

Treetops Hospice Trust

Annual report and consolidated accounts

for the year ended 31 March 2011



Charity number: 519540

Company number: 1801708

Treetops Hospice Trust

Contents

	Page
Trustees' report	3 – 14
Independent auditors' report	15 - 16
Consolidated statement of financial activities	17
Consolidated balance sheet	18
Notes to the financial statements	19 - 32

Treetops Hospice Trust

Report of the trustees for the year ended 31 March 2011

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 March 2011

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 (Resigned 19 September 2011)
Vice Chairman	Mrs M King
Treasurer	Mr G Saville (Resigned 13 September 2010)
Elected trustees	Mr J Davis Dr J Dornan Mr M Fox Dr H Godridge Mrs J Heath Mr R D Jones Ms J Kavanagh Ms H MacDonald Mr R Smallwood Mr R Webster (Resigned 13 September 2010) Mr A Wardle Mr R W Jones (Appointed 31 January 2011) Mr I Ferguson (Appointed 28 March 2011)
Chief Executive	Mr G Cameron
Company Secretary	Mr R Thomas

Treetops Hospice Trust

Report of the trustees for the year ended 31 March 2011 (continued)

Charity number	519540
Company number.	1801708
Registered office	Treetops Hospice Derby Road Risley Derbyshire DE72 3SS
Auditors	Cedar Audit Limited The Greenhouse 106-108 Ashbourne Road Derby DE22 3AG
Bankers	Santander 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
- 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, these are reviewed annually and appropriate mitigating action is taken accordingly. 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-monthly Health and Safety reports for the Board

Strategy and Organisation

The Board of Trustees are currently reviewing the strategic direction of the charity through the preparation of a five-year plan. It is anticipated that a new strategic plan will be approved during 2011. In the meantime the Chief Executive, with departmental managers, continues to develop operational plans and organisational objectives that are encapsulated in the annual budget, which has been 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

In 2007 the Trustees 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

The Good Governance Code of Practice was updated in 2010 and a review of its impact will be considered by the Board of Trustees in 2011

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

Volunteer Services

The Hospice works with 500 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 the challenge has been to recruit more volunteers to support the development of the new Day Care annexe as well as 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 2010/2011 Treetops Hospice saw the long awaited opening of our new Day Care annexe. The new facility will enable the organisation to increase the number of guests accessing the service by 100%. Treetops Hospice continues at the fore-front of local supportive palliative care services within Southern Derbyshire and Nottinghamshire, whilst working collaboratively with similar providers such as Marie Curie Cancer Care and Nottinghamshire Hospice, ensuring that each patient has a choice in their preferred place of care and ultimately have the choice to die at home.

Our service model forms part of national initiatives in particular the End Of Life Care Strategy, and more recently the Palliative Care funding review report by Tom Hughes-Hallett who states that *'For those reaching the end of their life, we think that there should be better integrated health and social care services, and that there is a strong case for these being free at the point of need. At this time, the last thing that individuals and families need is arguments over who funds care, and where care is provided'*

Both Derbyshire and Nottinghamshire Health Authorities who oversee the provision of local palliative care services commission for Treetops Hospice Day Care, Hospice at Home and Adult Bereavement Support services. Derbyshire also commissioned the Families Bereavement Service in 2010-11.

We work collaboratively with other health care professionals in ensuring that our services reflect local need and more crucially ensure that our patients and their carers' voices and ultimately their choices remain at the centre of care provided.

Who uses the services of Treetops Hospice?

Treetops Hospice, with the exception of our multiple sclerosis patients, 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 marries 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 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 are, as a minimum, met
- To monitor the quality of service delivery by seeking the opinions of both service users and District Nurses and to 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 2010–2011 was 1,219, an increase of 13.6% over the previous year.

