

Company Registration No. 1594410 (England and Wales)

Registered Charity No. 283686

**ST WILFRID'S HOSPICE (EASTBOURNE)
LIMITED GROUP**

REPORT AND CONSOLIDATED ACCOUNTS

YEAR ENDED 31 DECEMBER 2001



ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

COMPANY INFORMATION

Trustees

I Hunt
R E Heasman
Dr R P D Cooke
A G Lees
Revd H John
J R Webster
K Regan
J Sully
S Parkes - Crick

Secretary

S C Gilbert

Company number

1594410

Registered office

2-4 Mill Gap Road
Eastbourne
East Sussex
BN21 2HJ

Auditors

Price & Company
30-32 Gildredge Road
Eastbourne
East Sussex
BN21 4SH

Business address

2-4 Mill Gap Road
Eastbourne
East Sussex
BN21 2HJ

Bankers

Barclays Bank plc
Terminus Road
Eastbourne
East Sussex
BN21 3PQ

Solicitors

Mayo & Perkins
20 Gildredge Road
Eastbourne
East Sussex
BN21 4RP

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

CONTENTS

	Page
Trustees' report	1 - 4
Independent auditors' report	5
Consolidated statement of financial activities	6 - 7
Consolidated income and expenditure account	8
Consolidated statement of total recognised gains and losses	9
Consolidated balance sheet	10
Balance sheet	11
Consolidated cash flow statement	12
Notes to the consolidated cash flow statement	13
Notes to the financial statements	14 - 21

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31 December 2001. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the charity.

Objects of the charity

The trust was established to promote the relief of sickness, in particular by promoting the care of all persons with cancer or any other disease where it is felt that a cure is no longer possible.

The company is limited by guarantee and does not have a share capital .

Review of the activities and future developments

The progress and success detailed last year continued into 2001 and the strategic objectives which the trustees set were implemented. Six recommendations were established in the 5 year plan and the developments over the last 12 months are detailed below.

The expanded Home Care service was established under the leadership of Andy Burt with a team of nurses. The introduction of this service has been an enormous success and well received by all in the community who use it. The demand has been significant and the trustees anticipate that this service will continue to grow for some time to come.

The respite programme was implemented early in 2001 and it has been regularly providing much needed care to both patients and carers. This service has again been well received but there is some concern that demand will outstrip our ability to supply unless this service is monitored carefully.

The exciting work on extending the number of beds has gathered momentum and we have been in detailed discussions with our architects, management and staff finalising the design for the expansion of the premises. At present the proposal is to provide 9 new beds, additional ground floor space for an improved day care unit and increased accommodation for staff and volunteers that will be necessary to run the expanded service. Whilst there is still a lot of work to be done we hope the building work will start in the autumn of this year.

The new services we intend to provide will require increased manpower to support them. With this in mind the Trustees decided it was necessary to appoint a Chief Executive to take over management of the activities, lead us through this challenging expansion period and meet the demands of a much larger and complex organisation. We are delighted to report that Mark Addison was appointed as Chief Executive and took up his position in January 2002. Mark was, prior to his appointment, Chief Executive of the William Harvey Hospital in Ashford and brings a wealth of management experience and knowledge with him. He has already started to make a difference by focussing our efforts and we all wish him well in his new position.

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

It is pleasing to report that our educational and training work continues to develop encompassing many new areas. We believe that an important contribution to improved care in our community is through education and a sharing of our knowledge and experience. This important work will again expand in 2002.

During the year partnership discussions have continued with some of our fellow carers in the community. Whilst no final decisions have been made it is encouraging to report progress with Eastbourne District General Hospital and Eastbourne and County Health Care Trust. We consider that the working of such a partnership will lead to improved care for our patients in the future.

There has been significant progress during 2001 and it should be remembered this has been on top of our day to day work, which continues at an ever increasing pace and complexity. Such progress and high quality care only comes from an enormous amount of hard work from our dedicated staff and volunteers in the Hospice.

The financial statements show that our financial position remains strong and we already have sufficient funding for the expansion we propose. We rely very heavily on donations and legacies and these will be of increasing importance once the expanded services come on stream next year.

