

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 2002

CHARITY NO. 501196

COMPANY REGISTRATION NO. 55993



LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2002

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**LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION
REPORT OF THE COUNCIL
FOR THE YEAR ENDED 31ST DECEMBER 2002**

LEGAL AND ADMINISTRATIVE INFORMATION

Liverpool Queen Victoria District Nursing Association is incorporated under the Companies Act as a company limited by guarantee without share capital as company number 55993. It is a registered charity number 501196.

The Association's Council are also its Directors and Trustees.

Chairman Mr G F Appleton

Honorary Treasurer Mr R P Bradshaw (resigned 25th March 2002)
Mr D R Morris (appointed 25th September 2002)

Other Members Councillor K Afford (resigned 25th September 2002)
Mr G Betteley (appointed 30th January 2002, resigned 13th June 2002)
Professor C Carlisle (resigned 22nd January 2002)
Mr R Currie
Ms D Cartlidge
Canon NA Frayling (resigned 31st August 2002)
Councillor D Gavin (resigned 25th September 2002)
Mr N Malley
Mrs L M Newsome
Mrs I Nightingale
Mrs J Pickett
Mr M Rathbone
Mr K Wright

Members of the Council are elected by the Association's members in General Meeting, or by appointment of the Council.

**Company Secretaries, Registered Office
and Operation Address**

Liverpool Council of Social Service (Inc.),
14, Castle Street,
Liverpool, L2 ONJ
Tel: 0151 236 7728

Bankers

Barclays Bank Plc.,
Liverpool City Business Centre
P.O. Box 107, 4, Water Street,
Liverpool, L69 2DU

Auditors

Baker Tilly,
Number One Old Hall Street,
Liverpool, L3 9SX

Investment Managers

BWD Rensburg,
100, Old Hall Street,
Liverpool, L3 9AB

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2002

The Council presents its report and the audited financial statements of the Association for the year ended 31st December 2002 and confirms that they comply with the Companies Act 1985, the Statement of Recommended Practice: Accounting and Reporting by Charities and the charity's governing instruments.

Constitution and Objects

The Liverpool Queen Victoria District Nursing Association was established in 1898 and is a registered charity number 501196. Its governing documents are its Memorandum and Articles of Association, and the Charity Commission scheme governing the Trust Fund.

The Association exists to provide for the relief in sickness of persons in need, hardship or distress who are sick, convalescent, disabled, handicapped or infirm by providing, directly or indirectly, financial assistance to such persons or paying for food, appliances and other items for such persons or by providing directly or indirectly services or facilities which are calculated to alleviate the suffering or assist the recovery of such persons.

It also exists to provide and encourage the education and training of nurses, or other health professionals, to look after and assist sick persons, and for this purpose to make grants to any other organisation, which undertakes to provide such education and training.

Grant Making Policy

Due to high level of demand for Aid-in-Sickness grants and the need which this demonstrated, the Trustees agreed that Aid-in-Sickness grants were a priority for the year. In addition, the decrease in the value of reserves, due to the fall in investment markets, led the Trustees to restrict grant making to the level of income for the year.

The result of both of these decisions was that small grants to organisations and support for Nurse Education were suspended for the year. Funds were focussed on Aid-in-Sickness and support for innovative work.

Aid-in-Sickness

A large number of small grants are made in order to provide comforts, appliances or services to individual residents of Merseyside who are sick or disabled. These grants are administered on the Association's behalf by Liverpool Council of Social Service (Inc.) and PSS.

In addition, during the year £1,750 (2001 £8,326) was distributed on behalf of the United Trusts as Aid-in-Sickness grants.

Grants to Organisations

The Association continues to give longer-term support to the development of innovative work and in 2002 made a grant of £5,000 in support of PSS's Learning Base Project.

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2002

Financial Review and Investment Policy

The Association had assets at the year-end of £571,077, of which £566,604 was invested to produce income for payment of grants and to cover the cost of administering the charity.

Income of £30,880 (2001 £36,508) was received during the year. This funded grants of £21,349 (2001 £50,816) during the year (see Grant Making Policy on page 2). Costs of supporting grant making were £2,000 (2001 £1,970) Administration expenses for the year were £2,914 (2001 £2,773). Investment management costs were £4,268 (2001 £4,760).

There are no restrictions on the Association's power to invest the General Fund. For the Trust Fund, the Trustees have the power of investment as conferred by the Trustee Act 2000, which means that these funds may be invested as if the Trustees were the absolute owners of those funds. The Trustees set the current investment objective and strategy in 1998. These are reviewed twice yearly with the investment manager. The review takes into account demand for funds, the risk profile and the investment manager's view of market prospects in the medium term. The investment objective is to maintain the real value of capital and income over the longer term. This will be achieved by holding a prudent spread of investments and will be within the overall responsibilities of the Council as Trustees.

