

TREETOPS HOSPICE TRUST GROUP
(LIMITED BY GUARANTEE)

REPORT OF THE TRUSTEES
AND
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2000

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



TREETOPS HOSPICE TRUST GROUP

TRUSTEES

F Anderson
W Baxendale-Baines
J Caddick
C Cheetham
N Cheetham
J Eagle
M Fox
J Griffiths (Chairman - Executive)
P Harvey
J Heath
M Henry
S Jones
G Partington
R Saltmarsh
G Saville
J Shields (Treasurer)
A Taylor
P Thomson
R Webster
I Wilkinson (Chairman - Board of Trustees & Fundraising)

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 2000

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
----	--

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 2000.

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.

CHAIRMAN'S REPORT

In accordance with The Statement of Recommended Practice for Charities, the Chairman, Mr I Wilkinson, has prepared a report detailing the performance of the Trust for the year ended 31 March 2000. 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 GROUP

REPORT OF THE TRUSTEES

AUDITORS

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

W. Ian Wilkinson

I Wilkinson
Chairman

J Shields

J Shields
Treasurer

Approved by the Board on:

24/7/2000

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, who are also the directors of Treetops Hospice Trust for the purposes of company law 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 2000 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



Johnson, Murkett and Hurst
Chartered Accountants and Registered Auditors

Date: 21 October 2000.

Ashby de la Zouch
Leicestershire

TREETOPS HOSPICE TRUST GROUP**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2000**

	Notes	Group		Trust	
		2000	1999	2000	1999
		£	£	£	£
FIXED ASSETS					
Tangible assets	10	362,609	358,781	361,104	357,553
Investments	11	-	-	10,000	10,000
		362,609	358,781	371,104	367,553
CURRENT ASSETS					
Stocks		867	1,627	-	
Debtors	12	6,755	11,646	3,916	8,940
Cash in Bank and in Hand		88,267	59,667	61,444	40,098
		95,889	72,940	65,360	49,038
CREDITORS: Amounts falling due within one year	13	59,020	53,618	43,954	38,972
NET CURRENT ASSETS		36,869	19,322	21,406	10,066
NET ASSETS		399,478	378,103	392,510	377,619
CAPITAL FUNDS					
Unrestricted Funds		399,478	378,103	392,510	377,619

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

W. Ian Wilkinson
I Wilkinson
Chairman

Date: 6/9/00

J Shields
J Shields
Treasurer

Date: 10/9/00

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 2000

		<u>Unrestricted Funds</u>	<u>Total</u>	<u>Total</u>
	<u>Notes</u>	<u>2000</u> £	<u>2000</u> £	<u>1999</u> £
<u>INCOMING RESOURCES</u>				
Donations and Gifts	8	58,761	58,761	42,364
Net Proceed of Events and General Activities	8	59,875	59,875	60,980
Contracts	9	140,270	140,270	133,850
Investment Income		3,364	3,364	67
Charity Rate Relief		5,623	5,623	5,451
Net Income of Trading Subsidiary	4	76,968	76,968	66,392
<u>TOTAL INCOMING RESOURCES</u>		344,861	344,861	309,104
<u>RESOURCES EXPENDED</u>				
	5			
Direct Charitable Expenditure		247,954	247,954	228,987
Other Expenditure:- Fund Raising and Publicity Costs		43,173	43,173	21,855
Management and Administration of the Charity		32,359	32,359	24,295
		323,486	323,486	275,137
<u>NET INCOMING RESOURCES</u>		21,375	21,375	33,967
<u>FUND BALANCES</u>				
As at 31 March 1999		378,103	378,103	344,136
<u>FUND BALANCES</u>				
As at 31 March 2000		399,478	399,478	378,103

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 2000

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, and are in accordance with applicable accounting standards and the Charities Accounting Statement of Recommended Practice (SORP). There have been no changes in the accounting policies.

