
Accounts of Greenwich Hospital and the Foundation of Samuel Travers, Esquire, showing the Income and Expenditure for the year ended 31 March 1994 and Balance Sheet as at 31 March 1994, together with the Report of the Comptroller and Auditor General thereon. (In continuation of House of Commons Paper No. 127 of 1993–94.)

Presented pursuant to Acts 28 & 29 Vict., c.89, ss. 47 & 49, and Armed Forces Act 1976 c.52

Greenwich Hospital and Travers Foundation Accounts 1993–94

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Foreword

History and Background of Greenwich Hospital

Greenwich Hospital was founded in 1692—a Royal Charter being granted in 1694—as a home for retired seamen, to provide support for seamen's widows and education for their children. The Hospital closed in 1869 and the resources of the foundation were devoted to the payment of pensions and the education of children. Pensions are still paid and funds devoted to sheltered housing for elderly people. However, the main beneficiary today is the Royal Hospital School founded in Greenwich in 1712 and transferred to Holbrook, near Ipswich, in 1933. The costs of running the school are met partly from school fees and partly from the income derived from properties and investments held for the exclusive benefit of the Hospital by the Secretary of State for Defence, as sole Trustee, on behalf of Her Majesty. Since 1873 the original buildings of the Hospital at Greenwich have been rented for use by the Royal Naval College; and those previously occupied by the school were taken over by the National Maritime Museum in 1934.

Travers Foundation

This Foundation was created by Act of Parliament in 1892 and provides pensions to retired officers of the Royal Navy. In accordance with Section 21 of the Armed Forces Act 1976 the Foundation Account is shown separately. Surplus income from the Foundation can be applied for the general purposes of Greenwich Hospital.

Reade Foundation

This Foundation consists of an estate at Holbrook, in Suffolk, of about 850 acres, the gift of the late G S Reade Esq. to be held for the exclusive benefit of Greenwich Hospital. The Royal Hospital School occupies part of the estate. The rest is let. Mr Reade died in 1929 and left under his will almost the whole of his estate in trust for Greenwich Hospital. In 1946 the Trustees handed over the greater part of the estate to the Admiralty, retaining a sum to provide income to pay annuities in accordance with Mr Reade's will.

Reade Accumulation Fund

In addition to the above, under Mr Reade's will a further £100,000 was bequeathed for the purpose of cumulative investment for 56 years. The Fund matures in the year 2002.

Rotely Bequest Account

This consists of the proceeds from a freehold property in Swansea bequeathed by Miss J D Rotely in 1896, the income from which provides grants for the education of sons of officers of the Royal Navy and Marines.

Review of Activities

(1) The year 1994 marks the Tercentenary of the granting of the Royal Charter to Greenwich Hospital. The year has been celebrated in a number of ways.

(a) On 10 May 1994 Her Majesty The Queen attended a ceremonial review of the Royal Hospital School at its original site at the National Maritime Museum.

Her Majesty also opened a special Tercentenary Exhibition in the Queen's House, displaying art and artefacts illustrating the Hospital's charitable activities, both past and present.

(b) The Under Secretary of State for Defence attended a Service of Thanksgiving at Westminster Abbey on 13 June 1994 at which a wreath was laid on the tombs of King William and Queen Mary.

- (c) At a Thanksgiving Service in the Chapel of the Royal Naval College at Greenwich on 21 September 1994, the past and present charitable works and activities of the Hospital were commemorated.
- (2) The sheltered housing development at Saltash in Cornwall was officially opened by HRH The Duke of York on 21 March 1994. It is the second such development, and provides 32 flats for naval pensioners or their widows.
- (3) The programme of modernisation and refurbishment of the boarding houses at the Royal Hospital School continues. At the end of the financial year, eight of the eleven houses had been completed at a cost in excess of £3 million.
- (4) The largest part of the Hospital's income is used to subsidise the fees of 600 boarding pupils at the Royal Hospital School, the great majority of whom have parents or grand-parents with seafaring service. The maximum fee is significantly lower than that at comparable schools and further reductions are given because this support is also related to parental ability to pay.
- (5) The Hospital continues to pay pensions to more than a thousand naval pensioners or their widows.
- (6) During the financial year the Hospital resolved to make renewed efforts to bring back into use the Dreadnought Seamen's Hospital and the Devonport Nurses' Home at Greenwich, which have been unoccupied for several years. An advertising campaign has brought forward several possible tenants for these historic buildings, and we are hopeful of returning them to profitable use.
- (7) From a financial viewpoint it has been a year of containment and consolidation. The substantial building project at the Royal Hospital School of boarding house modernisation is now almost completed. However, the growing age of other buildings and plant at the School is expected to make further capital expenditure necessary very shortly. Furthermore, despite strict control, recurrent expenditure at the School continues to rise.
- (8) To mark the Hospital's Tercentenary we are developing plans for a third sheltered housing development to be built at Greenwich. The provision of a modern equivalent of the original concept of Greenwich Hospital, close to its original setting will, we believe, be very appropriate.
- (9) My thanks are extended to the staff, who have all supported me and contributed fully to what has been a memorable and, I believe, successful year for Greenwich Hospital.

