ensure that the carrying value does not materially differ from the fair value at the end of each reporting period. Typically, this will be at least every 5 years. Gains or losses on revaluation are recorded on the SOFA in the year of revaluation.

Depreciation is charged on fixed assets on a systematic basis over the useful life of the assets. The policies adopted across different asset types are as follows:

Freehold property	- 50 years
Building improvements	- 10-20 years
Equipment	- 3-10 years

2.9 Stocks

Stock, which comprises medical and other supplies used in the provision of services to patients, is valued at the lower of cost and net realisable value. The value of consignment stock, which is stock held at the Hospital where the supplier retains ownership until it is used and paid for by the Company, is not included in stock on the balance sheet.

2.10 Pay Policy for Senior Staff

The Trustees consider the Trustees, who are the Hospital's Directors, and the Executive Management Team, who comprise the key management personnel of the Charity, are in charge of directing and controlling, running and operating the Hospital on a day-to-day basis.

All Trustees give of their time freely and no Trustee received remuneration in the year, with the exception of those Trustees' remuneration, expenses and related party transactions as disclosed in note 16 to the accounts.

The pay of the senior staff, including the Chief Executive, is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the Charity, the Trustees benchmark against pay levels in other hospitals of a similar size. Annual pay review salary increases for Hospital staff, for the Executive Management Team (including the Chief Executive), including any bonus payments, are proposed to and agreed by the Audit and Finance Committee.

2.11 Pensions

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

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

2. Accounting policies (continued)

2.12 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

3. Principal Activity and Income

The principal activity of the Company is the operation of the New Victoria Hospital, an independent acute hospital in Kingston upon Thames, Surrey. Income is attributable to the principal activity of the Company and arose wholly in the United Kingdom.

4. Income from charitable activities

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Provision of hospital services	31,803	31,803	29,128
Total 2023	29,128	29,128	

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

5. Analysis of expenditure by activities

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Provision of Hospital Services	18,621	10,304	28,925	27,541
<i>Total 2023</i>	<i>17,804</i>	<i>9,737</i>	<i>27,541</i>	

Analysis of direct costs

	Total funds 2024 £000	Total funds 2023 £000
Staff costs	7,827	7,415
Depreciation	384	523
Medical and other supplies	4,830	4,472
Contracted services	5,569	5,388
Other	11	6
	18,621	17,804

Analysis of support costs

	Total funds 2024 £000	Total funds 2023 £000
Staff costs	5,255	5,214
Depreciation	651	610
Legal fees	-	30
Contracted services	2,035	1,778
Other	2,363	2,105
	10,304	9,737

Included within support costs above are governance costs of £1,119k (2023: £1,118k).

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

6. Interest payable

	Unrestricted funds 2024 £000	Total funds 2024 £000	Total funds 2023 £000
Bank loans and overdrafts	2,849	2,849	1,886
Finance leases	15	15	6
Loan from parent undertaking	200	200	200
	<u>3,064</u>	<u>3,064</u>	<u>2,092</u>
<i>Total 2023</i>	<u>2,092</u>	<u>2,092</u>	

7. Auditor's remuneration

	2024 £000	2023 £000
Fees payable to the Company's auditor for the audit of the Company's annual accounts	37	38
Fees payable to the Company's auditor in respect of: All non-audit services not included above	<u>3</u>	<u>14</u>

8. Staff costs

	2024 £000	2023 £000
Wages and salaries	11,742	11,249
Social security costs	1,065	1,118
Contribution to defined contribution pension schemes	275	262
	<u>13,082</u>	<u>12,629</u>

THE NEW VICTORIA HOSPITAL LIMITED
(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

8. Staff costs (continued)

The average number of persons employed by the Company during the year was as follows:

	2024 No.	2023 No.
Hospital - Senior Management	9	9
Hospital Services - Clinical	137	129
Hospital Services - Support Services	45	51
Hospital Services - Administrative	50	51
	<u>241</u>	<u>240</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024 No.	2023 No.
In the band £60,001 - £70,000	19	13
In the band £70,001 - £80,000	5	1
In the band £80,001 - £90,000	3	-
In the band £90,001 - £100,000	2	2
In the band £100,001 - £110,000	-	1
In the band £110,001 - £120,000	-	1
In the band £190,001 - £200,000	1	1

The aggregate of salaries paid to key management personnel was £1,122,998 (2023: £961,562).

9. Trustees' remuneration

Mr Ball served as Chief Executive of the Charity until 31 December 2018 when he became the Executive Chairman. His engagement was approved by the Charity Commission and is reviewed annually by the Trustees. Remuneration paid to Mr Ball in the year was £73,427 gross salary and £2,203 pension contribution totalling £75,630 (2023 - £86,045).

The other Trustees received no payment for their services during the year and were not reimbursed for any expenses.

10. Taxation

The New Victoria Hospital Limited is exempt from taxation in respect of income and capital gains to the extent that such income and gains are applied to exclusively charitable purposes.

