

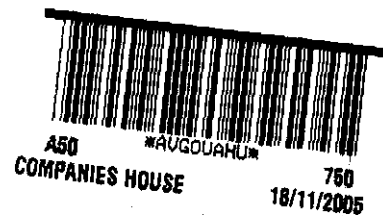
ST. VINCENT'S HOSPITAL
(A Company Limited by Guarantee)

Company No. 2721809
Registered Charity No. 1014889

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31ST MARCH 2005



St. Vincent's Hospital
Financial Statements
For the year ended 31st March 2005

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St. Vincent's Hospital
Legal and Administrative Details
For the year ended 31st March 2005

The full name of the charity is St. Vincent's Hospital.

The charity is a company limited by guarantee and is governed by a Memorandum and Articles of Association. From time to time, in accordance with the Memorandum and Articles, the Board of Directors may by ordinary resolution change certain procedural aspects of the charity's conduct of business.

The charity is governed by the Members of the Company who delegate day to day managerial responsibility to a Board of Directors. There is no limit to the number of persons who can be members of the company but two thirds of them must be Roman Catholics. The Board of Directors is limited to a maximum of six members including the Chairman of the company. At least two thirds of the directors must be Roman Catholics. No employee of the charity can be a director. All directors are also members of the company.

The registered company number is 2721809; the registered charity number is 1014889.

The registered office of the company is:

St. Vincent's Hospital
Wiltshire Lane
Eastcote
Pinner
Middlesex HA5 2NB

The charity's principal professional advisors during the year were as follows:

Bankers: Barclays Bank plc
 54 High Street
 Ruislip
 Middlesex HA4 7AT

Auditors: haysmacintyre
 Fairfax House
 15 Fulwood Place
 London WC1V 6AY

Solicitors: Stone King
 13 Queen Square
 Bath BA1 2HJ

St. Vincent's Hospital
Annual Report of the Trustees
For the year ended 31st March 2005 (Continued)

Directors

The Directors act as trustees for the charitable activities of the company. During the year the following were directors:

John Bosco Davern (Chairman).
Alan Joseph Edmondson.
Bernard James Luckhurst.
Jacqueline Ann Scott.
Reverend Monsignor John Coghlan.

The total number of directors at 31st March 2005 was five including the Chairman. Directors are appointed by the Annual General Meeting for a period of two years, half of the directors being appointed every year. The Board of Directors can appoint directors to vacancies by affirmative resolution during the year. Any director so appointed must have the appointment confirmed by the next following Annual General Meeting.

Objectives and Achievements

The charity's mission statement is to serve the health care of the disadvantaged, seen in the context of the whole person ministry to body, mind and spirit. In June 2004 the charity sold land to Crest Nicholson to fund the building of a 60 bed Nursing Home. The sale proceeds, along with borrowing facilities from Barclays Bank plc, enabled the charity to enter into a contract with Geoffrey Osborne Ltd for the building of this Nursing Home with a completion date anticipated for April 2006. The charity plans for the new home to be open to receive residents in June 2006.

Organisational Structure

Major decisions affecting the charity are made by the trustees at board meetings and are documented within the minutes of these meetings. During the transitional phase of the charity from hospital to nursing home the day to day administration of the charity has been undertaken by suitably qualified self employed staff on a part time basis. These staff also assist and advise the trustees at board meetings and in formulating and co-ordinating the plans for the future. The charity did not therefore have any staff directly employed by it during the financial year, but plans to appoint key personnel from January 2006 in the run up to opening the new Nursing Home .

Review of Financial Position

The charity had a positive net movement in funds of £938,336 for the year ending 31st March 2005 (2004 – negative net movement of £306,768). This was largely achieved through the sale of land to Crest Nicholson for £5,393,049 (net). The balance sheet value of this land was £4,295,893, giving rise to a monetary gain of £1,097,156 on this transaction. The majority of the land sale money was held on deposit, following receipt in June 2004, and this enabled the charity to earn £162,415 in interest for the year (2004 - £205). The other major source of income was again rental income at £91,576 (2004 - £105,955) as the charity continued to rent premises on short-term leases to help fund its future plans. During the year the charity incurred expenditure in connection with the development of its new Nursing Home of £1,108,036, and of this total £160,194, (2004 - £306,339) was considered as revenue expenditure, including £147,551 for the demolition of the old hospital buildings, and written off in the income and expenditure account for the year. £947,842 (2004 - £Nil) was considered as being of a capital nature, and capitalised in the balance sheet at 31st March 2005. Expenditure on the day to day running of the charity was £50,617 (2004 - £57,767) and £16,173 (2004 - £24,588) was spent on the management and administration of the charity. At 31st March 2005 the charity was holding £4,146,713 in cash reserves (2004 – net overdraft £197,368). This money has been fully committed towards the building of the new Nursing Home (see Note 19).