Dr G H Mungeam MA DPhil
Director of Greenwich Hospital

28 November 1994

Statement of Trustee's and Director's Responsibilities

Under section 47 of the Greenwich Hospital Act 1865 the Trustee is required to prepare a statement of accounts for the financial year in the form and on the basis directed by the Secretary of State, with the consent of the Treasury. Section 21(3) of the Armed Forces Act 1976 requires the accounts of the Travers Foundation to be kept distinct and shown separately from the general accounts of Greenwich Hospital. Both sets of accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the entities at the year end and of their income and expenditure and cash flows for the financial year.

In preparing the accounts the Trustee is required to:

- observe the accounts direction issued by the Secretary of State including the relevant accounting and disclosure requirements and apply them on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to assume the Greenwich Hospital and the Travers Foundation will continue in operation.

The Accounting Officer for the Ministry of Defence has designated the Director as the Accounting Officer for Greenwich Hospital and the Travers Foundation. His relevant responsibilities as Accounting Officer, including responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the Non-Departmental Public Bodies' Accounting Officer Memorandum.

Greenwich Hospital

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I have audited the financial statements on pages 5 to 15 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies as set out on page 9.

Respective Responsibilities of the Trustee, the Director and Auditors

As described on page 3 the Trustee and the Director of Greenwich Hospital are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

Basis of Opinion

I certify that I have examined the financial statements referred to above in accordance with the Greenwich Hospital Act 1865 and the National Audit Office auditing standards, which include relevant Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustee and the Director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the body's circumstances, consistently applied and adequately disclosed.

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

Opinion

In my opinion the financial statements give a true and fair view of the state of affairs of Greenwich Hospital as at 31 March 1994 and of its surplus, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Greenwich Hospital Act 1865 and with the directions made thereunder by the Secretary of State for Defence.

I have no observations to make on these financial statements.

John Bourn
Comptroller and Auditor General

7 December 1994

National Audit Office
Buckingham Palace Road
Victoria
London SW1W 9SP

Greenwich Hospital

Income and Expenditure Account for the year ended 31 March 1994

	Notes	1993-94	1992-93
Income			
Net Rental Income:	2		
Northern Estates		279,776	311,017
Greenwich Estates		1,376,342	1,174,616
Other property		1,311,611	1,053,524
		<u>2,967,729</u>	<u>2,539,157</u>
Income from Investments:	3		
General Investments		1,576,107	1,386,144
Reade Foundation		107,738	107,191
Reade Accumulation Fund		149,104	143,746
Rotely Bequest		647	674
		<u>1,833,596</u>	<u>1,637,755</u>
Other Income:			
Transfer from Travers Foundation		51,000	65,000
Other Income		65	3,037
		<u>51,065</u>	<u>68,037</u>
		<u>4,852,390</u>	<u>4,244,949</u>
Expenditure:			
Royal Hospital School (excess of expenditure over income)	4	2,827,029	2,700,338
Pensions, annuities and other benefits	5	447,503	417,943
HQ Administration	6	546,287	515,651
		<u>3,820,819</u>	<u>3,633,932</u>
Operating surplus		1,031,571	611,017
Transfer from Building Repair Reserve		575,000	—
		<u>1,606,571</u>	<u>611,017</u>
Surplus for the Financial Year		<u>1,606,571</u>	<u>611,017</u>

