

Treetops Hospice Trust

Annual report and consolidated accounts

for the year ended 31 March 2010

Charity number: 519540

Company number: 1801708

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Treetops Hospice Trust

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Treetops Hospice Trust

Report of the trustees for the year ended 31 March 2010

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 March 2010

Reference and administrative information

Trustees & directors

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees serving during the year and since the year end were as follows

Chairman	Mr M O'Brien
Vice Chairman	Ms M King
Treasurer	Mr G Saville
Elected trustees	Mr J Davis Dr J Dornan Mr M Fox Dr H Godridge Mrs J Heath Mr R Jones (Appointed 7/9/2009) Ms J Kavanagh (Appointed 25/1/2010) Ms H MacDonald (Appointed 7/9/2009) Mr R Smallwood (Appointed 7/9/2009) Mr R Webster Mr A Wardle
Chief Executive	Mr G Cameron
Company Secretary:	Mr R Thomas

Treetops Hospice Trust

Report of the trustees for the year ended 31 March 2010 (continued)

Charity number.	519540
Company number.	1801708
Registered office:	Treetops Hospice Derby Road Risley Derby DE72 3SS
Auditors	Cedar Audit Limited Lucre House 106-108 Ashbourne Road Derby DE22 3AG
Bankers	Alliance & Leicester plc Bridle Road Bootle Merseyside GIR 0AA
Solicitors	Ellis Fermor & Negus 2 Devonshire Avenue Beeston Nottingham NG9 1BS

Structure, Governance and Management

Governing Document

Treetops Hospice is a registered charity and company limited by guarantee without a share capital and was set up on 20th March 1984 under the name Draycott Hospice Association. The name of the company was changed to Treetops Hospice Trust on 21st June 1993. The charity's governing document is its Memorandum and Articles of Association (last amended on 24th November 2008), which restrict the charity's operations to all such lawful acts as are incidental or necessary to the attainment of its objectives.

Objectives of the Charity

The objectives of the charity are contained in full in the Memorandum and Articles of the charity. They are also clearly stated in the Mission, Principles and Values statement and are summarised as follows

- To provide palliative care services to adults living in Southern Derbyshire and Nottinghamshire who are suffering from life-limiting conditions, their families and significant carers
- To contribute to the development of palliative care services within Southern Derbyshire and Nottinghamshire
- To engage in such activities as to raise sufficient funds which will enable the charity to achieve its objectives and provide care and treatment of persons suffering from life-limiting illnesses

These objectives are met through the provision of care services as follows

- Day Care Provision
- Bereavement Support
- Complementary Therapy
- Hospice at Home
- Volunteer Home Sitting
- Carer Support
- Out Patient Clinic
- Education

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit. They are confident that the aims and objectives of the charity as manifested in the services it offers, both provide a public benefit and enhance the lives of the people who use the services.

Management

The responsibility to ensure appropriate management of the charity is vested in the Board of Trustees, a third of which are elected annually by the members of the Company. To assist the Board in discharging its responsibilities, it receives regular reports on some aspects of its principal functions from the Finance and Income Generation and the Clinical sub-committees. These committees consist of members of the Board of Trustees and key members of staff. Each of these committees meets a minimum of six times a year reporting on and reviewing all the financial and clinical activity of the charity. The Board meets six times a year with additional meetings as needed.

The Chief Executive, who leads the management team, is responsible to the Board of Trustees for the day-to-day management of the charity and the execution of the policies and strategies defined by the Board.

Appointment, Induction and Training of Trustees

In November 2005, Trustees took time out to consider Governance issues and, following an Away Day, agreed to adopt the seven principles contained in Good Governance – a Code for the Voluntary and Community Sector (2005, ACEVO, ACSA, NCVO on behalf of The National Hub of Expertise in Governance), adapting them to suit the needs of the charity.

In 2007 the Board agreed a written structure for the induction of new Trustees, and a code of conduct for Trustees and the Chief Executive. Trustee induction is managed by the Chief Executive and the Company Secretary and includes written information on the following topics

- The legal status of the charity and governance
- The structure and staffing of the organisation
- Finance information
- Policies and strategy
- Professional advisers

In addition, new Trustees are encouraged to spend time in the Hospice to meet individual members of the organisation and patients. All new Trustees will spend time with the Chair of the Board and the Chief Executive at an early stage. The charity subscribes to Governance a journal for Trustees, officers receive individual copies and a copy is held in the general office and Trustees are given information on relevant training courses

Risk Management

The Board has agreed a risk management structure for the organisation and has identified the major risks to which the organisation is exposed. Appropriate mitigating action has been taken and significant external risks to funding have been reviewed in 2008. The Health and Safety committee continue to ensure that all relevant issues are considered and addressed at departmental level and the Health and Safety Responsible Person prepares bi-annual Health and Safety reports for the Board

