REGISTRAR OF COMPANIES

The Congregation of the Daughters of the Cross of Liege

Annual Report and Financial Statements

31 March 2011

Company Registration Number 03492921

Charity Registration Number 1068661

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1 Introduction

The trustees are pleased to present their report, together with the financial statements of The Congregation of the Daughters of the Cross of Liege, for the year ended 31 March 2011 The report has been prepared in accordance with Part VI of the Charities Act 1993 and also constitutes a directors' report for the purposes of the Companies Act 2006

The financial statements are presented in accordance with the accounting policies on pages 47 to 51 and comply with the charity's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005)

2 Highlights of the year

Our finances

	2011	2010
Total expenditure	**62.5m**	60 1m
Total income	**64.9m**	63 4m
Total staff costs	**38.8m**	37 9m

Our people

Employees	**1,499**	1,497
Volunteers	**973**	933
Sisters	**73**	73

Our beneficiaries

Adult residents	**159**	160
Hospice patients	**925**	875
Hospital in-patients	**6,917**	6,790
Out-patient visits	**32,474**	32,352
Pupils and students	**3,219**	3,140

Our achievements

- Achieving over 20% energy savings on refurbishing the St Mary's convent building
- Completion of the refurbishment of convent buildings in Haslemere
- Holy Cross Hospital's successful tender for work under contract with NHS Surrey
- Level of patient activity at St Anthony's Hospital maintained
- Patients' relatives' satisfaction levels at St Raphael's Hospice increased to 97%
- Over £60m spent on charitable activities
- Successful Care Quality Commission inspection achieved at St Wilfrid's Care Home
- Fundraising target for new building at St Elizabeth's Centre almost at required level (£1 6m of £1 7m)
- Numbers of people employed held at around the same level as last year
- Free reserves maintained at required level

3 Administrative details

3.1 Registration details

The Congregation of the Daughters of the Cross of Liege is a charitable company limited by guarantee and that is its registered name Registration details are

- Charity Registration Number 1068661
- Company Registration Number 3492921
- Registered Office and Principal Office address 29 Tite St, London, SW3 4JX

The predecessor organisation was a charitable trust with the same name (a Registered Charity now merged with this one and removed from the Register) which was formed in 1910, although Sisters have been working in the UK since 1863

3.2 Trustees

Provincial Superior and Chairperson of Provincial Council
Sister Veronica Hagen (Chairperson)
Provincial Bursar
Sister Elena Pettenuzzo OBE
Members of the Provincial Council
Sister Shirley Lowe (aka Sister Mary Agnes)
Sister Annette Clemence
Sister Mary McLaughlin
Sister Kathleen O'Reilly

No other person served as a trustee during the year

The Provincial Superior and Chairperson is also the Chief Executive Officer of the charity

3.3 Company Secretary

Peter Cousins

3 Administrative details (continued)

3.4 Operating locations – "The Works"

The charity operates at a number of locations under the following names

	Senior Officer	Website – www.
♦ Holy Cross Hospital, Haslemere, Surrey	Christopher Hinton	holycross org uk
♦ St Anthony's Hospital, Cheam, Surrey	Brian Clarke	stanthonys org uk
♦ St Elizabeth's Centre, Much Hadham, Hertfordshire	James Connolly	stelizabeths org uk
♦ St Raphael's Hospice, Cheam, Surrey	Brian Clarke	straphaels org uk
♦ St Wilfrid's Care Home, Chelsea, London	Pauline Dodd	stwilfridssw3.com

3.5 Principal advisers

Auditors
Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Investment managers
BlackRock Investment Managers Limited
12 Throgmorton Avenue
London
EC2N 2DL

Davy Stockbrokers
49 Dawson Street
Dublin 2

Bankers
The Royal Bank of Scotland
127-128 High Holborn
London
WC1V 6PQ

Solicitors
Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

4 Objects and aims

4.1 Objects

Sisters have been working in the UK since 1863 when the English Province was established In 1910 the Sisters' work was given a more formal framework under a trust deed and in 1998 the activities were transferred to a company limited by guarantee When the trust became a company its objects were adapted from the original trust deed and covered what until 2006 were the four heads of charity The charity is therefore established to

- advance religion, by establishing and maintaining residencies for the Sisters of the Congregation
- advance education, by establishing and maintaining educational institutions in accordance with Canon 803 of the Code of Canon Law
- relieve poverty and suffering, by establishing and maintaining hospitals, hospices, nursing homes and residential homes for the sick, elderly and needy
- advance religion, advance education and relieve poverty and suffering, by direct activity in the community and by all other charitable means, including giving alms to the needy

Whilst the charity and the Sisters are inextricably entwined, it is the activities, assets and finances which are enshrined in a legal entity, the life and work of the Sisters continues within the Congregation as it has since the beginning

However for the Sisters, Religion is the commitment to love and serve God as expressed in their vows, and is and always has been the centre of their lives and everything they do, thus to them, Religion is not just about worship and prayer but encompasses teaching and caring for others To quote from the Sisters' Religious Constitution "They will serve Christ in the works of general and special education, the care of the sick and the aged, abandoned children, the physically and mentally handicapped, the socially deprived, local pastoral work and the various needs of the Church" The Sisters do not see the objects as four activities but as all part of the one Religious life they have chosen and therefore the one over-riding purpose of the charity

One other aspect of the charity, and indeed most Religious charities, which makes them very different to other charities is the involvement of the Sisters There are six Sister trustees but all Sisters are donors and, as they are provided for by the charity, beneficiaries More importantly, in the Works, they are working as part of the management teams and in other roles, in and around the beneficiaries the whole time Where Sisters are not based at one of the Works, they will be involved with their localities by working voluntarily in parishes, hospices and various organisations With their work and by their constant prayers for the good of all people, they believe they have a positive impact on all the people with whom they interact

4 Objects and aims (continued)

4.1 Objects (continued)

The Religious commitment of the Sisters permeates all of the charitable activity done in the name of the Province and the charity Their costs (having taken a vow of poverty they have no financial resources of their own), relate to their care and welfare, their residences and direct costs like their travel expenses However, it is not possible or desirable to separate those costs between for example Religion and Education or Education and Poverty and Suffering These costs are therefore described as "Religion" throughout this report and the financial statements

The other objects of the Advancement of Education, the Relief of Poverty and Suffering and Other Charitable Purposes have been, for this report and the financial statements, abridged to three activity headings of "Health and Welfare", "Health, Welfare and Education" and "Other" "Health, Welfare and Education" mainly encompasses the activities of St Elizabeth's Centre whose costs, because of the holistic nature of its work, are not segregated Owing to the complexity of the services offered, each section has a part devoted to each Work detailing their individual aims, key objectives, main achievements, etc

4.2 Aims

The Objects section above explains the legal structure and the relationship between the English Province of Sisters and the legal entity

The aim of the charity quite simply is to provide a legal framework in the UK, for the Sisters to follow their calling and to meet the obligations as set out in their Constitution, which focuses primarily on the needs of the weak and the vulnerable

5 Public benefit

All over the world, Sisters have lived and worked, generally in small communities, to help the public, not only to advance Religion but to bring relief and improvement through education, health care, and social work and in whatever other ways were open to them

As required by the Charities Act 2006, the Charity Commission published their general guidance on dealing with the "public benefit requirement", meeting which is one of the legal requirements of every organisation set up as a registered charity in England and Wales They have also published other more specific guidance on the Advancement of Religion, the Advancement of Education, the Prevention or Relief of Poverty, and Public Benefit and Fee-charging, all of which impact the charity

The trustees have considered the guidance and are satisfied that the charitable objects or purposes of the charity and the way it operates meet the public benefit requirement as defined by the guidance They also consider that all appropriate members of the public have the opportunity to benefit from the charity's services without unreasonable restriction In addition, they have had regard to the guidance when exercising any powers or duties to which the guidance is relevant, for example when planning changes to existing or considering additional services

5 Public benefit (continued)

The trustees consider that the rest of this report demonstrates many aspects of the public benefit which the charity provides

6 The environment

The trustees are aware of the charity's corporate social responsibility to protect the environment All Works have conservation and waste programmes in place to reduce the consumption of energy and water, to reduce waste so that as little as possible goes to landfill and to recycle metals, chemicals, etc wherever possible Whenever significant work is carried out on any of the charity's properties, then opportunities are taken to improve insulation and reduce energy consumption, so for example in refurbishing the convent building in Cheam savings of over 20% in energy usage were achieved In addition, there are projects like the Orchard Project at St Elizabeth's Centre which is restoring an orchard of old-established and rare-variety apple trees in the grounds

The work that has been done previously on, for example, utilising energy from solar and wind power and the programmes for the sensitive disposal of waste are incremental and improve year on year, giving continuing benefits to the environment

7 Related parties

7.1 Sisters

The Sisters of the Congregation covenant their salary and pension income to the charity (see note 1 to the financial statements) They are also beneficiaries of the charity in that the costs of their welfare and activities are met by the charity The trustees, including the Provincial Superior and the Provincial Bursar, are all Sisters and no trustee is remunerated for their services No trustee had any beneficial interest in any contract with the charity

7 2 Worldwide Congregation

The charity and the Sisters are part of the Worldwide Congregation of the Daughters of the Cross of Liege Grants are made to the Worldwide Congregation for use at the Generalate in Belgium and in other Provinces around the world, so that the charitable objectives can be fulfilled outside the UK Most of these grants are taken from the Worldwide Fund

7 3 St Philomena's School, Carshalton and Holy Cross College, Bury

St Philomena's, Carshalton, Surrey is a Voluntary Aided School funded by the Local Education Authority Its serves the Catholic girls of Sutton, Surrey and its environs and has facilities and resources for around 1,269 girls supported by a teaching staff of 80 and 58 support staff It is a Technology College, a Language College and an International Leadership Partner School

7 Related parties (continued)

7.3 St Philomena's School, Carshalton and Holy Cross College, Bury (continued)

Holy Cross College, Bury, Lancashire, is a Catholic Sixth Form College with a University Centre funded by the Young People's Learning Agency It welcomes students and staff of all faiths The College has facilities and resources for around 1,860 students and caters for 630 adult students following higher education courses validated by various universities and colleges It has a staff complement of 182, of whom 107 are teaching staff

Both are exempt charities and therefore separate legal entities, and they are run independently of the charity under the control of their Governing Bodies, of which the Provincial Superior and other Sisters are members

The charity does not exercise control over the activities nor the management of either organisation and derives no financial benefit from them The income and expenditure, assets and liabilities are not therefore aggregated into these financial statements and the property is included at nil value

In the case of both St Philomena's School and Holy Cross College, the Provincial Superior appoints the Foundation Governors The Articles and Instruments provide that the number of Foundation Governors exceed that of the other Governors in order to preserve their Catholic ethos Other Governors are also appointed in accordance with their governing documents by parents, by members of staff, by the Local Authority, etc

As the School and College are both carrying on activities which further the education object of the charity, their properties are let to them at peppercorn rents and this arrangement will continue, subject only to major changes in funding, governance or educational needs

7 4 St Julia's Hospice

The charity established and ran St Julia's Hospice in Hayle, Cornwall and some years ago it was gifted to Cornwall Hospice Care so that it could continue to provide hospice care to the locality To enable it to continue with lower costs, the charity provided a long lease at a peppercorn rent as the trustees considered, and still consider, that the work furthers the Health and Welfare object of the charity Three Sisters still live in the locality and carry out voluntary work at the hospice

Recently, to increase the number of beds by 50% and to create a dedicated and separate area for day patients, they decided to build an extension and fundraised to meet the cost The building opened on 31 October 2011 and is now in everyday use

8 Structure and governance

8.1 Legal structure

The charity is a charitable company limited by guarantee and its governing documents are its Memorandum and Articles of Association which set out the objects of the charity, the powers of its trustees and details of its general administration and governance

8 Structure and governance (continued)

8.1 Legal structure (continued)

In terms of Canon Law (which is the law of the worldwide Roman Catholic Church) the Congregation of Sisters is governed at an international level by the Superior General and her General Council in Liege, Belgium They are elected every six years at a General Chapter, which is a meeting of elected representatives from around the world The next such Chapter will be in May 2012 The English Province, which covers Communities in England, Ireland and the USA, is governed by the Provincial Superior and her Provincial Council who are also appointed at the General Chapter, after consultation processes with the Sisters of the English Province The Congregation has a constitution, approved in Rome, which governs how the Sisters should organise their affairs and live their lives As well as the English Province, the Congregation has Provinces in Belgium, Germany, India and Pakistan and Communities in Rome, Cameroun and Brazil

During the last General Chapter in 2006 the Superior General, Sister Arlinda Azaredo, was re-elected for a further six years and the Provincial Superior of the English Province, Sister Veronica Hagen, was re-appointed for a further three years Sister Veronica has since been appointed for a further three years until June 2012

The Superior General of the Worldwide Congregation and the Provincial Superior of the English Province of the Congregation are the only two members of the company.

