

ST LUKE'S OXFORD
ACCOUNTS FOR THE YEAR ENDED
31 MARCH 1997

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Charity Registration No. 293522

Company No. 1989868



ST LUKE'S OXFORD**REPORT OF THE COUNCIL**

The Members of the Council submit the eleventh annual report and the accounts of the company for the year ending 31 March 1997.

ACTIVITIES

The company provides nursing home accommodation and medical services and consulting room accommodation for out-patients together with physiotherapy services. The results for the year are set out on page 4.

REVIEW OF RESULTS

The Council is mindful of the key factors that resulted in a deficit for the year ended 31 March 1997 of £80,581 (1996 £61,788 surplus). The deficit was mainly due to lower than expected occupancy in the early months of the year, increased staff costs due to the need to use agency personnel and higher than expected charitable subsidy to patients unable to pay full rates.

The low occupancy improved after the first quarter and averaged 85% for the year.

MANAGEMENT CHANGES

Significant strengthening of the Management Team was achieved by recruitment of Mr Carl Pinder (as Finance and Administration Manager and the Revd Philip Sutton (as Chaplain and Personnel and Estates Manager).

QUALITY OF CARE

Major improvements in the quality of care were made during the year including the introduction of personal care plans and systematic case conferences, improvements to quality assurance and monitoring, more and better staff training, participation in research projects and the recruitment of Dr D Wade as Medical Director to the St Luke's team.

ESTATE IMPROVEMENTS

The kitchens were completely refurbished during the year and significant improvements were made to the garden. The Council are particularly grateful for the generosity of Mr and Mrs Oldcorn, their family and friends who made much of this possible.

IMPROVEMENTS IN FINANCIAL SYSTEMS

The Council welcomed the computerisation of St Luke's financial systems, led by the Finance and Estates Committee and Mr Pinder.

FUTURE PLANS

Much effort and time has been put in to clarifying St Luke's Mission, Values and future plans, especially with respect to in-patient care for the sick and frail elderly, and in-patient care for the younger disabled.

ST LUKE'S OXFORD
REPORT OF THE COUNCIL
(CONTINUED)

MEMBERS OF THE COUNCIL

Members of the Council serving (who are also directors of the company) during the year were:-

* Mrs S M McLintock	(Chairman)
* Mrs S B S Homersham	(Deputy Chairman)
Mrs M I B McMaster OBE	(Founder and Life President)
Mr D J V Wright	
Miss A Dreydel	
Mrs R L Hart	
Dr P J Cook	
* Mr N Wearne	
Mr R C N Thomas	
Lady Quinlan	
* Mr P D Nicholson	Appointed 15 April 1996
Mr P A Smith	Appointed 15 April 1996
Mr A J Wain	Appointed 15 April 1996
Mr N Morris	Appointed 24 June 1996
Revd K Wilson	Appointed 24 June 1996

* Members of the Finance and Estates Committee

Mr N Wearne stood down from the Council during the period 11 December 1995 to 15 April 1996.

NON-EXECUTIVE OFFICERS

Sir Ashley Ponsonby	President
The Earl of Donoughmore	Vice-President
Mrs Caroline Miles	Vice-President
Sir Mark Norman	Vice-President

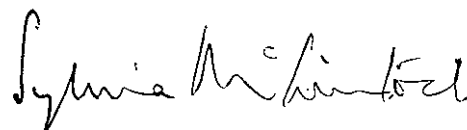
COMPANY STATUS

The Company is limited by guarantee and has no shares. It is registered as a charity.

AUDITORS

Messrs Critchleys offer themselves for re-appointment as auditors in accordance with Section 384(1) of the Companies Act 1985.

ON BEHALF OF THE COUNCIL



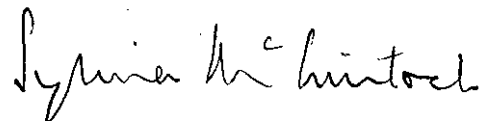
Mrs S M McLintock
CHAIRMAN

STATEMENT OF COUNCIL MEMBERS RESPONSIBILITIES

Company law requires the council members to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company for that year. In preparing those accounts the council members are required to select suitable accounting policies and then apply them consistently; make judgements and estimates that are reasonable and prudent; and prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council members 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 accounts 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.

ON BEHALF OF THE COUNCIL

A handwritten signature in cursive script, reading "Sylvia McLintock".