Strategy and Organisation

The Board of Trustees set the strategic direction of the charity through the preparation of a five-year business plan. A plan was agreed in February 2003 and covered the period 2003 to 2008. It was the intention of the Board that a new five year business plan be developed during 2008/9 but due to the serious illness of the Chief Executive and her subsequent early retirement this had to be put on hold. With the appointment of a new Chief Executive in October 2009 it is anticipated that a new strategic plan will be developed during 2010. In the meantime the Chairman, with departmental managers, continued to develop operational plans and organisational objectives that are encapsulated in the annual budget, which is approved by the Board. Progress towards achieving objectives is monitored and reviewed through the respective Board and Sub Committee meetings of the Trustees. All activities of the organisation are monitored and reviewed by the Trustees through the production of monthly management accounts and care service delivery statistics, and bi-monthly reports to the Board by the Chief Executive and departmental managers

Governance

Trustees held an away day to address the issues of Governance and Trusteeship within the charity. They agreed to adopt the Good Governance code produced by ACEVO and the NCVO on behalf of the National Hub of Expertise in Governance (2005), and will work towards ensuring that the principles are applied in practice by

- Adapting the code to the needs of the organisation
- Working with the Chief Executive to develop an action plan to implement working practices
- Monitoring the performance of the Board against the action plan
- Auditing/Evaluating the work of the Board through annual Away Days

Clinical Governance is the remit of the Clinical Sub Committee, who report to the Board

Volunteer Services

The Hospice works with 450 volunteers who support and enrich the work of the organisation in every department including the Funding and Retail companies. Volunteers receive a general, two and a half hour induction to the Hospice and this is followed by extensive training to prepare them for working in specific departments. Over the last 12 months, we have recruited volunteers into all areas of the organisation. This is in addition to recruiting volunteers to replace those lost through 'natural wastage'. This is often because of changed family circumstances such as bereavement, illness or being needed to care for grandchildren, but can also be because a volunteer has successfully secured paid work as a result of their positive volunteering experience. We have careful selection procedures for volunteers as it is important that the volunteer has his/her motivations met as well as satisfying the needs of the various departments within the organisation. Volunteers are to be commended for their commitment, not only to their roles, but also to attending statutory training and support meetings. We are particularly grateful this year for all their goodwill and positive approaches to the disruptions caused, at times, by the building works.

There is absolutely no doubt that the Hospice would not be able to provide the services it does without the support received from volunteer staff and we are indebted to them for their generosity.

Review of the period's activities

Provision of Care

During 2009/2010 the organisation continued to work in partnership with other providers of health care in the delivery of effective palliative care to the local community. Collaborative work forms part of national initiatives in particular the End of Life Care Strategy DOH 2008. Treetops Hospice works alongside both Southern Derbyshire and Nottinghamshire PCT commissioners who oversee the provision of local services with the aim of ensuring that resources are used to the best advantage of those in need of palliative care. The Hospice also works closely and collaboratively with other health care providers such as District Nursing Services, local General Practitioners, local hospital units, bedded specialist palliative care units, specialist nurses and hospital doctors and consultants and other providers of home care such as Marie Curie Cancer Care and Nottinghamshire Hospice. The aim is to dovetail services ensuring that the patient, their family and friends retain their voice and are truly at the centre of the care provided.

Who uses the services of Treetops Hospice?

Treetops Hospice, with the exception of our multiple sclerosis group, provides care and support to patients who have been diagnosed with life-limiting illnesses and are in the later stages of their journey. As a general rule the criteria for care matches with the identification of a patient who is placed by their General Practitioner on the Gold Standards Framework. It is our aim to provide care where the patient prefers and ultimately to give them a real choice of dying in their own homes if that is their wish. Care and support also extends to patients' carers and families. We also provide services to bereaved adults and children and their families.

Treetops Hospice provides services to Southern Derbyshire and Nottinghamshire, which has a population in excess of 1,000,000. All services provided by Treetops Hospice are free of charge.

Overall clinical service objectives for the period were as follows:

- To maintain service delivery to the maximum allowed by departmental budgets ensuring that service level agreement targets were, as a minimum, met
- To monitor the quality of service delivery by seeking the opinions of service users and District Nursing services and ensure that the results of audit/evaluation are fed back appropriately to those delivering, receiving and commissioning the services and to the Hospice Board of Trustees
- To develop new services as planned by the Clinical Sub-Committee and agreed by the Board of Trustees within the limits set by the budget

The total number of people referred to all our services in 2009–2010 was 1,073, an increase of 13.5% over the previous year.

The total number of patients who received care was 849 (an increase of 4.5%). With 212 adults and children receiving Bereavement Support and 59 carers attending Carers Group this brings the total number of individuals who received our care to 1,120 compared with 1,049 last year – an increase of 6.7%.

618 new patients received care from Treetops Hospice during the year, of whom 17% had a non-cancer diagnosis.

420 patients died during the year. Of these, 328 (78%) died at home, 34 (8%) in specialist palliative care units, 56 (13.5%) in hospital and 2 in care homes (0.5%). As the national average of patients dying at home is around 23% this clearly reflects the effectiveness of our contribution towards the national drive towards helping patients to die in the place of their choice. 60% of our patients identified their preferred place of death and of these, 81% achieved their preference.