8.2 Governance and trustees

The Articles of Association provide that there shall be between three and ten trustees The number will always include Sisters who are trustees by reason of their respective offices within the English Province of the Congregation The offices referred to are the Provincial Superior, the Provincial Bursar and the members of the Provincial Council There are currently six such trustees

The trustees at 31 March 2011 are listed on page 2 There have been no changes since the year-end The trustees are the directors for the purposes of company legislation but they are referred to throughout this report and financial statements as trustees

Five of the present trustees reside in convents attached to one or other of the Works in England run by the charity The sixth Trustee, Sister Kathleen O'Reilly, is based in the Generalate and was appointed as First Assistant to the Superior General (which means that she deputises for her in her absence) She was also a member of the Provincial Council from 1988 to 2000 and a trustee between 1998 and 2000 All the trustees have lived and worked for many years within one or other of the charity's Works, so they all have personal experience of the services which the charity offers and has offered to the public

The charity is unlike most charities in that the trustees devote, along with all Sisters, their whole lives to the service of the charity and the people it serves In living on the same sites as the Works, by meeting regularly and by visiting the Works and the Communities, the trustees oversee the smooth running of the charity, encouraging and supporting the Sisters, the lay associates, the employees, the beneficiaries, the volunteers, and all those connected in any way with the charity

8 Structure and governance (continued)

8 2 Governance and trustees (continued)

The trustees have met regularly during the year ended 31 March 2011, and have met 7 times, as well as having held 8 Urgent Business Meeting Trustees carry out Provider visits to the regulated activities to comply with legislation and, where more appropriate, trustees appoint others to carry out these visits During the year trustees have attended various conferences and seminars, organised by outside bodies on financial, investment and governance issues Although not relevant this year, appropriate induction procedures, reflecting their experience to date, are devised for any new trustee

The Provincial Superior is the voting member of the Conference of Religious to which all Sisters belong, and the Provincial Bursar is a member of the Association of Provincial Bursars These, and many other such memberships, help to keep the trustees up to date with changes within Religious Communities and with relevant changing legislation and regulation

The trustees are aware that regardless of their experience in running the Works of the charity, the environment in which the charity operates continues to evolve and develop, and they do not necessarily possess the full range of business skills required to govern effectively a substantial modern and up to date charity For this reason, professional advice is extensively sought and relied upon, particularly in the areas of law, finance and accounting, property and investment The trustees also benefit from the advice of the Province Finance Advisory Committee

The charity has purchased insurance (premium £1,811, cover £1m) to protect it from any loss arising from the neglect or defaults of its trustees and employees and to indemnify the trustees and other officers against the consequences of any neglect or default on their part

8.3 Statement of trustees' responsibilities

The trustees are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period In preparing these financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities' SORP),
- make judgements and estimates that are reasonable and prudent,

8 Structure and governance (continued)

8 3 Statement of trustees' responsibilities (continued)

- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and

- 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Each of the trustees confirms that

- so far as she is aware, there is no relevant audit information of which the charity's auditors are unaware, and

- she has taken all the steps that she ought to have taken as a trustee in order to make herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

9 Management

9.1 The Provincial Superior

The activities of the charity are the day to day responsibility of the Provincial Superior She speaks to and visits Sisters in their Communities regularly to assist with the many issues arising, e g the apostolic work, the Sisters' welfare, property issues and relations/negotiations with others in the local community She is in contact with members of the management teams of the Works and attends meetings regularly, discussing current issues of the day and identifying those decisions which need trustee approval

9 Management (continued)

9.2 The Communities

There are ten Communities, each of which has a Sister Superior who is appointed by the Provincial Superior and to whom is delegated authority and responsibility for it Each Sister is attached to a Community but for reasons of their ministry, three Sisters live separately and so the Sisters' activities emanate from the following residences

- Blackley, Lancashire
- Cheam, Surrey
- Haslemere, Surrey
- Much Hadham, Hertfordshire
- Tracy, California, USA
- Broadstairs, Kent
- Chelsea, London
- Hayle, Cornwall
- Stillorgan, Ireland
- Tottington, Lancashire
- Hammersmith, London
- Lindisfarne, Holy Island
- Stockton, California, USA

There have been no changes to the Communities or where Sisters live since the year-end

9.3 The Works

The locations of the Communities are where there are, or have been, major Works run by the charity The present Works are as follows

	Name of Work	Description of Work
Cheam, Surrey	St Anthony's Hospital	Acute surgical hospital specialising in cardiac and orthopaedic surgery
	St Raphael's Hospice	Care of the dying and their families
Chelsea, London	St Wilfrid's Care Home	Care home for the elderly
Haslemere, Surrey	Holy Cross Hospital	Hospital for the treatment of neurological disability and other long-term conditions
Much Hadham, Hertfordshire	St Elizabeth's Centre	School, Home and College for those affected by epilepsy and associated disabilities, and a Domiciliary Care Agency which supports the College

At each of the major Works, the Sister Superior appoints a management team, although the Provincial Superior or one of the trustees is involved in the appointment of key people The Sister Superior is a member of the management team and she relays instructions from the trustees to the management team and reports back to the trustees

9 Management (continued)

9 3 The Works (continued)

Each Work is supported by an Advisory Committee whilst both St Elizabeth's School and St Elizabeth's College have a Governing Body The members of the Advisory Committees and Foundation Governors are appointed by the Provincial Superior, in consultation with the relevant Sister Superior and the trustees, the Provincial Superior and the Sister Superior are ex-officio members The membership therefore comprises trustees, Sisters, and lay people with an expertise in the work or with a relevant specialism The Advisory Committees' purpose is to advise the Provincial Superior, the Sister Superior and the management team, whilst in the case of the Governing Bodies, they have additional responsibilities imposed by legislation and the School and College funding bodies

The management structure described above allows the management teams to run each of the Works on a daily basis within the ethos, framework and strategy set by the trustees It also allows important issues to be brought to the attention of trustees, enabling them to make the key decisions affecting strategy, policies, the facilities and services provided, and the service quality and delivery This structure also enables the trustees to inform management of their current thinking and the reasoning for decisions

9 4 Risk management

The charity works with vulnerable adults and children and carries out activities which are medically complex, therefore by its very nature this work involves inherent risk Whilst actions can be taken to monitor, manage and mitigate risks, only a certain level of assurance can ever be obtained and the trustees accept that there are some which they cannot control and which cannot be mitigated They are nevertheless committed to a risk management process across the charity

The process by which they are managed is that at each Work and at the Centre, the management teams identify the major risks, and assess them for potential impact and the likelihood of occurrence They review what steps are being taken to mitigate them and take additional actions as necessary to reduce the exposure to them As far as possible each risk or area of risk is the responsibility of an individual or individuals and the mitigating actions are embedded into staff routines and responsibilities so that they become an integral part of their daily work As there are Sisters at every Community and every Work, they are automatically aware of the risks being run and can therefore have an impact on how they are managed

Each Work has a risk register, which takes a different form depending on the work itself, the management structure and the beneficiaries This is regularly reviewed by each Advisory Committee, on which the Provincial Superior and at least one other trustee sits From time to time and at least once a year, trustees consider the risk management processes around the charity as a whole and ensure that they are robust and appropriate

9 Management (continued)

9.4 Risk management (continued)

The charity is exposed to the normal risks of prices for goods and services, credit risk and the recovery of debts, cash flow and liquidity risk, and the risks associated with the volatility of investments and investment income The operation of a proper reserve policy alleviates the implications of some of these Perhaps the most significant amongst the risks however, are that of

- Funding - meaning organisations (particularly public bodies) not meeting a proper level of fees and charges or deciding not to continue using the charity's services, and
- Reputation - where any particular problem could result in a significant loss of income, and
- Safeguarding beneficiaries - where an incident could result in regulatory difficulties or approvals being withdrawn, and
- Current economic climate – where the low rate of investment returns and the public sector uncertainty mean that major elements of income are not necessarily secure

In all cases, the charity takes all the actions it possibly can to mitigate these risks

9.5 Employees

The charity has always been and remains committed to opposing discrimination in its many forms To further this commitment, the management teams throughout the charity ensure that recruitment and selection policies avoid direct or indirect discrimination and comply with all relevant legislation The aim is to ensure that all employees are aware of and understand the charity's equal opportunities policies and are familiar with the legal framework

Whenever an employee becomes disabled in any way, arrangements are made, wherever possible, to accommodate them by re-organising tasks, sharing roles and duties, and changing amenities Their training, career development and potential promotion would be considered in the normal way within the non-discrimination policy

The trustees, through the management teams, aim to keep employees informed and involved through staff briefing and training, regular meetings, newsletters, an Annual Review and, at St Elizabeth's, an intranet

10 Religion

10.1 Activities

At 31 March 2011 there were 73 Sisters in the Province, two Sisters having died during the year under review and two Sisters joining, one from the Calcutta Province and one re-joining the Congregation, having left previously to deal with some family problems; she was originally a member of the Bombay Province

10 Religion (continued)

10.1 Activities (continued)

The way Sisters live their lives has been described in the "Objects" section which includes an extract from their Religious Constitution

At the Congregation's General Chapter in 2006, the Sisters present committed all Sisters of the Congregation to "address the realities of our times, the challenges of our mission in the Church and in Society and to proclaim and manifest God's love through compassion, justice and peace" It is in that spirit that the Sisters of the English Province continue to strive to fulfil the objects set out both in their Religious Constitutions and in their charity's Memorandum and Articles of Association

Prayer is the fundamental source of the Sisters' energy which enables them to live out their lives in the service of others Thus Communities are maintained so that they have the base and the ability to be actively involved in their localities as described below Sisters are also actively involved in the management and running of the major Works run by the charity

In financial terms, the major part of the charity is devoted to the relief of suffering (referred to as Health and Welfare) and a large part of the work of the Sisters is devoted to facilitating the Works The Sisters' personal activities however, which are all voluntary, are many and varied and in a formal report such as this, only a flavour of those activities can be given They encompass activities like

- Involvement at the charity's own Works - performing a role, being part of the management team, serving on Advisory Committees, making Provider visits on behalf of trustees
- Involvement in other groups and organisations – Parish Pastoral Councils, Deanery Parish Councils, Forum of Faiths, Churches Together, medical ethics discussion groups, national vocational ministry
- Acting as Chaplains for prisons, hospices, hospitals and other groups
- Being part of other local Religious organisations taking Holy Communion to patients, being a Cathedral Sacristan, doing catechetical work, giving religious instruction to children and adults, giving spiritual advice as and when required, acting as Eucharistic Ministers
- Performing pastoral care – visiting the sick and their relatives, caring for the Congregation's own frail Sisters
- Assisting in hospital shops, at bereavement services, in hospices, for the National St Vincent de Paul Society, on helplines, in nursing and care homes, remedial teaching in local primary schools
- Performing co-ordination roles – Justice and Peace efforts, Chaplaincy work, Social Care, Welcome to the Parish groups

10 Religion (continued)

10.1 Activities (continued)

- Performing other dedicated roles – reflexologists, counsellors, teachers, lecturers, publishing Christian and spiritual leaflets for those in hospitals and hospices and their families

The Sisters normally spend a few days on retreat each year in silent contemplation and prayer, their purpose being to deepen their own spiritual life and to reflect on and evaluate how they are fulfilling their commitment to helping those most in need

The costs of the Sisters' activities include the costs of caring for the Province's frail and elderly so, having devoted their lives to carrying out the charity's work, they can continue to play an active part for as long as possible

10.2 Strategies

- Adapt and rationalise charity properties to match Sisters' needs so that, wherever possible, they can continue to live within the Communities rather than go into the full time (expensive) care of others
- Organise regular meetings within Communities and the Province to explore and address issues as they arise
- Organise or notify Sisters about relevant seminars and other means of deepening their own spiritual life and expertise
- Engage with management teams, Advisory Committees and Governing Bodies to ensure that the Work can continue when there are fewer Sisters who can be involved in their management
- Ensure that the charity's investments are invested ethically and, as far as possible, achieve the investment returns required
- Ensure that on the sites of the major Works
  - ◊ the Sister Superior is fully supported by competent staff and advisors, and
  - ◊ the Sisters maintain an active integrated presence
- Strengthen the ethos, vision and mission which underpins all services

10 Religion (continued)

10.3 Achievements

As described above, the Sisters continue to fulfil the objects set out in both their Religious Constitutions and in the Charity's Memorandum and Articles of Association, despite the advancing age and frailty of some of them

Whilst accepting the comparatively small number of Sisters within the English Province of the Congregation, the trustees have allowed four Sisters to seek occasions to share information on the Sisters' Community way of life, and to accompanying and mentoring those who are considering commitment to life within a Religious Community

The groups of Associates of the Daughters of the Cross are centred on Communities, those in Much Hadham and Cheam in England, Stillorgan in Ireland and Tracy and Stockton in the USA They are supported by those Communities in welcoming new members to embrace the Charism and Ethos of the Congregation and in supporting the Congregation's ministries with their prayers The trustees were delighted that the Jarrow group of Associates celebrated the 25th anniversary of their formation this year

In response to staff requests at the Works, Sisters are regularly involved in induction programmes to introduce staff to the Charism, Ethos and Mission of the Congregation