THE NEW VICTORIA HOSPITAL LIMITED

(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

11. Tangible fixed assets

	Freehold property £000	Equipment £000	Total £000
Cost or valuation			
At 1 April 2023	28,191	4,162	32,353
Additions	280	744	1,024
Revaluations	7,369	-	7,369
At 31 March 2024	35,840	4,906	40,746
Depreciation			
At 1 April 2023	2,333	2,899	5,232
Charge for the year	498	528	1,026
On revalued assets	(2,831)	-	(2,831)
At 31 March 2024	-	3,427	3,427
Net book value			
At 31 March 2024	35,840	1,479	37,319
At 31 March 2023	25,858	1,263	27,121

Trustees' valuation of the Hospital was carried out in January 2024, supported by professional independent advisors, valuing the Hospital at £35.84m.

As of 31 March 2024, the Company has pledged its freehold property as security for bank loans with a carrying value of £25,640k

During the year, the Charitable Company entered into a finance lease agreement for the acquisition of MRI system. The lease term is 60 months, with monthly payments of £8,658 and interest rate of 10.17% per annum, (representing SONIA 5 year GBP swap rate rounded to 2 dp plus 4.98%). NVH has recognised a finance lease of £500,000 and a corresponding lease liability of £500,000.

The net book value of equipment held under finance leases at 31 March 2024 was £483k (2023 - £39k). Its original cost was £500k (2023 - £636k) and the depreciation charged in the year was £16.7k (2023 - £91k).

THE NEW VICTORIA HOSPITAL LIMITED
(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

12. Debtors

	2024 £000	2023 £000
Due within one year		
Trade debtors	1,604	1,158
Other debtors	10	178
Prepayments and accrued income	329	558
	<u>1,943</u>	<u>1,894</u>

THE NEW VICTORIA HOSPITAL LIMITED
(A company limited by shares)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

13. Creditors: Amounts falling due within one year

	2024 £000	2023 £000
Bank loans	34,939	34,939
Trade creditors	2,450	2,186
Amounts owed to group undertakings	10	11
Other taxation and social security	59	363
Obligations under finance lease and hire purchase contracts	104	33
Other creditors	732	-
Accruals and deferred income	4,724	3,599
	<u>43,018</u>	<u>41,131</u>

The first loan with HSBC of £17.5 million was obtained in January 2011 at the time of The Victoria Foundation’s acquisition of the Hospital to enable the repayment of its existing borrowings. The outstanding amount of the loan at 31 March 2024 was £10,981,000 (2023 - £10,981,000). Interest is charged on the loan at the bank’s sterling base rate plus 2.7% per annum. The accrued Interest at 31 March 2024 was £686,229 (2023- £680,471)

A second loan facility of £17.0 million was obtained in January 2014 in order to fund the planned redevelopment of the Hospital. This facility was increased by £6.5m to £23.5m to support the final phase of the redevelopment and again to £24.1m in April 2019. At 31 March 2024 £23,958,000 (2023 - £23,958,000) had been drawn against this facility. Interest is charged on the loan at the bank’s sterling base rate plus 3.25% per annum. The accrued Interest at 31 March 2024 was £1,614,396 (2023 - £1,596,182)

In March 2017, HSBC granted forbearance on capital repayments on the initial loan and second loan following completion of phase 3 of the redevelopment. At 31 March 2020, an agreement was in place granting forbearance of both loans and the overdraft facility until December 2020, making the loans short term creditors. However, a further agreement was signed in December 2020, granting continued support of the Hospital in the form of forbearance on the loans and the overdraft facility until December 2021. Interest payments of both loans and overdraft facility were suspended from August 2018 until March 2020, reverting to monthly payment terms from April 2020. The arrangement fees for the increased facility have also been deferred until November 2024. Repayment of the loans, arrangement fees and accrued interest are due in November 2025.

The Charity is currently in breach of its banking covenants as a result of delays in the delivery of the new trading facilities. HSBC remain supportive of the Hospital and the redevelopment project. Testing of the covenants has been deferred until November 2025.

THE NEW VICTORIA HOSPITAL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

14. Creditors: Amounts falling due after more than one year

	2024 £000	2023 £000
Other loans	24,239	24,308
Net obligations under finance lease and hire purchase contracts	396	-
	<u>24,635</u>	<u>24,308</u>

The loan from the parent undertaking of £24,239,000 comprises a loan from The Victoria Foundation on its acquisition of the Company in January 2011 and subsequent increases to support the Hospital's redevelopment and operational cash flow requirements. The loan is sub-ordinated to the facilities provided by HSBC plc. The Trustees of The Victoria Foundation have agreed that interest charged and paid be limited to £200,000 per annum.

The loan is repayable on 28th January 2026.