The service objectives stated above were all achieved

Audit/evaluation is continuous in all departments and results indicate that patients, carers and collaborating health professionals are extremely satisfied with the support they receive. The results of audit/evaluation are submitted to and scrutinised by the Clinical Sub-Committee and circulated to the Board and to the Commissioning PCTs

Hospice at Home

Caring for someone with a life-limiting illness at home, 24 hours a day can be both physically and emotionally exhausting. Patients are often admitted to hospital, or hospice, because the family or carers can no longer cope. By providing extra care and support in the home, it is possible to alleviate some of the strain felt by carers and allow the patient to remain at home, if that is their wish, and to die, with dignity, in the place of their choice.

With the continued growth of our Hospice at Home service, alongside the drive for delivery of End of Life care in patients' own homes, co-ordination of the service is increasingly challenging. This year we have increased our co-ordination hours to accommodate the associated increase in both the complexity of our caseload and the additional support requested from patients and their families.

A team of qualified nurses and experienced health care assistants is available 24 hours a day, 365 days a year. The service is managed by the Director of Clinical Services and provides skilled, supportive palliative care, at home, to those who have life-limiting illnesses.

Service delivery targets are set within the service level agreements on which statutory funding is based as follows:

Service Level Agreement	Target Contact Hours	Actual Contact Hours
Derbyshire	17,904	17,275
Nottinghamshire	4,500	4,190

The Hospice at Home service contract with Derbyshire Primary Care Trusts fell short by 629 hours of the contract (3.5%).

The Hospice at Home service contract with Nottingham Primary Care Trusts had a short fall of 310 (7%) hours of the contract.

3,211 Hospice at Home visits were provided during the year, an increase of 187 visits (6%) above the previous year.

The total number of patients cared for by our Hospice at Home service during the period was 497, an increase of 8% over the previous year. Of these, 420 people received care for the first time. There were a total of 686 referrals to the service during the year, an increase of 5.5% over the previous year.

Day Care Unit

Day Care gives people with life-limiting illnesses the opportunity to meet other people, in similar situations, in a secure, caring environment. The aim of Day Care is to improve the patient's quality of life, wherever possible, by providing skilled, high quality care with particular regard given to the management of physical, social, emotional and spiritual needs. A change of environment, social stimulation and activities, appropriate to each individual, are integral parts of the service.

The total number of patients accessing Day Care in 2009-2010 was 169. Of these, 86 guests attended for the first time. There were 163 referrals to the unit. Performance, measured against service level agreements, was as follows:

Service Level Agreement	Target Attendances	Actual Attendance
Derbyshire	2,047	2,058
Nottinghamshire	260	150

As can be seen from the above, the service level target for Southern Derbyshire exceeded the contract by 11 attendances (0.5%).

However, we failed to meet our Nottinghamshire target by a significant margin of 110 attendances (42%). During 08/09 we provided 237 attendances, which influenced the uplift in the contract for 09/10.

Patients in Day Care can access therapeutic activities including complementary therapies such as hand, head and foot massage, art and creative therapy.

Complementary Therapy Service

Complementary Therapies are available to patients, carers and the bereaved. The aim is to provide treatments that enable people to cope more effectively with their situation in terms of managing physical and emotional symptoms. Fully qualified therapists offer Aromatherapy, Reflexology, Reiki and Indian head and shoulder massage. Overall, the total number of individual treatments provided remained stable at 658 (653 last year). No service level agreement exists for the service and therefore the funding is wholly charitable and this has limited the development of the service over the year.

Complementary Therapy Activity	Actual Treatments
Derbyshire	585
Nottinghamshire	73
Leicestershire	0

Art Therapy Service

Art Therapy was introduced in October 2009. During the first 6 months of the service 53 sessions of therapy were provided to 12 Day Care patients.

Art Therapy is a confidential psychological service, which allows emotional conflicts to be externalised and explored through the making of artwork and the relationship with the therapist. This element of our Day Care provision gives an added dimension of support to clients who are coming to terms with living with life-limiting conditions.

Carers Support

The group meets twice a month on a Wednesday between 2pm and 4pm. This year 59 carers accessed the group on a total of 356 visits. The Hospice provides occasional guest speakers or a facilitated session on a specific subject chosen by the group. There is a quarterly newsletter sent out to carers giving information and news of caring issues. The group is also a member of Carers UK.

Out Patient Clinic

The charity has continued to host an outpatient clinic staffed by a Palliative Care consultant from NHS Royal Derby Hospital. This allows the charity to refer patients to the clinic if medical intervention is required and reduces the need for many local people to travel to the city centre for medical assessment. No funding is received for this service and so there are no service level agreements. 37 patients attended the clinic this year with a total of 159 sessions.

The rotation of members of the Day Care Unit staff through the clinic, in order to develop and maintain their specialist palliative care knowledge and skills, has continued with positive benefits. Co-ordination of the clinic has become a defined role for one of the Day Care Unit Staff Nurses.