Objective 1 – Sisters' accommodation

The objective to organise appropriate accommodation for the frail and elderly Sisters has been achieved with the completion of the projects at Stillorgan in Ireland and Haslemere in Surrey These facilities will now enable Sisters to remain actively integrated in community for as long as possible, with their care being shared between the Sisters and lay staff

Attention is now focused on the Cheam site, where a building which was previously used by the Hospital is being refurbished for the Community who support the Hospital and Hospice Their former convent will then be refurbished to provide community-living facilities for the General Council and appropriate office facilities for the central administration of the worldwide Congregation

Objective 2 – Planning the future of the Works

The trustees are currently in negotiations with the Diocese of Southwark to transfer the trusteeship of St Philomena's School, Carshalton to them This is proving to be a very time-consuming exercise

10.4 Volunteers

The Sisters are, as Apostolic Religious, volunteers and the whole of their lives is given voluntarily to helping all those in need Their lives and work are explained elsewhere in this report

10 Religion (continued)

10.5 Future plans and events

There have been no significant events since the year-end

The principal objective continues to be planning the future of the Works

11 Health and Welfare - Holy Cross Hospital

11.1 Activities

Working in co-operation with statutory authorities, Holy Cross Hospital provides services for adults with severe and complex neurological disabilities or illnesses that may arise from Acquired Brain Injury, Spinal Cord Injury or advanced stage of degenerative illness Outpatient facilities are also available for adults requiring physiotherapy and hydrotherapy treatment Some patients are also admitted for short term rehabilitation or respite care Securing the best quality of life for all patients and their families continues to be the Hospital's goal, and so engaging the support and participation of family members is given high priority As many patients are long-term, much effort is devoted to making the Hospital environment as "home-like" as possible The Hospital has 40 rooms, employs around 100 staff and is accredited by Investors in People Comprehensive training services are developed for the Hospital's employees and these are made available as appropriate to other local care providers and agency staff

The Physiotherapy Centre, which incorporates a hydrotherapy pool, enhances the treatment of inpatients and also provides excellent facilities for outpatient treatment, the Hospital aims to bring the benefits of hydrotherapy to as many local people as possible

The Church attached to the convent is licensed for public worship and daily masses are held there It is also used by the parish community for marriage and funeral ceremonies

Most of the patients are referred to the Hospital and funded by the NHS

11.2 Strategies

- Continue to work closely in partnership with the NHS whilst maintaining the flexibility of an independent hospital which offers choice and individualised patient care and treatment
- Develop further expertise and facilities in the treatment of severe and complex disability, and to secure recognition as a centre of excellence for this work
- Develop rehabilitation services, using a multi-disciplinary approach
- Develop the new hydrotherapy service for the benefit of inpatients and outpatients to ensure the fullest possible use of the hydrotherapy pool

11 Health and Welfare - Holy Cross Hospital (continued)

11.2 Strategies (continued)

- Develop the Physiotherapy Centre as a service to local people offering high quality and accessible physiotherapy services
- Secure the resources needed in terms of funding, staff, buildings and equipment to provide consistently high quality services, both efficiently and economically, to patients

11.3 Objectives, Achievements and Performance

Objectives for 2010 - 2011	Achievement
Maintain occupancy levels at a minimum of 95%	**Achieved 99%**
Retain Investment in People accreditation	**Re-accreditation achieved in January 2011**
Promote Outpatient Services (including use of hydrotherapy pool)	**On-going**
Maintain "preferred provider" status for NHS Inpatient work	**Achieved – high level of NHS referrals throughout the year. Tender successful for work under contract with NHS Surrey**
Develop guidance for patients' families	**Booklet for younger children available**
Research new assessment tools to measure clinical outcomes	**Summary compiled for 2010. To be reissued annually**
Meet all quality assurance requirements	**Achieved**
Upgrade IT and training for senior clinical staff	**Achieved**
Extend clinical training to cover hydrotherapy, spinal cord injury and respiratory management	**Achieved**

11 Health and Welfare - Holy Cross Hospital (continued)

11.4 Volunteers

Volunteers make a significant contribution to improve the quality of life of long-term patients, for which the Management Team are very grateful, and on average in 2010/2011 they worked for around 46 hours a week They help provide a normal social environment for the patients, stimulating conversation between relatives and patients, and contributing greatly to the success of patient social outings and in-house activities. Fundraising is organised through the volunteers who work as part of the Friends of Holy Cross, a separate charity

11.5 Future plans and events

There have been no significant events since the year end, but the Hospital's objectives for 2011/2012 include

- Maintain occupancy level at 97%
- Compete successfully for NHS business
- Increase work/income of Physiotherapy Centre
- Meet Care Quality Commission requirements
- Enhance visitors' experiences at the Hospital
- Ensure efficient use of all resources
- Meet specific Clinical Governance objectives – covering assessment of new referrals, clinical audits and staff nurse development into specialist skill areas

12 Health and Welfare - St Anthony's Hospital

12.1 Activities

St Anthony's Hospital provides high quality healthcare to its local community based on Christian values, skilled and dedicated staff and advanced technology It serves patients requiring acute medical and surgical care and specialises in cardiology and orthopaedic surgery With its special caring ethos, it aims to provide exceptional standards of diagnosis, treatment and nursing whilst maintaining its international reputation for clinical excellence It also encourages amongst all its stakeholders an awareness of the changing nature of healthcare so that it can respond swiftly and imaginatively to new developments

The Hospital is fully accredited by Investors in People, Clinical Pathology Accreditation (UK) (the pathology laboratory), and is registered with and inspected by the Care Quality Commission It has ninety-one beds and employs over 500 staff

The majority of patients are insured and those are, in the main, carrying health insurance as a benefit from their employer The remainder, around 14% of patients, are self-funding

12 Health and Welfare - St Anthony's Hospital (continued)

12.1 Activities (continued)

St Anthony's Hospital also manages and runs St Bede's Conference Centre as a first class facility to support the work of the charity The Centre is made available for use by the local Primary Care Trust and GPs in the community and public lectures, offered free of charge, are organised on a wide range of Healthcare topics The Hospital regularly invites the participation of other hospitals, both NHS and private, at its training days Hospice staff provide the St Raphael's Education Programme which promotes the Gold Standard Framework (best practice) in Palliative Care both within and beyond the Hospice The Centre is also used by the Sisters and other groups from the locality Regular events include the Tuesday Club (a social club for local Pensioners), Neighbourhood Watch, and the Local Residents' Committee

St Anthony's Hospital's mission statement is fulfilled by offering admitting rights to Consultants who receive referrals of patients from GPs in the local community and further afield The Consultants choose St Anthony's because of the high standards it offers in patient care, state-of-the-art technology and customer service To achieve these high standards, the Management Team ensures that any agreed action arising from inspections by the Care Quality Commission and the Health And Safety Executive are promptly implemented, that patient satisfaction surveys are carried out on a continuing basis and reported upon to the Management Team every quarter, and that the Medical Advisory Committee, which meets monthly, is used to apprise the Management Team of any developments that the Consultant body believes may be beneficial to their practice and to the treatment of patients

12 2 Strategies

- Keep pace with developments in medical science in order to be able to offer the most up to date treatment available in the specialisms of cardiac and orthopaedic surgery, as well as in other relevant areas
- Continue to provide an unrivalled standard of care for patients and service to consultants and general practitioners
- Ensure value for money for the services provided
- Maintain and develop a contented and well motivated professional team, committed to providing a very high and effective standard of service
- Ensure that a healthy and safe environment is provided for patients, visitors, consultants and staff
- Systematically and continuingly review the structure, process and outcome of patient care
- Address and manage clinical risk
- Keep the hospital at the heart of the local community

12 Health and Welfare - St Anthony's Hospital (continued)

12.3 Objectives, Achievements and Performance

Objectives for 2010 – 2011	Achievement
♦ To install a new Catheter Laboratory and increase its usage	**In progress**
♦ Review Operating Theatres usage and facilities	**Achieved**
♦ Establish Endobarrier surgical technique	**Project postponed by consultant**
♦ Replace carpets with vinyl flooring in clinical areas	**Achieved**
♦ Find a solution to the problem of R22 gas being phased out	**In progress**
♦ Refurbish the Restaurant servery	**Achieved**
♦ Renovate newly-acquired property for accommodation of medical staff	**Achieved**
♦ Replace TV's in patients' rooms	**Achieved**
♦ Consider need to upgrade computer servers	**Achieved. Upgrade in progress**
♦ Consider establishment of a cardio-pulmonary exercise testing service	**Achieved**
♦ Upgrade surgical instruments tracking and traceability system	**Achieved**
♦ Consider establishment of therapeutic intra-bronchial ultrasound service	**In progress**
♦ Consider rotation of nursing staff between day and night duties	**Achieved**
♦ Secure training of Hospital staff in exchange for student placements from Kingston University	**Achieved**

During the year the Hospital's patient activity increased compared with the prior year as follows

	2011	2010
Total admissions	**6,877**	6,749
Total operations	**6,804**	6,875
Outpatient attendances	**29,674**	29,562
Average length of inpatient stay (AVLOIS)	**4.03 days**	4 05 days

12 Health and Welfare - St Anthony's Hospital (continued)

12.3 Objectives, Achievements and Performance (continued)

There was an increase in the number of patients admitted (up 1 9%) and in the number of Outpatient Attendances (up 0 4%) but a small decrease in the number of operations carried out (down 1 3%) The average length of inpatient stay remained stable at 4 03 days (last year 4 05 days) This activity produced net incoming resources of 8 9% of total incoming resources compared with 11 5% last year, which is in line with the 8% to 10% hospital management strive for Its surpluses are available for reinvestment in people, buildings, equipment and systems, to ensure that the Hospital stays at the forefront of technological development and best practice, and has sufficient funds to support the Hospice

The trustees are pleased to report that the claim by HM Revenue and Curstoms to repay almost £2m of VAT and interest received in 2008 has now been dismissed by the tribunal which considered the Hospital's case

The constant Customer Satisfaction Surveys continue to show excellent results, as does the feedback from Consultants, both informally and through the medium of the Medical Committee and various sub-committees The Hospital's Cardiac Support Group, which provides support for patients who have undergone Cardiac Surgery, is open to all (not just St Anthony's patients) free of charge

The Hospital provides significant support to St Raphael's Hospice, which is on the same site The original building of the Hospice was financed from the retained earnings of the Hospital and it was recognised then that the Hospital would always have to play a part in Hospice activities At present it provides support in management, accounting, catering, diagnostic services and the use of the Hospital's Conference Centre (St Bede's), without which the Hospice could not run its Education Programme In addition to the educational work carried out through the Hospice and the Conference Centre, St Anthony's supports Kingston University in its placement of student nurses, who spend between 8 to 12 weeks at the Hospital as part of their Degree course

12.4 Volunteers

Around 30 volunteers manage the patient liaison function, which consists of leading newly admitted patients to their rooms, advising them of all the facilities available within the Hospital, and dealing sympathetically and in a leisurely manner with any concerns they may have upon being admitted to Hospital The Hospital also has a League of Friends run by volunteers who look after the Hospital shop

12 Health and Welfare - St Anthony's Hospital (continued)

12.5 Future plans and events

The Management Team, in discharging its responsibilities diligently and lawfully within the ethos of the Daughters of the Cross of Liege and running the Hospital within its set framework, continue to concentrate on keeping the Hospital viable It continually strives to generate net incoming resources equal to some 8% to 10% of total incoming resources

There have been no significant events since the year end, but the Hospital's plans for the forthcoming year include the following

- To improve Waste Management Systems so that recyclables are increased from one third to one half of all waste
- To effect the appointment and training of an internal member of staff to act as the authorised person for Medical Gases
- To upgrade the Work Requester System
- To replace the Hospital's Boilers
- To replace the Niagra Instrument Washer/Disinfector
- To change the existing lease arrangements for photocopiers
- To upgrade the Hospital's Operating Theatres
- To upgrade the Picture Archiving and Communications System
- To consider the upgrade of the Pager System for Cardiac Arrest
- To enhance the Clinical Expertise of Health Care Assistants by further training
- To hold 4 public lectures on Health Matters
- To renovate and upgrade the Hospital Mortuary
- To expand the number of bank staff available for work in the Intensive Treatment Unit
- To install new computer servers
- To identify key commissioners as a result of the reforms in the NHS

13 Health and Welfare - St Raphael's Hospice

13.1 Activities

In its local community, the Hospice provides, free of charge, excellent patient-centred specialist in-house care for those patients requiring symptom control, respite and terminal care It welcomes, respects and supports patients, their families, and its staff, with no regard to ethnic or religious background and aims to give patients the best quality of life to the very end It aims to meet the physical, emotional, spiritual and social needs of patients, their families and friends during the final stages of terminal illness and, as it is a fundamental principle of the Hospice movement in general and St Raphael's in particular, it runs an Education programme to promote best practice in Palliative Care