Reserves Policy

The financial position of the charity has changed significantly with the sale of land and the commencement of the building of the new nursing home. The trustees are aware that the required reserves policy for the charity's new activities is likely to differ significantly from the previous policy and work is currently being performed to determine an appropriate new policy. This will be finalised in the year and reported on in the 2005/6 financial statements.

Risk Assessment

The trustees have comprehensively assessed and managed risks associated with the changes to the charity's activities from the hospital in the past to the future planned nursing home. The trustees are aware that following the completion of the nursing

**St. Vincent's Hospital
Annual Report of the Trustees (Continued)
Statement of Trustees' Responsibilities
For the year ended 31st March 2005**

home their risk assessment process will need to be formalised to take into account the new operational and financial position of the charity. This will be reported in the 2005/6 financial statements.

Future Developments (up to 10th November 2005)

Construction of the Nursing Home begun in February 2005 and to date is ahead of schedule. It is anticipated that the home will be completed in April 2006 with an anticipated opening date of June 2006. Discussions with Barclays Bank plc to discuss finance arrangements for the balance of funding requirements are at an advanced stage and contracts will be signed shortly for a £2.7 million treasury loan facility along with an overdraft facility of £100k. These facilities along with the charities own cash resources will enable it to meet all its commitments in respect of the Nursing Home construction, the requirement to return the east side of its site to Green Belt and leave sufficient working capital to fund the initial months of operation of the Home.

Interest for places in the home is already running at a very high level and marketing of the home will begin in early 2006. Drafts policies, procedures, job descriptions, recruitment plans, resident's contracts, the registration application etc for the home are currently being prepared and will be completed within prescribed time scales. Key staff will be taken on from January 2006 and other staff will be employed on a time scale that allows for adequate induction and training programs to be completed prior to the home's planned opening date of June 2006.

Connected Charities

The charity's relationships with connected charities are described in note 16 to the financial statements.

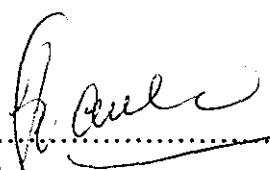
Statement of Trustees' Responsibilities

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its position at the end of the year. In preparing financial statements giving a true and fair view, the trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention of fraud and other irregularities.

By order of the Trustees

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J.B. Davern
Director

St. Vincent's Hospital

Independent Auditors' Report to the Members of St. Vincent's Hospital

We have audited the financial statements of St Vincent's Hospital for the year ended 31st March 2005 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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 therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' 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 Trustees' Responsibilities. The Trustees are also the directors of St Vincent's Hospital for the purposes of company law.

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 charitable 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 charitable company is not disclosed.

We read the other information contained in the Trustees' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or apparent material inconsistencies with the financial statements.

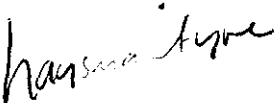
Basis of audit opinion.

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 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 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 charity's affairs as at 31st March 2005 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.


haysmacintyre
Chartered Accountants
Registered Auditors

Fairfax House
15 Fulwood Place
London WC1V 6AY

Date: 14 November 2005

St. Vincent's Hospital
Statement of Financial Activities
For the year ended 31st March 2005

