

ST. LUKE'S TRUST

DIRECTORS' AND TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2006

**DAVID RICHARDSON & CO
CHARTERED ACCOUNTANTS
REGISTERED AUDITORS
4A LONDON ROAD
STROUD
GLOUCESTERSHIRE
GL5 2AG**

ST. LUKE'S TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Company Number: 3197736 (charity no 1056073)

Directors/ Trustees John West
Jonquil McCullagh
Marianne Allan

Secretary: Philip Curwen

Registered Office: Gannicox House
57 Cainscross Road
Stroud
Gloucestershire
GL5 4EX

Auditors: David Richardson & Co
Chartered Accountants
4a London Road
Stroud
Gloucestershire
GL5 2AG

Bankers: Lloyds TSB
12 Rowcroft
Stroud
Glos. GL5 3BD

CCLA Management Ltd
COIF Charity Funds
80 Cheapside
London EC2V 6DZ

Solicitor: Michael Little
Goldinghams
2 Rowcroft
Stroud
Glos. GL5 3BB

ST. LUKE'S TRUST

DIRECTORS' AND TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2006

The Trustees present their report with the financial statements of the charity for the year ended 31 March 2006.

Directors and Trustees

The directors of the charitable company (the charity) are the trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. The trustees serving during the year and since the year end were as follows:

John West - Chairman

Marianne Allan

Sue Porter (left 9th February 2006)

Jonquil McCullagh (appointed 9th February 2006)

Erlend Havneras (appointed 22nd March 2006, left 26th September 2006)

Structure, Governance & Management

Governing document

St Luke's Trust Ltd is a company limited by guarantee with no share capital, governed by a memorandum and articles of association. It was incorporated on 13th May 1996, and registered as a charity on 12th June 1996.

Appointment of trustees

Trustees are appointed by processes laid down in the articles of association. New trustees may be co-opted by the Trustees to provide necessary skills to support the charity, and full appointment and routine re-election procedures are undertaken at annual general meetings.

Trustee induction and training

Trustees are briefed on their legal obligations under company and charity law, the governing document, decision making processes and financial performance of the charity. We have begun to commission professional external training events, in order to ensure high standards of governance and awareness.

Organisation

The trustees are responsible for the governance and administration of the charity. They meet quarterly, and receive reports from the Trust administrator, medical and therapy groups, and the Gannicox management group. These reports convey the day to day life of the different activities, matters of policies and procedures, and financial budgets and reports.

Related parties

St Luke's Trust is one of the three corporate members of Camphill Gloucestershire Ltd, a not-for-profit company limited by guarantee without share capital. Camphill Gloucestershire Ltd is a Camphill company, set up in May 2006, to act as an agent in contracting with Gloucestershire County Council for the provision of care and support services.

ST. LUKE'S TRUST

DIRECTORS' AND TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

Risk management

The trustees have risk management strategies which comprise:

- A periodic review of risks the charity may face
- The establishment of systems and procedures to mitigate identified risks; these systems are developed by the Gannicox management group, and the Trust administrator in liaison with the medical and therapy team.
- Particular emphasis on health and safety policies and procedures, wide-ranging and adequate insurance cover, and protection of vulnerable adults from abuse
- Financial risk management by developing and reviewing our reserves policy

Objectives and activities

Following a wide-ranging review of our governing document, and in partnership with the Charity Commission, St Luke's Trust intends to adopt a revised memorandum and articles of association, in order to more clearly express our charity objects and more closely adhere to the Commission's guidance on such matters.

The charity has as its main current aims the support and promotion of anthroposophical medicine, the support and personal development of adults with learning disabilities through Camphill community life, and research into the development of a medical-therapeutic approach that broadens anthroposophical healing in a holistic manner.

The main objectives for the year continue to be a new surgery to replace the outdated facilities in Tuffley, further development of the adult residential community at Gannicox House, and the adoption of a renewed memorandum to encompass further charitable developments.