Inpatient care is provided for patients referred by their GPs, with a Day Centre running four days a week The Hospice is also the base for the Community Palliative Care Team, which enables its members to provide the same standard of care for those patients who require similar services but who continue to be able to live at home The Hospice has 14 inpatient beds and around 115 staff (including part-timers but excluding volunteers) and has a Social Work Team to assist the patient's family during the course of the terminal illness and thereafter It also offers a Bereavement Support Service for those patients' families who require support at the time of their bereavement St Raphael's is firmly embedded in the work of the South West London Cancer Network and in particular the Palliative Care Education Programme

There are four pillars upon which the work of the Hospice is based *Inpatient care* within the ward, *Home care in the Community* by Hospice specialist nurses and the Hospice at Home Team, *Daycare*, wherein patients receive medical, nursing and social work care as well as being entertained and stimulated for the day, while carers may have some time for themselves, and *Education*, which raises awareness of and trains people in best practice in palliative medicine in a large variety of organisations

Of all the charity's Works, St Raphael's is the only one which is substantially funded by general public donations and it relies heavily on them As in 2010, only 28% of the total costs comes from public funds (excluding the £170,000 funding for the Hospice at Home pilot project)

13 2 Strategies

- Maintain the delivery of the highest possible standards of care to patients and their families
- Continue to promote training and education in palliative care, not just amongst Hospice staff but in the wider community and to other professionals involved in the delivery of palliative care
- Build on the existing high quality team of volunteers in order to maximise the benefit to patients and the satisfaction of volunteers
- Ensure a healthy and safe environment for patients, visitors, consultants and staff
- Systematically review the structure, process and outcome of patient care

13 Health and Welfare - St Raphael's Hospice (continued)

13 3 Objectives, Achievements and Performance

Objectives for 2010 - 2011	Achievement
Carry out a Satisfaction Audit with patients' relatives	**Achieved. The overall satisfaction quotient rose from 95% in 2009 to 97% in 2010**
Recruit an additional member of the Community Palliative Care Team	**Achieved**
Revise the Consent Policy in the light of current guidelines	**Achieved**
Recruit a further Community Fundraiser	**Achieved**
Upgrade the en-suite bathrooms in patients' bedrooms	**Achieved**
Replace existing Nurse Stations with a modern functional design	**Achieved**
Secure funding for a new minibus to transport patients	**Achieved**

The Hospice provided 3,238 (2010 - 3,767) days of inpatient care for patients requiring symptom control, respite care and terminal care The total number of admissions was 284 (2010 - 357) The total number of day care attendances was 1410 (2010 – 1,603) These reductions were the result of 4 patient rooms being out of action from September 2010 to March 2011 whilst the en-suite facilities in patients' bedrooms were refurbished The Community Palliative Care Team made 2,801 visits (2010 – 2,966) to patients in their own homes and of these the total number of new referrals visited during the year was 528 (2010 – 544)

The Hospice had a very good year for legacies which resulted in a healthy surplus, but without legacies the Hospice runs at a deficit Therefore the fundraising team continues to pursue its objective of procuring financial viability, without reliance on legacies, to provide the proper level of free reserves The Management Team and trustees acknowledge that without the continued management and financial support from St Anthony's Hospital the Hospice would not be viable

It is part of the mission of the Hospice to reach out into the Community to raise awareness of the nature and value of Palliative Care in all its aspects and the Education department continue to run courses for doctors and nurses working in palliative care, some of which are accredited by the Royal College of Nursing The Hospice also provides training for senior doctors under the auspices of the Deanery and the GP Vocational Training Scheme

13 Health and Welfare - St Raphael's Hospice (continued)

13.3 Objectives, Achievements and Performance (continued)

The Hospice has been involved in the new venture, Hospice at Home, which started in April 2009 and for which it is receiving £170,000 p a for three years from Sutton and Merton PCT It began by looking after patients in the last three days of their lives but this has now been extended to the last four to six weeks It is hoped that this grant will be extended beyond March 2012 to fund the continued development of the Hospice at Home Service, which has now become an important part of the range of services offered by St Raphael's

13.4 Volunteers

The Hospice's Management Team greatly acknowledge the huge contribution which volunteers make to the Hospice with their enthusiasm and dedication There were 409 volunteers active during the year and they contributed 65,998 hours of their time, a 10% increase over 2010 (2010 – 381 individuals gave 60,191 hours) The hours have an estimated financial value of £575,000 (2010 - £501,000) As well as their time, they also bring the local community into the Hospice, so that St Raphael's is truly an integrated part of the society to which it belongs

Volunteers spend their time in a broad range of direct activities - care on the ward, pastoral care, in bereavement support, helping with art and music, acting as beauticians, hairdressers, manicurists, and complementary therapists – and in indirect activities – chauffeuring, on reception, gardening, flower arranging, in the library, administrating, helping with finance, serving on the Advisory Committee and working in the charity shops

13.5 Future plans and events

As well as continuing to run the Hospice within its set framework, the Management Team are also concentrating on keeping the Hospice viable under the four main pillars of its philosophy namely *Inpatient care, Home care in the Community, Daycare* and *Education* To fulfil this aim, the Hospice needs to raise around £2m net every year from voluntary donations, legacies and fund-raising activities

In addition, the Hospice has these objectives for 2011-2012

- To upgrade the mortuary
- To recruit a new Ward Manager and a Practice Development Facilitator
- To investigate a replacement for the Palcare computer system
- To establish another charity shop
- To organise two high profile fund events for the public

14 Health and Welfare – St Wilfrid's Care Home

14.1 Activities

St Wilfrid's Care Home provides a caring and quality environment for the elderly regardless of religious, cultural or ethnic backgrounds It aims to provide a lifestyle which satisfies residents' social, cultural, religious and recreational needs and interests, assisting them to exercise choice and control over their lives and to retain their independence in every way possible Rooted in Christian, gospel values, St Wilfrid's Care Home exists to offer to elderly people love, care, spiritual support and dignity in their later years It works closely with the Local Authority and, where there is a need, provides respite care It was inspected by the Care Quality Commission (CQC) in February 2011, meeting all of the inspected outcomes

It has 44 beds and a staff complement of around 56 It implements a very active social programme and has good links with all manner of local organisations The chapel within the home hosts daily Roman Catholic services for Sisters, residents, staff and people from the locality An Anglican Communion service is also held twice a month and the chapel is open at all times for those who wish to make use of it

St Wilfrid's large function room and garden lounge are used free of charge for meetings and away-days by various outside groups or agencies such as the Parkinson's Society, Cor Christi and the Christchurch Fellowship

14 2 Strategies

- Ensure that as many of the 44 rooms as possible are occupied at all times
- Actively involve residents, their families and all supporting agencies, in the running of the Home
- Continually review systems and training programmes that develop staff, support and enhance residents' lifestyles and ensure regulatory compliance
- Hold regular care plan review meetings with residents and their families to ensure that plans fully reflect their needs and choices and meet statutory requirements
- Generate income that covers the total running costs of the Home
- With hospice involvement, support residents and their families with robust End of Life plans enabling residents to end their life in the Home rather than enduring a transfer to hospital
- Continue to raise and enhance the Home's profile within the community and remain a centre of excellence

14 Health and Welfare – St Wilfrid's Care Home (continued)

14.3 Objectives, Achievements and Performance

Objectives for 2010 - 2011	Achievement
Recruit a new Registered Manager	**A restructuring of HR and Finance roles was done instead**
Register St Wilfrid's with the new Care Quality Commission	**Achieved**
Keep the question of registering for Dementia under review	**Achieved.** **Being kept under review. For time being legislation and business model require no change.**
Carry out various refurbishment projects	**Achieved**

Occupancy has remained stable with an average occupancy of 41 and during the year the Home has cared for 58 residents There were 19 residents admitted, compared with 18 last year, of whom 11 were long term residents Eight residents were discharged, and 6 of these were able to go back to their own home, compared with only 1 out of 6 last year Sadly 11 residents died peacefully in the Home during the year, compared with 10 last year, with residents benefiting from staff using the End of Life care plans The residents who died were supported by family, friends, staff and the multi-disciplinary team from the community It is evident that residents who have chosen to come to St Wilfrid's over the last four years are on the whole much more dependent than previously, and recruitment and training have been enhanced to reflect residents' changing needs

Systems continue to be reviewed, with the main focus over the last year or so being on demonstrating an outcome-based approach to meet the new CQC standards Highlights include the introduction of an a la carte menu for residents' main meal of the day and enhancements to staff induction and training procedures

Training is adapted for any new systems and it always incorporates the principle of championing the rights of residents and supporting them to exercise those rights to the full This is implemented by involving them in committees, for example for menus and activities and involving them in some recruitment

Having successfully registered with them, the CQC made an unannounced, robust, new-format inspection in February 2011 Trustees are pleased to report that no recommendations were made and there were no outstanding requirements, the inspectors commented that this was an outstanding achievement

14 Health and Welfare – St Wilfrid's Care Home (continued)

14.3 Objectives, Achievements and Performance (continued)

The major refurbishment programme (the reception, dining room and two ground floor lounges) was completed last year, but this year a number of projects have been undertaken including the refurbishment of residents' bedrooms, the hairdressing salon, and the first floor corridor (to the same standard as the ground floor corridor dealt with last year)

Social care plans have been created for residents and the Activities Co-ordinator has been extending the range or activities so that all residents, including those more frail and dependent, can join in more social occasions rather than remaining socially isolated

14 4 Volunteers

Volunteers continue to make a significant contribution to the Home and its residents with a whole range of activities from acting as Bridge and Scrabble partners to helping with shopping trips or to sitting reading to a resident Volunteers bring not only their skills and enthusiasm to the work they do, but they also bring the local community into the Home, maintaining the Home as an integral part of the local community

14.5 Future plans and events

There have been no significant events since the year end, but the Home's objectives for 2011-2012 include

- Offer a programme of Occupation Health to staff
- Monitor impact on the Home of the Government's Social Care Budget cuts
- Relocate the Care Office to a more central location
- Supply and fit wall-mounted digital televisions in residents' bedrooms
- Create a staff learning zone with computer and internet access
- Re-design marketing brochures and the Home's web site
- Audit and review resident care policies and the various risk assessments
- Revamp staff induction training to follow the new Health & Social Care diploma syllabus and offer support to staff who wish to work towards the diploma
- Enhance personal and professional development of all staff carers

15 Health, Welfare and Education – St Elizabeth's Centre

15.1 Activities

St Elizabeth's Centre provides education, care and medical support to people of all ages who have epilepsy and other complex requirements on the basis of need, regardless of religious, cultural or ethnic backgrounds The Centre comprises

- a residential non-maintained special school ("the School") with facilities for 80 boarding and day pupils up to the age of 19
- a college ("the College"), for those in the 18-25 age range who aspire to more independent lifestyles, the College has 26 on-site tenanted accommodation units and 11 tenanted accommodation units in Bishops Stortford, it is supported by its own Domiciliary Care Agency, which is regulated and monitored in its own right
- and a "village" of modern bungalows for over 100 adult residents, which constitutes St Elizabeth's residential care home ("the Home")

All the activities of the Centre are based around "living and learning" and have educational aspects as well as those that would be characterised as Health and Welfare For example the Centre operates Social Enterprises offering learning and work experience to pupils, college learners and residents

The Centre aims, within its field, to ensure a quality service which will develop and support more people, to enable and support a choice of lifestyle and pathways of opportunity, to remain a national centre of excellence and innovation, to establish new and enhance existing partnerships with families, statutory authorities and voluntary organisations, and to ensure that users of services are afforded opportunities to express their rights, make choices, take control of their own lives and enjoy social inclusion The Centre also provides Respite and Day Services for those with an appropriate need

15.2 Strategies

- The School - Achieve long term increases in the number of pupils, through the building of modern accommodation and classroom facilities and through the development of closer links with regional authorities
- The College - Develop the College programme to meet local learners' needs and improve College accommodation
- The Home - Continue to work with funders to ensure that funding matches costs and continuously improve the service to meet the needs of residents, improve living and learning opportunities for all residents through the Social Enterprises and day services
- Ensure the medical and therapy services meet the needs of residents, pupils and learners and meet funders' expectations
- Carry out long term plans to improve and upgrade the facilities to meet the needs of pupils, learners and residents

15 Health, Welfare and Education – St Elizabeth's Centre (continued)

15 2 Strategies (continued)

- Exceed statutory expectations through inspection and other scrutiny and ensure that all services are self funding and value for money
- Maintain the ethos of the Centre and provide caring and support to all pupils, learners and residents living at the Centre and those moving into and from the Centre
- Support appropriately the families and carers of pupils, learners and residents

15.3 Objectives, Achievements and Performance

Objectives for 2010 - 2011	Achievement
♦ Ensure the quality of provision across the Centre is at least "Good" as measured by external inspection bodies	**Achieved** **School achieved an "outstanding" judgement for both education and residential care from Ofsted during the year**
♦ Proactively manage costs to secure full cost recovery, ensure that costing for each service is transparent and reflects accurately the service provided	**Achieved** **Costing by service reviewed and is transparent** **Information being utilised in constant discussions with funders**
♦ Deal with the implications of the likely fall in the School roll caused by leavers and planned austerity measures	**Achieved** **School roll exceeded budget for year**
♦ Ensure that referrals to each service are maximised, investigate where demand is unmet and capacity can be expanded	**Achieved** **Numbers of pupils, residents and learners all met or exceeded budget for year** **Number of day clients at Day Services and Social Enterprises increased to over 10 per day** **Building of a 5-bedded respite centre started**
♦ Expand fundraising activities	**Achieved and Ongoing** **Number of charity shops increased from 2 to 4** **Pledges and grants of over £500k obtained towards new building**
♦ Commence building the new College and Day Centre Building	**Not Achieved** **70% of funds required raised** **Building should commence in 2011/2012**