Greenwich Hospital

Balance Sheet as at 31 March 1994

	Notes	1993-94	1992-93
Fixed Assets			
Tangible Assets			
Investment Property (Est Market Value)	8	47,685,945	44,420,078
Royal Hospital School, Holbrook	9	14,000,000	14,000,000
Sheltered Housing	10	3,481,512	3,267,968
Other Tangible Assets	11	875,817	989,514
		<u>66,043,274</u>	<u>62,677,560</u>
Quoted Investments at Market Value	7	41,510,518	38,037,586
Current Assets			
Debtors, Rents Receivable and Prepayments		1,142,360	1,018,238
Loans and Deposits		1,258,857	881,406
Cash at Bank and in Hand		328,027	553,404
		<u>2,729,244</u>	<u>2,453,048</u>
Current Liabilities			
Creditors, Rent Received in Advance and Accrued Charges		<u>(837,717)</u>	<u>(972,392)</u>
Net Current Assets		<u>1,891,527</u>	<u>1,480,656</u>
Total Assets Less Current Liabilities		<u>109,445,319</u>	<u>102,195,802</u>
Capital and Reserves			
Financed by:			
Accumulated Fund as at beginning of year		63,027,853	62,757,450
Income and Expenditure Account		1,606,571	611,017
Profit realised on sale of Investment		4,327,606	659,386
Transfer to pension reserve		—	(1,000,000)
Accumulated Fund as at end of year		<u>68,962,029</u>	<u>63,027,853</u>
Revaluation Reserves:			
Property	14	29,582,111	27,469,984
Investments		5,901,178	6,122,965
Other Reserves:			
Pension		5,000,000	5,000,000
Building Repair Reserve		—	575,000
		<u>40,483,289</u>	<u>39,167,949</u>
		<u>109,445,319</u>	<u>102,195,802</u>

The statements on pages 7 to 8 and notes on pages 9 to 15 form part of these accounts.

Dr G H Mungeam
Director of Greenwich Hospital

28 November 1994

Greenwich Hospital

Statement of Total Recognised Gains and Losses

	£	1993-94 £	£	1992-93 £
Net Surpluses (Deficits) on Realisation of Assets				
Investments	<u>4,327,606</u>		<u>659,386</u>	
		4,327,606		659,386
Net Increases (Decreases) on revaluation of Assets				
Properties	2,112,128		(2,449,404)	
Investments	<u>(221,787)</u>		<u>4,760,006</u>	
		<u>1,890,341</u>		<u>2,310,602</u>
Total Capital Gains (Losses) for the year		6,217,947		2,969,988
Net general fund income after administration costs	4,306,102		3,729,351	
Total general fund expenditure on behalf of Greenwich Hospital	<u>(3,274,532)</u>		<u>(3,118,281)</u>	
Surplus of income against expenditure for the year	1,031,571		611,017	
Total income for the year		<u>1,031,571</u>		<u>611,017</u>
Total recognised gains for the year		<u>7,249,518</u>		<u>3,581,005</u>

Greenwich Hospital

Cash Flow Statement for the year ended

31 March 1994

	Notes	1993-94	1992-93
Net Cash Inflow from Operating Activities	16	1,118,918	1,313,166
Investing Activities			
Payments to acquire investments		(28,665,487)	(25,008,899)
Receipts from sale of investments		29,279,473	23,101,165
Payments to acquire or improve property		(1,515,518)	(3,072,240)
Receipts from sale of property and other capital receipts		59,204	265,055
Payments to acquire tangible fixed assets		(124,676)	(463,473)
Receipts from sale of tangible fixed assets		—	15
Net Cash Outflow from Investing Activities		(967,004)	(5,178,377)
Financing			
Repayment of loan		515	676
Increase/(Decrease) in Cash and Cash Equivalents	17	152,429	(3,864,535)

Greenwich Hospital

Notes to the Accounts

Accounting Policies

- 1 The Accounts of both Greenwich Hospital and Travers Foundation are prepared under the historical cost convention as modified below.

Tangible Assets

Freehold Land and Buildings are shown at market value as approved by the Director, and based upon informal valuations provided by Chartered Surveyors.

Other fixed assets, with the exception of Works of Art and Artefacts, are shown at original cost (estimated where necessary).

Depreciation

Depreciation is provided on all tangible fixed assets other than freehold land and buildings. All buildings are constantly maintained in a proper state of repair. Depreciation on other fixed assets is calculated on the following bases:

Leasehold Property	Over the term on the lease
Motor Vehicles	20 per cent per annum
Plant and Machinery	10 per cent per annum
Office Equipment	20 per cent per annum
Educational Equipment	20 per cent per annum
Furniture	10 per cent per annum

Assets under construction are shown on the basis of cash expended to date. Depreciation is not charged until the asset is in use.

