

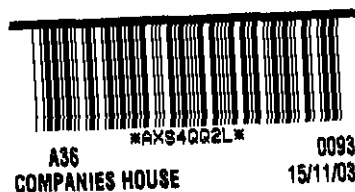
**ST. VINCENT'S HOSPITAL**  
(A Company Limited by Guarantee)

Company No. 2721809  
Registered Charity No. 1014889

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31<sup>ST</sup> MARCH 2003**



**St. Vincent's Hospital**  
**Annual Report of the Trustees**  
**For the year ended 31<sup>st</sup> March 2003**

**Legal and Administrative Details**

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 31<sup>st</sup> March 2003 (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.

Sr. Patricia Sylke (nominated by the Daughters of Charity of St. Vincent de Paul). Resigned 18<sup>th</sup> August 2002.

Sr. Frances Bath (nominated by the Daughters of Charity of St. Vincent de Paul). Appointed 28<sup>th</sup> November 2002.

Bernard James Luckhurst.

The total number of directors at 31<sup>st</sup> March 2003 was four 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.

Changes to Directorships since 31<sup>st</sup> March 2003 have been as follows (up to 31<sup>st</sup> October 2003):-

Sr. Frances Bath. Resigned 30<sup>th</sup> April 2003.

Jacqueline Ann Scott. Appointed 10<sup>th</sup> May 2003.

Reverend Monsignor John Coghlan. Appointed 3<sup>rd</sup> June 2003.

**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. The trustees of the charity are now extremely well advanced in their plans for the future of the charity. Outline planning permission was granted in December 2001 for the sale of just over 3 acres of land, on the west side of the site, for residential development. Subsequently full planning consent, subject to a section 106 agreement under the Town and Country Planning Act 1990, was granted for the building of either a 48 or 60 bedded nursing home on the west side of the site. Much of the funding for the new home will come from the proceeds of the intended land sale with the shortfall coming from mid to long term borrowings. The trustees are happy with the progress made during the current financial year and it is envisaged that the new home could be fully operational by late 2004.

**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 does not therefore have any staff directly employed by it, but will appoint key personnel at appropriate times in the future as its new development plans advance.

**Review of Financial Position**

The charity had a net outgoing movement in funds of £225,876 for the year ending 31<sup>st</sup> March 2003 (2002 £99,175). The outgoing movement in funds includes an amount of £140,852 relating to the cost of refurbishing St. Anne's Ward (renamed the Templeton Centre), in 1997 for occupation by the Harrow & Hillingdon Alzheimer's Disease Society, who were granted a five year licence from 1<sup>st</sup> September 1997. The total cost of these refurbishments was funded by donations from the Holding Hands Appeal (a connected charity, wound up during the previous financial year, that was set up for the joint benefit of both parties). The unit was vacated on 31<sup>st</sup> August 2002, on expiry of the five year term, and as it is situated on land that will be sold for residential development, the write off of the total cost of these refurbishments has been provided for in these accounts.

The total income of the charity for the year is £125,792 (2002 £145,053), and of this total, £114,871 relates to rental income (2002 £132,717). Total resources expended are £210,851 (2002 £244,204) and included in this total is £139,707 (2002 £148,763) relating to expenditure on advancing the future plans of the charity. The balance of the expenditure relates to day to day running costs of £57,099 (2002 £74,904) and expenditure on the management and administration of the charity of £14,045 (2002 £20,537). The charity therefore had a surplus of £54,648 (2002 £49,612) on its day to day activities, after excluding the expenditure incurred on advancing its future plans.

**St. Vincent's Hospital**  
**Annual Report of the Trustees**  
**For the year ended 31<sup>st</sup> March 2003 (Continued)**

**Future Developments (up to 31<sup>st</sup> October 2003)**


In July 2003 the charity commissioned its professional development team to advance the plans for the 60 bedded nursing home to detailed architectural drawings. The main reason for this is to ascertain 'cost certainty' for the building project and evaluate more accurately the likely borrowing requirements, before entering into binding contracts. These figures will be available by late November 2003. It is anticipated that the building and other initial associated costs of this project are likely to be in the region of £5.5 million.

At the end of August 2003 the charity entered into a conditional contract with a residential developer for the sale of the land earmarked for housing development. It is anticipated that a final binding contract will be entered into in December 2003 with this developer, and the net receipts to the charity are likely to be in the order of £5.2 million, with the shortfall and other start up costs being funded by mid to long-term borrowings. At the same time the charity plans to commission the building of the 60 bedded nursing home with a builder having ascertained 'cost certainty' as previously outlined above. Once commissioned the building of the home is expected to take 46 weeks to final completion (see also note 20).

**Connected Charities**

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

**By order of the Trustees**

.....  
  
