

TREETOPS HOSPICE TRUST GROUP
(LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 1999

Company Registration Number 1801708

JOHNSON, MURKETT AND HURST
CHARTERED ACCOUNTANTS

Rawdon House
Rawdon Terrace
Ashby-de-la-Zouch
Leicestershire
LE65 2GN

and

38, Millstone Lane
Leicester
LE1 5JN



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COMPANIES HOUSE

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COMPANIES HOUSE

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13/11/99

TREETOPS HOSPICE TRUST GROUP

TRUSTEES

F Anderson	(Chairman - Fund Raising)
W Baxendale-Baines	
J Bevan	(Resigned 27/9/98)
J Caddick	(Appointed 27/9/98)
C Cheetham	
N Cheetham	(Appointed 27/9/98)
J Eagle	
M Fox	
J Griffiths	(Chairman - Executive)
P Harvey	
J Heath	(Appointed 27/9/98)
M Henry	(Chairman - Board of Trustees)
S Jones	
G Partington	(Appointed 27/9/98)
R Payne	(Resigned 27/9/98)
R Saltmarsh	
G Saville	
J Shields	(Treasurer)
A Taylor	
P Thomson	
R Webster	(Appointed 27/9/98)
I Wilkinson	

SECRETARY

R Thomas

REGISTERED OFFICE

Treetops Hospice
Derby Road
Risley
Draycott
Derbyshire
DE72 3SS

REGISTERED NUMBER

1801708 (England & Wales)

REGISTERED CHARITY NUMBER

519540

AUDITORS

Johnson Murkett and Hurst
Chartered Accountants
Rawdon House
Rawdon Terrace
Ashby de la Zouch
Leicestershire
LE65 2GN

ANNUAL REPORT AND CONSOLIDATED ACCOUNTS 31 MARCH 1999

Pages	1 - 2	Report of the Trustees
	3	Report of the Auditors
	4	Consolidated Balance Sheet
	5	Consolidated Statement of Financial Activities
	6 - 11	Notes to the Accounts

The following pages do not form part of the statutory accounts:

12	Operational Income and Expenditure Account
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TREETOPS HOSPICE TRUST GROUP**REPORT OF THE TRUSTEES**

The Trustees present their annual report with the accounts of the Trust for the year ended 31 March 1999.

PRINCIPAL ACTIVITY

The principal activities of the Trust in the year under review were the provision of nursing and other facilities for the terminally ill and the raising of funds for that purpose.

The Trust's subsidiary company, Treetops Funding Limited, manages a lottery to raise funds for the hospice.

CHARITABLE STATUS

The Trust is a registered charity.

CHAIRMANS' REPORT

In accordance with The Statement of Recommended Practice for Charities, the Chairman, Mrs M Henry, has prepared a report detailing the performance of the Trust for the year ended 31st March 1999. A copy is attached to these accounts.

TRUSTEES

None of the other trustees have any interest in the shares of any other group company, including rights to subscribe for shares.

TRUSTEES' RESPONSIBILITIES

Company law requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the Trust and of the group and of the surplus or deficit for that period. In preparing those accounts, the Trustees are required to:

- * select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the Trust will continue in business.

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

TREETOPS HOSPICE TRUST GROUPREPORT OF THE TRUSTEESAUDITORS

A resolution to re-appoint as auditors Messrs. Johnson Murkett and Hurst in accordance with Section 385 of the Companies Act 1985 will be placed before the members at the forthcoming Annual General Meeting.

In preparing the above report, the Trustees have taken advantage of special exemptions applicable to small companies provided by Part VII of the Companies Act 1985.