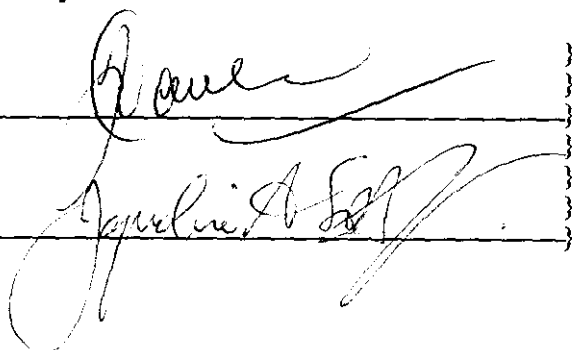
		Unrestricted 2005 £	Restricted 2005 £	Total 2005 £	Total 2004 £
INCOME AND EXPENDITURE					
	Notes				
Incoming Resources					
Donations and bequests	2	5,066	-	5,066	5,341
Charitable activities					
Investment Income and bank interest		162,415	-	162,415	205
Activities to generate funds					
Rental Income		91,576	-	91,576	105,955
Other Income		634	-	634	1,425
Profit on sale of land		1,097,156	-	1,097,156	-
Total Incoming Resources		1,356,847	-	1,356,847	112,926
Resources Expended					
Cost of generating funds	3	50,617	-	50,617	57,767
Charitable expenditure	4	160,914	-	160,914	337,339
Management and administration of the charity	5	16,173	-	16,173	24,588
Total Resources Expended	6	227,704	-	227,704	419,694
Net Incoming/(Outgoing) Resources		1,129,143	-	1,129,143	(306,768)
Increase in provision for green belt restoration	12	190,807	-	190,807	-
Net Movement in Funds		938,336	-	938,336	(306,768)
Balances brought forward at 1 st April 2004		5,999,117	7,931	6,007,048	6,313,816
Balances Carried Forward at 31st March 2005		6,937,453	7,931	6,945,384	6,007,048

All recognised gains and losses for the year have been included in the Statement of Financial Activities.
All results are derived from continuing activities.

St. Vincent's Hospital
Balance Sheet as at 31st March 2005

	Notes	2005 £	2005 £	2004 £	2004 £
Fixed Assets					
Tangible Assets	8		3,080,583		6,428,634
Investments	9		316		316
			<u>3,080,899</u>		<u>6,428,950</u>
Current Assets					
Debtors	10	197,139		33,555	
Cash at bank and in hand		4,146,713		1,166	
		<u>4,343,852</u>		<u>34,721</u>	
Creditors: Amounts falling due within one year					
Creditors	11	179,367		347,430	
Net Current (Liabilities)/Assets			4,164,485		(312,709)
Provision for Liabilities and Charges	12		(300,000)		(109,193)
Net Assets			<u>6,945,384</u>		<u>6,007,048</u>
Accumulated Funds					
Unrestricted	13		6,937,453		5,999,117
Restricted	18		7,931		7,931
			<u>6,945,384</u>		<u>6,007,048</u>

Approved by the Board on 10th NOVEMBER 2005



Directors

St. Vincent's Hospital
Cash Flow Statement
For the year ended 31st March 2005

	2005 £	2004 £
Reconciliation of Net Incoming/(Outgoing) Resources		
To Net Cash Outflow from Operating Activities		
Net Incoming/(outgoing) resources for the year	1,129,143	(306,768)
Increase in creditors	30,471	84,800
(Increase) in debtors	(163,584)	(27,976)
Net Book Value of Land sold	4,295,893	-
Capital expenditure	(947,842)	-
	<u>4,344,081</u>	<u>(249,944)</u>
Net Cash Inflow/(Outflow) from Operating Activities		
Increase/(decrease) in Cash (Note 1)	<u>4,344,081</u>	<u>(249,994)</u>
	<u>4,344,081</u>	<u>(249,994)</u>

Notes to the Cash Flow Statement

Note 1 – Analysis of Changes in Net Funds

	At 01.04.04 £	Cash Flows £	At 31.03.05 £
Cash at Bank	1,166	4,145,547	4,146,713
Overdraft	(198,534)	198,534	-
Cash at bank/(Bank overdraft)	<u>(197,368)</u>	<u>4,344,081</u>	<u>4,146,713</u>

St. Vincent's Hospital
Notes to the Financial Statements
For the year ended 31st March 2005

1 Accounting Policies

Accounting Basis and Standards

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties, and in accordance with applicable standards and the requirements of the Statement of Recommended Practice on Accounting by Charities.

Statement of Financial Activities

As permitted by section 226, Companies Act 1985, a Statement of Financial Activities has been prepared in place of a Profit and Loss Account, as the trustees consider that this is more appropriate to the charitable activities of the company.

Taxation

The company is not liable to corporation tax on its income or capital gains by virtue of its charitable activities.