The total number of patients who received care was 907 (an increase of 7%) With 246 adults and children receiving Bereavement Support and 50 carers attending Carers Group this brings the total number of individuals who received our care to 1,203 compared with 1,120 last year – an increase of 7.4%

455 patients died during the year Of these 350 (77%) died at home, 42 (9%) in specialist palliative care units, 57 (12.5%) in hospital and 6 in care homes (1.5%) 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 61.5% of our patients identified their preferred place of death and of these, 82% 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 Primary Care Trusts

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

Our Hospice at Home service co-ordination remains a challenge alongside the drive for delivery of End of Life care in patients' own homes This year we are introducing a computerised database to support the process The complexity of patients on our caseload who are choosing to stay in their own homes continues to grow and the role and valuable support of nurse managers within the department is evident in prioritising care to those patients and their carers who are in most need, ensuring that our Hospice at Home nurses are used in the most effective and appropriate way

A team of qualified nurses and experienced health care assistants is available 24 hours a day, 365 days a year The service, which is managed by two part time Nurse Managers/Coordinators, provides skilled, supportive palliative care, at home

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	17,090	15,475
Nottinghamshire	4,270	5,576

The Hospice at Home service contract with Derbyshire Primary Care Trusts fell short by 1,615 hours of the contract (9.5%)

The Hospice at Home service contract with Nottinghamshire Primary Care Trusts had an over provision of 1,306 hours of the contract (30.5%)

3,123 Hospice at Home visits were provided during the year, a decrease of 88 visits (3%) below the previous year

The total number of patients cared for by our Hospice at Home service during the period was 533, an increase of 7% over the previous year Of these, 450 people received care for the first time There were a total of 826 referrals to the service during the year, an increase of 20.5% 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 2010-2011 was 165. Of these, 82 guests attended for the first time. There were 171 referrals to the unit. Performance, measured against service level agreements, was as follows:

Service Level Agreement	Target Attendances	Actual Attendance
Derbyshire	2,217	2,232
Nottinghamshire	360	375

As can be seen from the above, the service level target for Derbyshire exceeded the contract by 15 attendances (1%). Our Nottinghamshire target was also exceeded by a small margin of 15 attendances (4%).

During 2010-2011 there were 2,607 attendances which resulted in a small increase in the 2011-2012 agreements.

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 decreased from 658 to 628 which was due to the forced closure of the service for 2 months during the building work. 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	559
Nottinghamshire	69
Leicestershire	0

Art Therapy Service

During 2010/11 the service provided 211 sessions of therapy to 40 Day Care patients, 2 Bereaved clients and 1 carer.

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 50 carers accessed the group on a total of 337 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 118 patients attended the clinic this year

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 and three other part-time professionals, who work 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	805	936
Nottinghamshire	143	81
Leicestershire	0	12

The service agreement with Derbyshire PCT was exceeded by 16% despite an agreed increase from 2009-10

The agreement with Nottinghamshire PCT resulted in a shortfall of 43%

The total number of clients receiving adult bereavement support during the year was 195, a fall of 8% from the previous year

Families Bereavement Support Service

Service Level Agreement	Target Contacts	Actual Contacts
Derbyshire	186	309
Nottinghamshire	0	29
Leicestershire	0	13

We exceeded our total agreement with the Derbyshire PCTs by 123 contacts (66%)

During the period, the total number of young people and families who accessed the service was 51 and 351 sessions took place

Funding Sources

Financial Review

The Charity's gross income fell from £2,765,183 to £2,142,084, a reduction of 29%, which was mainly due to the reduction in Legacy income and the completion of the Ripple Appeal. Gross costs increased from £1,619,539 to £1,873,951 an increase of 15.7%, which were within the targets approved in the budget.

During the year legacy income totalling £96,150 was received compared with £488,303 in 2009/10. 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 up to the equivalent of six months running costs.

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 £178,942, of taxable profits to the charity, a fall of 2.5% over the previous year. This was due to a reduction in the Lottery profit following a problem with Royal Mail re the circulation of the Spring Draw tickets.