The strategies employed to achieve the charity's objectives are to:

- Secure 'cost rent' for the new Tuffley surgery, and begin the building programme
- Promote good partnership with Social Service departments, Supporting People and partners within the Association of Camphill Communities to ensure referrals and adequate funding
- Complete the renovation works at Gannicox, and further develop a supportive and therapeutic community life there
- Ensure an effective coworker group at Gannicox by active recruitment, personal and professional paths of development, and a community life imbued with Camphill ideals

While there are some part-time employees at Gannicox Community, the resident coworkers are not salaried in the usual way. They are voluntary co-workers following a vocation, having their needs met from the resources of the charity. Their formal relationship to the charity is based upon an absence of legal rights and contract, based upon Camphill principles; but is expressed in a co-worker charter which has been developed to articulate responsibilities and mutual expectations.

ST. LUKE'S TRUST

DIRECTORS' AND TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

Achievements and performance

Throughout the year, St Luke's Trust supported its beneficiaries, within the charity objects, by:

- Supporting the medical centre work by implementing a cyclical maintenance and upgrading programme for the building
- Maintaining therapy provision in the Medical Centre through contracting with an active therapy partnership
- Maintaining appropriate resident numbers at Gannicox House while maintaining contractual relationships with the Supporting People organisation, which was undergoing profound change
- Receiving favourable external reports from Supporting People for the service at Gannicox
- Working in partnership with other Camphill charities to form Camphill Gloucestershire Ltd and achieve preferred provider status for care and support services with Gloucestershire County Council
- Upgrading and further developing the building at Gannicox

Financial Review

General overview

From the audited accounts, it will be seen that incoming resources for the year to 31st March 2006 were £396,466. Resources expended were £304,763. Net income was thus £91,703. Looking to the balance sheet, total assets less current liabilities were £1,945,091, and total net assets were £1,494,974, up from £1,403,271 at 31st March 2005. We consider these figures to be healthy, showing a strong asset base and ongoing revenue viability.

Reserves policy

The bulk of St Luke's Trust's income is based upon contractual fees from placing authorities for Gannicox Community, rent from St Luke's Medical Practice for our Medical Centre, and therapy fees. Principle funding sources are, Supporting People grants, Local Authority Social Services and Housing departments, the Medical Practice and therapy patients. As such, cessation of this funding would entail cessation of service provision, and our reserves policy acknowledges this; understanding that a large proportion of our expenditure would cease. To this end, we consider that an appropriate level of reserves is such as to cover between three and four months of normal expenditure. During the year to March 2006, our expenditure of unrestricted and undesignated funds averaged about £25,400 per month. This figure represents total resources expended, less restricted and designated funds. An appropriate reserve fund is thus between £76,200 and £101,600. Current assets less short term creditors were £302,680 at 31st March 2006. Long term loans are secured against our freehold property, whose value well exceeds loan levels even at the property's historic cost; with a comfortable margin of safety should any such loans become difficult to service for any unforeseeable reason. As such, the trustees are content with current reserves, and will review them twice a year. Reserves are kept in deposit accounts with CCLA, to achieve capital preservation and a high interest rate.

ST. LUKE'S TRUST

DIRECTORS' AND TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

Plans for future periods

The main financial concern for the charity will be to maintain funding during a time of great change in our regulatory and funding authorities. We have adapted to reorganisations within Gloucestershire County Council, and will actively work to secure continuity with their joint commissioning strategy and overall strategic plan.

We continue to review our systems of financial strategy and financial control, to achieve a robust procedure of delegated authority combined with a system of monitoring and review to ensure the effective use of funds in delivering our objectives.

Taxation Status

The company is a registered charity and consequently is exempt from Corporation Tax.

Responsibilities of the Trustees

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the council should follow best practice and:

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

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

David Richardson was re-appointed as the charitable company's auditor during the year and has expressed his willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice – Accounting and Reporting by Charities and in accordance with the special provisions of the Companies Act 1985 relating to small entities.

Approved by the trustees on 23rd January 2007, and signed on its behalf by:

P Curwen
Secretary

INDEPENDENT AUDITORS REPORT
TO THE MEMBERS OF ST. LUKE'S TRUST
FOR THE YEAR ENDED 31 MARCH 2006

We have audited the financial statements on pages 8 to 15. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and auditors

The Trustees' responsibilities for preparing the Trustees' 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.

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' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed.

We read the Trustees' Annual Report, and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by 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 judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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.

INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF ST. LUKE'S TRUST (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31 March 2006 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

.....
David Richardson & Co
Chartered Accountants
Registered Auditors
4a London Road
Stroud
Gloucestershire
GL5 2AG

24 January 2007

ST. LUKE'S TRUST

BALANCE SHEET

AT 31 MARCH 2006

	Note	2006		2005	
		£	£	£	£
Tangible fixed assets					
Tangible assets	3		1,642,411		1,416,405
Current assets					
Debtors	4	6,350		22,553	
Bank Accounts		321,604		482,027	
Cash in hand		233		-	
		<u>328,187</u>		<u>504,580</u>	
Creditors					
Amounts falling due within one year	5	25,507		57,739	
Net current assets			302,680		446,841
Total assets less current liabilities			<u>1,945,091</u>		<u>1,863,246</u>
Creditors					
Amounts falling due after more than one year	5		(450,117)		(459,975)
Net assets			<u>1,494,974</u>		<u>1,403,271</u>
Capital funds					
Restricted funds			-		59,101
Unrestricted funds			1,494,974		1,344,170
Total funds			<u>1,494,974</u>		<u>1,403,271</u>

Approved by the trustees on 23rd January 2007 and signed on its behalf by:

.....
J West

The annexed notes form part of these financial statements.

ST. LUKE'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2006

	Unrestricted Funds £	Restricted Income Funds £	Total Funds 2006 £	Total Funds 2005 £
Incoming resources				
Incoming Resources from generated funds:				
Voluntary income	12,686	-	12,686	35,586
Investment income	13,206	-	13,206	22,813
	25,892	-	25,892	58,399
Incoming resources from charitable activities	280,712	-	280,712	317,540
Other incoming resources	89,862	-	89,862	86,136
Total incoming resources	396,466	-	396,466	462,075
Resources expended				
Costs of generating funds	1,386	-	1,386	2,230
Charitable activities	298,390	-	298,390	253,556
Governance costs	4,987	-	4,987	9,153
Total resources expended	304,763	-	304,763	264,939
Net movement in funds	91,703	-	91,703	197,136
Gross transfers between funds	59,101	(59,101)	-	-
Total funds brought forward	1,344,170	59,101	1,403,271	1,206,135
Total funds carried forward	1,494,974	-	1,494,974	1,403,271

Details of Incoming resources and resources used are given in the notes to the financial statements.

ST. LUKE'S TRUST

STATEMENT OF FINANCIAL ACTIVITIES

DETAILED ANALYSIS OF MOVEMENTS IN FUNDS

FOR THE YEAR ENDED 31 MARCH 2006

	2006		2005	
	£	£	£	£
General Fund				
Balance B/fwd	1,344,170		704,627	
Surplus for the year	91,703		176,016	
Transfer from Hobbs Legacy Fund	59,101		463,527	
	<u> </u>	1,494,974	<u> </u>	1,344,170
Hobbs Legacy Fund				
Opening Balance	59,101		501,508	
interest received	-		21,120	
Transfer to General Fund	(59,101)		(463,527)	
	<u> </u>	-	<u> </u>	59,101
Total funds at 31 March 2006		<u>1,494,974</u>		<u>1,403,271</u>

ST. LUKE'S TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2006

1. Accounting policies

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards. In preparing the financial statements the charity follows best practice as set out in the Statement of Recommended Practice "Accounting and Reporting

by Charities (SORP 2005) issued in March 2005, applicable UK Accounting Standards and the Companies Act 1985.

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

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

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	25% reducing balance basis
Fixtures and fittings	25% reducing balance basis

Depreciation has not been provided on freehold property.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

2. Operating profit

	2006	2005
	£	£
This is stated after charging:		
Auditors' remuneration	1,763	1,704
	<u> </u>	<u> </u>

ST. LUKE'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

3. Tangible fixed assets

	Land and Buildings £	Fixtures and Fittings £	Motor Vehicles £	Total £
Cost:				
At 1 April 2005	1,397,639	43,849	25,700	1,467,188
Additions	225,383	5,380	-	230,763
	1,623,022	49,229	25,700	1,697,951
Depreciation:				
At 1 April 2005	-	35,538	15,245	50,783
Charge for the year	-	2,142	2,615	4,757
	-	37,680	17,860	55,540
Net book value:				
At 31 March 2006	1,623,022	11,549	7,840	1,642,411
At 31 March 2005	1,397,639	8,311	10,455	1,416,405

Included within the above land and buildings are freehold properties which have not been depreciated as follows :-

Medical & Therapy Centre, 53 Cainscross Road.	698,895	698,895
Gannicox House, 55 to 57 Cainscross Road	924,127	698,744

The cost of Gannicox House includes renovation and improvement expenditure during the year of £225,383, to date £688,910.