Fixed Assets

Any expenditure on the acquisition or installation of fixed assets is capitalised.
All receipts of fixed assets by way of donations to the Hospital are capitalised.

Depreciation

Depreciation on fixed assets is provided at rates estimated to write off the cost or re-valued amounts less estimated residual value of each asset over its expected useful life as follows:-

Freehold land	Nil
Computer equipment	25% p.a. straight line

No depreciation has been provided during the year on assets under the course of construction. Depreciation of 2% per annum straight line will be charged from when the assets are brought into use.

Investments

The Hospital's listed investments are included in the financial statements at market value.

Pension Scheme Arrangements

The Hospital does not have any pension arrangements in place as it has no employees in current pensionable employment.

Basis of Allocation of Costs

Costs which can be clearly identified as either direct charitable expenditure in relation to the objects of the charity or management and administration have been classified under the appropriate heading. All other costs have been apportioned between direct charitable expenditure and management and administration on an appropriate basis determined by the trustees.

St. Vincent's Hospital
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

	Unrestricted 2005 £	Restricted 2005 £	Total 2005 £	Total 2004 £
2 Donations and Bequests				
Legacies received	5,000	-	5,000	5,100
Others	66	-	66	241
	5,066	-	5,066	5,341
	Unrestricted Funds 2005 £	Restricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
3 Resources Expended – Cost of generating funds				
Staff costs	6,696	-	6,696	8,554
Property rentals	18,033	-	18,033	22,580
Sundry repairs and maintenance	1,219	-	1,219	2,389
Utilities and rates	13,393	-	13,393	12,083
Other support costs	11,276	-	11,276	12,161
	50,617	-	50,617	57,767
	Unrestricted Funds 2005 £	Restricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
4 Resources Expended - Charitable expenditure				
Staff costs	5,702	-	5,702	35,114
New Development costs	155,212	-	155,212	302,225
	160,914	-	160,914	337,339
	Unrestricted Funds 2005 £	Restricted Funds 2005 £	Total Funds 2005 £	Total Funds 2004 £
5 Management and Administration of the Charity				
Staff costs	2,345	-	2,345	4,037
Other costs	13,828	-	13,828	20,551
	16,173	-	16,173	24,588
	Staff Costs 2005 £	Other Costs 2005 £	Total 2005 £	Total 2004 £
6 Total Resources Expended				
Cost of generating funds	6,696	43,921	50,617	57,767
Charitable expenditure	5,702	155,212	160,914	337,339
Management and administration of the charity	2,345	13,828	16,173	24,588
	14,743	212,961	227,704	419,694

St. Vincent's Hospital
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

	2005 £	2004 £
Staff costs:		
Fees paid to self employed staff	14,023	16,705
Compensation payments to former employees	720	31,000
	14,743	47,705

Other costs:		
Domestic costs	3,203	2,411
Utilities and rates	28,223	32,252
Repairs and renewals to buildings and equipment	1,219	2,389
Office costs	3,027	6,433
Insurances	9,268	8,057
Legal and professional fees	6,309	11,938
Audit fees and financial advice	2,773	2,400
Interest payable	3,727	3,884
New development costs	155,212	302,225
	212,961	371,989

	2005 Number	2004 Number
The average number of employees, analysed by function was:		
Support staff	1	1
Management and administration of the charity	1	1
	2	2

7 Net Outgoing Resources for the Year	2005 £	2004 £
This is stated after charging:		
Auditors' remuneration:		
Annual Audit	2,553	2,043
Advice on future plans and operations	-	3,231
	2,553	5,274

St. Vincent's Hospital
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

8 Tangible Assets	Freehold Land £	Buildings under Construction £	Fixtures, Fittings and Office Equipment £	Total £
Cost or Valuation				
As at 1 st April 2004	6,428,634	-	1,368	6,430,002
Additions	-	947,842	-	947,842
Less: Disposals	(4,295,893)	-	-	(4,295,893)
As at 31 st March 2005	2,132,741	947,842	1,368	3,081,951
Depreciation				
As at 1 st April 2004	-	-	1,368	1,368
Less: Disposals	-	-	-	-
As at 31 st March 2005	-	-	1,368	1,368
Net Book Value				
As at 1 st April 2004	6,428,634	-	-	6,428,634
As at 31 st March 2005	2,132,741	947,842	-	3,080,583

Substantially all fixed assets held during the year were for direct charitable purposes. The value of the retained freehold land, on which the Nursing Home is being constructed, has been estimated as 50% of the book valuation of that part of the site. This book valuation was originally determined by Chartered Surveyors in September 1998 on a depreciated cost basis. The 50% of book value thereby written off is attributed to be the value of the demolished buildings.

