



BDO Stoy Hayward
Chartered Accountants

St Edmunds Trust
(A Company Limited by Guarantee)

Governors' Report and Financial Statements

Year Ended

30 June 1999



ST EDMUNDS TRUST
(A Company Limited by Guarantee)
Annual report and financial statements for the year ended 30 June 1999

Contents

Page:

1	Report of the governors
4	Report of the auditors
5	Statement of financial activities
6	Balance sheet
7	Notes forming part of the financial statements

Governors

DB Harris (Chairman)
TJW Bridge (retired 14 December 1998)
RJ Hamshire
MB Hare
AJ Higgins (retired 14 December 1998)
A Hines (appointed 14 December 1998)
GD Kirk
RL Lamb
E Maguire (retired 14 December 1998)
RJ Venn

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 8LL

Bankers

Barclays Bank Plc, 52 Abbeygate Street, Bury St Edmunds, Suffolk IP33 1LF

ST EDMUNDS TRUST
(A Company Limited by Guarantee)
Report of the governors for the year ended 30 June 1999

The governors present their report together with the financial statements for the year ended 30 June 1999.

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.

The company was formerly 'St Edmunds Hospital and Nursing Home'. On 31 October 1997 the hospital was sold to Nuffield; a much larger Charitable Hospital Group. The company's name was then changed to "St Edmunds Trust".

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 hospital 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.

ST EDMUNDS TRUST
(A Company Limited by Guarantee)
Report of the governors for the year ended 30 June 1999 (Continued)

Chairman's review

At last year's AGM, I reported on the sale of St Edmunds Hospital to the Nuffield Group.

Under the Sale Contract, your Trust agreed to contribute £500,000 to Nuffield subject to them investing £1.25 million upon upgrading the Operating Theatres. This work was completed last December and we released the funds promised.

Members agreed to the creation of a Capital Account of £2.25 million to cover warranties in the Sale Contract. This fund was held on high interest accounts until the warranty was released on 28 June 1999. Interest earned on this deposit totalled £169,363 in the last accounting year.

Your Board has agreed to a more active investment strategy as from 1 January 2000 and £2 million will be split between Jupiter and Newton Fund Managers for income and growth potential in the current low interest environment.

Within the Objects of St. Edmunds Trust, your Board has determined in addition to the amounts disclosed in these accounts and already paid to make further donations to worthy charities in West Suffolk. Nuffield Hospital has received £70,000 conditional upon them adding £26,000 to complete a "wish list" of equipment purchases. We have contributed £50,000 to the Rainbow Appeal for a children's unit at West Suffolk Hospital, £10,000 to the St Louis Family Service Trust, and £50,000 to St Nicholas Hospice subject to them raising a similar amount for their "Mother & Child" Unit.

Financial results and reserves

Net outgoing resources for the year amounted to £427,002 which have been deducted from the accumulated funds. Income has been primarily derived from bank deposit interest. Expenditure has been largely direct charitable with three significant donations made totalling £602,000.

Governors

The governors during the period since their last report were as follows:

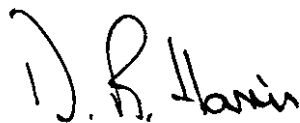
DB Harris	(Chairman)
TJW Bridge	(retired 14 December 1998)
RJ Hamshire	
MB Hare	
AJ Higgins	(retired 14 December 1998)
A Hines	(appointed 14 December 1998)
GD Kirk	
RL Lamb	
E Maguire	(retired 14 December 1998)
RJ Venn	

ST EDMUNDS TRUST
(A Company Limited by Guarantee)
Report of the governors for the year ended 30 June 1999 *(Continued)*

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

A handwritten signature in black ink, appearing to read 'D. B. Harris', is written over the printed name.

DB Harris
Chairman



BDO Stoy Hayward
Chartered Accountants

Derby House
27 Exeter Road
Newmarket
Suffolk CB8 8LL

ST EDMUNDS TRUST
(A Company Limited by Guarantee)
Report of the auditors

To the members of St Edmunds Trust

We have audited the financial statements on pages 5 to 10 which have been prepared under the accounting policies set out on page 7.

Respective responsibilities of governors and auditors

As described on page 1 the company's governors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 charitable company's affairs as at 30 June 1999 and of its net outgoing resources 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

13 December 1999

ST EDMUNDS TRUST
(A Company Limited by Guarantee)
Income and expenditure account incorporating statement of financial activities
for the year ended 30 June 1999

	Note	Accumulated Income Fund £	Designated Capital Fund £	Restricted Fund £	1999 Total £	1998 Total £
Incoming resources						
Hospital and Nursing Home Services		9,024	-	-	9,024	786,126
Voluntary		1,115	-	-	1,115	7,023
Interest		169,363	-	-	169,363	116,524
Total incoming resources		179,502	-	-	179,502	909,673
Resources used						
Direct charitable expenditure:-	5					
Donations		102,000	-	500,000	602,000	-
Nursing Home Costs		-	-	-	-	730,701
Management and administration		4,504	-	-	4,504	20,428
Total resources expended		106,504	-	500,000	606,504	751,129
(Outgoing)/ incoming resources before loss on disposal	6	72,998	-	(500,000)	(427,002)	158,544
Loss on disposal		-	-	-	-	(175,262)
Net movement in resources		72,998	-	(500,000)	(427,002)	(16,718)
Fund balances at 1 July 1998		99,862	2,250,000	500,000	2,849,862	2,866,580
Fund balances at 30 June 1999		172,860	2,250,000	-	2,422,860	2,849,862

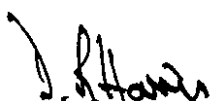
All recognised gains and losses are included in the statement of financial activities.
The movement in resources is stated at historical cost.