Funding Company – Treetops Hospice Lottery

The Funding Company's turnover was down from £272,315 to £245,438 (9.9%) and profit reduced from £97,970 to £84,591 (13.7%). This was due to the difficulties in recruiting canvassers, which led to the decrease in contribution. A review of how the lottery membership can be increased was undertaken during the last quarter of the year.

Retail Company

Treetops Retail Limited made a net profit of £94,351 for the financial year 2010/11 compared with £85,556 in 2009/10. This was an increase of £8,795 (10%) on 2009/10.

A new shop was opened in November 2010 in Bramcote Lane, Wollaton bringing the total to eleven shops plus the coffee bar. An eBay shop was also opened early in 2011. The original Draycott shop and the Eastwood bookshop were both fully refurbished in this year and in addition to this Stapleford and Long Eaton shops have been redecorated. Long Eaton shop was turned into our first '£1 shop' in October 2010 in order to make better use of our take-off clothes and counteract the negative effect of being in a poor position in the town.

Total sales increased year on year by 13% and operating profit by 10%. The work done in setting up the new shop and refurbishing the older ones has led to an increase in depreciation. Some long held fixed assets have also been written off, all of which has reduced the overall profit figure quite significantly.

Fundraising

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

Legacy income was significantly down on the previous year at £96,850 compared with £488,303.

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 £29,850.

Reserves Policy

The stated policy of the Trustees is to work towards developing reserves to a level equivalent to three months as a minimum and a maximum of nine 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 £938,597 as at March 31st 2011, of this figure £859,514 are available funds, this is equivalent to six months operating costs. Restricted funds include £1,516 relating to the Families Bereavement Project, which started in July 2008, and £77,567 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 annexe to the existing Hospice in order to provide a dedicated Day Care Unit with more Complementary Therapy facilities.

During 2010/11 the Ripple Appeal raised an amount of £364,104 net of direct costs.

The Ripple Appeal was closed down in June 2010 as it had achieved its objective of raising enough funds to build the Day Care annexe.

Trustees responsibilities

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

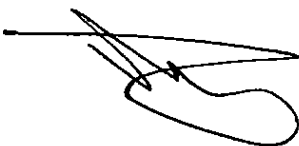
- Select suitable accounting policies and then apply them consistently,
- Make sound judgements and estimates that are reasonable and prudent, and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will not continue in business.

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

A handwritten signature in black ink, appearing to be 'Mrs M King', written over a horizontal line.

Mrs M King (Vice Chairman)

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 2011 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

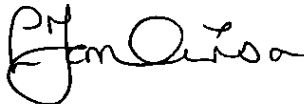
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examinations, on a test basis, of evidence relevant to the amounts and disclosure in the financial statements. It also includes an assessment of the 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 2011, 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



L Tomlinson (Senior Statutory Auditor)
For and on behalf of Cedar Audit Limited
Registered Auditors
The Greenhouse
106-108 Ashbourne Road
Derby
DE22 3AG

Date 4 OCTOBER 2011

Treetops Hospice Trust

Consolidated statement of financial activities for the year ended 31 March 2011

	Note	Restricted Funds 2011 £	Unrestricted Funds 2011 £	Total 2011 £	Total 2010 £
Incoming resources					
Incoming resources from generated funds					
- Voluntary income	3	369,069	259,493	628,561	1,395,947
- Activities for generating funds	4	-	917,697	917,697	828,767
- Investment income	5	-	29,850	29,850	23,624
Incoming resources from charitable activities	6	-	565,975	565,975	516,845
Total incoming resources		369,069	1,773,015	2,142,084	2,765,183
Resources expended					
Cost of generating voluntary income	7,18	25,585	679,877	705,462	707,297
Charitable activities	8,18	63,323	1,093,220	1,156,543	899,879
Governance costs	9	-	11,946	11,946	12,363
Total resources expended	10	88,908	1,785,043	1,873,951	1,619,539
Net incoming resources		280,161	(12,028)	268,133	1,145,645
Reclassification of funds	18	(199,901)	199,901	-	-
Fund balance at 31 March 2010		1,149,957	1,225,611	2,375,568	1,229,923
Fund balance at 31 March 2011	18,19	1,230,217	1,413,484	2,643,701	2,375,568

