

ST LUKE'S OXFORD
ACCOUNTS FOR THE YEAR ENDED
31 MARCH 2001

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Charity Registration No. 293522

Company No. 1989868



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ST LUKE'S OXFORD

REPORT OF THE COUNCIL

The members of the Council submit the fifteenth annual report and the accounts of the company for the year ending 31 March 2001 in compliance with the current statutory requirements and the company's Memorandum and Articles of Association.

ACTIVITIES

The company provides specialist hospital and medical services for inpatients, and consulting room accommodation for outpatients together with physiotherapy and radiography services. The results for the year are set out on page 4.

REVIEW OF RESULTS

A surplus of £102,565 (2000 deficit of £17,940) was made in the year to 31 March 2001. This significant turnaround arose principally from higher levels of fees, particularly for state funded patients whose fees were previously well below the true costs of their care. Protracted negotiations resulted in a more equitable level of payment for these patients, and these arrangements will be carried forward. The level of patient occupancy was 84% for the year (2000: 82%). The Council is pleased with the results for the year, and looks forward to building on this in future years.

MANAGEMENT CHANGES

During the year Mr Glen Hendy was appointed Estates Manager. Also during the year, the provision of chaplaincy services to St Luke's was contracted to the John Radcliffe Hospital's chaplaincy team. The provision of catering services has now been contracted to Sodexho Healthcare.

ESTATES IMPROVEMENTS

A large quantity of used furniture (beds, chairs and other items) was donated to the hospital, and this is now in use. The fire alarm system was extended to cover all areas of the building. The ageing and inefficient dishwash equipment has been replaced, along with the purchase of new food service trolleys. By the year-end, temperature-regulating valves had been fitted to most hot water outlets.

MEMBERS OF THE COUNCIL

- * Mrs SBS Homersham (Chairman)
- Mrs Mary McMaster OBE (Founder and Life President)
- Mr DJV Wright
- Miss A Dreydel OBE (Resigned 22 January 2001)
- Mrs R Hart (Resigned 15 April 2001)
- Mr RCN Thomas
- Lady Quinlan
- * Mr AJ Wain
- * Mr N Morris
- Prof Sir J Grimley Evans
- * Mr P Tankard
- Mrs J Snowball
- Revd P Sutton (appointed 8 May 2000)
- Mr C Hobart

*Member of the Finance Committee

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

NON-EXECUTIVE OFFICERS

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

REGISTERED OFFICE AND ADDRESS FOR CORRESPONDENCE

4 Latimer Road
Headington
Oxford
OX3 7PF

BANKERS

Lloyds TSB Bank Plc, Oxford

AUDITORS

Critchleys,
Chartered Accountants
Boswell House
1-5 Broad Street
Oxford
OX1 3AW

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 B S Homersham
CHAIRMAN


3 December 2001

ST LUKE'S OXFORD**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



3 December 2001

Mrs S B S Homersham
Chairman

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

We have audited the accounts on pages 4 to 13 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 council members 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 2001 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
3 December 2001


Critchleys
Chartered Accountants
Registered Auditors

ST LUKE'S OXFORD

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED
31 MARCH 2001

	Note	Unrestricted funds 2001 £	Restricted funds 2001 £	Total funds 2001 £	Total funds 2000 £
Income and Expenditure					
Incoming Resources					
Accommodation and Services		1,670,113	-	1,670,113	1,514,380
Legacies and donations	2	3,889	-	3,889	42,168
Investment income		366	-	366	268
Other income		<u>31,516</u>	<u>-</u>	<u>31,516</u>	<u>30,469</u>
Total incoming resources		<u>1,705,884</u>	<u>-</u>	<u>1,705,884</u>	<u>1,587,285</u>
Resources Expended					
Direct charitable expenditure	3	1,284,680	4,423	1,289,103	1,263,022
Fundraising and publicity	4	11,564	-	11,564	10,547
Management and administration	5	<u>302,652</u>	<u>-</u>	<u>302,652</u>	<u>331,656</u>
Total resources expended	7	<u>1,598,896</u>	<u>4,423</u>	<u>1,603,319</u>	<u>1,605,225</u>
Net incoming/(outgoing) resources for year		<u>106,988</u>	<u>(4,423)</u>	<u>102,565</u>	<u>(17,940)</u>
Net movement in funds		106,988	(4,423)	102,565	470,520
Balances brought forward at 1 April 2000		<u>1,696,224</u>	<u>20,800</u>	<u>1,717,024</u>	<u>1,246,504</u>
Balances carried forward at 31 March 2001		<u>1,803,212</u>	<u>16,377</u>	<u>1,819,589</u>	<u>1,717,024</u>