Unrealised Gains and Losses

Unrealised gains or losses arising out of changes in estimated market values are set aside to or withdrawn from Property Revaluation Reserves, gains and losses within the financial period being offset against each other.

Investments

Quoted Investments are shown at market value. Unrealised gains or losses arising out of fluctuation in market values are set aside to or withdrawn from Investment Revaluation Reserves, gains or losses within the financial period being offset against each other.

Pension Scheme

Greenwich Hospital operates a contracted out non-contributory pension scheme to provide retirement and related benefits to all eligible employees. The Scheme is analogous to that of the Civil Service, and Greenwich Hospital is responsible for paying pensions to retired employees other than former teachers or seconded Civil Servants. After an actuarial valuation at 31 March 1993, using the projected unit method, an additional £1,000,000 was set aside from the Accumulated Fund, resulting in a pension reserve which currently stands at £5,000,000.

Cash and Bank

Capital and Income bank accounts are maintained with the Paymaster General in accordance with the provisions of the Greenwich Hospital Act 1865. The balances of these accounts are not shown separately on the Balance Sheet as no useful purpose would be served in so doing.

Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act and accounting standards issued or adopted by the Accounting Standards Board so far as those requirements are appropriate.

**Net Rental
Income**

2

	Income	Expendi- ture	Surplus/ (deficit)	Surplus 1992-93
	£	£	£	£
Northern Estates				
Farms and Residential Properties	467,658	175,988	291,670	316,463
Woodlands	14,818	26,712	(11,894)	(5,446)
	<u>482,476</u>	<u>202,700</u>	<u>279,776</u>	<u>311,017</u>
(a) Comprises:				
Management fees		55,589		
Salaries and wages		71,482		
Pensions to former employees		21,710		
Other expenses		49,811		
Depreciation		4,107		
		<u>202,700</u>		
Greenwich				
Rent from Royal Naval College	400,000		400,000	400,000
Residential Property	273,852			
Agent's Fees and Legal fees		30,170	168,221	111,339
Repairs and Maintenance		64,403		
Rates and other Property Expenses		9,256		
Provision for doubtful debts		1,802		
Commercial Property	1,060,146			
Agent's Fees and Legal fees		151,526	808,121	663,277
Repairs and Maintenance		19,577		
Rates and other Property Expenses		53,149		
Provision for doubtful debts		27,773		
	<u>1,733,998</u>	<u>357,656</u>	<u>1,376,342</u>	<u>1,174,616</u>
Other Property				
Holbrook Estate	60,835	11,799	49,036	9,932
London and Provincial	1,256,109	16,699	1,239,410	1,078,822
Sheltered Housing	156,349	133,184	23,165	25,814
Prior year provisions				(61,044)
	<u>1,473,293</u>	<u>161,682</u>	<u>1,311,611</u>	<u>1,053,524</u>

Income from Investments	3	1993-94	1992-93
		£	£
General Investments			
British Government Securities		607,960	389,969
Ordinary Stock/Shares		973,090	872,552
Loan and Deposit Interest		67,500	203,666
Underwriting Commission		21,535	3,388
		<u>1,670,085</u>	<u>1,469,575</u>
Less: Stockbrokers' Fees		(93,978)	(83,431)
		<u>1,576,107</u>	<u>1,386,144</u>
Reade Foundation:			
Ordinary shares		107,738	107,191
Accumulation Fund		149,104	143,746
Bequests:			
Rotely		647	674
		<u>1,833,596</u>	<u>1,637,755</u>
Royal Hospital School	4	1993-94	1992-93
		£	£
Income			
School Fees		2,652,515	2,598,439
Dept. of Education Grant		5,591	5,389
Rents from School Residences		33,927	21,028
Proby Doughty Bequest		—	3,200
Miscellaneous		7,900	11,458
		<u>2,699,933</u>	<u>2,639,514</u>
Expenditure			
Teachers' Salaries		1,789,705	1,713,907
Admin. Salaries and Wages		707,081	672,228
Works Dept:			
Salaries and Wages		532,530	499,174
Contracts		341,905	364,306
Stores		194,875	205,116
Superannuation and Pensions		361,187	388,997
Fuel and Abstraction charges		219,503	197,277
Rates and Community Charge		60,981	62,750
Insurance		44,438	29,024
Provisions and Catering*		586,963	596,986
Clothing, Bedding, General Stores		135,363	147,795
Books and Educational Equipment		153,682	150,588
Marketing and Publicity		42,667	26,796
Depreciation		215,601	174,220
Loss on disposal of fixed asset		1,105	—
Office Services		112,471	82,173
Pupils' Welfare		26,905	28,515
		<u>5,526,962</u>	<u>5,339,852</u>
Excess of Expenditure over Income		<u>(2,827,029)</u>	<u>(2,700,338)</u>