Treetops Hospice Trust

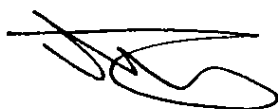
(Registered number 1801708)

Consolidated balance sheet as at 31 March 2011

	Note	Group 2011 £	2010 £	Trust 2011 £	2010 £
Fixed assets					
Tangible assets	12,13	1,705,104	1,013,532	1,664,568	974,534
Investments	14	-	-	11,000	11,000
		1,705,104	1,013,532	1,675,568	985,534
Current assets					
Stocks		1,339	3,435	-	2,277
Debtors	15	24,171	32,071	31,508	36,986
Cash at bank and in hand		1,057,994	1,656,249	1,008,886	1,588,335
		1,083,504	1,691,755	1,040,394	1,627,598
Creditors	16	144,907	329,719	121,186	298,046
Net current assets		938,597	1,362,036	919,208	1,329,552
Net assets	20	2,643,701	2,375,568	2,594,776	2,315,086
Capital funds					
Restricted funds	18	1,230,217	1,149,957	1,230,218	1,149,957
Unrestricted funds	19	1,413,484	1,225,611	1,364,558	1,165,129
		2,643,701	2,375,568	2,594,776	2,315,086

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 the Financial Reporting Standards for Smaller Entities (effective April 2008)

Approved by the board and signed on it's behalf



Mrs M King (Vice Chairman)

Date

25 July 2011

The notes form part of these financial statements

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

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 2011

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	- 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 2011

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 2011 £	Funding 2011 £	Total 2011 £	Total 2010 £
Hospice Lottery receipts (inc prizes not claimed)	-	245,438	245,438	273,920
Shop sales	432,823	-	432,823	380,044
Catering	63,335	-	63,335	60,034
	496,158	245,438	741,596	713,998
Prizes		(70,408)	(70,408)	(72,195)
Cost of shop sales	(15,182)	-	(15,182)	(20,627)
Catering supplies	(22,250)	-	(22,250)	(12,364)
	458,726	175,030	633,756	608,812
Administration	(364,375)	(90,439)	(454,814)	(425,285)
	94,351	84,591	178,942	183,527

3 Voluntary income - analysis by fund type

	Restricted Funds 2011 £	Unrestricted Funds 2011 £	Total 2011 £	Total 2010 £
Donations and sponsorships	-	122,805	122,805	106,302
Ripple Appeal for new building	364,104	-	364,104	638,687
Children's Bereavement Project	4,965	-	4,965	150
A Salisbury	-	-	-	100,000
Legacies and bequests	-	96,150	96,150	488,303
Income from charitable trusts and industry	-	40,538	40,538	62,506
Total voluntary income	369,069	259,493	628,561	1,395,947

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

Voluntary income - analysis by fund type (continued)

Analysis of income from charitable trusts and industry

	2011 £	2011 £
Boulton Toll House and Poor Piece Charity		100
Cecil Rosen Foundation		200
Derby Rotary Charity Trust		100
The Clara E Burgess Charity		9,000
The February Foundation		5,000
The Freemasons' Grand Charity		1,000
The Hedley Foundation		1,000
The Institute of Our Lady of Mercy		1,000
The Lynn Foundation		500
The Ruffield Charitable Trust		2,450
The Sir John Eastwood Foundation		2,500
The Thomas J Horne Memorial Trust		5,000
Alvaston and Crewton Workingmens Club		12,688
Others		
		<u>40,538</u>