15 Health, Welfare and Education – St Elizabeth's Centre (continued)

15 3 Objectives, Achievements and Performance (continued)

The Centre started the year anticipating challenges in maintaining pupil, resident and learner numbers and in managing staff costs During the year the challenges increased due to the worsening national economic situation and the impact on Central Government and Local Authority finances

Despite these challenges the Centre exceeded expectations by recording only a small operating loss, whilst maintaining the quality of services across all activities to the satisfaction of all funders There was success in obtaining a satisfactory number of pupils, learners and residents and also in reducing staff costs through improved absence management and the recruitment of permanent care staff rather than having to rely on the high cost of agency staff

The quality of the services has remained high and the Ofsted inspection of education and residential care during the year recorded an "outstanding" verdict This reflected the continuing hard work and care of all the staff

15.4 Volunteers

The number of volunteers increased, particularly Corporate volunteers, and over 700 hours a week were donated by volunteers drawn from across the world, with many living on site for between 3 and 9 months The overseas volunteers include four Sisters from the Indian Provinces who arrive every summer, bringing a joyful and different expression of their pastoral and spiritual commitment to the work of the Centre

15.5 Future plans and events

Since the year-end the Centre has completed the major part of the fund-raising for its new building, which will be known as the ARC (Activities, Recreation, College) The trustees therefore authorised the start of the building project and work commenced in October 2011 The total cost will be around £2 2m and it is due for completion by the end of 2012

The respite building, Nichole House, has also been refurbished at a cost of around £400,000 which has enabled respite services to be provided

Finally, notice has been given to The Pensions Trust with a view to this Fund being administered differently to reduce costs and improve investment performance

There have been no other significant events since the year end, but the Centre's plans for 2011-2012 include

- Proactively market the College and School to maximise learner and pupil numbers
- Develop the services where need has been identified – in respite services, day services for external Home clients and a day programme for the College
- Progress the new ARC building

15 Health, Welfare and Education – St Elizabeth's Centre (continued)

15.5 Future plans and events (continued)

- Continue to work with funders to ensure that costing is transparent and the services represent good value for money
- Expand fundraising activities, particularly to add to the portfolio of charity shops
- Replace the Principals of both the College and School who both left the organisation at the end of term in July 2011
- Register the newly devised Health Agency with the Care Quality Commission

16 Other

The expenditure on other charitable activities this year amounted to £69,000 (2010 - £25,000) of which £50,000 (2010 - £10,000) was grants and donations

Although not a grant making charity, the charity provides grants and donations where the trustees wish to support an activity which they believe to be worthwhile and which is in keeping with the Religious life of the Sisters and the ethos and heritage of the Congregation of the Daughters of the Cross Hence grants are primarily provided to other Provinces within the worldwide Congregation

17 Financial Review

17.1 Results, showing operational deficit

An alternative summary of the financial activity from that shown on the Summary of Financial Activities is as follows

	2011 **£'000**	2010 £'000
Cost of providing services (Governance costs included as they are comparatively small)	**(60,659)**	(58,425)
Operational income – mainly from fees and charges	**58,283**	57,067
OPERATIONAL DEFICIT	**(2,376)**	(1,358)
OTHER INCOME obtained from fundraising and investments (net of fund-raising costs)	**4,859**	4,688
Giving an overall surplus on activities of	**2,483**	3,330
Unrealised investment gains	**1,505**	8,189
Actuarial gains (losses) on pension scheme	**728**	(1,173)
Giving a total net movement of funds of	**4,716**	10,346

17 Financial Review (continued)

17.2 Operational deficit

Having reduced the Operational Deficit by almost half last year, it is disappointing that it has increased this year by 75%, although it is not back to the 2009 level This is perhaps not surprising in the current economic climate but the reasons underlying the increase vary from one Work to another Generally the Works relying on income from fees and charges to public authorities (over 40% of income) have had little or no increases on their rates and, despite skilled and protracted negotiations, they struggle to recover the actual costs of caring for their beneficiaries Also the Works with long-term beneficiaries, like St Elizabeth's, Holy Cross Hospital, and St Wilfrid's, also suffer because funding authorities are reluctant to increase fees for existing placements whereas for a new placement they are more inclined to pay the proper rate The number of patients at St Anthony's Hospital has remained at around the same level as last year but many of the procedures performed have been more complex and required the benefit of their ITU unit, all of which has generated additional income, although the related costs have obviously also increased.

Against this backdrop of pressure on income, expenditure continues to rise at a faster rate and this year has increased by around 4% There is a continuing need to upgrade services to meet funder's expectations and the relentless regulation that accompanies them, and all Works are dealing with beneficiaries with more complex needs – needing more staff, more equipment, more individual attention – which automatically increases costs

Despite operating at a deficit, the trustees are aware that many of the charity's services are very much needed both in their locality and wider afield This particularly applies to the very specialist services of Holy Cross Hospital and St Elizabeth's Centre which Governmental, charitable and private organisations find very find difficult to provide.

So even though it is against trustees' principles (they would prefer that all the net other income improved services or facilities), the first tranche has to make good the deficit and subsidise the basic operations Fortunately the other net income has increased slightly this year St Raphael's Hospice has maintained and increased its legacy income which is vital for its long-term viability and this year received a one-off grant of £500,000 from the Department of Health to contribute towards the cost of refurbishment works. The number of charity shops at St Raphael's and St Elizabeth's has been increased and they, together with other fundraising activity, contributed more income which was encouraging given the very challenging fundraising year which was expected Contrasting with those increases, the investment income has inevitably reduced, with the historically-low interest rates and reductions in dividends

Total income rose by around 2% and expenditure by 4% but still there was an overall surplus on activities Without some measure of surplus, funds to finance the considerable sums required to refurbish, upgrade and improve the facilities are limited, and all Works need continually to invest to provide the expected and increasing level of services to beneficiaries

17 Financial Review (continued)

17.2 Operational deficit (continued)

With the Government's deficit-reducing agenda this difficult economic climate will undoubtedly continue in the current year and beyond

Nevertheless the trustees and Management Teams at each of the Works continue to manage their results to achieve their financial targets, control deficits, generate surpluses where they can, and ensure that reserves are not depleted below the required level Most of the free reserves are held in cash and future capital expenditure will be met from these

17.3 Unrealised investment gains

After the good investment years in the middle of the last decade, the charity suffered over £12m of investment losses following the financial crisis in 2008 Whilst the investment market has continued to be volatile during the year, it was still able to produce investment gains, although not at the record levels of the previous year Nevertheless the losses in 2008 and 2009 have not yet been recouped

As has been stated before, the portfolio is invested for the long-term, and so a certain level of volatility is expected, it was the drop in income which had the more damaging effect There are signs that dividend levels are recovering and trustees are hopeful that there may be a small increase in the current year but interest rates appear to be firmly fixed at their very low levels for the foreseeable future

The extreme volatility has continued since the year-end and one of the main indices is over 6% lower than at 31 March, so some of the unrealised gains will have evaporated, but trustees have been advised that the investments will provide a reasonable level of income and protect the charity from the damaging effects of inflation

17.4 Actuarial gains on pension scheme

The defined benefit pension scheme at St Elizabeth's Centre has again benefitted from actuarial gains, which have mainly arisen from changes in financial and demographic assumptions underlying the scheme assets and liabilities The result is that the net pension liability has decreased from £2 5m to £1 8m

17.5 Overall

Capital spending during the year amounted to £3 2m and just under half of this related to the continued refurbishment and extension of Sisters' accommodation

The overall effect of all these factors resulted in an increase in funds of £4 7m (2010 - £10 3m) and at 31 March 2011 the charity has total funds of £158 9m (2010 – £154 2m)

17 Financial Review (continued)

17 6 Reserves policy and funds

The trustees are conscious of the requirement to balance the needs of present and future beneficiaries This means that they have to decide every year whether to increase the proportion of resources allocated to general and designated funds or whether to invest more in fixed assets, staffing, etc to maintain, improve or develop services to beneficiaries

It is a characteristic of the Education, Health and Welfare sectors that medium term fixed costs, such as permanent staff salaries, constitute a large proportion of the overall running costs, around 64% this year (last year 65%) Reserves need to be held to meet these costs in the event of a downturn in occupancy or income or any other unforeseen eventuality, and to allow the charity to continue with the provision of services whilst specific action plans are developed and implemented

The trustees consider that, given the level of annual expenditure of £62 5m and the nature of the income and risks of the charity's Works, the level of free reserves required should represent between 3 and 6 months' expenditure These "free reserves", which are funds that are neither restricted nor designated for a defined purpose, are the General Fund which represents working capital At 31 March 2011 the general fund increased to £27m (2010 - £24 0m) which represents around 5 3 months (2010 – 4 8 months) of the annual expenditure and which is in line with the reserves policy

Restricted funds

Restricted funds of the charity relate to the free reserves of St Raphael's Hospice, plus monies which have either been raised or given for, or their use restricted to, specific purposes or which comprise donations subject to donor imposed conditions (which would include being spent at a particular Work). At 31 March 2011 they amounted to £3 5m (2010 - £2 9m) of which £2 1m (2010 - £1 4m) is in respect of the hospice and £1m (2010 - £1 1m) is in respect of part of a legacy given for the benefit of Holy Cross Hospital The legacy was partly used to build a Physiotherapy Centre, with the remainder (the restricted fund) being invested to help meet the running costs of the facility

Designated Funds

Two-thirds of the total designated funds relate to the charity's unrestricted funds tied up in tangible fixed assets and which amounted to £84 9m (2010 - £83 1m) The amount so designated includes the effects of the 2009 property revaluation and contracted capital commitments but excludes fixed assets funded by other means i e by restricted funds, amounts due to contractors and bank loans

Other designated funds are established out of general funds where there is a need to provide funding for a specific purpose The funds include

17 Financial Review (continued)

17.6 Reserves policy and funds (continued)

Designated Funds (continued)

- Sisters' fund of £20m (2010 - £22 5m) This fund is invested to produce income to meet the ever-widening shortfall of the costs of the Sisters' welfare and apostolic activities over their covenanted income although it is still currently below the ideal level

- Charitable Works development fund of £17 4m (2010 - £16 2m) This fund is invested to underpin the long-term financial needs of the Works This need is connected with the long term aim of reviewing the financial and legal structure of the charity

- Worldwide fund of £3 2m (2010 - £3 1m) This fund is invested to produce annual income to meet charitable needs across the Congregation worldwide, including in India, Pakistan, Africa and South America

All the designated funds are represented by fixed assets, fixed asset investments or bank balances

Pension reserve

The pension reserve relates to the defined benefit scheme at St Elizabeth's Centre which is fully explained in the notes to the financial statements At 31 March 2011 there is a deficit of £1 8m (2010 - £2 5m) The current required level of contributions is met from the normal operating income of St Elizabeth's Centre

18 Investments

18.1 Investment policy

The charity's listed investment objective is to preserve capital value in real terms and to achieve a growing level of income over time Investments have historically been held in Ireland to generate income to help meet the costs of the Irish Community, with the majority being held in the UK The Irish economy has suffered from the effects of the financial crisis in 2008 much more than the UK and many other markets and this inevitably had a detrimental effect on the value of and returns from the Irish portfolio Towards the end of the year the trustees reluctantly took the decision to liquidate the Irish portfolio and to repatriate it to the UK There remain a handful of illiquid investments under the management of the Irish investment managers and, as circumstances permit, these funds will also be repatriated, although this may take several years

18 Investments (continued)

18.1 Investment policy (continued)

The trustees have had an ethical investment policy for many years as they believe that some investments are incompatible with the Sisters' spirituality and ethos and the charity's objects They also believe that the overall return on the investments in any one year is not materially reduced by their ethical stance, although they recognise that in the longer-term there may be some negative effect

Responsibility for the day to day management of the portfolios is delegated to the two investment managers Davy Stockbrokers in Ireland and BlackRock in England, who both operate within guidelines agreed with the trustees In the light of the decision regarding the Irish investments, the guidelines for Davy Stockbrokers have been amended Withdrawals at present are made to meet the costs of Sisters' Communities and the costs of the developments at the Community properties

The BlackRock portfolio comprises fixed interest stocks and listed UK and overseas equities, with an exposure to commercial property and defensive hedge fund of funds The investments comprise segregated stocks and shares as well as pooled investments The pooled investments are used where it is the preferred way of investing and managing risk, for example in investing overseas or in property

The trustees also took a policy decision in 2006 to invest in Charifaith, a BlackRock fund which invests in a way that follows Catholic teaching The fund was established to provide a secure, beneficial and ethical home for the investment funds of small to medium sized charities