Organisational structure

The Chief Executive was appointed with effect from 27th January 2002 by the Trustees to manage the day to day operations of the charity.

St Wilfrid's Hospice Shop Limited

The charity's wholly owned trading subsidiary carries out non-charitable trading activities for the charity.

Reserves

The Trustees have reviewed the reserves of the charity. The review concluded that to allow the charity to be managed efficiently and to provide a buffer against interrupted services an expense reserve of £1.5 million should be maintained. This equates to approximately twelve months of unrestricted fund expenditure. The Charity is planning significant capital expenditure in the form of the extension to the Hospice. This will reduce the general funds to a level agreed by the Trustees.

Investment policy and returns

The Investment Managers Performance is measured against an agreed Benchmark. The Investment Managers are retained on an advisory basis and report quarterly. It is the charity's policy to specifically exclude investments in Armaments and Tobacco.

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

Risk management

The Trustees have put in place a process to assess major risks to which the charity is exposed in particular those relating to legal compliance and financial control. These are achieved by way of Management reports. The strategic plan which is in process of being implemented has raised questions as to clinical, operational and funding risk the charity might face in the future. The Trustees have committed themselves to a process of risk management in line with best practice.

Trustees

The following trustees of the company have served since 1 January 2001:

I Hunt
R E Heasman
Dr R P D Cooke
A G Lees
Revd H John
J R Webster
K Regan
J Sully
S Parkes - Crick

Employee involvement

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management.

The charity has implemented a number of detailed policies in relation to all aspects of personnel matters including:

Equal Opportunities policy
Volunteers' policy
Health & Safety policy

In accordance with the charity's equal opportunities policy, the charity has long established fair employment practices in the recruitment, selection, retention and training of disabled staff. Full details of these policies are available from the charity's offices.

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Price & Company be reappointed as auditors of the company will be put to the Annual General Meeting.

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 DECEMBER 2001

Trustees' responsibilities

The trustees are treated as the directors of the company for the purposes of the Companies Act 1985.

Company law requires the trustees 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 group and of the profit or loss of the group for that period. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the board



S C Gilbert
Secretary
22 April 2002

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

We have audited the financial statements of St Wilfrid's Hospice (Eastbourne) Limited Group on pages 6 to 21 for the year ended 31 December 2001. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and the accounting policies set out herein.

Respective responsibilities of trustees and auditors

As described on page 4 the trustees, who are also the directors of St Wilfrid's Hospice (Eastbourne) Limited for the purposes of company law are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 trustees 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 trustees remuneration and transactions with the company is not disclosed.

We read the trustees 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 trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group'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 affairs of the charity and group as at 31 December 2001 and of the group's incoming resources and resources expended for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Price & Company

Chartered Accountants
and Registered Auditors

Eastbourne
23 April 2002

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2001**

		<-----Unrestricted funds----->				
		Designated funds				
	Notes	General	Capital	Expense reserve	2001 Total	2000 Total
		£	£	£	£	£
Incoming resources						
Donations and gifts	2	275,147	-	-	275,147	265,202
Legacies		-	957,346	-	957,346	2,459,282
Activities in furtherance of the charity's objectives:						
Grants received		209,338	-	-	209,338	204,233
Activities for generating funds:						
Merchandising income	3	315,256	-	-	315,256	298,636
Investment income	5	230,093	-	-	230,093	183,514
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total incoming resources		<u>1,029,834</u>	<u>957,346</u>	<u>-</u>	<u>1,987,180</u>	<u>3,410,867</u>
Resources expended						
Cost of generating funds						
Merchandising costs	3	223,331	-	-	223,331	204,755
Investment management fees		8,029	-	-	8,029	10,480
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		<u>231,360</u>	<u>-</u>	<u>-</u>	<u>231,360</u>	<u>215,235</u>
Charitable expenditure						
Costs of activities in furtherance of charity's objects:						
Palliative care costs		1,151,830	-	-	1,151,830	902,444
Support costs		44,628	-	-	44,628	36,164
Management and administration		285,295	-	-	285,295	215,581
		<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
		<u>1,481,753</u>	<u>-</u>	<u>-</u>	<u>1,481,753</u>	<u>1,154,189</u>
Total resources expended	4	<u>1,713,113</u>	<u>-</u>	<u>-</u>	<u>1,713,113</u>	<u>1,369,424</u>