**J.B. Davern**  
Director

Date: 4TH NOVEMBER 2003

# **St. Vincent's Hospital**

## **Trustees' Responsibilities and Report of the Auditors**

### **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.

### **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 31<sup>st</sup> March 2003 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.**

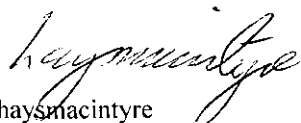
We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates 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 31<sup>st</sup> March 2003 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: 6 November 2003

**St. Vincent's Hospital**  
**Statement of Financial Activities**  
**For the year ended 31st March 2003**

	Notes	Unrestricted 2003 £	Restricted 2003 £	Total 2003 £	Total 2002 £
<b>INCOME AND EXPENDITURE</b>					
<b>Incoming Resources</b>					
Donations and bequests	2	8,418	-	8,418	4,809
Investment Income and bank interest		1,262	-	1,262	3,978
Rental Income		114,871	-	114,871	132,717
Other Income		1,241	-	1,241	3,549
<b>Total Incoming Resources</b>		125,792	-	125,792	145,053
<b>Resources Expended</b>					
Charitable expenditure					
Continuing operations	3	57,099	-	57,099	74,904
Future operations and plans	4	139,707	-	139,707	148,763
Other expenditure:					
Management and administration of the charity	5	14,045	-	14,045	20,537
<b>Total Resources Expended</b>	6	210,851	-	210,851	244,204
<b>Net Incoming/(Outgoing) Resources for the Year</b>		(85,059)	-	(85,059)	(99,151)
<b>Other Recognised Gains and Losses</b>					
Unrealised (loss)/gain on investment assets	9	35	-	35	(24)
Write-off re: St. Anne's Ward (Templeton Centre)	19	-	(140,852)	(140,852)	-
<b>Net Movement in Funds</b>		(85,024)	(140,852)	(225,876)	(99,175)
Balances brought forward at 1st April 2002		6,390,909	148,783	6,539,692	6,638,867
<b>Balances Carried Forward at 31st March 2003</b>		6,305,885	7,931	6,313,816	6,539,692

All recognised gains and losses for the year have been included in the Statement of Financial Activities

**St. Vincent's Hospital**  
**Balance Sheet at 31st March 2003**

	Notes	2003 £	2003 £	2002 £	2002 £
<b>Fixed Assets</b>					
Tangible Assets	8		6,428,634		6,569,486
Investments	9		316		281
			-----		-----
			6,428,950		6,569,767
<b>Current Assets</b>					
Debtors	10	5,579		17,292	
Cash at bank and in hand		52,576		98,558	
		-----		-----	
		58,155		115,850	
<b>Creditors: Amounts falling due within one year</b>	11	64,096		36,732	
		-----		-----	
<b>Net Current (Liabilities)/Assets</b>			(5,941)		79,118
<b>Provision for Liabilities and Charges</b>	12		(109,193)		(109,193)
			-----		-----
<b>Net Assets</b>			6,313,816		6,539,692
			=====		=====
<b>Accumulated Funds</b>					
Unrestricted	13		6,305,885		6,390,909
Restricted	13		7,931		148,783
			-----		-----
			6,313,816		6,539,692
			=====		=====

Approved by the Board on *ATH NOVEMBER 2003*

*[Signature]*  
-----  
*[Signature]*  
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Directors



**St. Vincent's Hospital**  
**Cash Flow Statement**  
**For the year ended 31st March 2003**

	2003 £	2002 £
<b>Reconciliation of Net Incoming/(Outgoing) Resources to Net Cash Outflow from Operating Activities</b>		
Net Incoming/(outgoing) resources for the year	(85,059)	(99,151)
Depreciation	-	342
Increase/(Decrease) in creditors	27,364	(11,296)
Decrease in debtors	11,713	2,407
	----- (45,982)	----- (107,698)
	=====	=====
<b>Net Cash Outflow from Operating Activities</b>	(45,982)	(107,698)
	-----	-----
<b>(Decrease) in Cash (Note 1)</b>	(45,982)	(107,698)
	=====	=====

**Notes to the Cash Flow Statement**

**Note 1 - Analysis of Changes in Net Funds**

	At 1.4.02 £	Cash Flows £	At 31.3.03 £
Cash at bank	98,558	(45,982)	52,576
	=====	=====	=====

**St. Vincent's Hospital**  
**Notes to the Financial Statements**  
**For the year ended 31<sup>st</sup> March 2003**

**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 revalued amounts less estimated residual value of each asset over its expected useful life as follows:-

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

No depreciation has been provided during the year on freehold buildings as these are maintained at their market values in accordance with Financial Reporting Standard 15 "Accounting for Fixed Assets".