9 Investments	2005 £	2004 £
Listed investments at market value quoted on the UK stock exchange	316	316
Historical cost of listed investments	149	149

The listed investment for 2005 and 2004 is £600 nominal value of 2.5% consolidated stock.

10 Debtors	2005 £	2004 £
Trade debtors	172,449	5,334
Prepayments and accrued income	24,690	28,221
	197,139	33,555

St. Vincent's Hospital
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

	2005 £	2004 £
11 Creditors: Amounts falling due within one year		
Bank overdraft	-	198,534
Trade creditors	155,292	48,759
Accruals and deferred income	24,075	60,137
Loan from League of Friends of St. Vincent's Hospital (see note 16)	-	40,000
	<u>179,367</u>	<u>347,430</u>

	2005 £	2004 £
12 Provisions for Liabilities and Charges		
Green belt restoration provision	<u>300,000</u>	<u>109,193</u>

St. Vincent's is committed under s106 of the Town and Country Planning Act 1990 to restoring the land that lies to the east of Wiltshire Lane to Green Belt before 29th July 2006, having had the original deadline extended by two years by the local authority.

Provisional estimates for restoration indicate a likely cost of £300,000 and the provision has therefore been increased to this amount. There is a less than 50% chance that the eventual cost of restoration could total an additional £250,000. This will depend on the re-useability of a mound of earth that was deposited on the site in 1999 to be used as back filling material following demolition of the buildings.

	Unrestricted £	Restricted £	Total £
13 Accumulated Funds			
Balance at 1 st April 2004	5,999,117	7,931	6,007,048
Net movement in funds	938,336	-	938,336
	<u>6,937,453</u>	<u>7,931</u>	<u>6,945,384</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds £
14 Analysis of Net Assets between funds			
Tangible fixed assets	3,080,583	-	3,080,583
Investments	316	-	316
Net current assets	4,156,554	7,931	4,164,485
Provisions	(300,000)	-	(300,000)
	<u>6,937,453</u>	<u>7,931</u>	<u>6,945,384</u>

Unrealised amounts included above:

At 1 st April 2004	<u>5,611,687</u>	<u>-</u>	<u>5,611,687</u>
At 31 st March 2005	<u>1,861,825</u>	<u>-</u>	<u>1,861,825</u>

St. Vincent's Hospital
Notes to the Financial Statements
For the year ended 31st March 2005 (Continued)

15 Member's Liability

At 31st March 2005 the number of members was 8 (2004 – 8) and their liability in the event of the winding up of the company is limited to £1 per member.

16 Connected Charities

The charity has benefited over a number of years from the support of the League of Friends of St. Vincent's Hospital (L.O.F.), a registered charity, which exists to support the activities of the charity by way of donations for the purchase of equipment and facilities to enhance the quality of service provided by the charity. In September 2003 the L.O.F. made a loan of £40,000 to the charity. The Loan was bridging finance to enable the charity to continue financing its future development plans. The loan, along with interest of £1,275 was repaid on 2nd September 2004.

17 Trustee's Remuneration and Benefits

The trustees did not receive any remuneration or benefits during the year. Three trustees were reimbursed expenses totalling £1,123 (2004 - £945) in respect of telephone usage and other expenses on charity business. The company has taken out an insurance policy for trustees and officers liability cover at an annual cost of £1,512 (2004 - £1,512).

18 Restricted Funds

The restricted funds of the charity comprise:

	2005 £	2004 £
Grant from the Metropolitan Hospital – Sunday Fund for the purchase of television sets	2,000	2,000
Public donations towards the upgrade of charity facilities	5,931	5,931
	<u>7,931</u>	<u>7,931</u>

19 Capital Commitments

At 31st March 2005 the charity had entered into contracts with Geoffrey Osborne Ltd and other professionals that had outstanding amounts totalling £5,706,443 for expenditure contracted for but not yet incurred.