



BDO Stoy Hayward
Chartered Accountants

St Edmunds Trust
(A Company Limited by Guarantee)

Governors' Report and Financial Statements

Year Ended

30 June 2002



ST EDMUNDS TRUST
(A Company Limited by Guarantee)

Annual report and financial statements for the year ended 30 June 2002

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Governors

AJ Hines	(Chairman)	DB Harris	(retired 3 December 2001)
RJ Hamshire		R Venn	(retired 3 December 2001)
MB Hare		GD Kirk	(retired 3 December 2001)
RJ Lamb			
D Cockram	(appointed 3 December 2001)		
Mrs B Ruffell	(appointed 3 December 2001)		

Secretary and registered office

GD Kirk, 84 Guildhall Street, Bury St Edmunds, Suffolk, IP33 1PR

Registered company number

1296735

Registered charity number

273357

Auditors

BDO Stoy Hayward, Derby House, 27 Exeter Road, Newmarket, Suffolk, CB8 8AR

Bankers

National Westminster Bank Plc, 7 Cornhill, Bury St Edmunds, Suffolk IP33 1BQ
Barclays Bank Plc, 52 Abbeygate Street, Bury St Edmunds, Suffolk, IP33 1LF
CCLA Investment Management Limited, St Alphage House, 2 Fore Street, London EC2Y 5AQ

Investment managers

Jupiter Asset Management, 1 Grosvenor Place, London SW1X 7JJ

Newton Investment Management Limited, 71 Queen Victoria Street, London EC4V 4DR

ST EDMUNDS TRUST
(A Company Limited by Guarantee)

Report of the governors for the year ended 30 June 2002

The governors present their report together with the financial statements for the year ended 30 June 2002.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities.

Governors' responsibilities

Company law requires the governors 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 income and expenditure of the company for that period. In preparing those financial statements, the governors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Status and administration

The company is a registered charity and is limited by guarantee. The company is governed by its Memorandum and Articles dated 2 February 1977.

The governors of the Trust determine the general policy of the company.

Objects

The objects of the Trust are:-

- (a) To provide financial assistance in the medical field to St Edmund's Hospital or to such private hospitals having charitable status as might replace St Edmund's Hospital in Bury St Edmunds.
- (b) To provide financial assistance and co-operation with any other charitable organisations in West Suffolk providing hospitals, hospices, clinics, hostels, homes, social centres and other establishments for the treatment or care of sick or disabled persons.

Investment powers

Under the Memorandum and Articles of Association, the Trust has the power to make any investment which the Governors see fit. Funds are invested in collective investment funds held with two investment managers. Performance of these investments are actively reviewed by the Governors throughout the year.

ST EDMUNDS TRUST
(A Company Limited by Guarantee)

Report of the governors for the year ended 30 June 2002 (Continued)

Risk Management

The Governors have examined the major operational risks which the Trust faces and confirm that they are satisfied that they continue to address those risks in the course of their ongoing activities.

Chairman's review

Firstly our thanks go to the Governors who had to retire at the last AGM, as required by the Articles of Association. Doug Harris, for guiding the company through a period of major change and Robin Venn, one of the original Governors, who were responsible for the building of the St Edmunds Nursing Home and Hospital. Since last December the Governors have met at two monthly intervals.

During the year we received a very substantial bequest from a former patient at the St Edmunds Hospital and in agreement with his executors have allocated half the bequest, to the Nuffield and a sensory garden in the Abbey Gardens. Together with a promise to Riverwalk School of £13,500 these represent the £71,000 designated future grants.

Distributions, which are detailed in the notes to the accounts, totalled £72,085. Since the 1 July £25,000 has been given to Marie Curie for help towards their costs of nursing in West Suffolk, and £100,000 pledged to Macmillan for the counselling room and the first new bedroom in the proposed Oncology and Haematology unit at the West Suffolk Hospital.

The Board's policy is to ensure that sufficient funds are kept in cash to meet any commitments.

Finally our thanks go to Barry Hare for his six years of service and his considerable help during negotiations for the sale of St Edmunds Hospital to the Nuffield Trust.

Donation making policy

The Trust invites applications for funding of projects that are consistent with its charitable objectives. Applications are considered by the Governors to identify those that are most appropriate to support.

Financial results and reserves

Net incoming funds for the year amounted to £130,749 which have been added to the accumulated income funds. Income has been derived from bank deposit interest, a legacy and the collective investment funds. Expenditure has been largely charitable donations in accordance with the Trust's objectives. The Trust's designated capital fund reflects investment losses on the collective investment funds of £169,826. In addition provision has been made via a designated future grants fund for a commitment to provide grants of £71,000 in the coming year.