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

ST EDMUNDS TRUST
(A Company Limited by Guarantee)
Balance sheet at 30 June 1999

	Note	1999 £	1998 £
Current assets			
Debtors	8	408	548,120
Cash at bank and in hand		2,424,252	2,494,196
		<u>2,424,660</u>	<u>3,042,316</u>
Creditors: amounts falling due within one year	9	1,800	192,454
Net assets		<u>2,422,860</u>	<u>2,849,862</u>
Representing			
Accumulated funds	10		
Unrestricted funds - designated capital		2,250,000	2,250,000
- accumulated income		172,860	99,862
Restricted fund		-	500,000
		<u>2,422,860</u>	<u>2,849,862</u>

The financial statements on pages 5 to 10 were approved by the Board on.....13 December.....1999.



DB Harris
Chairman

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

ST EDMUNDS TRUST

(A Company Limited by Guarantee)

Notes forming part of the financial statements for the year ended 30 June 1999

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 by Charities'.

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.

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.

Restricted funds are created when amounts are received for a specific purpose.

2 Operating income and (deficit)/surplus

The company's income is wholly attributable to the principal activity of the company and arises solely within the United Kingdom.

3 Employees

The average whole time equivalent number of persons employed by the company for the period to 31 October 1997 was 56. Thereafter there were no employees.

	1999 £	1998 £
Employment costs consist of:		
Wages and salaries	-	287,835
Social security costs	-	23,979
Other pension costs	-	11,074
	<hr/>	<hr/>
	-	322,888
	<hr/>	<hr/>

4 Governors' remuneration and expenses

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

ST EDMUNDS TRUST**(A Company Limited by Guarantee)****Notes forming part of the financial statements for the year ended 30 June 1999 (Continued)****5 Direct charitable expenditure**

	1999 £	1998 £
Donations:		
Nuffield Hospital – re operating theatre	500,000	-
Nuffield Hospital – re specific capital items	72,000	-
St Nicholas Hospice – re family room	30,000	-
	<u>602,000</u>	<u>-</u>
Nursing Home Costs:		
Nursing costs	-	375,251
Medical expenses and provisions	-	198,288
Depreciation	-	47,098
Property and utility costs	-	65,492
Maintenance	-	29,699
Interest and finance charges	-	14,873
	<u>602,000</u>	<u>730,701</u>

6 Net incoming resources

This has been arrived at after charging/(crediting):

Depreciation – owned fixed assets	-	47,098
Operating lease rentals - plant and machinery	-	156
Auditors' remuneration		
- audit fee	587	2,500
- accountancy services	817	1,500
Interest payable	-	13,348
Bank interest receivable	<u>(169,363)</u>	<u>(116,524)</u>

7 Taxation

The company is a registered charity and is not liable to corporation tax. It is entitled to the repayment of income tax suffered by deduction from covenanted donations.

ST EDMUNDS TRUST**(A Company Limited by Guarantee)****Notes forming part of the financial statements for the year ended 30 June 1999 (Continued)****8 Debtors**

	1999 £	1998 £
Trade debtors	-	3,261
Other debtors	-	500,000
Income tax recoverable on deeds of covenant	408	208
Prepayments and accrued income	-	44,651
	<u>408</u>	<u>548,120</u>

Other debtors for 1998 related to deferred consideration held by Nuffield Nursing Homes Trust.

9 Creditors: amounts falling due within one year

	1999 £	1998 £
Trade creditors	-	86
Other creditors	587	131,236
Accruals and deferred income	1,213	20,320
Retention on building project	-	40,812
	<u>1,800</u>	<u>192,454</u>

10 Accumulated funds

	Balance 1.7.98 £	Incoming resources £	Resources expended £	Balance 30.6.99 £
Unrestricted funds				
Accumulated income fund	99,862	179,502	(106,504)	172,860
Designated capital fund	<u>2,250,000</u>	-	-	<u>2,250,000</u>
	2,349,862	179,502	(106,504)	2,422,860
Restricted fund	<u>500,000</u>	-	<u>(500,000)</u>	-
	<u>2,849,862</u>	<u>179,502</u>	<u>(606,504)</u>	<u>2,422,860</u>

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 Restricted Fund represented a commitment to Nuffield Nursing Homes Trust arising from the sale of the St Edmunds Hospital and Nursing Home on the condition that agreed works were completed by 30 April 2000. Those works have been completed and the fund balance donated to Nuffield Nursing Homes Trust.

ST EDMUNDS TRUST

(A Company Limited by Guarantee)

Notes forming part of the financial statements for the year ended 30 June 1999 *(Continued)*

11 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.

12 Pensions

The pension cost charge represents contributions payable by the company to a group personal pension plan and amounted to £nil (1998 - £11,074).

13 Related party transactions

During the year, the Trust was invoiced a total of £587 by Gross & Co Solicitors, representing legal fees. A governor of the Trust, GD Kirk is a partner of this firm.