18 2 Investment review and performance

The investment managers' results are reviewed with them twice a year at Province Finance Advisory meetings, where up to date reports are reviewed, performance against the benchmarks is monitored, and any issues concerning ethical investment or corporate governance are discussed This year that has included the underperformance against the benchmark

A composite benchmark is calculated reflecting the agreed asset class allocations and using appropriate indices for each asset class The actual performance against the benchmark for the UK manager for the year ended 31 March 2011 was as follows

	Benchmark %	Actual %
UK investments – BlackRock	8 7	7 8

The market value of investments at 31 March 2011 was £47 5 (2010- £48 1m), a small decrease

18 Investments (continued)

18.3 Ethically and socially responsible investment

The trustees have a policy of Socially Responsible Investment (which they take to include ethical issues and matters of corporate governance of the companies in which they are invested) and this policy, together with its effects and implications, are considered at every meeting with the investment managers The charity's SRI policy applies to all direct investments which are monitored by an external agency providing services to the UK managers

No charity funds are invested in companies which generate significant income from armaments, adult entertainment services, or companies which are involved in areas of activity contrary to the sanctity of life In addition all BlackRock investments are screened to ensure that the companies comply with the International Labour Organisation standards and any invested funds relating to the hospitals and hospice are not invested in tobacco companies For other sensitive areas of investment (for example the environment), the policy is to adopt an "engagement" approach, which means using the charity's position as a shareholder, through its investment managers, to encourage companies to adopt more ethical and socially responsible policies and procedures

Thanks

The trustees wish to record that none of the charity's work could be achieved without the dedicated loyalty of around 1,500 staff employed by the charity, the efforts of all the full-time and part-time volunteers (around 1,000), the commitment and effort of the Sisters (71 at 31 March 2011) or without the continuing generosity and input of their benefactors and advisors The trustees are also extremely grateful to all members of the Advisory Committees and Governing Bodies who contribute to the charity's work by devoting their time and expertise

To them all, they offer their thanks and their prayers

Signed on behalf of the trustees

V Hagen

Sister Veronica Hagen
Trustee and Provincial Superior

Approved by the trustees on 17 December 2011

Independent auditor's report to the members of The Congregation of the Daughters of the Cross of Liege

We have audited the financial statements of The Congregation of the Daughters of the Cross of Liege for the year ended 31 March 2011 which comprise the statement of financial activities, the balance sheet, the cash flow statement, the principal accounting policies and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of trustees and auditor

The trustees are also the directors of the charitable company for the purposes of company law As explained more fully in the statement of trustees' responsibilities set out in the trustees' report, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements In addition, we read all the financial and non-financial information in the trustees' report to identify material inconsistencies with the audited financial statements If we become aware of any apparent material inconsistencies we consider the implications for our report

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the charity's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Avnish Savjani, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

17 December 2011

Statement of financial activities Year to 31 March 2011
Including the statement of total recognised gains and losses

	Notes	Unrestricted funds: General fund £'000	Unrestricted funds: Designated funds £'000	Restricted funds £'000	**Total funds 2011 £'000**	Total funds 2010 £'000
Income and expenditure						
Incoming resources						
Incoming resources from generated funds						
Voluntary income		1,126	—	2,353	**3,479**	3,294
Activities for generating funds		385	—	1,179	**1,564**	1,322
Investment income		1 584	—	39	**1,623**	1,732
		3,095	—	3,571	**6,666**	6,348
Incoming resources from charitable activities						
Health and welfare		38,155	—	1,717	**39,872**	38,096
Health, welfare and education		18,256	—	155	**18,411**	18,971
		56,411	—	1,872	**58,283**	57,067
Total incoming resources	1	59,506	—	5,443	**64,949**	63,415
Resources expended						
Cost of generating funds						
Costs of generating voluntary income		156	—	583	**739**	685
Fundraising trading cost of running charity shops		223	—	597	**820**	749
Investment management costs		248	—	—	**248**	226
		627	—	1,180	**1,807**	1,660
Charitable activities	2					
Religion		2,377	—	—	**2,377**	2,108
Health and welfare		35,729	—	3,419	**39,148**	36,771
Health, welfare and education		18,499	—	178	**18,677**	19,114
Other		69	—	—	**69**	25
		56,674	—	3,597	**60,271**	58,018
Governance	3	370	—	18	**388**	407
Total resources expended		57,671	—	4,795	**62,466**	60,085
Net incoming resources before transfers		1,835	—	648	**2,483**	3,330
Transfers between funds						
Restricted to general	12	44	—	(44)	—	—
General to designated	13	(653)	653	—	—	—
Net incoming resources for the year before other recognised gains		1,226	653	604	**2,483**	3,330

Statement of financial activities Year to 31 March 2011
Including the statement of total recognised gains and losses

	Notes	Unrestricted funds: General fund £'000	Unrestricted funds: Designated funds £'000	Restricted funds £'000	**Total funds 2011 £'000**	Total funds 2010 £'000
Statement of total recognised gains and losses						
Net incoming resources for the year before other recognised gains (losses)		1,226	653	604	**2,483**	3,330
Gains on investments	7	1,466	—	39	**1,505**	8,189
Actuarial gains (losses) on pensions	17	728	—	—	**728**	(1,173)
Net movement in funds		3,420	653	643	**4,716**	10,346
Fund balances brought forward at 1 April 2010		23,961	127,341	2,898	**154,200**	143,854
Fund balances carried forward at 31 March 2011		27,381	127,994	3,541	**158,916**	154,200

Historical cost net movement in funds	**2011 £'000**	2010 £'000
Net movement in funds	**4,716**	10,346
Gains on fixed asset investments	**(1,505)**	(8,189)
Actuarial (gains) losses on pensions	**(728)**	1,173
Difference between historical cost depreciation charge and the actual depreciation charge calculated on the revalued amounts	**161**	258
Realised investment losses based on historic cost	**(6,356)**	(1,041)
Historical cost net movement in funds	**(3,712)**	2,547

Continuing operations

All of the charity's activities during the above two financial years represented continuing operations

Balance sheet 31 March 2011

	Notes	2011 £'000	2011 £'000	2010 £'000	2010 £'000
Fixed assets					
Tangible fixed assets	6		**82,715**		83,411
Investments	7		**47,487**		48,103
			130,202		131,514
Current assets					
Stocks		**1,251**		1,153	
Debtors	8	**5,898**		7,561	
Term deposits		**8,093**		8,447	
Cash at bank and on deposit		**24,618**		17,482	
		39,860		34,643	
Creditors amounts falling due within one year	9	**(6,011)**		(6,047)	
Net current assets			**33,849**		28,596
Total assets less current liabilities			**164,051**		160,110
Creditors amounts falling due after more than one year	10		**(3,364)**		(3,369)
Total net assets excluding pension liability			**160,687**		156,741
Net pension liability	17		**(1,771)**		(2,541)
Total net assets			**158,916**		154,200
Represented by.					
Funds and reserves					
Restricted funds	12		**3,541**		2,898
Unrestricted funds					
Designated funds	13				
Fixed asset fund		**84,851**		83,147	
Other		**43,143**		44,194	
		127,994		127,341	
General fund excluding pension reserve		**29,152**		26,502	
Pension reserve	17	**(1,771)**		(2,541)	
General fund including pension reserve		**27,381**		23,961	
Total unrestricted funds			**155,375**		151,302
Total charity funds			**158,916**		154,200

Approved by the trustees of The Congregation of the Daughters of the Cross of Liege, Company Registration Number 03492921(England and Wales), and signed on their behalf by

V Hagen

Sister Veronica Hagen
Trustee and Provincial Superior

E. Pettenuzzo

Sister Elena Pettenuzzo OBE
Trustee and Provincial Bursar

Date of approval 17 December 2011

Cash flow statement Year to 31 March 2011

	Notes	2011 £'000	2010 £'000
Cash inflow from operating activities	A	**5,934**	3,561
Return on investments and servicing of finance			
Investment income		**1,623**	1,732
Capital expenditure and financial investment	B	**1,700**	(5,716)
	D	**9,257**	(423)
Management of liquid resources	C	**354**	(729)
Financing	C		
Decrease in bank loans		**(134)**	(134)
Increase in other long term liabilities		**129**	404
Increase (decrease) in cash		**9,606**	(882)

Notes to the cash flow statement for the year to 31 March 2011.

A Reconciliation of net incoming resources before transfers to net cash inflow from operating activities

	2011 £'000	2010 £'000
Net incoming resources before other recognised gains (losses)	**2,483**	3,330
Depreciation charge and provision for impairment	**3,593**	3,446
Net loss (gains) on disposal of tangible fixed assets	**(6)**	5
Pension finance cost (income)	**35**	65
Pension cost less contributions payable	**(77)**	(169)
Investment income	**(1,623)**	(1,732)
Increase in stocks	**(98)**	(15)
(Increase) decrease in debtors	**1,663**	(1,514)
(Decrease) increase in creditors	**(36)**	145
Net cash inflow from operating activities	**5,934**	3,561

Cash flow statement Year to 31 March 2011

B Gross cash flows

	2011 £'000	2010 £'000
Capital expenditure and financial investment		
Payments to acquire tangible fixed assets	**(3,203)**	(3,837)
Net proceeds from sales of tangible fixed assets	**312**	419
Payments to acquire investments	**(12,882)**	(15,001)
Proceeds from the sales of investments	**17,361**	13,127
Other movements	**112**	(424)
	1,700	5,716

C Analysis of changes in net funds

	At 1 April 2010 £'000	Cash flows £'000	At 31 March 2011 £'000
Available cash			
Cash at bank and in hand	17,482	7,136	**24,618**
Cash held by investment managers	3,051	2,470	**5,521**
	20,533	9,606	**30,139**
Management of liquid resources			
Net cash placed on term deposit	8,447	(354)	**8,093**
Bank loans			
Debt due within one year	(132)	—	**(132)**
Debt due after one year	(1,352)	134	**(1,218)**
	(1,484)	134	**(1,350)**
Other long term liabilities	(2,017)	(129)	**(2,146)**
Total	25,479	9,257	**34,736**

D Reconciliation of net cash flow to movement in net funds

	2011 £'000	2010 £'000
(Decrease) increase in cash in the year	**9,606**	(882)
(Decrease) increase in term deposits	**(354)**	729
Decrease in bank loans	**134**	134
Increase in other long term liabilities	**(129)**	(404)
(Decrease) increase in net funds	**9,257**	(423)

Scope

The financial statements disclose the financial position and results of the charitable company, which incorporate and aggregate the results of the Province with its Works which are

- St Anthony's Hospital, Cheam, Surrey
- Holy Cross Hospital, Haslemere, Surrey
- St Raphael's Hospice, Cheam, Surrey
- St Elizabeth's Centre, Much Hadham, Hertfordshire
- St Wilfrid's Care Home, Chelsea, London

The Sisters' residences are situated at the above locations and in Blackley, Manchester, Broadstairs, Kent, Bury, Lancashire, Hammersmith, London, Hayle, Cornwall, Lindisfarne, Holy Island, Stillorgan (Dublin), Ireland, Stockton and Tracy, California, USA

The financial statements do not include the results and net assets of St Philomena's School, Carshalton nor those of Holy Cross College, Bury (see basis of accounting below)

Basis of accounting

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of freehold land and buildings and by the inclusion of investments at market value, and in accordance with the requirements of the Companies Act 2006 Applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005), have been followed in the preparation of these financial statements

Non-aggregated activities – St Philomena's School, Carshalton and Holy Cross College, Bury

The charity owns the property at St Philomena's, Carshalton, which is a Voluntary Aided School funded by the Local Education Authority and the property at Holy Cross College, Bury, Lancashire, which is a Catholic Sixth Form College funded by the Young People's Learning Agency The School and College are exempt charities and therefore separate legal entities The charity does not exercise control over their activities nor the management of either organisation and derives no financial benefit from them The income, expenditure, assets and liabilities are not therefore incorporated into these financial statements

Basis of accounting (continued)

Non-aggregated activities – St Philomena's School, Carshalton and Holy Cross College, Bury (continued)

As the School and College are carrying out activities which further one of the objects of the charity, the properties are let to them at a peppercorn rent and this arrangement will, subject only to major changes in funding, governance or educational needs in those areas, continue indefinitely The School and College land and buildings cannot be disposed of in the open market nor put to alternative use whilst such occupation continues The freehold property is therefore considered to have no value for the purpose of these financial statements

Incoming resources

Incoming resources are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty

Voluntary income

- Donations represent income given by individuals, corporations and trusts including recoverable taxation
- Grants receivable are accounted for in the period in which they fall due Grants from the Government and other agencies are included as income from charitable activities where they amount to a contract for services, and as donations where the money is given in response to a fundraising appeal or with greater freedom of use
- Legacies are credited to the statement of financial activities once the charity has been advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified
- Covenanted income from the Sisters of the Congregation arises from the donation of their salaries and pensions

Activities for generating funds

- Income from activities for generating funds comprises income from running charity shops, a lottery and from holding fundraising events
- Charity shops' income arises mainly from the sales of donated goods and is accounted for on receipt Donated goods stock has no value for financial statement purposes