The notes on pages 7 to 13 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 2001

	Note	2001 £	2000 £
FIXED ASSETS			
Tangible assets	9	<u>2,318,408</u>	<u>2,371,094</u>
CURRENT ASSETS			
Stocks	10	15,220	14,500
Debtors	11	144,126	130,224
Cash at bank and in hand		<u>16,806</u>	<u>29,790</u>
		176,152	174,514
CREDITORS			
Amounts falling due within one year	12	<u>(383,032)</u>	<u>(437,948)</u>
NET CURRENT LIABILITIES		<u>(206,880)</u>	<u>(263,434)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,111,528	2,107,660
CREDITORS			
Amounts falling due after more than one year	13 & 14	<u>(291,939)</u>	<u>(390,636)</u>
NET ASSETS		<u>1,819,589</u>	<u>1,717,024</u>
FUNDS			
Unrestricted	17	1,803,212	1,696,224
Restricted	16 & 17	<u>16,377</u>	<u>20,800</u>
		<u>1,819,589</u>	<u>1,717,024</u>

The notes on pages 7 to 13 form part of these accounts.

Approved by the Council on 3 December 2001.

 MEMBER OF COUNCIL
MRS S B S HOMERSHAM

ST LUKE'S OXFORD

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

		2001		2000	
	Note	£	£	£	£
Net cash inflow from operating activities	18		211,306		79,952
Return on investments and servicing of finance					
Interest receivable		366		268	
Interest payable		(47,654)		(46,030)	
Interest element of hire purchase payments		<u>(3,403)</u>		<u>(3,403)</u>	
Net cash outflow from return on investments and servicing of finance			(50,691)		(49,165)
Capital expenditure					
Payments to acquire tangible fixed assets		<u>(17,955)</u>		<u>(233,804)</u>	
Net cash outflow from investing activities			<u>(17,955)</u>		<u>(233,804)</u>
Net cash inflow/(outflow) before financing			142,660		(203,017)
Financing					
Mortgage advances		-		219,112	
Mortgage repayments		(87,646)		(88,547)	
Capital element of hire purchase repayments		<u>(7,920)</u>		<u>(3,980)</u>	
Net cash (outflow)/inflow from financing			<u>(95,566)</u>		<u>126,585</u>
Increase/(decrease) in cash			<u>47,094</u>		<u>(76,432)</u>

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

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 £35,180 (2000: £88,885). 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:-

Freehold Property	2%
Mechanical and Electrical Equipment	5%
Furniture and Fittings	20%
Medical Equipment	20%
X-Ray Equipment	10% - 20%
Computer Equipment	25%
Leased assets	Over the term of the lease

The Council has obtained a valuation of the freehold property on a going concern basis as at June 1997 of £2.25m. The Council decided in the year ended 31 March 2000 to adjust these accounts to reflect the valuation as the Council believed that the value of the property had not changed significantly since the valuation was obtained.

The Council believes that the freehold property has a remaining useful economic life of 50 years from 1 April 1999, and has charged depreciation accordingly.

Freehold property includes £1m of land which is not depreciated.

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) Leases and hire purchase contracts

Tangible fixed assets acquired under finance leases and hire purchase contracts are capitalised at the estimated fair value at the date of inception of each lease or contract. The total finance charges are allocated over the period of the lease in such a way as to give a reasonably constant charge on the outstanding liability.

g) 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.

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001
(CONTINUED)

3 DIRECT CHARITABLE EXPENDITURE

	Total funds 2001 £	Total funds 2000 £
Nursing services	823,506	834,353
Medical supplies	38,522	47,817
Hotel services including catering and domestic	234,619	225,174
Premises and plant	<u>192,456</u>	<u>155,678</u>
	<u>1,289,103</u>	<u>1,263,022</u>