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
YEAR ENDED 31 DECEMBER 2001**

		<-----Unrestricted funds----->				
		Designated funds				
	Notes	General	Capital	Expense reserve	2001 Total	2000 Total
		£	£	£	£	£
Net incoming resources / (resources expended) before transfers		(683,279)	957,346	-	274,067	2,041,443
Transfers between funds		657,357	(957,357)	300,000	-	-
Net incoming resources / (resources expended)		(25,922)	(11)	300,000	274,067	2,041,443
Net gains (losses) on investments:						
Realised		-	247,977	-	247,977	102,438
Unrealised		-	(1,489,131)	-	(1,489,131)	(513,729)
Net movements in funds		(25,922)	(1,241,165)	300,000	(967,087)	1,630,152
Fund balances brought forward		256,916	8,965,092	1,200,000	10,422,008	8,791,856
Fund balances carried forward		230,994	7,723,927	1,500,000	9,454,921	10,422,008

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2001

	Notes	2001 £	2000 £
Income			
Donations and gifts		275,147	265,202
Legacies		957,346	2,459,282
Activities in furtherance of the charity's objectives		209,338	204,233
Activities for generating funds		545,349	482,150
		<u>1,987,180</u>	<u>3,410,867</u>
Charitable expenditure			
Costs of generating funds		231,360	215,235
Costs of activities in furtherance of the charity's objects		1,151,830	902,444
Support costs		44,628	36,164
Management and administration expenses		285,295	215,581
		<u>1,713,113</u>	<u>1,369,424</u>
Operating surplus		274,067	2,041,443
Realised (loss)/gain on sale of investments		247,977	102,438
Surplus on ordinary activities after taxation		<u>£522,044</u>	<u>£2,143,881</u>

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31 DECEMBER 2001**

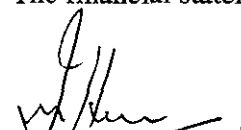
	2001	2000
	£	£
Surplus for the financial year	522,044	2,143,881
Unrealised deficit on revaluation of investments	<u>(1,489,131)</u>	<u>(513,629)</u>
Total recognised gains and losses relating to the year	<u><u>(£967,087)</u></u>	<u><u>£1,630,252</u></u>


ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	9	1,796,808		1,823,562	
Investments	10	7,349,062		8,281,893	
		<u>9,145,870</u>		<u>10,105,455</u>	
Current assets					
Stocks	11	6,300		7,167	
Debtors	12	325,670		100,514	
Cash at bank and in hand		128,853		318,750	
		<u>460,823</u>		<u>426,431</u>	
Creditors: amounts falling due within one year	13	151,772		109,878	
Net current assets		<u>309,051</u>		<u>316,553</u>	
Total assets less current liabilities		<u>£9,454,921</u>		<u>£10,422,008</u>	
Capital and reserves					
General fund	16	230,994		256,916	
Capital fund	17	7,723,927		8,965,092	
Expense reserve fund	18	1,500,000		1,200,000	
		<u>£9,454,921</u>		<u>£10,422,008</u>	

The financial statements were approved by the trustees on 22 April 2002 and signed on their behalf by:


I. Hunt
Chairman


K. Regan
Honorary Treasurer


ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 2001

	Notes	2001 £	£	2000 £	£
Fixed assets					
Tangible assets	8	1,777,782		1,800,505	
Investments	10	7,446,145		8,364,587	
		<u>9,223,927</u>		<u>10,165,092</u>	
Current assets					
Stocks	11	6,300		7,167	
Debtors	12	303,730		80,102	
Cash at bank and in hand		68,511		275,179	
		<u>378,541</u>		<u>362,448</u>	
Creditors: amounts falling due within one year	13	147,965		105,950	
Net current assets		<u>230,576</u>		<u>256,498</u>	
Total assets less current liabilities		<u>£9,454,503</u>		<u>£10,421,590</u>	
Capital and reserves					
General fund	16	230,576		256,498	
Capital fund	17	7,723,927		8,965,092	
Expense reserve fund	18	1,500,000		1,200,000	
		<u>£9,454,503</u>		<u>£10,421,590</u>	