Corporate & Groups included in donations and sponsorships

AGA Rangemaster Limited	672	
Bramcote and District Probus Club	560	
Chilwell Manor Golf Club	1,000	
Chilwell Masonic Benevolent Association	564	
Derby Mercia Rotary Club	500	
Derby Organ and Keyboard Club	874	
Eastwood Lions Club	1,028	
Ellis-Fermor Negus	530	
Erewash Borough Council	976	
Friesland School	770	
Dr Gould and Partners	1,000	
Inner Wheel Club of Church Wilne	700	
Long Eaton Round Table	3,000	
Melbourne United Reformed Church	1,200	
Melbourne Town Band	2,000	
Ormonde Fields Golf Club	1,100	
Stapleford and Sandiacre Rotary Club	913	
Trent Lock Golf Centre	4,740	
Other donations and sponsorships	<u>100,678</u>	122,805
		<u>122,805</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

Restricted Funds

BBC Children In Need	<u>4,965</u>
----------------------	--------------

Analysis of Ripple Appeal donations

Funds used entirely on the Construction of the Hospice Annexe

The Department of Health	300,000	
Absolute Radio	500	
Allianz Insurance PLC	1,000	
Boots Charity Committee	500	
Hemlockstone Lions	250	
Long Eaton Masonic Hall	300	
Rotary Club of Beeston	400	
Serco Home Affairs	500	
The Albert Hunt Trust	25,000	
The Freemasons' Grand Charity	500	
The H B Allen Charitable Trust	5,000	
The Helen Jean Cope Charity	10,000	
Other Donations	13,909	
Events	<u>6,245</u>	364,104
		<u>364,104</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

4 Activities for generating funds - analysis by fund type

	Restricted Funds 2011 £	Unrestricted Funds 2011 £	Total 2011 £	Total 2010 £
Hospice Lottery income	-	245,438	245,438	273,920
Shop sales	-	432,823	432,823	380,044
Catering	-	63,335	63,335	60,034
Support group donations from organised events	-	9,139	9,139	7,694
Income from other clubs and organisations	-	28,851	28,851	6,529
Christmas appeal	-	7,815	7,815	10,723
Car boot sales	-	12,047	12,047	11,410
Light Up A Life	-	14,410	14,410	17,111
Golf Day	-	820	820	1,577
Easter appeal	-	1,805	1,805	1,410
Recycling	-	745	745	516
Prize draw	-	13,731	13,731	13,923
Ladies lunch	-	3,511	3,511	3,511
Wedding fayre	-	10	10	2,033
Miscellaneous	-	10,359	10,359	25,702
Spring appeal	-	3,835	3,835	5,055
Sponsored walk	-	3,993	3,993	7,576
Experian Event	-	28,851	28,851	-
Moonlight walk	-	36,179	36,179	-
	-	917,697	917,697	828,767

5 Investment income - analysis by fund type

	Restricted Funds 2011 £	Unrestricted Funds 2011 £	Total 2011 £	Total 2010 £
Interest received	-	29,850	29,850	23,624

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

6 Incoming resources from charitable activities

	Restricted Funds 2011 £	Unrestricted Funds 2011 £	Total 2011 £	Total 2010 £
Service agreements				
Derby City PCT	-	399,884	399,884	399,793
Nottingham County Teaching PCT	-	130,285	130,285	85,428
	-	530,169	530,169	485,221
Other income				
Education	-	10,684	10,684	10,919
Meals and refreshments	-	14,971	14,971	9,561
Trustee membership fees	-	430	430	525
NHS pension rebate	-	8,056	8,056	8,056
Miscellaneous	-	1,666	1,666	2,563
	-	35,807	35,807	31,624
Total incoming resources from charitable activities	-	565,976	565,976	516,845