4 FUNDRAISING AND PUBLICITY

	Total funds 2001 £	Total funds 2000 £
Advertising	<u>11,564</u>	<u>10,547</u>

5 MANAGEMENT AND ADMINISTRATION

	Total funds 2001 £	Total funds 2000 £
Salaries and office costs	208,037	200,466
Management fees	-	40,043
Audit fees	4,817	4,347
Finance costs (Note 6)	55,599	52,120
Insurance	9,942	10,643
Miscellaneous	<u>24,257</u>	<u>24,037</u>
	<u>302,652</u>	<u>331,656</u>

6 FINANCE COSTS

	Total funds 2001 £	Total funds 2000 £
Mortgage interest	34,173	33,853
Hire purchase interest	3,403	3,403
Other interest	<u>13,481</u>	<u>12,176</u>
	51,057	49,432
Other costs	<u>4,542</u>	<u>2,688</u>
	<u>55,599</u>	<u>52,120</u>

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001
(CONTINUED)

7 TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total 2001 £	Total 2000 £
Direct charitable expenditure	956,585	70,641	252,268	1,279,494	1,257,543
Fundraising and publicity	-	-	11,564	11,564	10,547
Management and administration	<u>168,953</u>	<u>-</u>	<u>143,308</u>	<u>312,261</u>	<u>337,135</u>
	<u>1,125,538</u>	<u>70,641</u>	<u>407,140</u>	<u>1,603,319</u>	<u>1,605,225</u>

	2001 £	2000 £
Specific costs include:		
Auditors' remuneration	4,817	4,347
Depreciation	<u>70,641</u>	<u>63,701</u>

	2001 £	2000 £
Staff costs:		
Wages and salaries	1,050,037	1,080,579
Social security costs	67,328	64,804
Pension costs	<u>8,173</u>	<u>4,965</u>
	<u>1,125,538</u>	<u>1,150,348</u>

No employee earned £40,000 or more in the year.

The average number of employees analysed by function was:

	2001 No.	2000 No.
Direct charitable services	89	87
Management and administration	<u>12</u>	<u>12</u>
	<u>101</u>	<u>99</u>

Pension costs represent the charity's contribution to individual persons' pension schemes.

Pension costs include pension contributions of £4,500 (2000: £4,500) payable to Mrs McMaster, life President, during the year. No other Members of Council received any remuneration or reimbursement of expenses.

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 2001
(CONTINUED)

9 TANGIBLE ASSETS

Cost/valuation	Freehold property £	Mechanical & electrical equipment £	Furniture & fittings £	Medical equipment £	X-Ray equip- ment £	Office & computer equipment £	Total £
At 1 April 2000	2,250,000	271,220	202,938	83,130	87,232	44,300	2,938,820
Additions	-	-	-	15,266	-	2,689	17,955
At 31 March 2001	2,250,000	271,220	202,938	98,396	87,232	46,989	2,956,775
Depreciation							
At 1 April 2000	25,000	167,085	191,837	63,346	87,232	33,226	567,726
Charge for the year	25,000	16,445	9,393	14,436	-	5,367	70,641
At 31 March 2001	50,000	183,530	201,230	77,782	87,232	38,593	638,367
Net book value							
At 31 March 2001	2,200,000	87,690	1,708	20,614	-	8,396	2,318,408
At 1 April 2000	2,225,000	104,135	11,101	19,784	-	11,074	2,371,094

The net book value of fixed assets includes £13,087 (2000: £13,087) in respect of assets held under finance leases and hire purchase contracts. The depreciation charge for the year in respect of these assets is £7,962 (2000: £7,962).

The cost of the freehold property amounts to £2,070,897.

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

10	STOCKS	2001	2000
		£	£
	Food	3,220	2,500
	Medical, maintenance, crockery and domestic	<u>12,000</u>	<u>12,000</u>
		<u>15,220</u>	<u>14,500</u>
11	DEBTORS	2001	2000
		£	£
	Amounts due within one year:		
	Trade debtors	112,792	126,868
	Other debtors	4,610	1,604
	Prepayments and accrued income	<u>26,724</u>	<u>1,752</u>
		<u>144,126</u>	<u>130,224</u>
12	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2001	2000
		£	£
	Bank overdraft	189,050	249,128
	Mortgage (Note 14)	95,710	87,754
	Obligations under finance leases and hire purchase contracts (Note 14)	2,582	7,407
	Trade creditors	46,690	60,930
	Other taxation and social security	16,577	18,007
	Other creditors	<u>32,423</u>	<u>14,722</u>
		<u>383,032</u>	<u>437,948</u>
	The bank overdraft is secured on the property at 4 Latimer Road, Oxford.		
13	CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2001	2000
		£	£
	Mortgage (Note 14)	291,939	387,541
	Obligations under finance leases and hire purchase contracts	<u>-</u>	<u>3,095</u>
		<u>291,939</u>	<u>390,636</u>