Examining the performance of the portfolio in the year, overall the investments fell in value by 16.15 % compared with a fall in the FTSE All Share Index of 24.96%. The total return was -11.9%.

Reserves Policy

It is the policy of the charity to maintain the real value of reserves in order to balance the needs of current and future beneficiaries, which are to be met from the income earned from these reserves.

Revenue funds are maintained at a level throughout the year sufficient to cover grants and administration fees as agreed in the annual budget.

Risk Management

The Trustees have examined, and will continue to keep under review, the major risks which the charity faces and confirm that systems have been established in the areas of major identified risk.

Small Company Exemption

Advantage has been taken when preparing this report of the special provision available in Part VII to the Companies Act 1985 relating to small companies.

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

REPORT OF THE COUNCIL (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2002

Auditors

Baker Tilly have agreed to offer themselves for re-election and a resolution proposing their re-appointment at a remuneration to be determined by the Council, will be placed before the Annual General Meeting.

The Council's thanks are extended to all those organisations and individuals who have assisted in the Association's work during the year.

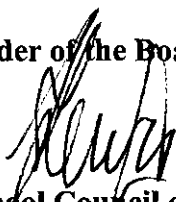
Statement of the Directors' Responsibilities

Company Law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those financial statements, the Council is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, and give details of any departures;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue as a going concern.

The Directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is 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.

By Order of the Board



**Liverpool Council of Social Service (Inc.)
Secretaries**

**14, Castle Street,
Liverpool,
L2 ONJ**

Dated: 7 May 2003

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 2002

To the members of the Liverpool Queen Victoria District Nursing Association

We have audited the financial statements on pages 7 to 12.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Council and Auditors

The responsibilities of the Trustees' (who are also the Directors of Liverpool Queen Victoria District Nursing Association for the purposes of company law) for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information

Basis of opinion

We conducted our audit in accordance with United Kingdom 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 judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, constantly applies and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us 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 our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

INDEPENDENT AUDITORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31ST DECEMBER 2002

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's affairs as at 31st December 2002 and its incoming resources and resources expended, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Baker Tilly

BAKER TILLY

Registered Auditor

Chartered Accountants

Number One Old Hall Street

Liverpool

L3 9SX

7 May 2003

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

STATEMENT OF FINANCIAL ACTIVITIES

(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31ST DECEMBER 2002

Income and expenditure	Note	Unrestricted Funds £	Restricted Funds £	Totals £	2001 Totals £
Incoming resources					
Investment income		23,064	4,797	27,861	28,160
Bank interest		8	-	8	22
Grants received	3	-	3,011	3,011	8,326
		-----	-----	-----	-----
Total incoming resources		23,072	7,808	30,880	36,508
		-----	-----	-----	-----
Resources expended					
Costs of generating funds					
Investment management fee		3,606	662	4,268	4,760
Charitable expenditure					
Grants	4	15,465	5,884	21,349	50,816
Support costs		2,000	-	2,000	1,970
Management and administration	5	2,914	-	2,914	2,773
		-----	-----	-----	-----
Total resources expended		23,985	6,546	30,531	60,319
		-----	-----	-----	-----
Net (outgoing)/incoming resources		(913)	1,262	349	(23,811)
Other recognised gains and losses					
Net realised/unrealised losses on investment assets		(90,241)	(15,825)	(106,066)	(90,728)
		-----	-----	-----	-----
Net movement in funds		(91,154)	(14,563)	(105,717)	(114,539)
Total funds brought forward		550,239	126,555	676,794	791,333
		-----	-----	-----	-----
Total funds carried forward		£459,085	£111,992	£571,077	£676,794
		=====	=====	=====	=====

The notes on pages 9 to 12 form part of these accounts. The net movement in resources for the year was derived from the continuing activities of the company.

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION

BALANCE SHEET AT 31ST DECEMBER 2002

	Notes	2002 £	2001 £
Fixed Assets			
Investments (at market value)	6	566,604	676,485
Current assets			
Cash at bank		8,429	3,685
Debtors	7	1,257	1,961
		-----	-----
		9,686	5,646
Current liabilities			
Creditors: amounts falling due within one year	8	(5,213)	(5,337)
		-----	-----
Net current assets		4,473	309
Net assets	9	<u><u>£571,077</u></u>	<u><u>£676,794</u></u>
Funds			
		£	£
Unrestricted funds	10	459,085	550,239
Restricted funds	11	111,992	126,555
		-----	-----
		<u><u>£571,077</u></u>	<u><u>£676,794</u></u>


These accounts have been prepared in accordance with the special provision of Part VII to the Companies Act 1985 relating to small companies.