Bereavement Support Services

Bereavement is almost invariably a sad and often emotionally painful and draining experience but it is a natural process and many people would not want any intervention from anybody other than friends or relatives. For some people, however, it is known that help from outside the family is beneficial. Support is provided to those who have had contact with the Hospice and those with no previous contact. Our philosophy states that we only accept self-referral to the service, as this is the best indicator that they are ready to engage in the therapeutic process. The service is managed by a BACP accredited counsellor who works with a team of specially trained volunteers, which includes qualified counsellors, counsellors in training and individuals who have accessed the in-house bereavement training course. The team, in addition to providing individual one to one support sessions for individual clients and facilitating the Bereavement Support Group, assists the Counsellor in contacting all families following their bereavement by letter and telephone.

Service Level Agreement	Target Contacts	Actual Contacts
Derbyshire	693	912
Nottinghamshire	100	125
Leicestershire	0	13

The service contract with Derbyshire Primary Care Trusts was exceeded by 33% despite our agreed contracted increase.

The contract with Nottinghamshire PCT was exceeded by 25%.

The total number of clients receiving bereavement support during the year was 212, an increase of 18 (9%) over the previous year.

Families Bereavement Support Service

Service Level Agreement	Target Contacts	Actual Contacts
Derbyshire	150	223
Nottinghamshire	0	63

We exceeded our total contract with Derbyshire PCTs by 73 (49%) contacts.

During the period, the total number of young people and families who accessed the service was 44 and 286 sessions took place.

Funding Sources

Financial Review

The Charity's gross income increased from £1,804,007 to £2,765,183, an increase of 53%. Gross costs increased from £1,503,604 to £1,619,538 an increase of 7.7%, which were within the targets approved in the budget.

During the year legacy income totalling £488,303 was received. It is the policy of the Board of Trustees that, whenever possible, legacy income should be used to increase the financial reserves of the organisation.

Treetops Funding Limited and Treetops Retail Limited

In 2003 Treetops Retail Limited was created for the Retail shops and catering operation. The company is VAT registered. Treetops Funding Limited operates the Treetops Hospice Lottery only.

The Charity's wholly owned trading subsidiaries carry out non-charitable trading activities for the Charity. During the year the Funding and Retail companies made gift-aid payments of £183,527, of taxable profits to the charity, an increase of 9.1% over the previous year.

Funding Company – Treetops Hospice Lottery

The Funding Company's turnover increased from £272,748 to £273,920 (0.4%) and profit increased from £90,883 to £97,970 (7.8%). The Lottery has increased its profit for the year despite the fact that it operated half the financial year without a canvasser due to illness.

Retail Company

Treetops Retail Limited made a net profit of £85,557 for the financial year 2009/10. This was an increase on budget of £7,004 (9%) and a like for like increase of £10,831 (15%).

Cost savings were made across the shops by introducing a recycling company who collect recyclable waste by shop and pay a small quarterly fee. This has led to a reduction in refuse collections enabling more environmentally friendly operations at the same time.

The refurbishment of Sandiacre shop has been a boost both in terms of sales figures and customer perception and the Ilkeston shop refurbishment was completed at the end of the financial year.

Fundraising

Fundraising includes income from events, individual donations, corporate support, legacies and trusts.

Legacy income was significantly up on the previous year (+380%), which in funding terms was an increase in income of £333,894. This was mainly due to one noteworthy legacy in excess of £300,000.

The Ripple Appeal had some major contributions from trusts and this has put it in a position when pledges are taken into account it has achieved target. The Ripple's high profile during 2009/10 with activities such as 'buy a block' may have led to the reduction in individual donations to general funds.

With the appointment of a Chief Executive with fundraising background, a review of current fundraising activities is underway with a view to growing income streams across all fundraising activity

Investment

The Charity's liquid assets are held solely in interest bearing investment accounts and it does not have any investments, other than the £10,000 invested in Treetops Funding Limited and £1,000 in Treetops Retail Limited. The amount of interest received was £23,624

Reserves Policy

The stated policy of the Trustees is to work towards developing reserves to a level equivalent to three months operating costs as a minimum and a maximum of twelve months operating costs in order to provide a buffer for uninterrupted service delivery given the need to match variable income with fixed commitments and the nature of the reserves. As can be seen from the financial statements the total net current assets of the hospice stand at £1,362,036 as at March 31st 2010, of this figure £766,392 are available funds. Restricted funds include £4,622 relating to the Families Bereavement Project, which started in July 2008, £491,022 relating to the Ripple Appeal and £100,000 from the legacy of Mrs Anthea Salisbury that is to be used for the improvement of the grounds of the Hospice

The Ripple Appeal

In 2003 the Trustees agreed to launch a Capital Appeal under the name of the Ripple Appeal to raise funds for the building of a new annex to the existing Hospice in order to provide a dedicated Day Care Unit with more Complementary Therapy facilities

During 2009/10 the Ripple Appeal raised an amount of £628,726 net of direct costs, and at the end of the year the balance of the Appeal fund stood at £568,326

Trustees responsibilities in relation to the financial statements

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of the affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year. In doing so the trustees are required to

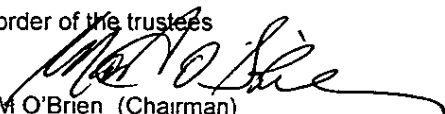
- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will not continue in business

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006. The trustees 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

Auditors

A resolution will be proposed at the Annual General Meeting that Cedar Audit Limited be re-appointed as auditors to the charity for the ensuing year