ST EDMUNDS TRUST
(A Company Limited by Guarantee)

Report of the governors for the year ended 30 June 2002 (*Continued*)

Governors

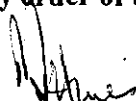
The governors during the year were as follows:

AJ Hines	(Chairman)
RJ Hamshere	
MB Hare	
RJ Lamb	
D Cockram	(appointed 3 December 2001)
Mrs B Ruffell	(appointed 3 December 2001)
DB Harris	(retired 3 December 2001)
R Venn	(retired 3 December 2001)
GD Kirk	(retired 3 December 2001)

Auditors

BDO Stoy Hayward have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

By order of the Board



AJ Hines
Chairman

28 October 2002

ST EDMUNDS TRUST
(A Company Limited by Guarantee)**Report of the independent auditors****To the members of St Edmunds Trust**

We have audited the financial statements of St Edmunds Trust for the year ended 30 June 2002 on pages 5 to 10. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of governors and auditors

The governors' responsibilities 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 Governors' 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 Governors' Report is not consistent with the financial statements, if the company 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 governors' remuneration and transactions with the company is not disclosed.

We read the Governors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

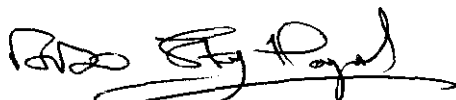
Basis of audit opinion

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 judgements made by the governors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 30 June 2002 and of its net movement in funds for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



BDO Stoy Hayward
Chartered Accountants
and Registered Auditors
Newmarket

Date 30 October 2002

ST EDMUNDS TRUST
(A Company Limited by Guarantee)

Statement of financial activities incorporating income and expenditure account for the year ended 30 June 2002

	Note	Accumulated Income Fund £	Designated Future Donations Fund £	Designated Capital Fund £	2002 Total £	2001 Total £
Incoming resources						
Voluntary - Legacy		114,004	-	-	114,004	-
- Donations		360	-	-	360	360
Investment income	4	95,146	-	-	95,146	89,578
Total incoming resources		209,510	-	-	209,510	89,938
Resources expended						
Charitable expenditure						
Donations	5	32,085	40,000	-	72,085	143,832
Managing and administering the charity	6	6,676	-	-	6,676	6,045
Total resources expended		38,761	40,000	-	78,761	149,877
Transfers		170,749 (71,000)	(40,000) 71,000	- -	130,749 -	(59,939) -
Net incoming/(outgoing) funds	7	99,749	31,000	-	130,749	(59,939)
Net investment losses		-	-	(169,826)	(169,826)	(132,495)
Net movement in funds		99,749	31,000	(169,826)	(39,077)	(192,434)
Fund balances at 1 July 2001		36,698	40,000	2,220,945	2,297,643	2,490,077
Fund balances at 30 June 2002		136,447	71,000	2,051,119	2,258,566	2,297,643

All recognised gains and losses are included in the statement of financial activities.
The movement in resources is stated at historical cost.

The notes on pages 7 to 10 form part of these financial statements.

ST EDMUNDS TRUST
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Balance sheet at 30 June 2002

	Note	2002	2001
		£	£
Fixed assets			
Investments	9	1,801,119	2,005,374
Current assets			
Income tax recoverable		-	2,614
Cash at bank - Barclays accounts		16,026	290,536
- Natwest accounts		32,302	-
- COIF		410,000	-
		<u>458,328</u>	<u>293,150</u>
Creditors: amounts falling due within one year	10	<u>881</u>	<u>881</u>
Net current assets		<u>457,447</u>	<u>292,269</u>
Net assets		<u><u>2,258,566</u></u>	<u><u>2,297,643</u></u>
Representing			
Accumulated funds	11		
Unrestricted funds - designated capital		2,051,119	2,220,945
- designated future donations		71,000	40,000
- accumulated income		136,447	36,698
		<u><u>2,258,566</u></u>	<u><u>2,297,643</u></u>

The financial statements on pages 5 to 10 were approved by the Board on 28 October 2002.


AJ Hines
Chairman

The notes on pages 7 to 10 form part of these financial statements.

ST EDMUNDS TRUST
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Notes forming part of the financial statements for the year ended 30 June 2002

1 Accounting policies

The financial statements have been prepared under the historical cost convention.

Compliance with accounting standards

The financial statements have been prepared in accordance with applicable accounting standards. They also comply with the Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2000) issued in October 2002.

The company has revised, as provided by Schedule 4, paragraph 3(3) of the Companies Act 1985, its format of accounts to include headings which are relevant to its activities thus enabling it to show a true and fair view.

Income

Donations and legacies are accounted for when received.