Mrs S M McLintock
Chairman

20 January 1998

AUDITORS' REPORT
TO THE MEMBERS OF ST LUKE'S OXFORD

We have audited the accounts on pages 4 to 12 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 7.

Respective responsibilities of council members and auditors

As described on page 2 the trustees, who are also the directors of St Luke's Oxford for the purposes of company law are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on the accounts 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 accounts. It also includes an assessment of the judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the charitable 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 accounts are free from material mis-statement, 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the charitable company's affairs at 31 March 1997 and of its incoming resources and application of resources including its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Oxford
29 January 1998


Critchleys
Chartered Accountants
Registered Auditors

ST LUKE'S OXFORD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31 MARCH 1997

	Note	Unrestricted funds £	Restricted funds £	Total funds 1997 £	Total funds 1996 £
Income and Expenditure					
Incoming Resources					
Accommodation and Services		1,226,287	-	1,226,287	1,175,273
Legacies and donations	2	3,384	-	3,384	7,289
Investment income		222	811	1,033	1,813
Other income		18,376	-	18,376	15,698
Total incoming resources		<u>1,248,269</u>	<u>811</u>	<u>1,249,080</u>	<u>1,200,073</u>
Resources Expended					
Direct charitable expenditure	3	1,013,271	165	1,013,436	896,390
Fundraising and publicity	4	24,941	-	24,941	16,603
Management and administration	5	291,284	-	291,284	225,292
Total resources expended	7	<u>1,329,496</u>	<u>165</u>	<u>1,329,661</u>	<u>1,138,285</u>
Net Incoming/(Outgoing) Resources for Year		<u>(81,227)</u>	<u>646</u>	<u>(80,581)</u>	<u>61,788</u>
Net movement in funds		<u>(81,227)</u>	<u>646</u>	<u>(80,581)</u>	<u>61,788</u>
Balances brought forward at 1 April 1996		<u>1,198,908</u>	<u>25,571</u>	<u>1,224,479</u>	<u>1,162,691</u>
Balances carried forward at 31 March 1997		<u>1,117,681</u>	<u>26,217</u>	<u>1,143,898</u>	<u>1,224,479</u>

The notes on pages 7 to 12 form part of these accounts

All activities are continuing. There are no gains or losses other than those recognised through the statement of financial activities.

As a company limited by guarantee and with charitable objects, a "reconciliation of shareholders funds" is not considered appropriate.

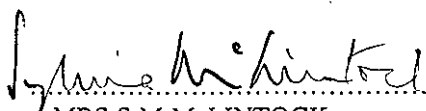
ST LUKE'S OXFORD

BALANCE SHEET AS AT 31 MARCH 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Tangible assets	9	<u>1,694,221</u>	<u>1,601,882</u>
CURRENT ASSETS			
Stocks	10	18,423	11,672
Debtors	11	55,131	65,990
Cash at bank and in hand		31,330	62,673
		<u>104,884</u>	<u>140,335</u>
CREDITORS			
Amounts falling due within one year	12	<u>(261,810)</u>	<u>(167,738)</u>
NET CURRENT LIABILITIES		<u>(156,926)</u>	<u>(27,403)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		1,537,295	1,574,479
CREDITORS			
Amounts falling due after more than one year	13 & 14	<u>(393,397)</u>	<u>(350,000)</u>
NET ASSETS		<u>1,143,898</u>	<u>1,224,479</u>
FUNDS			
Unrestricted		1,117,681	1,198,908
Restricted	15	26,217	25,571
		<u>1,143,898</u>	<u>1,224,479</u>

The notes on pages 7 to 12 form part of these accounts.

Approved by the Council on 20 January 1998.