**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 2003 (Continued)

2 Donations and Bequests	Unrestricted 2003 £	Restricted 2003 £	Total 2003 £	Total 2002 £
Legacies received	8,175	-	8,175	333
Holding Hands Appeal	-	-	-	4,372
Others	243	-	243	104
	8,418	-	8,418	4,809

### 3 Charitable Expenditure - continuing operations

	Unrestricted Funds 2003 £	Restricted Funds 2003 £	Total Funds 2003 £	Total Funds 2002 £
Staff Costs	11,144	-	11,144	9,859
Property rentals	22,970	-	22,970	27,229
Sundry repairs and maintenance	469	-	469	3,034
Utilities and rates	12,504	-	12,504	11,826
Other support costs	10,012	-	10,012	22,614
Depreciation of tangible fixed assets	-	-	-	342
	57,099	-	57,099	74,904

### 4 Charitable Expenditure - future operations and plans

	Unrestricted Funds 2003 £	Restricted Funds 2003 £	Total Funds 2003 £	Total Funds 2002 £
Staff Costs	5,816	-	5,816	10,997
New Development costs	133,891	-	133,891	137,766
	139,707	-	139,707	148,763

### 5 Management and Administration of the Charity

	Unrestricted Funds 2003 £	Restricted Funds 2003 £	Total Funds 2003 £	Total Funds 2002 £
Staff Costs	4,985	-	4,985	8,765
Other Costs	9,060	-	9,060	11,772
	14,045	-	14,045	20,537

### 6 Total Resources Expended

	Staff Costs 2003 £	Depreciation 2003 £	Other Costs 2003 £	Total 2003 £	Total 2002 £
Charitable expenditure continuing operations	11,144	-	45,955	57,099	74,904
future operations and plans	5,816	-	133,891	139,707	148,763
Management and administration of the charity	4,985	-	9,060	14,045	20,537
	21,945	-	188,906	210,851	244,204

# St. Vincent's Hospital

## Notes to the Financial Statements

For the year ended 31st March 2003 (Continued)

	2003	2002
	£	£
Staff costs:		
Fees paid to self employed staff	21,945	29,621
	-----	-----
	21,945	29,621
	=====	=====
Other costs:		
Domestic costs	2,251	2,005
Utilities and rates	33,224	37,050
Repairs and renewals to buildings and equipment	469	3,034
Office costs	4,051	5,892
Insurances	7,939	19,870
Legal and professional fees	5,025	6,571
Audit fees and financial advice	2,056	2,053
New development costs	133,891	137,766
	-----	-----
	188,906	214,241
	=====	=====

	2003	2002
	Number	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

	2003	2002
	£	£
This is stated after charging:		
Auditors' remuneration	1,750	1,750
Depreciation of owned assets	-	342
	=====	=====

**St. Vincent's Hospital**  
**Notes to the Financial Statements**  
**For the year ended 31st March 2003 (Continued)**

**8 Tangible Assets**

	<b>Freehold Land and Buildings £</b>	<b>Fixtures, Fittings and Office Equipment £</b>	<b>Total £</b>
<b>Cost or Valuation</b>			
At 1st April 2002	6,569,486	1,368	6,570,854
Less: Write down re St. Anne's Ward (see note 19)	(140,852)	-	(140,852)
	-----	-----	-----
At 31st March 2003	6,428,634	1,368	6,430,002
	=====	=====	=====
<b>Depreciation</b>			
At 1st April 2002 and 31st March 2003	-	1,368	1,368
	=====	=====	=====
<b>Net Book Value</b>			
At 31st March 2003	6,428,634	-	6,428,634
	=====	=====	=====
At 31st March 2002	6,569,486	-	6,569,486
	=====	=====	=====

Substantially all fixed assets held during the year were for direct charitable purposes. The freehold land and buildings were valued in September 1998 by Chartered Surveyors on a depreciated replacement cost basis.

The trustees have carried out an impairment review at 31st March 2003, having regard to the company's current level of activity and the estimated recoverable amounts attributable to the buildings concerned. St. Anne's Ward (The Templeton Centre) was vacated by the Harrow & Hillingdon Alzheimer's Disease Society on 31st August 2003 on expiry of their licence. The original cost of the refurbishment of this now empty unit has therefore been written off in full. No other changes to the carrying value of the company's buildings is considered necessary.

Comparable historical cost of the freehold land and buildings included at valuation:

<b>Cost</b>	<b>£</b>
At 1st April 2002	957,966
Less Disposals	(140,852)
	-----
At 31st March 2003	817,114
	=====
<b>Depreciation based on cost</b>	
At 1st April 2002	288,472
Charge for year	95,797
Eliminated on disposal	(70,426)
	-----
At 31st March 2003	313,843
	=====
<b>Net Book Value</b>	
At 31st March 2003	503,271
	=====
At 31st March 2002	669,494
	=====

**9 Investments**

	<b>2003 £</b>	<b>2002 £</b>
Listed investments at market value, quoted on the UK stock exchange	316	281
	=====	=====
Historical cost of listed investments	149	149
	=====	=====

The listed investment for 2003 and 2002 is £600 nominal value of 2.5% consolidated stock.