By order of the trustees


Mr M O'Brien (Chairman)

26/7/2010

Treetops Hospice Trust

Independent Auditor's report to the trustees of Treetops Hospice Trust

We have audited the financial statements of Treetops Hospice Trust for the year ended 31 March 2010 which comprise the Consolidated Statement of Financial Affairs, the Consolidated Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charity's trustees, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the trustees and auditors

As described in the Statement of Trustees' Responsibilities the trustees (who are also the directors of Treetops Hospice Trust for the purpose of the company law) are responsible for the preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examinations, on a test basis, of evidence relevant to the amounts and disclosure in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion

- The financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice of the state of the group and the company's affairs as at 31 March 2010, and of its incoming resources and application of resources, including its income and expenditure, in the year then ended, and
- The financial statements have been properly prepared in accordance with the Companies Act 2006

CEDAR Audit LTD

Cedar Audit Limited
The Greenhouse
106-108 Ashbourne Road
Derby
DE22 3AG

Date 30 JULY 2010

Treetops Hospice Trust

Consolidated statement of financial activities for the year ended 31 March 2010

	Note	Restricted Funds 2010 £	Unrestricted Funds 2010 £	Total 2010 £	Total 2009 £
Incoming resources					
Incoming resources from generated funds					
- Voluntary income	3	773,363	622,584	1,395,947	508,229
- Activities for generating funds	4	-	828,767	828,767	780,438
- Investment income	5	-	23,624	23,624	44,758
Incoming resources from charitable activities	6	-	516,845	516,845	470,583
Total incoming resources		773,363	1,991,820	2,765,183	1,804,008
Resources expended					
Cost of generating voluntary income	7	90,526	616,771	707,297	682,163
Charitable activities	8,18	25,996	873,883	899,879	809,482
Governance costs	9		12,363	12,363	11,959
Total resources expended	10	116,522	1,503,016	1,619,538	1,503,604
Net incoming resources		656,841	488,804	1,145,645	300,404
Reclassification of funds		-	-	-	-
Fund balance at 31 March 2009		493,116	736,807	1,229,923	929,519
Fund balance at 31 March 2010	18,19	1,149,957	1,225,611	2,375,568	1,229,923

Treetops Hospice Trust

Consolidated balance sheet as at 31 March 2010

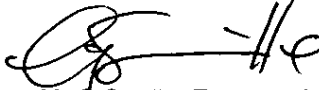
	Note	Group		Trust	
		2010	2009	2010	2009
		£	£	£	£
Fixed assets					
Tangible assets	12, 13	1,013,532	343,098	974,534	328,032
Investments	14	-	-	11,000	11,000
		<u>1,013,532</u>	<u>343,098</u>	<u>985,534</u>	<u>339,032</u>
Current assets					
Stocks		3,435	2,443	2,277	966
Debtors	15	32,071	68,661	36,986	50,720
Cash at bank and in hand		<u>1,656,249</u>	<u>923,956</u>	<u>1,588,335</u>	<u>894,987</u>
		<u>1,691,755</u>	<u>995,060</u>	<u>1,627,598</u>	<u>946,673</u>
Creditors	16	<u>329,719</u>	<u>108,235</u>	<u>298,046</u>	<u>88,237</u>
Net current assets		<u>1,362,036</u>	<u>886,825</u>	<u>1,329,552</u>	<u>858,436</u>
Net assets	20	<u>2,375,568</u>	<u>1,229,923</u>	<u>2,315,086</u>	<u>1,197,468</u>
Capital funds					
Restricted funds	18	1,149,957	493,116	1,149,957	493,116
Unrestricted funds	19	<u>1,225,611</u>	<u>736,807</u>	<u>1,165,129</u>	<u>704,352</u>
		<u>2,375,568</u>	<u>1,229,923</u>	<u>2,315,086</u>	<u>1,197,468</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies and with the Financial Reporting Standards for Smaller Entities (effective April 2008)

Approved by the board and signed on it's behalf


Mr M O'Brien (Chairman)

Date 26/7/10


Mr G Saville (Treasurer)

Date 26/7/10

The notes form part of these financial statements

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

1 Accounting policies

a) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards and the Accounting and Reporting by Charities Statement of Recommended Practice (revised 2005)

The statement of financial activities (SOFA) and the balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

The charity has taken advantage of section 657 of the Companies Act 2006 and has not included a separate SOFA of its own.

b) Company status

The Hospice is limited by guarantee and every member undertakes to contribute such an amount, not exceeding £1, 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.

c) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are used in accordance with specific restrictions imposed by donors or Trustees, which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

d) Incoming resources

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

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity when this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

e) Resources expended

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

Fund raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

f) 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.

Freehold buildings	- equal annual instalments over estimated life
Leasehold property	- 2% on reducing balance
Fixtures and equipment	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

g) Stocks

Stock consists of purchased goods for resale and donated goods to be sold. Stocks are valued at the lower of cost and net realisable value.

h) Pension costs

Contributions in respect of the Hospice's defined contribution schemes are charged to the SOFA for the year in which they are payable.

i) Operating leases

Rent applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SOFA.