7 Cost of generating voluntary income

	Direct 2011 £	Staff costs 2011 £	Other 2011 £	Total 2011 £	Total 2010 £
Hospice lottery	70,408	58,341	32,098	160,847	177,249
Shops	15,182	198,547	154,259	367,988	320,126
Catering	22,250	11,569	-	33,819	33,096
Ripple appeal (restricted fund)	-	24,839	746	25,585	90,526
Fund raising activities	42,878	60,443	13,902	117,223	86,300
	150,718	353,739	201,005	705,462	707,297

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 2011

8 Charitable activities

	Staff costs 2011 £	Other 2011 £	Depreciation 2011 £	Total 2011 £	Total 2010 £
Daycare provision	240,448	78,952	12,995	332,395	261,090
Bereavement support	79,025	20,394	3,465	102,884	63,052
Complementary therapy	14,095	17,206	1,300	32,601	28,562
Hospice at home	514,860	74,476	24,691	614,027	510,425
Training	4,427	6,019	866	11,312	10,754
	<u>852,855</u>	<u>197,047</u>	<u>43,318</u>	<u>1,093,220</u>	<u>873,883</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 2011 £	Other 2011 £	Depreciation 2011 £	Total 2011 £	Total 2010 £
Governance costs	8,732	3,214	-	11,946	12,363

Other governance costs represent Trust audit fees and legal costs.

10 Total resources expended

	2011 £	2010 £
Total resources expended include:		
Depreciation	78,936	26,237
Loss on disposal of fixed assets	16,686	9,593
Auditors' remuneration	<u>7,335</u>	<u>6,878</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

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

	2011	2010
Direct charitable	28	24
Fund raising and publicity	21	18
Management and administration	4	3
	<u>53</u>	<u>45</u>

12 Tangible fixed assets - group

	Freehold Property £	Fixtures & Equipment £	Office Equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2010	1,015,392	140,292	50,775	14,195	1,220,654
Disposals	-	(88,597)	(25,591)	-	(114,188)
Additions	642,416	140,957	3,822	-	787,195
At 31 March 2011	<u>1,657,808</u>	<u>192,652</u>	<u>29,006</u>	<u>14,195</u>	<u>1,893,661</u>
Depreciation					
At 1 April 2010	61,840	98,212	37,366	9,704	207,122
On disposals	-	(75,247)	(22,255)	-	(97,502)
Charge for year	31,919	43,485	2,410	1,122	78,936
At 31 March 2011	<u>93,759</u>	<u>66,450</u>	<u>17,521</u>	<u>10,826</u>	<u>188,556</u>
Net book value					
At 31 March 2011	<u>1,564,049</u>	<u>126,202</u>	<u>11,485</u>	<u>3,369</u>	<u>1,705,105</u>
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>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

Tangible fixed assets – group (continued)

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

	Freehold Property £	Fixtures & Equipment £	Office Equipment £	Motor Vehicles £	Total £
Direct charitable purposes	1,114,948	-	-	-	1,114,948
Day care	-	11,298	-	-	11,298
Fund raising	-	111,819	3,905	3,369	119,093
Management and administration	449,101	3,085	7,580	-	459,766
	<u>1,564,049</u>	<u>126,202</u>	<u>11,485</u>	<u>3,369</u>	<u>1,705,105</u>

13 Tangible fixed assets - Trust

	Freehold Property £	Fixtures & Fittings £	Office Equipment £	Total £
Cost				
At 1 April 2010	1,015,392	79,287	45,103	1,139,782
Disposals	-	(60,333)	(25,591)	(85,924)
Additions	642,416	119,930	3,822	766,168
At 31 March 2011	<u>1,657,808</u>	<u>138,884</u>	<u>23,334</u>	<u>1,820,026</u>
Depreciation				
At 1 April 2010	61,840	67,460	35,948	165,248
Eliminated on disposals	-	(52,960)	(22,255)	(75,215)
Charge for year	31,919	31,096	2,410	65,425
At 31 March 2011	<u>93,759</u>	<u>45,596</u>	<u>16,103</u>	<u>155,458</u>
Net book value				
At 31 March 2011	<u>1,564,049</u>	<u>93,288</u>	<u>7,231</u>	<u>1,664,568</u>
At 31 March 2010	<u>953,552</u>	<u>11,827</u>	<u>9,155</u>	<u>974,534</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