 MEMBER OF COUNCIL
MRS S M McLINTOCK

ST LUKE'S OXFORD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 1997

	1997		1996	
	£	£	£	£
Net cash inflow from operating activities		46,969		95,858
Return on investments and servicing of finance				
Interest receivable	1,033		1,813	
Interest payable	(43,193)		(45,248)	
Net cash outflow from return on investments and servicing of finance		(42,160)		(43,435)
Investing activities				
Payments to acquire tangible fixed assets	(134,295)		(8,905)	
Net cash outflow from investing activities		(134,295)		(8,905)
Net cash inflow/(outflow) before financing		(129,486)		43,518
Financing				
Mortgage increased borrowing/(repayments)	43,397		(41,000)	
Net cash inflow/(outflow) from financing		43,397		(41,000)
(Decrease)/increase in cash and cash equivalents		(86,089)		2,518
Cash and cash equivalents at 1 April 1996		62,673		60,155
Cash and cash equivalents at 31 March 1997		(23,416)		62,673
Reconciliation of Operating Profit to Net cash inflow from operating activities				
(Deficit)/surplus of income for the year		(80,581)		61,788
Interest payable		43,193		45,248
Interest receivable		(1,033)		(1,813)
Depreciation		41,956		31,536
(Increase) in stock		(6,751)		(528)
Decrease/(increase) in debtors		10,859		(25,812)
Increase/(decrease) in creditors		39,326		(14,561)
		46,969		95,858

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

1 ACCOUNTING POLICIES

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the charities accounts:

a) **Basis of accounting**

The accounts are prepared under the historical cost convention and in compliance with applicable accounting standards and the charities Statement of Recommended Practice - 'Accounting by Charities'.

b) **Presentation**

In order to present a true and fair view, the company has not followed the strict provisions for the Companies Act 1985 regarding the format of the Statement of financial activities, and has substituted more meaningful headings in place of those prescribed.

c) **Turnover**

Turnover represents fee income from patients and rental income from consultants. Turnover does not include a subsidy of £60,948 (1996 = £31,718). This subsidy is the contribution made by the Charity in meeting the full room rate of a number of patients.

d) **Tangible fixed assets and depreciation**

Tangible fixed assets are stated at historical cost less depreciation. Depreciation is provided at rates which are calculated to write off the fixed assets by equal annual instalments over their estimated useful lives. The rates used are:-

Mechanical and Electrical Equipment	5%
Furniture and Fittings	20%
Medical Equipment	20%
X-Ray Equipment	10% - 20%
Computer Equipment	25%

The Council has decided not to depreciate Property and Improvements this year. The Council feels that the buildings are sufficiently maintained to maintain their current written down value.

In June 1997 an independent valuation of the property was commissioned. On a going concern basis, this resulted in a value of £2.25m, substantially in excess of the value shown in these accounts. The Council has decided not to adjust these accounts to reflect the revaluation.

e) **Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is estimated to be the amount for which the items could be sold after allowing for the costs of realisation.

f) **Interest**

Interest incurred on loans prior to the opening of the home has been capitalised.

2 VOLUNTARY INCOME

During the year various donations were received and fund raising events took place. In particular a donation of £1,000 was received from the Gladys Wightwell Trust.

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997
(CONTINUED)

3 DIRECT CHARITABLE EXPENDITURE

	Unrestricted funds £	Restricted funds £	Total funds 1997 £	Total funds 1996 £
Nursing services	675,034	165	675,199	593,956
Medical supplies	29,477	-	29,477	35,410
Hotel services including catering and domestic	195,384	-	195,384	170,913
Premises and plant	113,376	-	113,376	96,111
	<u>1,013,271</u>	<u>165</u>	<u>1,013,436</u>	<u>896,390</u>

4 FUNDRAISING AND PUBLICITY

Advertising	<u>24,941</u>	<u>-</u>	<u>24,941</u>	<u>16,603</u>
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5 MANAGEMENT AND ADMINISTRATION

	Unrestricted funds £	Restricted funds £	Total funds 1997 £	Total funds 1996 £
Salaries and office costs	169,539	-	169,539	108,162
Management fees	52,875	-	52,875	50,634
Audit fees	3,500	-	3,500	2,600
Finance costs	46,370	-	46,370	47,063
Insurance	6,994	-	6,994	8,400
Miscellaneous	12,006	-	12,006	8,433
	<u>291,284</u>	<u>-</u>	<u>291,284</u>	<u>225,292</u>

6 FINANCE COSTS

	1997 £	1996 £
Mortgage interest	42,941	45,248
Other costs	3,429	1,815
	<u>46,370</u>	<u>47,063</u>

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997
(CONTINUED)

7 TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total 1997 £	Total 1996 £
Direct charitable expenditure	795,537	41,956	175,943	1,013,436	896,390
Fundraising and publicity	-	-	24,941	24,941	16,603
Management and administration	120,874	-	170,410	291,284	225,292
	<u>916,411</u>	<u>41,956</u>	<u>371,294</u>	<u>1,329,661</u>	<u>1,138,285</u>