Investment income

Investment income, representing dividends, interest, and income from property, includes any associated tax recoverable

Income from charitable activities

- Fees and charges are derived from individuals, health insurance companies and Public Authorities and are stated exclusive of VAT
- Other income represents the hire of consulting rooms, proceeds from the sale of food and sundry income generated by the Works

Resources expended

Expenditure is charged to the statement of financial activities when incurred and includes attributable irrecoverable VAT

Cost of generating funds

This represents the costs of fundraising and those of generating voluntary income It includes the running costs of the charity shops, as well as the salaries of fundraising staff It also includes the fees charged by investment managers for managing the charity's investments

Charitable activities

The costs of the charitable activities are disclosed under the four objects for which the charity was formed Religion reflects the costs of the Sisters' ministry in the UK, Ireland and the USA and includes the costs of their welfare The Sisters of the Congregation are beneficiaries of the charity as well as donors to it Health and welfare reflects the costs of running St Raphael's Hospice, St Anthony's Hospital, Holy Cross Hospital and St Wilfrid's Care Home Health, welfare and education mainly reflects the costs of running St Elizabeth's Centre

Grants payable are charged to the statement of financial activities when approved by the trustees

Governance

Governance costs are those which relate to the general running of the charity, including compliance with constitutional and statutory requirements and the overseeing of the Works These costs are principally audit fees, the cost of legal and other professional advice to the trustees and staff costs As the governance of the charity is mainly carried out by the trustees, there is very little extra cost over and above their ministry and welfare costs as Sisters of the Congregation and nothing is included for them

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, less accumulated depreciation and, where appropriate, impairment provisions All assets costing £5,000 or more, and with an expected useful life exceeding one year, are capitalised

The majority of freehold land and buildings under the total control of the trustees and in use within the charity were valued at 31 March 2009 on a depreciated replacement cost or an existing use basis As required by SORP and FRS 15, these values will be updated on a regular basis

Tangible fixed assets (continued)
Depreciation is calculated at the following annual rates in order to write down each asset to its estimated residual value over its estimated useful life

Freehold buildings	2 - 4% on cost or revalued amounts
Leasehold property	over the period of the lease
Medical, computer and office equipment	4 - 33% on cost
Motor vehicles	20 - 25% on cost

No depreciation is provided on freehold land or assets in the course of construction

Investments
Investments, including property, are included at their market value Investment valuations are constantly updated so that all gains or losses are unrealised and when investments are sold there are no gains or losses arising As a result the statement of financial activities includes only unrealised gains

Term deposits
Term deposits comprise monies held in short-term deposits with maturity periods of more than 24 hours

Fund accounting

Restricted funds
The restricted funds are funds which have been raised for a specific purpose or which are subject to restrictions on their use, and include those funds which have to be spent at a particular Work Restricted funds raised for capital expenditure are released to unrestricted funds once they have been spent Any income, gains or losses arising from the assets underlying the restricted funds form part of restricted funds

The restricted funds include all the general funds of the charity's hospice

Designated funds
Designated funds are those funds earmarked by the trustees for a specific purpose They are unrestricted, and the trustees may ultimately use such funds for other purposes Any income, gains or losses on the assets underlying the designated funds form part of general unrestricted funds

The funds represented by fixed assets are treated as designated funds

General fund
The general fund represents unrestricted and undesignated monies used to fund working capital and which the trustees may use at their discretion in furtherance of the charity's objects

Pension reserve

The pension reserve represents the amount of the surplus or deficit relating to the charity's long term obligations under defined benefit pension schemes It is equal to the amount recognised as a pension scheme asset or liability Whilst the surplus or deficit is required to be recognised in the charity's financial statements by FRS17, it is an amount which will be addressed over the medium term, following actuarial recommendations

Pension costs

Defined contribution schemes

Contributions in respect of defined contribution schemes are charged to the statement of financial activities in the year in which they are payable to the schemes

Defined benefit schemes

The charity contributes to two defined benefit pension schemes (The Pensions Trust and the Teachers' Pension Scheme) providing benefits based on either final or career-average pensionable salary, depending on the scheme The assets of the schemes are held and managed separately from those of the charity

- Teachers' Pension Scheme (TPS) is a multi-employer defined benefit scheme As it is not possible to identify the share of the underlying assets and liabilities belonging to individual participating employers, the contributions to the scheme are recognised in the statement of financial activities so as to spread the cost of pensions over employees' working lives

- The Pensions Trust pension scheme assets are measured at fair value at each balance sheet date Liabilities are measured on an actuarial basis using the projected unit method The net of these two figures is recognised as an asset or liability on the balance sheet Any change in the asset or liability between balance sheet dates is reflected in the statement of financial activities in recognised gains and losses for the period Other movements are credited or charged to the statement of financial activities

1 Incoming resources

	Unrestricted funds £'000	Restricted funds £'000	**Total funds 2011 £'000**	Total funds 2010 £'000
Voluntary income				
Donations	30	1,468	**1,498**	1,436
Legacies	2	885	**887**	775
Covenanted income from Sisters of the Congregation – salaries and pensions	1,094	—	**1,094**	1,083
	1,126	2,353	**3,479**	3,294
Incoming resources from activities for generating funds				
Charity shops	336	935	**1,271**	1,068
Lottery and events	49	244	**293**	254
	385	1,179	**1,564**	1,322
Income from investments				
UK investments	1,189	26	**1,215**	1,234
Overseas investments	53	—	**53**	68
Property	36	—	**36**	39
Interest receivable	53	—	**53**	134
	1,331	26	**1,357**	1,475
Other finance income				
Interest receivable	253	13	**266**	257
	1,584	39	**1,623**	1,732
Incoming resources from charitable activities				
Health and welfare				
Fees and charges	37,270	—	**37,270**	35,905
Grant	—	1,702	**1,702**	1,226
Other	885	15	**900**	965
	38,155	1,717	**39,872**	38,096
Health, welfare and education				
Fees and charges	18,021	—	**18,021**	18,526
Grants	—	155	**155**	153
Other	235	—	**235**	292
	18,256	155	**18,411**	18,971
Total incoming resources	59,506	5,443	**64,949**	63,415
2010	58,645	4,770	63,415	

Included in the covenanted income from Sisters of the Congregation is £75,000 (2010 - £123,000) which was charged to the activities run by the charity (see note 4)

2 Charitable activities

a) Summary

	Direct £'000	Grants and donations £'000	**Total 2011 £'000**	Total 2010 £'000
Religion	2,334	43	**2,377**	2,108
Health and welfare	39,065	83	**39,148**	36,771
Health, welfare and education	18,637	40	**18,677**	19,114
Other	19	50	**69**	25
	60,055	216	**60,271**	58,018
2010	57,844	174	58,018	

b) Analysis of "Direct" charitable expenditure

	Staff costs £'000	Provision for impairment and depreciation £'000	Other direct costs £'000	**Total 2011 £'000**	Total 2010 £'000
Religion	765	574	995	**2,334**	2,078
Health and welfare	21,835	2,328	14,902	**39,065**	36,709
Health, welfare and education	15,267	687	2,683	**18,637**	19,042
Other	—	—	19	**19**	15
Total charitable expenditure	37,867	3,589	18,599	**60,055**	57,844
2010	37,046	3,435	17,363	57,844	

Included within direct charitable expenditure are the following

	2011 £'000	2010 £'000
Interest payable	**68**	87
Pension finance cost	**35**	65
Operating lease rentals		
land and buildings	**180**	186
other	**136**	97

2 Charitable activities (continued)

c) Grants and donations

	Total 2011 £'000	Total 2010 £'000
Support for worldwide Congregation		
Liege Generalate	**—**	2
Other Provinces/Regions	**160**	124
	160	126
Other grants and donations	**56**	48
	216	174

3 Governance costs

	2011 £'000	2010 £'000
Staff costs	**159**	159
Professional fees	**202**	214
Other costs	**27**	34
	388	407

Professional fees include payments to the auditors for audit fees of £159,000 (2010 - £158,000)

Fees paid to the charity's auditor for other services, some of which relate to and have been included under charitable activities, amounted to £17,000 (2010 - £47,000) which all relates to financial and general advice

4 Staff costs and trustees' remuneration

	2011 £'000	2010 £'000
Wages and salaries	**31,600**	31,066
Social security costs	**2,829**	2,760
Other pension costs	**998**	792
	35,427	34,618
Payments for agency staff	**2,363**	2,438
Other staff related costs	**1,052**	861
	38,842	37,917

4 Staff costs and trustees' remuneration (continued)

Staff costs have been charged as follows

	2011 £'000	2010 £'000
Cost of generating funds	**816**	712
Charitable activities	**37,867**	37,046
Governance costs	**159**	159
	38,842	37,917

Other staff related costs include the costs of training courses, medical insurance and recruitment costs

The trustees are Sisters of the Congregation and are not remunerated for their work as trustees They are, as are all Sisters, beneficiaries of the charity and the charity meets the costs of their ministry, welfare and well-being

Included in wages and salaries is £75,000 (2010 - £123,000) which was earned by Sisters from working in the activities run by the charity and which is donated and shown as Covenanted income in note 1 Had the Sisters not been working as nurses, teachers or in management then lay personnel would have had to have been employed at a cost of at least this amount

The average monthly number of employees, analysed by function was

* Full-time equivalents	2011 F.T E *	2011 Actual People	2010 F T E *	2010 Actual People
Charitable activity				
Religion	**23**	**35**	16	24
Health and welfare	**582**	**747**	572	740
Health, welfare and education	**579**	**667**	597	689
Fundraising	**38**	**50**	34	44
	1,222	**1,499**	1,219	1,497
Volunteers		**973**		933
		2,472		2,430

In addition, the number of agency staff, on a full-time equivalent basis, was 95 (2010 - 117)

4 Staff costs and trustees' remuneration (continued)

The governance of the charity is dealt with by the Sisters themselves acting, where appropriate, after considering the advice of their professional advisors and with the assistance of the Company Secretary and various members of the Works' Senior Management Teams The full time equivalent number of people involved in Governance is 2 (2010- 2) and these individuals are included in the summary above within their main work activity

The number of employees who earned £60,000 per annum or more (including benefits but excluding pension contributions) during the year was as follows

	2011	2010
£60,001 - £70,000	**8**	6
£70,001 - £80,000	**—**	1
£80,001 - £90,000	**2**	3
£90,001 - £100,000	**2**	1
£100,001 - £110,000	**1**	2
£110,001 - £120,000	**1**	—
£140,001 - £150,000	**1**	1
£150,001 - £160,000	**1**	1
£170,001 - £180,000	**1**	1
	17	16

	2011 Number	**2011 £'000**	2010 Number	2010 £'000
Those in defined benefit schemes	**6**	**70**	5	61
Those in defined contribution schemes	**2**	**10**	2	10
Those for whom other contributions have been made	**6**	**54**	6	53
Those for whom no contributions were made	**3**	**—**	3	—
Total	**17**	**134**	16	124

5 Taxation

The charity is not liable to corporation tax on income or gains derived from its charitable activities, as they fall within the various exemptions available to charities

It does, however, suffer VAT which is included with the expenditure to which it relates Irrecoverable VAT suffered on expenditure, including VAT on capital projects, during the year amounted to approximately £1 8m (2010 - £1 8m)

6 Tangible fixed assets

	Freehold land and buildings £'000	Medical, computer and office equipment £'000	Motor vehicles £'000	**Total £'000**
Cost or valuation				
At 1 April 2010	80,639	21,657	732	**103,028**
Additions	2,285	812	106	**3,203**
Disposals	(400)	(233)	(77)	**(710)**
At 31 March 2011	82,524	22,236	761	**105,521**
At cost	6,682	22,236	761	**29,679**
At valuation - 2009	75,842	—	—	**75,842**
	82,524	22,236	761	**105,521**
Depreciation				
At 1 April 2010	2,048	16,999	570	**19,617**
Charge for year	2,046	1,210	75	**3,331**
Disposals	(104)	(232)	(68)	**(404)**
Provision for impairment	262	—	—	**262**
At 31 March 2011	4,252	17,977	577	**22,806**
Net book value				
At 31 March 2011	78,272	4,259	184	**82,715**
At 31 March 2010	78,591	4,658	162	**83,411**

	2011 £'000
Depreciation and provision for impairment is allocated as follows	
Charitable activities	**3,589**
Governance	**4**
	3,593

Included in freehold land and buildings are amounts for land at cost and valuation of £21 3m (2010 - £21 3m) which has not been depreciated

The Hydrotherapy building project at Holy Cross Hospital was completed in 2010 but the final cost has yet to be agreed and therefore a further payment may be due once the negotiations are complete Any amount that may be payable is not significant in relation to the total assets or liabilities and no amount has been provided

6 Tangible fixed assets (continued)

The majority of the charity's freehold land and buildings were valued as at 31 March 2009 principally by an external valuer, Nigel Grugeon FRICS of Stanley Hicks, Chartered Surveyors Valuations were in accordance with the requirements of the RICS Valuation Standards and Financial Reporting Standard 15 - Tangible Fixed Assets (FRS 15) With the exception of one property which has been subject to an impairment review, the trustees are not aware of any material changes to the valuations and no values have been updated