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

2 Net income from trading activities of the subsidiaries

The charity has two wholly owned subsidiaries which are incorporated in the UK, Treetops Funding Limited and Treetops Retail Limited. The companies gift their taxable profits to Treetops Hospice Trust under the Gift Aid provisions. A summary of the trading results is shown below. Audited accounts have been filed with the Registrar of Companies.

Profit and loss account	Retail 2010 £	Funding 2010 £	Total 2010 £	Total 2009 £
Hospice Lottery receipts (inc prizes not claimed)	-	273,920	273,920	272,748
Shop sales	380,044	-	380,044	343,980
Catering	60,034	-	60,034	52,303
	440,078	273,920	713,998	669,031
Prizes		(72,195)	(72,195)	(72,200)
Cost of shop sales	(20,627)	-	(20,627)	(13,369)
Catering supplies	(12,364)	-	(12,364)	(20,378)
	407,087	201,725	608,812	563,084
Administration	(321,530)	(103,755)	(425,285)	(397,476)
	85,557	97,970	183,527	165,608

3 Voluntary income - analysis by fund type

	Restricted Funds 2010 £	Unrestricted Funds 2010 £	Total 2010 £	Total 2009 £
Donations and sponsorships	-	106,302	106,302	120,492
Ripple Appeal for new building	638,687	-	638,687	232,870
Children's Bereavement Project	150	-	150	2,195
A Salisbury	100,000	-	100,000	-
Legacies and bequests	-	488,303	488,303	119,408
Income from charitable trusts and industry	34,526	27,980	62,506	33,254
Total voluntary income	773,363	622,584	1,395,947	508,229

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

3 Voluntary income - analysis by fund type (continued)

Analysis of income from charitable trusts and industry

	2010	2010
	£	£
Boulton Toll House and Poor Piece Charity		100
Cecil Rosen Foundation		200
The Sawley Charities		500
The Thomas J Horne Memorial Trust		5,000
Alvaston and Crewton Workingmens Club		1,129
Balfour Beatty Rail Engineering Limited		1,200
Kimberley Miners Welfare		1,000
The Oddfellows Society		5,024
Others		13,827

27,980

Restricted Funds

The UPS Foundation	<u>34,526</u>
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Analysis of Ripple Appeal donations

Corporate & Groups

Derby Mercia Rotary Club	3,000	
Chilwell Masonic Benevolent Association	1,050	
Eon Uk	1,000	
Grangewood Methodist Church	1,209	
Long Eaton Lions	1,200	
Newmount Methodist Church	1,000	
Pattonair (Derby) Limited	2,130	
The Provincial Grand Lodge of Master Masons	1,000	
Somerfields Stores Limited	1,500	
South Wolds Community School	1,345	
Stapleford and Sandiacre Rotary Club	126,430	
Swadlincote Messiah Choral Society	1,330	
Toyota Motor Manufacturing UK Limited	3,800	
Trinity Methodist Church	1,250	
Winhill Methodist Church	2,570	
Wollaton Park Rotary Club	6,000	
Erewash Valley Golf Club	5,717	
Others	<u>11,637</u>	173,168
General Donations		53,937
Events		33,832

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

3 Voluntary income - analysis by fund type (continued)

	2010 £	2010 £
Trusts and Grants		
Hospice Aid UK	200	
Leeds Building Society Charitable Foundation	950	
Sir John Sumner's Trust	50	
The Cecil Rosen Foundation	200	
The Charles Littlewood Hill Trust	5,000	
The Fitton Trust	250	
The Garfield Weston Foundation	30,000	
The Henry Smith Charity	100,000	
The Hospital Saturday Fund Charitable Trust	1,000	
The Institute of Our Lady of Mercy	1,500	
The Jones 1986 Charitable Trust	30,000	
The Ruffield Charitable Trust	2,350	
The Sobell Foundation	50,000	
The St Jame's Place Foundation	1,000	
The Trusthouse Charitable Foundation	30,000	
The Wolfson Foundation	125,000	
The Woodroffe Benton Foundation	250	377,750
		638,687

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

4 Activities for generating funds - analysis by fund type

	Restricted Funds 2010 £	Unrestricted Funds 2010 £	Total 2010 £	Total 2009 £
Hospice Lottery income	-	273,920	273,920	272,748
Shop sales	-	380,044	380,044	343,980
Catering	-	60,034	60,034	52,303
Support group donations from organised events	-	7,694	7,694	4,370
Income from other clubs and organisations	-	6,529	6,529	21,190
Christmas appeal	-	10,723	10,723	16,021
Car boot sales	-	11,410	11,410	9,061
Light Up A Life	-	17,111	17,111	14,667
Friends of Treetops	-	8,404	8,404	7,628
Golf Day	-	1,577	1,577	3,619
Easter appeal	-	1,410	1,410	-
Recycling	-	516	516	1,280
Prize draw	-	13,923	13,923	14,665
Hospice events	-	5,666	5,666	8,791
Ladies lunch	-	3,511	3,511	4,278
Wedding fayre	-	2,033	2,033	2,257
Miscellaneous	-	10,345	10,345	3,580
Spring appeal	-	5,055	5,055	-
Sponsored walk	-	7,576	7,576	-
Dog show	-	1,287	1,287	-
	-	828,767	828,767	780,438