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:

Leasehold Property	- 2% reducing balance
Fixtures and Fittings	- 15% reducing balance
Office Equipment	- 15% reducing balance
Motor Vehicles	- 25% reducing balance
Freehold Buildings	- equal annual instalments over estimated life

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 2000****3. NET INCOMING RESOURCES**

The net incoming resources are stated after charging:

	<u>Group</u> <u>2000</u>	<u>1999</u>	<u>Trust</u> <u>2000</u>	<u>1999</u>
	£	£	£	£
Depreciation of Tangible Fixed Assets	10,716	5,336	10,215	4,926
Auditors' Remuneration	5,035	4,113	2,685	2,350
Staff Salary Costs (inc NIC)	244,490	232,436	224,448	189,036
Staff Pension Costs	9,520	8,834	9,520	8,834

4. NET INCOME 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. A summary of the trading results is shown below. Audited accounts have been filed with the Registrar of Companies.

Profit and Loss Account	<u>2000</u>	<u>1999</u>
	£	£
Lottery Receipts	175,329	263,720
Lottery Prizes	71,340	134,240
	<u>103,989</u>	<u>129,480</u>
Shop Sales (net)	64,157	64,463
Sundry Income	83	279
	<u>168,229</u>	<u>194,222</u>
Administration	(91,261)	(127,830)
	<u>76,968</u>	<u>66,392</u>

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

<u>Year to 31 March 2000</u>	<u>Staff Costs</u>	<u>Other</u>	<u>Depreciation</u>	<u>Total</u>
	£	£	£	£
Direct Charitable Expenditure	195,061	48,063	4,830	247,954
Other:-				
Fund Raising and Publicity	29,649	12,562	962	43,173
Management and Administration of the Charity	22,606	5,330	4,423	32,359
	<u>247,316</u>	<u>65,955</u>	<u>10,215</u>	<u>323,486</u>
<u>Year to 31 March 1999</u>	<u>206,056</u>	<u>64,155</u>	<u>4,926</u>	<u>275,137</u>

No employee earned £40,000 p.a. or more

The average number of employees was:-

	<u>2000</u>	<u>1999</u>
Direct Charitable Expenditure	38	34
Fund Raising and Publicity	1	-
Management and Administration	1	1
	<u>40</u>	<u>35</u>

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

6. CHANGES IN RESOURCES AVAILABLE FOR CHARITY USE

	<u>2000</u> <u>Unrestricted</u> <u>Funds</u>	<u>2000</u> <u>Total</u>	<u>1999</u> <u>Total</u>
Net movement in funds for the year	21,375	21,375	33,967
Net increase in tangible fixed assets:			
For direct charitable expenditure	(2,474)	(2,474)	(2,405)
For other purposes	(1,354)	(1,354)	(2,901)
	<u>17,547</u>	<u>17,547</u>	<u>28,661</u>

7. TAXATION

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

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

	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
Bequests, Donations and Sponsorships	33,121	31,999
Covenants - Gross	2,322	1,933
Income From Charitable Trusts and Industry	23,318	8,432
	<u>58,761</u>	<u>42,364</u>
Other Fundraising Activities	<u>59,875</u>	<u>60,980</u>

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

Other Fundraising Activities comprise the following:

	<u>2000</u> <u>£</u>	<u>1999</u> <u>£</u>
<u>General Purposes:</u>		
Support Group Donations From Organised Events	11,298	12,017
Income From Other Clubs and Organisations	11,747	9,282
Xmas Appeal	3,199	8,798
Car Boot Sales	6,880	6,170
Treetops Ball	3,614	7,983
Tree of Light	2,264	3,111
Trustee Sponsored Walk	6,038	-
Millennium Bugs	3,058	-
Hospice Events	6,628	8,735
Miscellaneous	5,149	4,884
	<u>59,875</u>	<u>60,980</u>

TREETOPS HOSPICE TRUST GROUP**NOTES TO THE CONSOLIDATED ACCOUNTS****FOR THE YEAR ENDED 31 MARCH 2000****9. CONTRACTS**

	<u>2000</u>	<u>1999</u>
	£	£
SDHA: Day Care and Home Sitting Service	106,085	101,210
SDHA: Hospice at Home	32,955	31,440
Derbyshire County Council: Social Services	1,230	1,200
	<u>140,270</u>	<u>133,850</u>