**St. Vincent's Hospital**  
**Notes to the Financial Statements**  
**For the year ended 31st March 2003 (Continued)**

<b>10 Debtors</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade debtors	4,277	15,429
Prepayments and accrued income	1,302	1,863
	<hr/>	<hr/>
	5,579	17,292
	<hr/>	<hr/>

<b>11 Creditors: Amounts falling due within one year</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Trade creditors	28,632	6,503
Accruals and deferred income	35,464	30,229
	<hr/>	<hr/>
	64,096	36,732
	<hr/>	<hr/>

<b>12 Provision for Liabilities and Charges</b>	<b>2003</b>	<b>2002</b>
	<b>£</b>	<b>£</b>
Green Belt restoration provision	109,193	109,193
	<hr/>	<hr/>

St. Vincent's is committed under s106 of the Town and Country Planning Act 1990 to restoring the land on the hospital's east side to Green Belt land before 29th July 2004.

The estimated cost to the hospital of the restoration has been fully provided, and is backed by a guarantee given by Barclays Bank plc secured on part of the company's freehold property.

<b>13 Accumulated Funds</b>	<b>Unrestricted</b>	<b>Restricted</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Balance at 1st April 2002	6,390,909	148,783	6,539,692
Net movement in funds	(85,024)	(140,852)	(225,876)
	<hr/>	<hr/>	<hr/>
Balance at 31st March 2003	6,305,885	7,931	6,313,816
	<hr/>	<hr/>	<hr/>

<b>14 Analysis of Net Assets between Funds</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	6,428,634	-	6,428,634
Investments	316	-	316
Net current assets	(13,872)	7,931	-5,941
Provisions	(109,193)	-	(109,193)
	<hr/>	<hr/>	<hr/>
	6,305,885	7,931	6,313,816
	<hr/>	<hr/>	<hr/>
Unrealised amounts included above: At 1st April 2002 and 31st March 2003	5,338,991	-	5,338,991
	<hr/>	<hr/>	<hr/>

**15 Member's Liability**

At 31st March 2003 the number of members was 8 (2002 - 9) and their liability in the event of the winding up of the company is limited to £1 per member.

**St. Vincent's Hospital**  
**Notes to the Financial Statements**  
**For the year ended 31st March 2003 (Continued)**

**16 Connected Charities**

- a) 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. The charity has not sought any financial support from the L.O.F. during the current financial year (2002 - £Nil) and they have suspended active fund raising for the time being. The trustees of the L.O.F. have maintained close informal links with the charity and have indicated that their funds will be available at an appropriate time in the future.

**17 Contingent Liability**

The charity is involved in a county court action with six former employees, concerning the calculation of their redundancy payment when their employment contracts were terminated on 31st March 2000. The trustees are currently taking legal advice as to the defendability of this claim and the best course of action to take.

The information normally required by FRS 12 is not disclosed on the grounds that it may prejudice the outcome of any settlement.

**18 Trustee's Remuneration and Benefits**

The trustees did not receive any remuneration or benefits during the year. Two trustees were reimbursed expenses totalling £783 (2002 - £459) in respect of telephone usage and travelling expenses on charity business. The company has taken out an insurance policy for trustees and officers liability cover at an annual cost of £1,260 (2002 - £1,870).

**19 Restricted Funds**

The restricted funds of the charity comprise:-

	2003 £	2002 £
Donations received from the Holding Hands Appeal for the refurbishment of St. Anne's Ward (renamed the Templeton Centre), for use by the Harrow & Hillingdon Alzheimer's Disease Society as a day centre. *	-	140,852
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
	-----	-----
	7,931	148,783
	=====	=====

\* The Harrow & Hillingdon Alzheimer's Disease Society were granted a five year licence on St. Anne's Ward which expired on 31st August 2002. The charity was unable to grant a new licence to the Society as vacant possession was needed on the unit to enable the plans for the future to be effectively implemented. The cost of these refurbishments have therefore been fully written off in the current year.

**20 Capital Commitments**

As mentioned on page 3 of the Annual Report of the Trustees, under the heading 'Future Developments (up to 31st October 2003)', the charity had not by this date entered into any binding contracts for building work, demolition or other such enabling works in connection with the construction of the proposed new Nursing Home. The Trustees have however, as previously stated, commissioned its professional development team to ascertain 'cost certainty' in relation to this project. It is therefore anticipated that once the contract for the sale of the residential land has been finalised and the charity has secured mid to long-term borrowings to meet the funding shortfall, the charity will be entering into contracts in the region of £5.5 million.