4. Debtors and prepayments

Amounts falling due within one year:

	2006 £	2005 £
Prepayments	852	599
Taxation	1,445	1,445
Other debtors	4,053	20,509
	6,350	22,553
	6,350	22,553

ST. LUKE'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

5. Creditors

Amounts falling due within one year:-

	2006	2005
	£	£
Bank Loans	9,792	9,500
Sundry Creditors	7,486	39,010
Accruals	8,229	9,229
	<u>25,507</u>	<u>57,739</u>

Amounts falling due after more than one year:-

Other loans	14,768	14,768
Bank Loans	435,349	445,207
	<u>450,117</u>	<u>459,975</u>

Of the creditors falling due within one year £9,792 is secured.

Of the creditors falling due after one year £435,349 is secured.

Bank Loan repayable by instalments	445,141	454,707
Other Loans not repayable by instalments	14,768	14,768

ST. LUKE'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

6.	Incoming resources	2006	2006	2005
		£	£	£
	Voluntary income			
	Gifts and Donations	12,686		35,586
		<hr/>		<hr/>
			12,686	35,586
	Income from Charitable Activities			
	Residential care home	239,598		288,521
	Therapy income	41,114		29,019
		<hr/>		<hr/>
			280,712	317,540
	Investment income			
	Bank interest	13,206		1,693
		<hr/>		<hr/>
			13,206	1,693
	Other incoming resources			
	Sundry income	19,253		13,844
	Rent receivable	36,017		36,017
	Contributions to overheads	34,592		36,275
		<hr/>		<hr/>
			89,862	86,136
	Total incoming resources		<hr/> <hr/>	<hr/> <hr/>
			396,466	440,955
	Resources Expended			
7.	Costs of generating funds	2006	2006	2005
		£	£	£
	Cost of sales	1,386		2,230
		<hr/>		<hr/>
			1,386	2,230
			<hr/> <hr/>	<hr/> <hr/>

ST. LUKE'S TRUST

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 31 MARCH 2006

8. Charitable activities

	2006	2006	2005
	£	£	£
Residents and Helpers costs (note 10)	158,744		134,399
Newsletter costs	3,065		2,078
Rates, Water and Insurances	11,262		9,377
Repairs and Maintenance	7,562		7,953
Heating and Lighting	8,230		6,235
Professional fees and Subscriptions	9,579		3,701
General expenses	5,310		-
Therapists fees and expenses	43,489		38,673
Landscaping and gardening	3,662		3,383
Depreciation	4,757		6,255
Loan interest and charges	38,217		37,130
Training expenses	1,136		1,462
Telephone	2,575		2,910
Donations and Grants	802		-
	<hr/>		<hr/>
		298,390	253,556
		<hr/> <hr/>	<hr/> <hr/>

9. Governance costs

	2006	2006	2005
	£	£	£
Bank charges	564		495
Telephone	858		970
Legal and Professional fees	1,616		3,255
Administration expenses	186		2,729
Auditor's remuneration	1,763		1,704
	<hr/>		<hr/>
		4,987	9,153
		<hr/> <hr/>	<hr/> <hr/>

10. Residents and Helpers costs

Household and food	39,740		36,585
Personal and education fees	89,184		69,045
Holidays	8,660		10,300
Motor and Travelling expenses	16,267		11,980
Staff salaries	4,893		6,489
	<hr/>		<hr/>
Total overhead expenses		158,744	134,399
		<hr/> <hr/>	<hr/> <hr/>

ST. LUKE'S TRUST

FOR THE YEAR ENDED 31 MARCH 2006

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