Staff costs:	1997 £	1996 £
Wages and salaries	856,693	712,488
Social security costs	54,636	45,882
Pension costs	5,082	8,207
	<u>916,411</u>	<u>766,577</u>

No employee earned £40,000 p.a. or more

The average number of employees analysed by function was:

	1997	1996
Direct charitable services	82	78
Management and administration	10	9
	<u>92</u>	<u>87</u>

Mrs McMaster, Life President, received pension payments of £3,000 (1996 - £3,000) during the year. No other Members of Council received any remuneration.

8 TAXATION

The trust is a registered charity in accordance with Section 505 of the Income and Corporation Taxes Act 1988, as such it is not liable to pay corporation tax on any surplus applied for charitable purposes.

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997
(CONTINUED)

9 TANGIBLE ASSETS

	Property and Improvements £	Mechanical & electrical equipment £	Furniture & fittings £	Medical equipment £	X-Ray equip- ment £	Office & computer equipment £	Total £
Cost							
At 1 April 1996	1,837,572	158,038	175,572	44,122	87,232	-	2,302,536
Additions	4,216	83,309	3,895	9,788	-	33,087	134,295
At 31 March 1997	<u>1,841,788</u>	<u>241,347</u>	<u>179,467</u>	<u>53,910</u>	<u>87,232</u>	<u>33,087</u>	<u>2,436,831</u>
Depreciation							
At 1 April 1996	309,357	119,932	150,042	37,934	83,389	-	700,654
Charge for the year	-	11,940	18,029	3,562	3,843	4,582	41,956
At 31 March 1997	<u>309,357</u>	<u>131,872</u>	<u>168,071</u>	<u>41,496</u>	<u>87,232</u>	<u>4,582</u>	<u>742,610</u>
Net book value							
At 31 March 1997	<u>1,532,431</u>	<u>109,475</u>	<u>11,396</u>	<u>12,414</u>	<u>-</u>	<u>28,505</u>	<u>1,694,221</u>
At 1 April 1996	<u>1,528,215</u>	<u>38,106</u>	<u>25,530</u>	<u>6,188</u>	<u>3,843</u>	<u>-</u>	<u>1,601,882</u>

ST LUKE'S OXFORD

11

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997

10	STOCKS	1997 £	1996 £
	Linen and uniforms	-	604
	Stationery	-	1,516
	Food	905	1,008
	Medical, maintenance, crockery and domestic	17,518	8,544
		<u>18,423</u>	<u>11,672</u>
11	DEBTORS	1997 £	1996 £
	Trade debtors	46,279	48,374
	Other debtors	6,285	4,590
	Prepayments	2,567	13,026
		<u>55,131</u>	<u>65,990</u>
12	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	1997 £	1996 £
	Mortgage (Note 14)	100,000	100,000
	Trade creditors	79,504	30,943
	Other taxation and social security	18,918	17,813
	Other creditors	8,642	18,982
	Bank overdraft	54,746	-
		<u>261,810</u>	<u>167,738</u>
13	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	1997 £	1996 £
	Mortgage	<u>393,397</u>	<u>350,000</u>

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 1997
(CONTINUED)

14	LOANS AND OBLIGATIONS UNDER FINANCE LEASES	1997 £	1996 £
	Mortgage	493,397	450,000
	Less: Amounts falling due within one year	(100,000)	(100,000)
		<u>393,397</u>	<u>350,000</u>

Included above are the following:

Amounts repayable by instalments:

Wholly repayable within five years	<u>493,397</u>	<u>450,000</u>
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The mortgage with Allied Trust Bank plc (now Investec Bank Limited) is secured on the property at 4 Latimer Road, Oxford. Interest is payable at 2 ½% above bank base rate.

15 RESTRICTED FUNDS

Funds are held in respect of the Chapel Fund which was created for the purpose of providing amenities for the patients.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Fixed assets £	Net current assets/ (liabilities) £	Long term liabilities £	Total £
Restricted funds	-	26,217	-	26,217
Unrestricted funds	1,694,221	(183,143)	(393,397)	1,117,681
	<u>1,694,221</u>	<u>(156,926)</u>	<u>(393,397)</u>	<u>1,143,898</u>