The financial statements were approved by the trustees on 22 April 2002 and signed on their behalf by:


I Hunt
Chairman


K Regan
Honorary Treasurer

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2001**

	2001 £	2000 £
Net cash inflow from operating activities	160,935	2,158,013
 Capital expenditure and financial investment		
Legacy received in form of investment shares	(56,710)	-
Payments to acquire tangible assets	(42,509)	(56,276)
Payments to acquire investments	(2,063,598)	(2,501,435)
Receipts from sales of tangible assets	-	2,214
Receipts from sales of investments	1,698,043	638,692
Decrease in value of investments	<u>113,942</u>	<u>(351,404)</u>
 Net cash outflow for capital expenditure	 (350,832)	 (2,268,209)
	<u> </u>	<u> </u>
 Net cash (outflow)/inflow before management of liquid resources and financing	 (189,897)	 (110,196)
 Financing		
Net cash inflow from financing	 - <u> </u>	 - <u> </u>
 Increase in cash in the year	 (£189,897) <u> </u>	 (£110,196) <u> </u>

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2001

1	Reconciliation of operating profit to net cash inflow from operating activities	2001	2000
		£	£
	Operating profit	274,067	2,041,443
	Depreciation of tangible assets	69,263	69,090
	Decrease/(increase) in stocks	867	(179)
	(Increase)/decrease in debtors	(225,156)	38,909
	Increase in creditors within one year	41,894	8,750
	Net cash inflow from operating activities	£160,935	£2,158,013

2	Analysis of net funds	1 January 2001	Cash flow	Other non-	31 December 2001
		£	£	cash changes	£
	Net cash:				
	Cash at bank and in hand	318,750	(189,897)		128,853
	Debt:				
	Net funds	£318,750	(£189,897)	-	£128,853

3	Reconciliation of net cash flow to movement in net funds	2001	2000
		£	£
	Decrease in cash in the year	(189,897)	(110,196)
	Cash inflow from increase in debt	-	-
	Movement in net funds in the year	(189,897)	(110,196)
	Opening net funds	318,750	428,946
	Closing net funds	£128,853	£318,750

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in October 2000 and applicable accounting standards.

The statement of financial activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary undertaking are consolidated on a line to line basis.

The charity has availed itself of Paragraph 3 (3) of schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charities activities. No separate SOFA has been presented for the charity alone as permitted by Section 230 of the Companies Act 1985 and paragraph 304 of the SORP.

1.2 Company status

The charity is a company limited by guarantee. There are 62 members including the trustees named on page 3. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

1.3 Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

1.4 Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Supports costs are those incurred directly in support of expenditure on the objects of the charity. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.5 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Freehold	2% p.a. on cost
Plant and equipment	10% p.a. on cost
Furniture and fittings	10% p.a. on cost
Motor vehicles	25% p.a. on reducing balance

1.7 Investments

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

1.8 Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

1.9 Pensions

The pension costs charged in the financial statements represent the contributions payable by the company during the year in accordance with SSAP 24.

1.10 Donated assets

A record is kept of all donations received in kind, but because of the uncertainty as to their value these assets are not brought into the accounts.

1.11 Basis of consolidation

The consolidated statement of financial activities, income and expenditure account and balance sheet include the financial statements of the company and its subsidiary undertaking made up to 31 December 2001. The company has taken advantage of the exemption from presenting its own income and expenditure account. The surplus of the company for the financial year amounted to £522042 (2000 : £2143881).