Signed on behalf of the
Board of Trustees

Margaret Henry

Mrs M Henry
Chairman

J Shields

J Shields
Treasurer

Approved by the Board on: 6 / 9 / 99

REPORT OF THE AUDITORS
TO THE MEMBERS OF TREETOPS HOSPICE TRUST GROUP

We have audited the accounts set out on pages 4 to 11 which have been prepared under the historical cost convention and the accounting policies set out on page 6.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described on page 1, the Trustees are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

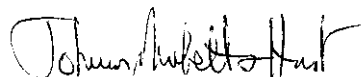
BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements by the Trustees in the preparation of accounts, and of whether the accounting policies are appropriate to the Trust's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the accounts give a true and fair view of the state of affairs of the Trust and of the group as at 31 March 1999 and of the result for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985 applicable to small companies.



Johnson, Murkett and Hurst
Chartered Accountants and Registered Auditors

Date: 20 September 1999

Ashby de la Zouch
Leicestershire

TREETOPS HOSPICE TRUST GROUP**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 1999**

		<u>Group</u>		<u>Trust</u>	
	<u>Notes</u>	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
		£	£	£	£
<u>FIXED ASSETS</u>					
Tangible assets	10	358,781	364,000	357,553	362,479
Investments	11	-	-	10,000	10,000
		<u>358,781</u>	<u>364,000</u>	<u>367,553</u>	<u>372,479</u>
<u>CURRENT ASSETS</u>					
Stocks		1,627			
Debtors	12	11,646	8,635	8,940	4,175
Cash in Bank and in Hand		59,667	24,905	40,098	12,790
		<u>72,940</u>	<u>33,540</u>	<u>49,038</u>	<u>16,965</u>
<u>CREDITORS:</u> Amounts falling due within one year	13	53,618	53,404	38,972	44,400
<u>NET CURRENT ASSETS</u>		<u>19,322</u>	<u>(19,864)</u>	<u>10,066</u>	<u>(27,435)</u>
<u>NET ASSETS</u>		<u>378,103</u>	<u>344,136</u>	<u>377,619</u>	<u>345,044</u>
<u>CAPITAL FUNDS</u>					
Unrestricted Funds		<u>378,103</u>	<u>344,136</u>	<u>377,619</u>	<u>345,044</u>

The accounts have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the
Board of Trustees

Margaret Henry.
Mrs M Henry
Chairman

Date: 29.9.99

J Shields
J Shields
Treasurer

Date: 29.9.99

The notes on pages 6 to 11 form part of these accounts.

TREETOPS HOSPICE TRUST GROUP
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 1999

		<u>Unrestricted Funds</u>	<u>Total</u>	<u>Total</u>
	<u>Notes</u>	<u>1999 £</u>	<u>1999 £</u>	<u>1998 £</u>
<u>INCOMING RESOURCES</u>				
Donations and Gifts	8	42,364	42,364	48,602
Net Proceed of Events and General Activities	8	56,442	56,442	45,101
Contracts	9	133,850	133,850	130,300
Investment Income		67	67	2,429
Charity Rate Relief		5,451	5,451	5,267
Net Income of Trading Subsidiary		66,392	66,392	30,016
<u>TOTAL INCOMING RESOURCES</u>		<u>304,566</u>	<u>304,566</u>	<u>261,715</u>
<u>RESOURCES EXPENDED</u>				
	5			
Direct Charitable Expenditure		224,449	224,449	206,263
Other Expenditure:-				
Fund Raising and Publicity Costs		21,855	21,855	20,743
Management and Administration of the Charity		24,295	24,295	24,463
		<u>270,599</u>	<u>270,599</u>	<u>251,469</u>
<u>NET INCOMING / (OUTGOING) RESOURCES</u>		33,967	33,967	10,246
<u>FUND BALANCES</u>				
As at 31 March 1998		344,136	344,136	333,890
<u>FUND BALANCES</u>				
As at 31 March 1999		<u>378,103</u>	<u>378,103</u>	<u>344,136</u>

CONTINUING OPERATIONS

None of the Trust's activities were acquired or discontinued during the above two financial years.

TOTAL RECOGNISED GAINS AND LOSSES

The Trust has no recognised gains or losses other than the surplus or deficit for the above two financial years.

The notes on pages 6 to 11 form part of these accounts.