5 Investment income - analysis by fund type

	Restricted Funds 2010 £	Unrestricted Funds 2010 £	Total 2010 £	Total 2009 £
Interest received	-	23,624	23,624	44,758

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

6 Incoming resources from charitable activities

	Restricted Funds 2010 £	Unrestricted Funds 2010 £	Total 2010 £	Total 2009 £
Service agreements				
Derby City PCT	-	399,793	399,793	357,186
Nottingham County Teaching PCT	-	85,428	85,428	87,355
	-	485,221	485,221	444,541
Other income				
Education	-	10,919	10,919	7,969
Meals and refreshments	-	9,561	9,561	9,785
Trustee membership fees	-	525	525	420
NHS pension rebate	-	8,056	8,056	7,868
Miscellaneous	-	2,563	2,563	-
	-	31,624	31,624	26,042
Total incoming resources from charitable activities	-	516,845	516,845	470,583

7 Cost of generating voluntary income

	Direct 2010 £	Staff costs 2010 £	Other 2010 £	Total 2010 £	Total 2009 £
Hospice lottery	72,195	71,514	33,540	177,249	181,865
Shops	12,780	150,454	156,892	320,126	290,537
Catering	20,211	11,569	1,316	33,096	31,447
Ripple appeal (restricted fund)		59,249	31,277	90,526	16,076
Fund raising activities		51,117	35,183	86,300	162,238
	105,186	343,902	258,208	707,297	682,163

Direct costs are those associated with providing the activity, for example, lottery prizes and shop cost of sales

Other costs include depreciation, support costs and other indirect costs

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

8 Charitable activities

	Staff costs 2010 £	Other 2010 £	Depreciation 2010 £	Total 2010 £	Total 2009 £
Daycare provision	198,204	56,909	5,977	261,090	241,263
Bereavement support	47,606	13,852	1,594	63,052	57,683
Complementary therapy	11,517	16,448	598	28,562	27,242
Hospice at home	434,242	64,827	11,356	510,425	457,778
Training	2,821	7,535	398	10,754	8,348
	<u>694,391</u>	<u>159,570</u>	<u>19,922</u>	<u>873,883</u>	<u>792,314</u>

Support costs and volunteer costs have been allocated to charitable activities in proportion to the direct costs attributed to each activity. The relevant proportions are: Daycare provision 30%, Bereavement Support 8%, Complementary Therapy 3%, Hospice at Home 57% and Training 2%, the same as in the previous year.

9 Governance costs

	Staff costs 2010 £	Other 2010 £	Depreciation 2010 £	Total 2010 £	Total 2009 £
Governance costs	8,489	3,874	-	12,363	11,959

Other governance costs represent Trust audit fees, legal costs and the costs of an asbestos survey.

10 Total resources expended

	2010 £	2009 £
Total resources expended include		
Depreciation and loss on disposals	35,830	11,701
Auditors' remuneration	<u>2,990</u>	<u>2,990</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

11 Staff costs and trustee remuneration

No employee earned more than £60,000 during the year

No trustees were paid any remuneration during the year

The average number of persons employed including part-time staff calculated on a full-time equivalent basis analysed by function was

	2010	2009
Direct charitable	24	24
Fund raising and publicity	18	18
Management and administration	3	2
	<u>45</u>	<u>44</u>

12 Tangible fixed assets - group

	Freehold & Leasehold Property £	Fixtures & Equipment £	Office Equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2009	361,465	102,038	50,775	14,195	528,473
Disposals	(14,082)	-	-	-	(14,082)
Additions	668,009	38,254	-	-	706,263
At 31 March 2010	<u>1,015,392</u>	<u>140,292</u>	<u>50,775</u>	<u>14,195</u>	<u>1,220,654</u>
Depreciation					
At 1 April 2009	60,087	84,184	32,896	8,207	185,374
On disposals	(4,489)	-	-	-	(4,489)
Charge for year	6,242	14,028	4,470	1,497	26,237
At 31 March 2010	<u>61,840</u>	<u>98,212</u>	<u>37,366</u>	<u>9,704</u>	<u>207,122</u>
Net book value					
At 31 March 2010	<u>953,552</u>	<u>42,080</u>	<u>13,409</u>	<u>4,491</u>	<u>1,013,532</u>
At 31 March 2009	<u>301,378</u>	<u>17,854</u>	<u>17,879</u>	<u>5,988</u>	<u>343,098</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

12 Tangible fixed assets – group (continued)

The net book value of the group's tangible fixed assets represents

	Freehold & Leasehold Property £	Fixtures & Equipment £	Office Equipment £	Motor Vehicles £	Total £
Direct charitable purposes	814,691	-	-	-	814,691
Day care	-	11,298	-	-	11,298
Other purposes	-	-	-	-	-
Fund raising	-	27,697	4,559	4,491	36,747
Management and administration	138,861	3,085	8,850	-	150,796
	<u>953,552</u>	<u>42,080</u>	<u>13,409</u>	<u>4,491</u>	<u>1,013,532</u>