* The cost of catering has been arrived at after deducting £22,013 (1993-£19,545) received by way of an EC subsidy for milk and milk products. Had this subsidy not been received it would have been necessary to increase school fees by £37 per annum per pupil (1993 £32).

Pensions	5		
		1993-94	1992-93
		£	£
Pensions to seamen and marines (including Canada pensions), pensions to widows and education of children		73,584	93,346
Jellicoe Annuities		373,919	324,597
		<u>447,503</u>	<u>417,943</u>
HQ Administration	6		
		£	£
Salaries and Wages		329,663	309,206
Superannuation and Pensions		35,943	39,700
PMG Services		3,438	3,217
Audit Fee		25,000	22,617
Consultancy Fees		40,806	46,533
Depreciation		10,827	8,467
Office Expenses		100,610	85,911
		<u>546,287</u>	<u>515,651</u>
Investment Account	7		
		£	£
Balance (at cost) 1.4.93		31,914,615	29,347,495
plus Purchases (a)		28,721,584	25,008,899
less Sales (b)		(25,026,865)	(22,441,779)
Balance (at cost) 31.3.94		<u>35,609,334</u>	<u>31,914,615</u>
Market values at 31.3.94			
UK Fixed Interest Stock		7,488,278	5,985,841
Overseas investments		6,622,516	7,358,982
Equities		27,399,724	24,692,763
		<u>41,510,518</u>	<u>38,037,586</u>
Realised gains/losses on sales:			
UK Fixed Interest Stock		105,741	(39,749)
Overseas investments		361,071	1,348,806
Equities		3,860,794	(649,671)
		<u>4,327,606</u>	<u>659,386</u>
Included in the above is stock held on behalf of:			
		Cost Price	Market Value
		£	£
Reade Foundation		1,350,920	1,799,934
Reade Accumulation Fund		5,427,008	5,841,620
Rotely Bequest		5,776	5,803
Willoughby Trust Fund		19,301	30,633
			26,665

(a) Purchases mean stock bought or otherwise acquired.
(b) Sales mean stock sold or otherwise disposed of.

Investment Property	8	1993-94	1992-93
		£	£
Freehold Land and buildings:			
		1,074,000	1,074,000
		11,009,555	9,642,078
		8,760,000	8,085,000
		19,747,390	18,600,000
		7,095,000	7,019,000
		<u>47,685,945</u>	<u>44,420,078</u>

Investment property is shown at market value on 31 March 1994, based upon valuations provided by the appointed Chartered Surveyors for the estates.

- Royal Hospital School** 9 The Royal Hospital School occupies approximately 150 acres of the Holbrook Estate. Although the current insurance valuation is approximately £48 million the likely market value after taking into account possible alternative uses for the building and development potential is estimated at approximately £14 million.
- Sheltered Housing** 10 Greenwich Court, Portsmouth and Greenwich Place, Saltash are being administered on behalf of Greenwich Hospital by CESSAC (a Church of England Charity). The properties are shown at cost at 31 March 1994, as it is considered that a market valuation would not be appropriate.

Other Tangible Assets	11	Motor Vehicles	Plant and Machinery	Office Equipment	Educational Equipment	Furniture	Total
		£	£	£	£	£	£
		180,385	1,535,484	165,708	652,950	669,328	3,203,855
		29,676	18,033	8,990	21,019	44,509	122,227
				5,514			5,514
		210,061	1,553,517	169,184	673,969	713,837	3,320,568
		105,295	1,077,276	96,709	327,828	607,233	2,214,341
		24,840	105,090	17,999	77,096	9,794	234,819
				4,409			4,409
		130,135	1,182,366	110,299	404,924	617,027	2,444,751
		79,926	371,151	58,885	269,045	96,810	875,817
		75,090	458,208	68,999	325,122	62,095	989,514

In addition to the Tangible Assets included in the Balance Sheet, Greenwich Hospital owns over 600 works of art and artefacts. Since the works of art and artefacts are not assets from which Greenwich Hospital derives an income and as there is no intention to sell them, a market valuation is not considered appropriate.