10. TANGIBLE ASSETS - GROUP

	<u>Fixtures and Fittings</u>	<u>Office Equipment</u>	<u>Leasehold & Freehold Property</u>	<u>Motor Vehicle</u>	<u>Total</u>
	£	£	£		£
<u>Cost</u>					
Beginning of Year	42,239	14,914	333,056	12,163	402,372
Additions	2,115	1,569	10,860	-	14,544
End of Year	<u>44,354</u>	<u>16,483</u>	<u>343,916</u>	<u>12,163</u>	<u>416,916</u>
<u>Depreciation</u>					
Beginning of Year	27,493	7,783	-	8,315	43,591
Charge for Year	2,729	1,305	5,720	962	10,716
End of Year	<u>30,222</u>	<u>9,088</u>	<u>5,720</u>	<u>9,277</u>	<u>54,307</u>
<u>Written Down Values</u>					
End of Year	<u>14,132</u>	<u>7,395</u>	<u>338,196</u>	<u>2,886</u>	<u>362,609</u>
Beginning of Year	<u>14,746</u>	<u>7,131</u>	<u>333,056</u>	<u>3,848</u>	<u>358,781</u>

TANGIBLE ASSETS - TRUST

	<u>Fixtures and Fittings</u>	<u>Office Equipment</u>	<u>Leasehold & Freehold Property</u>	<u>Motor Vehicle</u>	<u>Total</u>
	£	£	£		£
<u>Cost</u>					
Beginning of Year	39,417	14,914	333,056	12,163	399,550
Additions	1,337	1,569	10,860	-	13,766
End of Year	<u>40,754</u>	<u>16,483</u>	<u>343,916</u>	<u>12,163</u>	<u>413,316</u>
<u>Depreciation</u>					
Beginning of Year	25,899	7,783	-	8,315	41,997
Charge for Year	2,228	1,305	5,720	962	10,215
End of Year	<u>28,127</u>	<u>9,088</u>	<u>5,720</u>	<u>9,277</u>	<u>52,212</u>
<u>Written Down Values</u>					
End of Year	<u>12,627</u>	<u>7,395</u>	<u>338,196</u>	<u>2,886</u>	<u>361,104</u>
Beginning of Year	<u>13,518</u>	<u>7,131</u>	<u>333,056</u>	<u>3,848</u>	<u>357,553</u>

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

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

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

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Initial Costs	260,964	260,964
Subsequent Improvements to Freehold Property	79,205	72,092
Leasehold Property	3,747	-
	<u>343,916</u>	<u>333,056</u>

The net book value at 31 March 2000 represents fixed assets used for:

	<u>Fixtures and Fittings</u>	<u>Office Equipment</u>	<u>Leasehold & Freehold Property</u>	<u>Motor Vehicle</u>	<u>Total</u>
	<u>£</u>	<u>£</u>	<u>£</u>		<u>£</u>
Direct charitable purposes:					
Day-care	10,951	-	170,935	-	181,886
Other purposes:					
Fund Raising and Publicity	1,505	-	-	-	1,505
Management and Administration of the Charity	1,676	7,395	167,261	2,886	179,218
	<u>14,132</u>	<u>7,395</u>	<u>338,196</u>	<u>2,886</u>	<u>362,609</u>

11. **INVESTMENTS**

	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>
Wholly owned subsidiary	<u>10,000</u>	<u>10,000</u>

12. **DEBTORS**

	<u>Group</u>		<u>Trust</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Service Debtors	1,845	2,862	1,796	1,397
Treetops Funding Limited	-	-	-	242
Other Debtors (e.g. prepayments)	4,910	8,784	2,120	7,301
	<u>6,755</u>	<u>11,646</u>	<u>3,916</u>	<u>8,940</u>

TREETOPS HOSPICE TRUST GROUP
NOTES TO THE CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2000

13. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<u>Group</u>		<u>Trust</u>	
	<u>2000</u>	<u>1999</u>	<u>2000</u>	<u>1999</u>
	£	£	£	£
Trade Creditors	18,842	17,973	7,729	5,546
PAYE and NIC	5,029	4,223	5,029	4,223
Pension	623	588	623	588
Accruals	9,397	5,378	5,573	2,988
Lottery Receipts in advance	25,129	25,456		
Loan from Subsidiary	-	-	25,000	25,627
	<u>59,020</u>	<u>53,618</u>	<u>43,954</u>	<u>38,972</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.

16. **TRUSTEES AND CONNECTED PERSONS**

During the year there were no contracts between the trustees and connected persons, nor did any trustee or connected person receive any remuneration or expenses either directly or indirectly