13 Tangible fixed assets - Trust

	Freehold & Leasehold Property £	Fixtures & Fittings £	Office Equipment £	Total £
Cost				
At 1 April 2009	361,466	77,964	45,103	484,533
Disposals	(14,082)	-	-	(14,082)
Additions	668,009	1,322	-	669,331
At 31 March 2010	<u>1,015,393</u>	<u>79,286</u>	<u>45,103</u>	<u>1,139,782</u>
Depreciation				
At 1 April 2009	60,087	63,518	32,896	156,501
On disposals	(4,489)	-	-	(4,489)
Charge for year	6,242	3,942	3,052	13,236
At 31 March 2010	<u>61,840</u>	<u>67,460</u>	<u>35,948</u>	<u>165,248</u>
Net book value				
At 31 March 2010	<u>953,553</u>	<u>11,826</u>	<u>9,155</u>	<u>974,534</u>
At 31 March 2009	<u>301,379</u>	<u>14,446</u>	<u>12,207</u>	<u>328,032</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

13 Tangible Fixed assets – Trust (continued)

The trustees are of the opinion that the open market value of the freehold property is in excess of its carrying value. It is not considered practical to quantify this excess.

The freehold and leasehold property comprises the building and grounds owned by the Trust.

	2010 £	2009 £
Initial costs	246,882	260,964
Subsequent improvements to freehold property	96,660	96,660
Leasehold property	3,842	3,842
Additions at Risley	512,688	-
Addition at Sandiacre	155,321	-
	<u>1,015,393</u>	<u>361,466</u>

14 Investments

	2010 £	2009 £
Wholly owned subsidiaries	<u>11,000</u>	<u>11,000</u>

15 Debtors

	Group		Trust	
	2010 £	2009 £	2010 £	2009 £
Service debtors	(7,277)	46,193	(8,384)	43,425
Amounts due from group companies	-	-	30,392	575
Prepayments and accrued income	31,773	20,879	11,493	6,720
Other debtors	<u>7,575</u>	<u>1,589</u>	<u>3,485</u>	<u>-</u>
	<u>32,071</u>	<u>68,661</u>	<u>36,986</u>	<u>50,720</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

16 Creditors

	Group		Trust	
	2010	2009	2010	2009
	£	£	£	£
Trade creditors	237,073	24,778	218,066	13,473
Other taxes and social security	21,641	19,061	21,641	19,061
Other creditors	3,482	1,821	3,481	1,821
Accruals and deferred income	15,801	13,972	8,988	7,878
Amounts due to group companies	-	-	45,870	46,004
Lottery receipts in advance	51,722	48,603	-	-
	<u>329,719</u>	<u>108,235</u>	<u>298,046</u>	<u>88,237</u>

17 Financial commitments

As at 31 March 2010 annual commitments under operating leases, all in relation to land and buildings, were

	2010	2009
	£	£
Under one year	28,030	28,030
Two to five years	26,500	26,500
Over five years	-	-
	<u>54,530</u>	<u>54,530</u>

As at 31 March 2010 there was a capital commitment to complete the new building annex of £722,311

18 Restricted funds

	Ripple appeal for new building £	Daycare refurb £	Replacement windows £	Equipment £
At 1 April 2009	455,550	4,541	5,109	353
Donations	638,687	-	-	-
	<u>1,094,237</u>	<u>4,541</u>	<u>5,109</u>	<u>353</u>
Costs	(90,526)	-	-	-
Depreciation	-	(1,135)	(1,277)	(88)
	<u>1,003,711</u>	<u>3,406</u>	<u>3,832</u>	<u>265</u>
At 31 March 2010				

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

18 Restricted funds (continued)

	UPS Foundation	A Salisbury Fund	Childrens' Bereavement Project	Total
	£	£	£	£
At 1 April 2009			27,562	493,116
Donations	34,526	100,000	150	773,363
	34,526	-	27,712	1,266,479
Costs	-	-	(23,090)	(113,616)
Depreciation	(406)	-	-	(2,906)
At 31 March 2010	34,120	100,000	4,622	1,149,957

Represented by

	Cash at bank	Fixed assets	Total
	£	£	£
Ripple appeal for new building	491,022	512,689	1,003,711
Childrens' Bereavement Project	4,622	-	4,622
Daycare refurbishment	-	3,406	3,406
Replacement windows	-	3,832	3,832
Equipment	-	265	265
UPS Foundation	-	34,120	34,120
A Salisbury Fund	100,000	-	100,000
	595,644	554,312	1,149,957

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2010

19 Unrestricted funds

	Total £
At 1 April 2009	736,807
Movement in year	<u>488,804</u>
At 31 March 2010	<u>1,225,611</u>

20 Analysis of group net assets between funds

	General fund £	Restricted funds £	Total £
Tangible fixed assets	459,220	554,313	1,013,533
Cash at bank and in hand	1,060,605	595,644	1,656,249
Other net current assets	(294,214)	-	(294,214)
	<u>1,225,611</u>	<u>1,149,957</u>	<u>2,375,568</u>