Loans and Deposits	12	The following balances are normally reinvested for capital growth.				
			31.3.94	31.3.93		
			£	£		
		Reade Accumulation Fund	125,672	93,068		
		15,750	15,750			
		839,229	137,361			
Cash at Bank and in Hand	13	This figure includes the end of year balances for the following bequest:				
			31.3.94	31.3.93		
			£	£		
	Rotely bequest	2,120	1,790			
Revaluation of Property	14		Charitable Property	Investment Property	Total	
			£	£	£	
			Valuation at 31.3.93	17,267,988	44,420,078	61,688,066
			Purchases and improvements	1,249,612	176,856	1,426,468
			Sales and capital receipts		(59,204)	(59,204)
				18,517,600	44,537,730	63,055,330
			Adjustment as a result of revaluation	(1,036,087)	3,148,215	2,112,128
	Valuation at 31.3.94	17,481,513	47,685,945	65,167,458		
Capital Commitments	15		31.3.94	31.3.93		
			£	£		
			Contracted:			
			Refurbishment of Boarding Accommodation (RHS)	760,000	—	
			Craft Design and Technology Block (RHS)	—	50,000	
			Greenwich Place Sheltered Housing at Saltash	—	285,000	
				760,000	335,000	
			Approved in principle but not contracted for:			
			Refurbishment of Boarding Accommodation (RHS)	380,000	1,900,000	
Reconciliation of Operating Surplus to Net Cash Flow from Operating Activities	16		1993-94	1992-93		
			£	£		
			Operating surplus	1,031,571	611,017	
			Depreciation charge	234,819	187,740	
			Provisions	49,851	89,435	
			Non cash dividend	(31,110)	—	
			Loss/(Profit) on sale of tangible fixed assets	1,105	(5,941)	
			(Increase)/Decrease in debtors	(124,122)	346,111	
			(Decrease)/Increase in creditors	(43,197)	84,804	
			Net cash inflow from Operating Activities	1,118,918	1,313,166	

Analysis of Changes in Cash and Cash Equivalents during the year	17		1993-94	1992-93	
			£	£	
		Balance at 1 April 1993 and 1 April 1992	1,429,699	5,294,234	
		Net Cash Inflow/(Outflow)	152,429	(3,864,535)	
		Balance at 31 March 1994 and 31 March 1993	1,582,128	1,429,699	
Analysis of the balances of Cash and Cash Equivalents as shown in the Balance Sheet	18		1994	1993	Change in Year
			£	£	£
		Cash at bank and in hand	1,258,857	881,406	377,451
		Short-term deposits	323,271	548,293	(225,022)
			1,582,128	1,429,699	152,429
Reconciliation of Movement in Government Funds	19	There are no changes in government funds other than those reported in the Income and Expenditure Account and Statement of Total Recognised Gains.			

Travers Foundation The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I have audited the financial statements on pages 17 to 21 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies as set out on page 9.

**Respective
Responsibilities
of the Trustee,
the Director and
Auditors**

As described on page 3 the Trustee and the Director of Greenwich Hospital are responsible for the preparation of financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

Basis of Opinion

I certify that I have examined the financial statements referred to above in accordance with the Armed Forces Act 1976 and the National Audit Office auditing standards, which include relevant Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustee and the Director in the preparation of the financial statements, and of whether the accounting policies are appropriate to the body's circumstances, consistently applied and adequately disclosed.

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

Opinion

In my opinion the financial statements give a true and fair view of the state of affairs of the Travers Foundation as at 31 March 1994 and of its surplus, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Armed Forces Act 1976 and with the directions made thereunder by the Secretary of State for Defence.

I have no observation to make on these financial statements.