The bases of valuation in all cases was

- depreciated replacement cost for specialist buildings, and
- existing use value for non-specialist buildings which are occupied by the Province, or
- market value for those properties which are either surplus to requirements or are held as investments

The depreciated replacement cost approach was adopted to assess the market value of those properties where the specialised nature of the asset meant that there were no market transactions of this type of asset, except as part of the business or entity

7 Fixed asset investments

Gains (losses) on investments recognised in the statement of financial activities are made up as follows

	2011	2010
	£'000	£'000
Net unrealised investment gains	**1,393**	8,613
Other movements	**112**	(424)
Gains on investments	**1,505**	8,189

The realised loss relating to disposals based upon historic cost was £6 4m (2010 – loss of £1 0m)

7 Fixed asset investments (continued)

	2011 £'000	2011 £'000	2010 £'000	2010 £'000
Investments (note a)		**41,286**		44,372
Cash (note a)		**5,521**		3,051
		46,807		47,423
Investment properties (note b)		**680**		680
Total fixed asset investments		**47,487**		48,103
(a) Investments				
Market value of investments at 1 April 2010		**44,372**		33,885
Additions at cost		**12,882**		15,001
Sale proceeds		**(17,361)**		(13,127)
Net unrealised investment gains		**1,393**		8,613
Market value of investments at 31 March 2011		**41,286**		44,372
Historical cost of investments as at 31 March 2011	**32,610**		43,275	
Investment cash				
Cash held for re-investment by investment managers				
In the UK	**2,295**		1,895	
Overseas	**3,226**		1,156	
Investment cash		**5,521**		3,051
Total investments at 31 March 2011		**46,807**		47,423

	UK 2011 £'000	Overseas 2011 £'000	**Total 2011 £'000**	Total 2010 £'000
Analysis of investments at market value at 31 March 2011				
Pooled funds	25,651	—	**25,651**	29,301
Shares listed on stock exchanges	14,414	—	**14,414**	13,913
Unlisted shares	280	941	**1,221**	1,158
	40,345	941	**41,286**	44,372
2010	40,518	3,854	**44,372**	

The total value of shares or investment schemes (including unit trusts) relating to companies listed on a UK stock exchange or incorporated in the UK are treated as investments in the UK All other investments are treated as being overseas

7 Fixed asset investments (continued)

(a) Investments (continued)

Whilst there are significant investments in common investment funds and other collective investments, there are no individual investments in entities which the trustees would regard as material

(b) Investment properties

	Freehold land and buildings £'000
At 1 April 2010 and 31 March 2011	**680**

8 Debtors

	2011 £'000	2010 £'000
Amounts recoverable within one year		
Operational debtors	**5,011**	6,593
Other debtors	**217**	221
Prepayments	**670**	747
	5,898	7,561

9 Creditors: amounts falling due within one year

	2011 £'000	2010 £'000
Operational creditors	**1,239**	1,187
Social security and other taxes	**813**	829
Sisters' funds	**292**	288
Contribution to compensation scheme	**1,143**	1,160
Grants payable	**140**	182
Fixed asset creditors	**522**	419
Income received in advance	**605**	566
Accruals	**742**	805
Other creditors	**383**	479
	5,879	5,915
Bank and other loans (note 11)	**132**	132
	6,011	6,047

10 Creditors: amounts falling due after more than one year

	2011 £'000	2010 £'000
Amount due to the worldwide Congregation	**2,146**	2,017
Bank and other loans (note 11)	**1,218**	1,352
	3,364	3,369

11 Bank and other loans

	2011 £'000	2010 £'000
Loans repayable		
Between one and two years	**266**	266
Between two and five years	**377**	394
After more than five years	**575**	692
	1,218	1,352
Within one year	**132**	132
	1,350	1,484

	2011 £'000	2010 £'000
Bank loan	**1,268**	1,384
Other loan	**82**	100
	1,350	1,484

These two unsecured loans were provided to St Elizabeth's Centre and contributed to the cost of the new school building and setting up the Social Enterprises They are at interest rates of between 5% p a and 6 85% p a and will be fully repaid by 2023

12 Restricted funds

The funds of the charity include restricted funds comprising the following balances held on trust to be applied for specific purposes

	At 1 April 2010 £'000	Net incoming (outgoing) resources £'000	Transfers £'000	Other movements £'000	At 31 March 2011 £'000
Hospice funds	1,352	604	153	—	**2,109**
Holy Cross Hospital	1,136	(151)	(1)	39	**1,023**
Sundry funds	410	195	(196)	—	**409**
	2,898	648	(44)	39	**3,541**

- Hospice funds

  The general funds of St Raphael's Hospice can only be applied for the benefit of the hospice and have, therefore, been treated as restricted

12 Restricted funds (continued)

- Holy Cross Hospital

  In 2006 the charity received a legacy which had to be used at Holy Cross Hospital and is therefore restricted The funds were partly used to build a hydrotherapy facility and these were released to unrestricted funds The remainder (being the restricted fund) was invested to generate an income to help meet the running costs of the facility

- Sundry funds

  These funds relate to many small funds across the Works of the Congregation

13 Designated funds

	At 1 April 2010 £'000	Transfer from (to) general funds £'000	**At 31 March 2011 £'000**
Fixed asset fund	83,147	1,704	**84,851**
Other funds			
Sisters' fund	22,500	(2,500)	**20,000**
Charitable works development fund	16,229	1,184	**17,413**
Worldwide fund	3,142	95	**3,237**
Sundry funds	2,323	170	**2,493**
	44,194	(1,051)	**43,143**
	127,341	653	**127,994**

The designated funds have been set aside for specific purposes by the trustees out of unrestricted funds, although they may ultimately use such funds for other purposes

- Fixed asset fund

  The tangible fixed assets, of which property forms the major part, are of fundamental importance to the charity and without them the charity would be unable to fulfil any of its charitable objectives The value of the assets is therefore not readily realisable and to reflect that their net book value (excluding amounts due to contractors and bank loans) has been established as a designated fund

  The fund also represents amounts committed as authorised fixed asset expenditure for projects planned and agreed at 31 March 2011 and which will be met out of funds already generated

- Sisters' fund

  The Sisters' fund relates to monies earmarked and invested to produce income to meet the shortfall of Sisters' covenanted income over the costs of their welfare and apostolic activities and provision for the care of their frail elderly members Although the fund was not at the trustees' preferred level, the fund has had to be reduced

13 Designated funds (continued)

- Charitable works development fund
  The Charitable works development fund was established to help secure the future financial needs of the Works of the Congregation and is represented by investments

- Worldwide fund
  This is to provide grants, to enhance or develop the Works of the Worldwide Congregation, as requested by the Generalate

- Sundry funds
  These relate to other designated funds established by each of the Works' management teams and approved by the trustees The major part relates to Works' maintenance funds

14 Analysis of total net assets between funds

	General fund £'000	Tangible fixed asset fund £'000	Other designated funds £'000	Restricted funds £'000	**Total funds £'000**
Fund balances at 31 March 2011 are represented by.					
Tangible fixed assets	—	82,715	—	—	**82,715**
Fixed asset investments	5,814	—	40,650	1,023	**47,487**
Net current assets	25,484	3,354	2,493	2,518	**33,849**
Other liabilities	(3,917)	(1,218)	—	—	**(5,135)**
Total net assets	27,381	84,851	43,143	3,541	**158,916**

Unrealised gains (losses) included above	**2011 £000's**	**2010 £000's**
On tangible fixed assets	**36,848**	37,103
On investment assets	**8,676**	1,097
On pension scheme	**(1,577)**	(2,305)
Total unrealised gains at 31 March 2011	**43,947**	35,895

The revaluation reserve, as required by the Companies Act, is equivalent to the total unrealised gains, shown above

15 Capital commitments

	2011 £'000	2010 £'000
The capital commitments at 31 March 2011 were		
Contracted but not provided for in the financial statements		
Community properties	**3,009**	1,204
Hydrotherapy project at Holy Cross Hospital	**13**	—
Building development at St Elizabeth Centre	**485**	233
Additional property at St Anthony's Hospital	**—**	201
	3,507	1,638
Authorised but not contracted for and not provided in the financial statements		
Catheter laboratory at St Anthony's Hospital	**750**	—
Total commitments	**4,257**	1,638

There were no commitments authorised but not contracted for

16 Related party disclosures

Sisters

The Sisters of the Congregation are beneficiaries of the charity, in that the costs of their ministry and welfare are met by the charity The trustees, including the Provincial Superior and the Provincial Bursar, are all Sisters and they are not remunerated for their services No trustee had any beneficial interest in any contract with the charity

Worldwide Congregation

The charity is a member of the worldwide Congregation of the Daughters of the Cross of Liege and has objects which are not restricted to the UK Total grants of £160,000 (2010 - £126,000) were made during the year to the worldwide Congregation or for Sisters within it

17 Pension commitments

Two of the major Works operate pension schemes, providing pensions under both defined benefit and defined contribution arrangements

The assets of the funded schemes are held independently of the charity's finances

17 Pension commitments (continued)

Details of the contributions are as follows

Name	Type of Scheme	Administrator	Contributions in year 2011 £'000	2010 £'000
St Elizabeth's Centre	Defined benefit	Teachers' Pensions	**96**	103
St Elizabeth's Centre	Defined benefit	The Pensions Trust	**496**	292
St Elizabeth's Centre	Defined contribution	Scottish Widows plc	**10**	3
St Anthony's Hospital	Defined contribution	Scottish Equitable plc	**358**	361
Other contributions			**38**	33
			998	792

Teachers' Pension Scheme (TPS)

Retirement benefits for teachers are provided by the Teachers' Pension Scheme (TPS) which is a defined benefit scheme

The TPS is an unfunded scheme Contributions on a 'pay–as-you-go' basis are credited to the Exchequer under arrangements governed by the Superannuation Act 1972 A notional asset value is ascribed to the scheme for the purposes of determining contribution rates

Under the definitions set out in Financial Reporting Standard 17, 'Retirement Benefits' (FRS 17), the TPS is a multi-employer pension scheme St Elizabeth's Centre is unable to identify its share of the underlying assets and liabilities of the scheme Accordingly, the Centre has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme

Set out below is the information available on the scheme and the implications for the Centre in terms of the anticipated contribution rates The pensions cost is assessed not less than every four years, with a supporting interim valuation in-between in accordance with the advice of the Government Actuary

The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows

Latest actuarial valuation	31 March 2004
Actuarial method	Prospective benefits
Gross rate of return	6 5% per annum
Real rate of return in excess of	
♦ Prices per annum	3 5%
♦ Earnings per annum	2 0%
♦ Rate of real earnings growth per annum	1 5%

17 Pension commitments (continued)

Teachers' Pension Scheme (TPS) (continued)

Value of assets at date of last valuation	£163,240 million
Proportion of members' accrued benefits covered by the actuarial value of the assets	98%
The employers' contribution rate for the year was	14 1%

The Pensions Trust

The Pensions Trust administers pension schemes for charities and voluntary organisations and St Elizabeth's Centre operated a funded defined benefit pension scheme The scheme does not contract members out of the State Second Pension

Contributions payable are determined on the basis of triennial valuations carried out by a qualified actuary using the projected unit method

The assumptions and other data that have the most significant effect on the determination of the contribution levels are as follows

Latest actuarial valuation	30 September 2008
Actuarial method	Projected unit
Investment returns per annum	5 1 – 7 6%
Average inflation per annum	3 2%
Salary increases per annum	4 7%
Market value of assets at date of last valuation	£4,453,000
Proportion of members' accrued benefits covered by the actuarial value of the asset	71 9%

The employer has contributed at a rate of 10 7% of pensionable salaries for joiners before 1 October 2000 and 8 8% for those members who joined after 1 October 2000 Members have paid contributions in line with the rates outlined in Scheme documentation

17 Pension commitments (continued)

Movement in deficit during the year

	2011 £000	2011 £000	2010 £000	2010 £000
Deficit at 1 April 2010		**(2,541)**		(1,472)
Analysis of net contributions				
Current service cost – total operating charge	**(439)**		(235)	
Contributions	**516**		404	
		77		169
Analysis of net charge on pension scheme				
Expected return on pension scheme assets	**416**		302	
Interest on pension liabilities	**(451)**		(367)	
Net finance deficit		**(35)**		(65)
Amounts recognised as other gains and losses				
Actual return less expected return on pension scheme assets	**(29)**		990	
Experience gains and losses arising on the scheme liabilities	**153**		99	
Change in financial and demographic assumptions underlying the scheme assets	**604**		(2,262)	
Actuarial gains (losses) recognised		**728**		(1,173)
Deficit at 31 March 2011		**(1,771)**		(2,541)

Other normal pension disclosures regarding assumptions, the scheme assets and the experience of gains and losses have been excluded as they are extensive and the scheme is a very small part of the charity's operations Details can be obtained from the Company Secretary