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1999

1. **ACCOUNTING POLICIES**

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Trusts financial statements:

a) **Basis of Accounting**

The financial statements have been prepared under the historical cost convention.

b) **Consolidation**

The consolidated financial statements have been prepared for the charity and it's wholly owned subsidiary Treetops Funding Limited.

c) **Tangible Fixed Assets**

Depreciation is provided on tangible fixed assets at the following annual rates in order to write off each asset over its estimated useful life:

Fixtures and Fittings	- 15% reducing balance
Office Equipment	- 15% reducing balance
Motor Vehicles	- 25% reducing balance

No depreciation is provided on Freehold Land and Buildings, contrary to SSAP 12, as it is considered that the current market value of the property is not less than its book value.

d) **Income**

All income recorded in the financial statements is gross before deducting any costs. Due to the charitable status of the Trust no VAT is applicable.

e) **Operating Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against the surplus as incurred.

d) **Pension Costs**

Contributions in respect of the Hospice's defined contribution pension schemes are charged to the income and expenditure account for the year in which they are payable to the scheme.

2. **INCOME**

All the income was generated within the United Kingdom.

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1999

3. NET INCOMING / (OUTGOING) RESOURCES

The net incoming / (outgoing) resources are stated after charging:

	<u>Group</u> <u>1999</u>	<u>1998</u>	<u>Trust</u> <u>1999</u>	<u>1998</u>
	£	£	£	£
Depreciation of Tangible Fixed Assets	5,337	8,001	4,926	5,997
Auditors' Remuneration	4,113	4,583	2,350	2,350
Staff Salary Costs (Inc NIC)	232,436	199,095	189,036	181,494
Staff Pension Costs	8,834	3,638	8,834	5,487

4. NET INCOME / (EXPENDITURE) FROM TRADING ACTIVITIES OF SUBSIDIARY

The charity has a wholly owned subsidiary, which was incorporated in the UK, Treetops Funding Limited. The company covenants its taxable profits to Treetops Hospice Trust and also pay interest on loans from Treetops Hospice Trust. A summary of the trading results is shown below. Audited accounts have been filed with the Registrar of Companies.

Profit and Loss Account	<u>1999</u>	<u>1998</u>
	£	£
Lottery Receipts	263,720	281,137
Lottery Prizes	134,240	156,000
	<u>129,480</u>	<u>125,137</u>
Shop Sales (net)	64,463	64,128
Sundry Income	279	442
	<u>194,222</u>	<u>189,707</u>
Administration	(127,830)	(136,319)
	<u>66,392</u>	<u>53,388</u>

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

<u>Year to 31 March 1999</u>	<u>Staff Costs</u>	<u>Other</u>	<u>Depreciation</u>	<u>Total</u>
	£	£	£	£
Direct Charitable Expenditure	182,643	38,591	3,215	224,449
Other:-				
Fund Raising and Publicity	4,005	16,139	1,711	21,855
Management and Administration of the Charity	19,408	4,887	-	24,295
	<u>206,056</u>	<u>59,617</u>	<u>4,926</u>	<u>270,599</u>
<u>Year to 31 March 1998</u>	195,069	50,403	5,997	251,469

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1999

6. CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

	<u>1999</u> <u>Unrestricted</u> <u>Funds</u>	<u>1999</u> <u>Total</u>	<u>1998</u> <u>Total</u>
Net movement in funds for the year	33,967	33,967	10,246
Net increase in tangible fixed assets:			
For direct charitable expenditure	(2,405)	(2,405)	2,671
For other purposes	(2,901)	(2,901)	3,833
	<u>28,661</u>	<u>28,661</u>	<u>16,750</u>

7. TAXATION

The Trust is not subject to corporation tax due to its charitable status.