John Bourn
Comptroller and Auditor General

7 December 1994

National Audit Office
Buckingham Palace Road
Victoria
London SW1W 9SP

Travers Foundation

Income and Expenditure Account for the year ended 31 March 1994

	1993-94	1992-93
	£	£
Income		
Rents and other receipts from property in Essex	19,977	16,500
Dividends from stocks and shares	41,131	43,764
	<u>61,108</u>	<u>60,264</u>
Expenditure		
Cost of repairs, fees etc on property in Essex	2,045	2,612
	<u>2,045</u>	<u>2,612</u>
	<u>59,063</u>	<u>57,652</u>
Surplus for the Financial Year		
Transferred to Greenwich Hospital	51,000	65,000
Transferred to Accumulated Fund	8,063	(7,348)
	<u>59,063</u>	<u>57,652</u>

Travers Foundation

Balance Sheet at 31 March 1994

	1993-94	1992-93
	£	£
Fixed Assets		
Investment property at Estimated Market Value	235,000	235,000
Stocks and shares at Market Value (Cost £435,194)	437,275	444,285
	<u>672,275</u>	<u>679,285</u>
Current Assets		
Debtors, Rents receivable and prepayments	10,658	19,100
Cash at Bank	19,324	1,927
	<u>29,982</u>	<u>21,027</u>
Less Current Liabilities		
Creditors	(1,470)	(578)
Net Current Assets	<u>28,512</u>	<u>20,449</u>
Total Assets Less Current Liabilities	<u>700,787</u>	<u>699,734</u>
Financed by:		
Accumulated Fund as at 31.3.93	599,647	606,995
Income and Expenditure account	8,063	(7,348)
	<u>607,710</u>	<u>599,647</u>
Revaluation reserve		
Investments	67,977	74,987
Property	25,100	25,100
	<u>700,787</u>	<u>699,734</u>

The statements on pages 19 and 20 and notes on page 21 form part of these accounts.

Dr G H Mungeam
Director of Greenwich Hospital

28 November 1994

Statement of Total Recognised Gains and Losses

	£	1993-94 £	£	1992-93 £
Net Increases (Decreases) on Revaluation of Assets				
Investments	<u>(7,010)</u>	<u>(7,010)</u>	<u>39,434</u>	<u>39,434</u>
Total Capital Gains (Losses) for the year		(7,010)		39,434
Net general fund income after administration costs	59,063		57,652	
Total general fund expenditure on behalf of Travers Foundation	<u> </u>		<u> </u>	
Surplus of income against expenditure for the year	59,063		57,652	
Total income for the year		<u>59,063</u>		<u>57,652</u>
Total recognised gains for the year		52,053		97,086

Travers Foundation Cash Flow Statement for the year ended 31 March 1994

	Notes	1993-94 £	1992-93 £
Net Cash Inflow from Operating Activities	3	<u>17,397</u>	<u>959</u>
Increase in Cash and Cash Equivalents	4	<u>17,397</u>	<u>959</u>

Travers Foundation

Notes to the Accounts

- 1 The accounts of the Travers Foundation are prepared under the historical cost convention modified to include the revaluation of property and investments.
- 2 Where they are relevant to the Travers Foundation the accounting policies followed are those prescribed in Note 1 to the Greenwich Hospital Accounts.

Reconciliation of Operating Surplus to Net Cash Outflow from Operating Activities	3	1993-94		1992-93	
		£		£	
Operating Surplus		59,063		57,652	
Transfer to Greenwich Hospital Account		(51,000)		(65,000)	
(Increase)/Decrease in Debtors		8,442		8,384	
Increase/(Decrease) in Creditors		892		(177)	
Capital receipts				100	
Net Cash Inflow/(Outflow) from Operating Activities		<u>17,397</u>		<u>959</u>	

Analysis of changes in Cash and Cash Equivalents during the year	4	1993-94		1992-93	
		£		£	
Balance at 1 April 1993 and 1 April 1992		1,927		968	
Net cash Inflow/(Outflow)		<u>17,397</u>		<u>959</u>	
Balance at 31 March 1994 and 31 March 1993		<u>19,324</u>		<u>1,927</u>	

Analysis of the Balances of Cash and Cash Equivalents as shown in the Balance Sheet	5	1994		1993		Change in year
		£		£		
Cash at bank and in hand		19,324		1,927		17,397
		<u>19,324</u>		<u>1,927</u>		<u>17,397</u>

- 6 There are no movements in government funds other than those reported in the Income and Expenditure account and statement of total recognised gains.

- 7 The valuation of property in Essex was carried out by a Chartered Surveyor.

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