2 Donations and gifts	2001 £	2000 £
Direct donations	218,235	229,905
Deeds of covenant - gross	9,679	9,602
Gift aid - gross	43,470	22,042
Courses organised by hospice	3,763	3,653
	<u>275,147</u>	<u>265,202</u>

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

3 Merchandising income and costs

	Sale of goods through Hospice £	Sale of goods through St Wilfrids Hospice Shop Limited £	Total 2001 £	Total 2000 £
Merchandising income	12,959	302,297	315,256	298,636
Merchandising expenses	9,649	213,682	223,331	204,755
Surplus	3,310	88,615	91,925	93,881

4 Total resources expended

	Staff costs £	Other direct costs £	2001 £	2000 £
Merchandising costs	-	223,331	223,331	204,755
Investment management fees	-	8,029	8,029	10,480
Palliative care costs	1,024,275	127,555	1,151,830	902,444
Support costs	-	44,628	44,628	36,164
Management and administration	114,060	171,235	285,295	215,581
	1,138,335	574,778	1,713,113	1,369,424

Other direct costs include

Depreciation of tangible assets

Auditors' remuneration

63,911	61,351
4,377	4,054

5 Income from investments, other interest receivable and similar income

	2001 £	2000 £
Dividends receivable	144,121	138,407
Bank interest	85,972	45,107
	£230,093	£183,514

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

6 Net income from trading activities of subsidiary

The charity has a wholly owned subsidiary which is incorporated in the UK. St Wilfrids Hospice Shop Limited retails donated goods from five different branches. The company donates its taxable profits to St Wilfrids Hospice (Eastbourne) Limited under a Gift Aid Declaration. A summary of its trading results is shown below.

Profit and loss account	2001	2000
	£	£
Turnover	302,297	288,216
Operating expenses	230,602	213,262
	<hr/>	<hr/>
Operating profit	71,695	74,954
Interest receivable	1,220	1,437
	<hr/>	<hr/>
Net income	72,915	76,391
Amount donated to St Wilfrids Hospice (Eastbourne) Limited under Gift Aid declaration	(72,915)	(74,226)
Interest paid to St Wilfrid's Hospice (Eastbourne) Limited.	-	(2,165)
	<hr/>	<hr/>
Retained in subsidiary	-	-
	<hr/>	<hr/>

7 Taxation

On the basis of these financial statements no provision has been made for corporation tax.

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

8 Tangible fixed assets - the Hospice

	Land and buildings Freehold	Plant and equipment	Furniture and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2001	1,985,165	122,923	107,665	37,107	2,252,860
Additions	17,515	13,970	9,702	-	41,187
	<u>2,002,680</u>	<u>136,893</u>	<u>117,367</u>	<u>37,107</u>	<u>2,294,047</u>
At 31 December 2001					
Depreciation					
At 1 January 2001	287,213	69,811	71,751	23,580	452,355
Charge for the year	40,054	10,469	10,005	3,382	63,910
	<u>327,267</u>	<u>80,280</u>	<u>81,756</u>	<u>26,962</u>	<u>516,265</u>
At 31 December 2001					
Net book value					
At 31 December 2001	<u>£1,675,413</u>	<u>£56,613</u>	<u>£35,611</u>	<u>£10,145</u>	<u>£1,777,782</u>
At 31 December 2000	<u>£1,697,952</u>	<u>£53,112</u>	<u>£35,914</u>	<u>£13,527</u>	<u>£1,800,505</u>

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

9 Tangible fixed assets - the group

	Land and buildings Freehold £	Plant and equipment £	Furniture and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 January 2001	1,985,165	122,923	178,985	37,107	2,324,180
Additions	17,515	13,970	11,024	-	42,509
	<u>2,002,680</u>	<u>136,893</u>	<u>190,009</u>	<u>37,107</u>	<u>2,366,689</u>
At 31 December 2001	2,002,680	136,893	190,009	37,107	2,366,689
Depreciation					
At 1 January 2001	287,213	69,811	120,014	23,580	500,618
Charge for the year	40,054	10,469	15,358	3,382	69,263
	<u>327,267</u>	<u>80,280</u>	<u>135,372</u>	<u>26,962</u>	<u>569,881</u>
At 31 December 2001	327,267	80,280	135,372	26,962	569,881
Net book value					
At 31 December 2001	<u>£1,675,413</u>	<u>£56,613</u>	<u>£54,637</u>	<u>£10,145</u>	<u>£1,796,808</u>
At 31 December 2000	<u>£1,697,952</u>	<u>£53,112</u>	<u>£58,971</u>	<u>£13,527</u>	<u>£1,823,562</u>