Investment income is accounted for when due. Provision is made for tax recoverable on investment income under the transitional relief provisions that have replaced the charity's ability to reclaim tax credits on investment income when due.

Expenditure

All expenditure is accounted for when incurred and all liabilities are recognised in full as soon as the obligations arise.

Fund accounting

Unrestricted funds comprise accumulated surpluses and are available for use at the discretion of the governors in the furtherance of the company's charitable objectives.

Designated funds are those funds set aside from the Accumulated Income Fund for particular purposes or reasons at the discretion of the trustees.

Investments

Investments are stated at market value. Any gain or loss on revaluation is taken to the Statement of Financial Activities.

Cashflow statement

No cashflow statement has been prepared as the company is exempt from Financial Reporting Standard No 1 under size criteria.

2 Employees

There were no employees of the company in either 2002 or 2001.

3 Governors' remuneration and expenses

No remuneration or expenses directly or indirectly out of the funds of the trust was paid or is payable for either year to any governor or to any connected person or party.

ST EDMUNDS TRUST
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Notes forming part of the financial statements for the year ended 30 June 2002 (Continued)

4 Investment income

	2002 £	2001 £
Bank deposit interest	13,503	14,142
Collective investment fund income	81,643	75,436
	<u>95,146</u>	<u>89,578</u>

5 Charitable expenditure – donations

	2002 £	2001 £
Nuffield Hospital	720	25,332
Gatehouse – office conversion	14,000	10,000
Riverwalk School – provision of nursing services	25,000	25,000
WSVAB – provision of equipment	17,365	20,000
Arthritis Care	500	-
Deaf Association	7,000	-
Parkinson's Disease Society	500	-
Multiple Sclerosis	3,500	-
Rethink Disability	3,500	-
St Nicholas Hospice – Ark centre	-	50,000
St Matthew Housing Charity	-	13,500
	<u>72,085</u>	<u>143,832</u>

6 Managing and administering the charity

	2002 £	2001 £
Audit and accountancy	881	1,175
Professional fees	-	(588)
Investment manager fees	5,795	5,430
Bank charges	-	28
	<u>6,676</u>	<u>6,045</u>

7 Net incoming (outgoing) funds

	2002 £	2001 £
This has been arrived at after charging:		
Auditors' remuneration		
- audit fee (including VAT)	881	881
	<u>881</u>	<u>881</u>

ST EDMUNDS TRUST
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Notes forming part of the financial statements for the year ended 30 June 2002 *(Continued)*

8 Taxation

The company is a registered charity and is not liable to corporation tax.

9 Investments

	2002 £	2001 £
Market value		
At 1 July 2001	1,942,017	1,849,867
Additions	191,499	364,575
Disposal proceeds	(279,741)	(139,930)
Net investment losses	(169,826)	(132,495)
	<u>1,683,949</u>	<u>1,942,017</u>
Investment advisors' deposits	117,170	63,357
	<u>1,801,119</u>	<u>2,005,374</u>
At 30 June 2002	1,801,119	2,005,374
Cost of investments at 30 June 2002	1,846,309	2,007,344
Net unrealised losses included in net investment losses above	(113,809)	(105,905)

At 30 June 2002 the following holdings represented individual investments in excess of 5% of the portfolio at market value:-

Jupiter Corporate Bond Fund	508,000 units	- £249,072
Treasury 5.75% Stock 7/12/2009	£150,000	- £156,932
Newton Fund Managers High Yield Bond	251,653.53 units	- £225,113
Newton Fund Managers Bridge Fund	324,023.07 units	- £407,679

10 Creditors: amounts falling due within one year

	2002 £	2001 £
Other creditors	<u>881</u>	<u>881</u>

11 Unrestricted funds

	Accumulated Income Fund £	Designated Future Donations £	Designated Capital Fund £	Total £
Represented by:-				
Investments	-	-	1,801,119	1,801,119
Net current assets	<u>136,447</u>	<u>71,000</u>	<u>250,000</u>	<u>457,447</u>
	<u>136,447</u>	<u>71,000</u>	<u>2,051,119</u>	<u>2,258,566</u>

ST EDMUNDS TRUST
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Notes forming part of the financial statements for the year ended 30 June 2002 (*Continued*)

The Designated Capital Fund represents funds designated as capital at the discretion of the governors for the future fulfilment of the Trust's charitable purposes.

The Designated Future Donations represents monies due to be paid as future grants by the Trust at the discretion of the governors.

12 Members

The company has no share capital and is limited by guarantee. Each member of the company is a guarantor and undertakes to contribute to the assets of the company, in the event of it being wound up, an amount not exceeding £1. The total of members shall not exceed 50.