**8. DONATIONS, BEQUESTS, SPONSORSHIPS AND
FUNDRAISING ACTIVITIES**

	<u>1999</u> <u>£</u>	<u>1998</u> <u>£</u>
Bequests, Donations and Sponsorships	31,999	27,890
Covenants - Gross	1,933	2,818
Income From Charitable Trusts and Industry	8,432	17,894
	<u>42,364</u>	<u>48,602</u>
Net Shop Sales	-	-
Other Fundraising Activities	56,442	45,101
	<u>56,442</u>	<u>45,101</u>

Income from Charitable Trusts and Industry has not been analysed by category.

Other Fundraising Activities comprise the following:

	<u>1999</u> <u>£</u>	<u>1998</u> <u>£</u>
<u>General Purposes:</u>		
Support Group Donations From Organised Events	12,017	13,752
Income From Other Clubs and Organisations	9,282	9,744
Xmas Appeal	8,798	7,929
Car Boot Sales	6,170	5,253
Treetops Ball	7,983	-
Tree of Light	3,111	-
Hospice Events	8,735	7,076
Miscellaneous	346	1,347
	<u>56,442</u>	<u>45,101</u>

TREETOPS HOSPICE TRUST GROUP**NOTES TO THE CONSOLIDATED ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 1999****9. CONTRACTS**

	<u>1999</u>	<u>1998</u>
	<u>£</u>	<u>£</u>
SDHA: Day Care and Home Sitting Service	101,210	99,100
SDHA: Hospice at Home	31,440	30,000
Derbyshire County Council: Social Services	1,200	1,200
	<u>133,850</u>	<u>130,300</u>

10. TANGIBLE ASSETS - GROUP

	<u>Fixtures and Fittings</u>	<u>Office Equipment</u>	<u>Freehold Property</u>	<u>Motor Vehicle</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>		<u>£</u>
<u>Cost</u>					
Beginning of Year	42,122	14,914	333,056	12,163	402,255
Additions	878	-	-	-	878
Disposals	(761)	-	-	-	(761)
End of Year	<u>42,239</u>	<u>14,914</u>	<u>333,056</u>	<u>12,163</u>	<u>402,372</u>
<u>Depreciation</u>					
Beginning of Year	24,698	6,525	-	7,032	38,255
Charge for Year	2,795	1,258	-	1,283	5,336
End of Year	<u>27,493</u>	<u>7,783</u>	<u>-</u>	<u>8,315</u>	<u>43,591</u>
<u>Written Down Values</u>					
End of Year	<u>14,746</u>	<u>7,131</u>	<u>333,056</u>	<u>3,848</u>	<u>358,781</u>
Beginning of Year	<u>17,424</u>	<u>8,389</u>	<u>333,056</u>	<u>5,131</u>	<u>364,000</u>

TANGIBLE ASSETS - TRUST

	<u>Fixtures and Fittings</u>	<u>Office Equipment</u>	<u>Freehold Property</u>	<u>Motor Vehicle</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>		<u>£</u>
<u>Cost</u>					
Beginning and End of Year	<u>39,417</u>	<u>14,914</u>	<u>333,056</u>	<u>12,163</u>	<u>399,550</u>
<u>Depreciation</u>					
Beginning of Year	23,514	6,525	-	7,032	37,071
Charge for Year	2,385	1,258	-	1,283	4,926
End of Year	<u>25,899</u>	<u>7,783</u>	<u>-</u>	<u>8,315</u>	<u>41,997</u>
<u>Written Down Values</u>					
End of Year	<u>13,518</u>	<u>7,131</u>	<u>333,056</u>	<u>3,848</u>	<u>357,553</u>
Beginning of Year	<u>15,903</u>	<u>8,389</u>	<u>333,056</u>	<u>5,131</u>	<u>362,479</u>

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1999

10. **TANGIBLE ASSETS - TRUST (cont.)**

The Freehold Property comprises the building and grounds known as "Treetops Hospice"

	<u>1999</u>	<u>1998</u>
	£	£
Initial Costs	260,964	260,964
Subsequent Improvements	72,092	72,092
	<u>333,056</u>	<u>333,056</u>

The net book value at 31 March 1999 represents fixed assets used for:

	<u>Fixtures and Fittings</u>	<u>Office Equipment</u>	<u>Freehold Property</u>	<u>Motor Vehicle</u>	<u>Total</u>
	£	£	£		£
Direct charitable purposes:					
Daycare	12,884		280,556		293,440
Other purposes:					
Fund Raising and Publicity	1,228				1,228
Management and Administration of the Charity	634	7,131	52,500	3,848	64,113
	<u>14,746</u>	<u>7,131</u>	<u>333,056</u>	<u>3,848</u>	<u>358,781</u>

11. **INVESTMENTS**

	<u>1999</u>	<u>1998</u>
	£	£
Wholly owned subsidiary	10,000	10,000

12. **DEBTORS**

	<u>Group</u>		<u>Trust</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
	£	£	£	£
Service Debtors	2,862	5,396	1,397	653
Treetops Funding Limited	-	-	242	283
Other Debtors (eg prepayments)	8,784	2,586	7,301	2,586
Tax on Covenants	-	653	-	653
	<u>11,646</u>	<u>8,635</u>	<u>8,940</u>	<u>4,175</u>

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 1999

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>Group</u>		<u>Trust</u>	
	<u>1999</u>	<u>1998</u>	<u>1999</u>	<u>1998</u>
	£	£	£	£
Trade Creditors	20,325	38,819	5,548	4,188
Other Creditors				
(Including Tax and Social Security)	33,293	14,585	7,797	14,585
Bank Overdraft	-	-	-	-
Loan from Subsidiary	-	-	25,627	25,627
	<u>53,618</u>	<u>53,404</u>	<u>38,972</u>	<u>44,400</u>

14. COMMITMENTS

The Trust had the following commitments at the year end:

a) Lease Commitment

The Trust has a commitment on the Long Eaton shop which is due to expire on 24th June 2003. Under the terms of the lease, the Trust is liable for annual rental payments of £3,750 until the agreed date for a rent review. The future date of a rent review is 24th June 2000. The commitment to the lease is guaranteed by two trustees.

b) Pension Commitments

Under arrangements in existence at the year end the Trust is liable for annual pension contributions of £11,000.

15. LIMITED LIABILITY

The Hospice is limited by guarantee and every member undertakes to contribute such an amount, not exceeding one pound, as may be required in the event of the charity being wound-up while he is a member, or within one year after he ceases to be a member, for payment of the debts and liabilities of the company.

17. TRANSACTIONS WITH TRUSTEES

Loans from Trustees

The company had the following transactions with its trustees during the year:

	<u>1999</u>	<u>1998</u>
	£	£
Balance, beginning of year	-	11,500
Advances	-	3,000
Less: Repayments	-	(14,500)
Balance, end of year	<u>-</u>	<u>-</u>

The loans are mainly non-interest bearing, unsecured and repayable within nine month of receipt.

TREETOPS HOSPICE TRUST**OPERATIONAL INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 1999**

	<u>1999</u>		<u>1998</u>	
	£	£	£	£
INCOME		303,107		205,898
Other Income				
Interest Income		67		2,429
		303,174		208,327
Less Expenses				
Wages and Salaries	189,036		181,494	
Staff Pension Costs	8,834		5,487	
Telephone	1,468		491	
Light and Heat	4,190		2,602	
Insurance	1,377		1,398	
Repairs and Renewals	7,902		6,272	
Rates and Water	6,144		5,563	
Advertising and Public Relations	7,676		4,345	
Newsletter	8,463		4,261	
Sundry Expenses	2,537		2,889	
Auditor's Remuneration	2,350		2,350	
Printing, Postage and Stationery	3,485		1,179	
Bank Charges	-		115	
Medical Supplies and Treatment	1,006		1,611	
Hospice Staff Training and Travel	4,181		1,948	
Patient Transport	9,766		11,511	
Hospice at Home	3,253		5,816	
Fundraising Office Costs and Travel	4,005		6,140	
Depreciation	4,926	270,599	5,997	251,469
Net Surplus / (Deficit) for the Year		32,575		(43,142)