10 Fixed asset investments

	2001 £	2000 £
Quoted investments		
At 1 January 2001	7,371,999	5,920,547
Additions	2,120,308	2,501,435
Revaluation	(1,489,131)	(513,729)
Disposals	(1,450,066)	(536,254)
	<u>6,553,110</u>	<u>7,371,999</u>
At 31 December 2001	6,553,110	7,371,999
Cash invested in money market	600,000	-
Cash held on deposit for reinvestment	195,952	909,894
	<u>7,349,062</u>	<u>8,281,893</u>
Total - the Group	7,349,062	8,281,893
Investment in subsidiary		
Share capital	100	100
Current account	96,983	82,594
	<u>£7,446,145</u>	<u>£8,364,587</u>
Total - the Hospice	£7,446,145	£8,364,587

In the opinion of the trustees, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

11 Stocks	2001 £	2000 £
Finished goods and goods for resale	<u>6,300</u>	<u>7,167</u>

12 Debtors	The Hospice		The Group	
	2001 £	2000 £	2001 £	2000 £
Trade debtors	<u>303,730</u>	<u>80,102</u>	<u>325,670</u>	<u>100,514</u>

13 Creditors: amounts falling due within one year	The Hospice		The Group	
	2001 £	2000 £	2001 £	2000 £
Interest free loans	4,800	4,800	4,800	4,800
Other creditors	<u>143,165</u>	<u>101,150</u>	<u>146,972</u>	<u>105,078</u>
	<u>£147,965</u>	<u>£105,950</u>	<u>£151,772</u>	<u>£109,878</u>

14 Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £8236 (2000-£4899).

15 Staff costs

	2001 £	2000 £
Wages and salaries	1,130,099	932,956
Other pension costs	<u>8,236</u>	<u>4,899</u>
	<u>£1,138,335</u>	<u>£937,855</u>

ST WILFRID'S HOSPICE (EASTBOURNE) LIMITED GROUP

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

16 General fund	2001 £	2000 £
Balance at 1 January 2001	256,916	439,901
Surplus (deficit) of income for the year	(683,279)	(417,839)
Transfer from capital fund	(25,922)	(182,985)
Transfer from expense reserve fund	683,279	417,839
	<u>£230,994</u>	<u>£256,916</u>
Balance at 31 December 2001	<u>£230,994</u>	<u>£256,916</u>
Retained in Hospice	230,576	256,498
Retained in shop	418	418
	<u>£230,994</u>	<u>£256,916</u>

17 Capital fund	2001 £	2000 £
Balance at 1 January 2001	8,965,092	7,351,955
Legacies	957,346	2,459,282
Profit on sale of investments	247,977	102,438
Net loss on revaluation of investments	(1,489,131)	(513,729)
Transfer from (to) general fund	25,922	182,985
Transfer from (to) expense reserve fund	(983,279)	(617,839)
	<u>£7,723,927</u>	<u>£8,965,092</u>
Balance at 31 December 2001	<u>£7,723,927</u>	<u>£8,965,092</u>

The trustees have agreed to allocate all legacies to this fund. During the year funds have been transferred to the expense fund to increase the balance to £1,500,000, and surplus funds have been transferred from the general fund.

18 Expense reserve fund	2001 £	2000 £
Balance at 1 January 2001	1,200,000	1,000,000
Transfer from (to) capital fund	983,279	617,839
Transfer from (to) general fund	(683,279)	(417,839)
	<u>£1,500,000</u>	<u>£1,200,000</u>
Balance at 31 December 2001	<u>£1,500,000</u>	<u>£1,200,000</u>

This fund was set up to hold one year's running costs in reserve.