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001
(CONTINUED)

14	LOANS AND OBLIGATIONS UNDER FINANCE LEASES	2001 £	2000 £
	Loans		
	Mortgage	387,649	475,295
	Less: Amounts falling due within one year	<u>(95,710)</u>	<u>(87,754)</u>
		<u>291,939</u>	<u>387,541</u>
	Included above are the following:		
	Amounts repayable by instalments:		
	Wholly repayable within five years	<u>387,649</u>	<u>475,295</u>

The mortgage is secured on the property at 4 Latimer Road, Oxford and interest is payable at 2% above bank base rate. It is anticipated that the final repayment of the loan will be made by December 2005.

On the current repayment terms with the current level of borrowing, the loan will be fully repaid within five years.

The mortgage represents 23% of the cost of the property used for security.

Obligations under finance leases and hire purchase contracts

	2001 £	2000 £
These are repayable over varying periods by instalments as follows:		
In the next year - see note 12	2,582	7,407
In the second to fifth years	<u>-</u>	<u>3,095</u>
	<u>2,582</u>	<u>10,502</u>

Hire purchase agreements are secured on the assets concerned.

15 FINANCIAL COMMITMENTS

As at 31 March 2001 the company had financial commitments in respect of operating leases as follows:

	Plant and machinery	
	2001 £	2000 £
Within one year	3,769	-
2 to 5 years	<u>5,026</u>	<u>-</u>
	<u>8,795</u>	<u>-</u>

16 RESTRICTED FUNDS

	2001 £	2000 £
Capital equipment fund	11,277	15,700
Daybreak fund	<u>5,100</u>	<u>5,100</u>
	<u>16,377</u>	<u>20,800</u>

The capital equipment fund represents donations for expenditure on certain capital equipment.

The Daybreak fund represents donations to help support the Daybreak programme.

ST LUKE'S OXFORD

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2001

17	ALLOCATION OF NET ASSETS	Unrestricted £	Restricted £	Total £
	Fixed assets	2,307,131	11,277	2,318,408
	Current assets	171,052	5,100	176,152
	Current liabilities	(383,032)	-	(383,032)
	Long term liabilities	(291,939)	-	(291,939)
		<u>1,803,212</u>	<u>16,377</u>	<u>1,819,589</u>

18 NOTES TO THE CASH FLOW STATEMENT

Reconciliation of Operating Profit to Net cash inflow from operating activities	2001 £	2000 £
Surplus/(deficit) of income for the year	102,565	(17,940)
Interest payable	51,057	49,432
Interest receivable	(366)	(268)
Depreciation	70,641	63,701
(Increase)/decrease in stock	(720)	2,370
(Increase)/decrease in debtors	(13,902)	5,296
Increase/(decrease) in creditors	<u>2,031</u>	<u>(22,639)</u>
Net cash inflow from operating activities	<u>211,306</u>	<u>79,952</u>

Analysis of changes in net debt

	At 1 April 2000 £	Cash flows £	Other changes £	At 31 March 2001 £
Cash in hand, at bank	29,790	(12,984)	-	16,806
Overdrafts	(249,128)	60,078	-	(189,050)
Debt due within one year	(87,754)	(87,646)	79,690	(95,710)
Debt due after one year	(387,541)	175,292	(79,690)	(291,939)
Hire purchase	<u>(10,502)</u>	<u>7,920</u>	<u>-</u>	<u>(2,582)</u>
Total	<u>(705,135)</u>	<u>142,660</u>	<u>-</u>	<u>(562,475)</u>

Reconciliation of net cash flow to movement in net debt

	2001 £	2000 £
Increase/(decrease) in cash in the year	47,094	(76,432)
Mortgage repayments/(increased borrowing)	87,646	(130,565)
Capital element of hire purchase payments	<u>7,920</u>	<u>3,980</u>
Changes in net debt	142,660	(203,017)
Net debt at 1 April 2000	<u>(705,135)</u>	<u>(502,118)</u>
Net debt at 31 March 2001	<u>(562,475)</u>	<u>(705,135)</u>