Approved by the Directors and signed on *7 May 2003*.
On their behalf by:

Chairman: Mr G F Appleton



Honorary Treasurer: Mr D R Morris



**LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2002**

1. Limited liability

The Association is a company limited by guarantee. Each member's liability is limited to £1.

2. Accounting policies

Basis of accounting

The accounts have been prepared under the historical cost accounting rules, except for fixed asset investments which are stated at market value, and are in accordance with applicable accounting standards and Statement of Recommended Practice: Accounting and Reporting by Charities.

The accounts include the Trust Fund, a "restricted fund", the income of which is applied in one or both of the following ways:

- (i) For relief in sickness
- (ii) In assisting the education and training of nurses resident, studying or employed in or near the City of Liverpool.

Cash flow statement

The company has taken advantage of the exemption from preparing a cash flow statement conferred by Financial Reporting Standard No. 1. on the grounds that it is entitled to the exemptions available in Sections 246 to 247 of the Companies Act 1985 for small companies.

Investments

Fixed asset investments are stated in the balance sheet at market value. Any unrealised and realised gains and losses are dealt with through movements on the appropriate funds. Investments are valued at mid-market price at the close of business on the valuation date.

Investment income

Investment income is stated on a received basis.

Grants

Grants are recognised in the Statement of Financial Activities when they have been approved by the Council.

Taxation

The income and gains of the funds are exempt from taxation as they are applied for charitable purposes only.

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST DECEMBER 2002

3. Grants received

	2002	2001
United Trusts	<u><u>£3,011</u></u>	<u><u>£8,326</u></u>

4. Grants

	2002	2001
Aid-in-Sickness distributed by:	£	£
Liverpool CSS (Inc.)	13,680	30,216
PSS	2,669	3,430
	<u>16,349</u>	<u>33,646</u>
Continuing grant		
PSS Learning Base Project	5,000	5,000
Single grants to organisations	-	2,470
Nurse education awards	-	9,700
	<u><u>£21,349</u></u>	<u><u>£50,816</u></u>

5. Management and Administration

	£	£
Accounts and administration	1,375	1,355
Audit fees	1,025	1,000
Miscellaneous expenses	514	418
	<u><u>£2,914</u></u>	<u><u>£2,773</u></u>

**LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2002**

6. Fixed asset investments

Quoted Investments:	2002	2001
	£	£
Market value at 1 st January 2002	676,485	790,300
Funds withdrawn to make grants	-	(18,500)
Funds added	453	173
	-----	-----
	676,938	771,973
 Net realised and unrealised losses on investment assets	 (106,066)	 (90,728)
 Investment management fee	 (4,268)	 (4,760)
	-----	-----
Market value at 31st December 2002	£566,604	£676,485
	=====	=====
Book cost at 31st December 2002	£641,123	£652,760
	=====	=====

7. <u>Debtors</u>	2002	2001
	£	£
Tax recoverable	280	447
Cash balances held by PSS	977	646
Cash balances held by Liverpool CSS (Inc.)	-	856
Other debtors	-	12
	-----	-----
	£1,257	£1,961
	=====	=====

8. <u>Creditors: amounts falling due within one year</u>	2002	2001
	£	£
Accrued expenses	4,400	4,325
Grants payable	-	1,000
Other creditors	813	12
	-----	-----
	£5,213	£5,337
	=====	=====

LIVERPOOL QUEEN VICTORIA DISTRICT NURSING ASSOCIATION
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2002

9. **Analysis of net assets between funds**

	Fixed Asset Investments £	Net Current Assets £	Total £
Unrestricted funds			
General fund	459,506	(421)	459,085
Restricted funds			
Trust fund	107,098	3,632	110,730
United Trusts grant	-	1,262	1,262
	-----	-----	-----
	£566,604	£4,473	£571,077
	=====	=====	=====

10. **Unrestricted funds**

	Reserves at Beginning of Year	Movements in the Year (Deficit)/Surplus for Year	Losses on Investment Assets	Reserves at End of Year
General fund	£550,239	£(913)	£(90,241)	£459,085
	=====	=====	=====	=====

11. **Restricted funds**

	£	£	£	£
Trust fund	126,555	-	(15,825)	110,730
United Trusts grant	-	1,262	-	1,262
	-----	-----	-----	-----
	£126,555	£1,262	£(15,825)	£111,992
	=====	=====	=====	=====

12. **Directors' Remuneration**

The Trustees, being also the Directors of the company, are not remunerated for their services.