15. Share Capital

Authorised 1,000 ordinary share of £1 each was £1,000 (2023:£1,000)

Called-up allotted and fully paid 100 ordinary shares of £1 each was £100 (2023: £100)

THE NEW VICTORIA HOSPITAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Gains/ (Losses) £000	Balance at 31 March 2024 £000
Unrestricted funds					
Reserves	(33,902)	31,803	(31,989)	-	(34,088)
Revaluation reserve	-	-	-	10,200	10,200
	<u>(33,902)</u>	<u>31,803</u>	<u>(31,989)</u>	<u>10,200</u>	<u>(23,888)</u>

Statement of funds - prior year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Balance at 31 March 2023 £000
Unrestricted funds				
General Funds	(33,397)	29,128	(29,633)	(33,902)
	<u>(33,397)</u>	<u>29,128</u>	<u>(29,633)</u>	<u>(33,902)</u>

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	37,319	37,319
Current assets	6,446	6,446
Creditors due within one year	(43,018)	(43,018)
Creditors due in more than one year	(24,635)	(24,635)
Total	<u>(23,888)</u>	<u>(23,888)</u>

THE NEW VICTORIA HOSPITAL LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

17. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Tangible fixed assets	27,121	27,121
Current assets	4,416	4,416
Creditors due within one year	(41,131)	(41,131)
Creditors due in more than one year	(24,308)	(24,308)
Total	(33,902)	(33,902)

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £000	2023 £000
Net expenditure for the period (as per Statement of Financial Activities)	(186)	(505)
Adjustments for:		
Depreciation charges	1,026	1,130
Loan interest paid and accrued	3,064	2,092
(Increase)/Decrease in stocks	(53)	12
(Increase)/Decrease in debtors	(49)	441
Increase in creditors	1,747	856
Net cash provided by operating activities	5,549	4,026

19. Analysis of cash and cash equivalents

	2024 £000	2023 £000
Cash in hand	3,722	1,794
Total cash and cash equivalents	3,722	1,794

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

20. Analysis of changes in net debt

	At 1 April 2023	Cash flows	Non Cash flows	At 31 March 2024
	£000	£000	£000	£000
Cash at bank and in hand	1,794	1,928	-	3,722
Debt due within 1 year	(34,939)	-	-	(34,939)
Debt due after 1 year	(24,308)	-	69	(24,239)
Finance leases	(33)	33	(500)	(500)
	<u>(57,486)</u>	<u>1,961</u>	<u>(431)</u>	<u>(55,956)</u>

21. Capital commitments

As at 31 March 2024, the Company had commitments to make future lease payments under finance leases as follows:

	2024 £000	2023 £000
Not later than 1 year	104	33
Later than 1 year and not later than 5 years	396	-
	<u>500</u>	<u>33</u>

22. Operating lease commitments

At 31 March 2024 the Company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2024 £000	2023 £000
Not later than 1 year	174	120
Later than 1 year and not later than 5 years	113	52
	<u>287</u>	<u>172</u>

The following lease payments have been recognised as an expense in the statement of financial activities:

	2024 £000	2023 £000
Operating lease rentals	<u>222</u>	<u>206</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

23. Capital and other financial commitments

The Company has an overdraft facility of £1,000,000 (2023: £1,000,000).

24. Trustees interests in contracts and related party transactions

Details of Trustees' remuneration are given in note 9 above.

Four Trustees serve as Trustees for both the Victoria Foundation and the New Victoria Hospital: Mr G A R Ball, Mr J A Hamblin, Mr M A Matthews and Mr A R Cooke.

Mr Ball is a director and shareholder of Control Account Plc, a company which provides specialist debt collection services to hospitals and which provided £13,392 of services to the Hospital during the year (2023 - £7,477). At 31 March 2024, the company owed Control Account Plc £1,011 (2023 - £Nil).

Mr Curtis, Dr A Ravalia and Mr Willson, who have all held the position of Medical Director at the Hospital, are also consultants with practising privileges at the Hospital. As consultant surgeons, they act as independent contractors and not as agents of the Hospital and as such do not provide services to the Hospital. They also use the medical facilities, which are made available to all consultants who use the Hospital including the hire of consulting rooms on a sessional basis. The Hospital provides these facilities to them on the same commercial terms as to other consultants.

Mr Willson was appointed Medical Director in July 2020 and is now a member of the Executive Management Team at the Hospital.

25. Controlling party

The Company's ultimate controlling party is The Victoria Foundation, a company limited by guarantee and a registered charity. The registered office of The Victoria Foundation is St David's House, 15 Worple Way, Richmond-upon-Thames, Surrey, TW10 6DG and its registered charity number is 292841 and company number is 01946612. The principle activities of the entity are the funding of charitable healthcare activities through grants and the operation of its wholly owned subsidiary, The New Victoria Hospital Limited.

26. Amended accounts

The accounts have been changed due to the original accounts showing an incorrect date for the repayment of the bank financing within the audit report. As a result of this, the auditor's report has been revised to reflect the correct repayment date of November 2025 in the "Material Uncertainty Related to Going Concern" section.

These amended accounts replace the original accounts and are now the statutory accounts for the company. These are prepared as they were at the date of the original accounts.