Tangible fixed assets – Trust (continued)

The freehold property at cost comprises the building and grounds known as Treetops Hospice

	2011 £	2010 £
Initial costs	246,882	246,882
Subsequent improvements to freehold property	100,502	100,502
Additions at Risley	1,155,103	512,687
Addition at Sandiacre	155,321	155,321
	<u>1,657,808</u>	<u>1,015,392</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

14 Investments

	£	£
Wholly owned subsidiaries	11,000	11,000

15 Debtors

	2011 £	Group 2010 £	2011 £	Trust 2010 £
Service debtors	(4,337)	(7,277)	(8,161)	(8,384)
Amounts due from group companies	-	-	30,956	30,392
Prepayments and accrued income	23,361	31,773	7,497	11,493
Other debtors	5,147	7,575	1,216	3,485
	24,171	32,071	31,508	36,986

16 Creditors

	2011 £	Group 2010 £	2011 £	Trust 2010 £
Trade creditors	24,207	237,073	15,077	218,066
Other taxes and social security	24,848	21,641	24,848	21,641
Other creditors	20,564	3,482	20,563	3,481
Accruals and deferred income	25,116	15,801	14,445	8,988
Amounts due to group companies	-	-	46,253	45,870
Lottery receipts in advance	50,172	51,722	-	-
	144,907	329,719	121,186	298,046

17 Financial commitments

As at 31 March 2011 annual commitments under operating leases, all in relation to land and buildings, were

	2011 £	2010 £
Under one year	-	28,030
Two to five years	59,400	26,500
Over five years	-	-
	59,400	54,530

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

18 Restricted funds

	Ripple appeal for new building £	Daycare refurb. £	Replacement windows £	Equipment £	cont'd
At 1 April 2010	1,003,711	3,406	3,832	265	
Donations	364,104	-	-	-	
	1,367,815	3,406	3,832	265	
Costs	(25,585)	-	-	-	
Depreciation	(22,413)	(852)	(958)	(66)	
Reclassification of funds	(199,901)	-	-	-	
At 31 March 2011	1,119,916	2,554	2,874	199	

	UPS Foundation	ASalisbury Fund	Childrens' Bereavement Project £	Total £
At 1 April 2010	34,120	100,000	4,622	1,149,957
Donations	-	-	4,965	369,068
	34,120	100,000	9,587	1,519,025
Costs	-	(22,433)	(8,071)	(56,089)
Depreciation	(8,530)	-	-	(32,819)
Reclassification of funds	-	-	-	(199,901)
At 31 March 2011	25,590	77,567	1,516	1,230,217

Represented by

	Cash at bank £	Fixed assets £	Total £
Ripple appeal for new building	-	1,119,916	1,119,916
Childrens' Bereavement Project	1,516	-	1,516
Daycare refurbishment	-	2,554	2,554
Replacement windows	-	2,874	2,874
Equipment	-	199	199
UPS Foundation	-	25,590	25,590
A Salisbury Fund	77,567	-	77,567
	79,083	1,151,133	1,230,217

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2011

19 Unrestricted funds

	Total £
At 1 April 2010	1,225,611
Movement in year	(12,028)
Reclassification of funds	199,901
At 31 March 2011	1,413,484

20 Analysis of group net assets between funds

	General fund £	Restricted funds £	Total £
Tangible fixed assets	553,972	1,151,133	1,705,105
Cash at bank and in hand	978,911	79,083	1,057,994
Other net current assets	(119,397)	-	(119,397)
	1,413,485	1,230,216	2,643,701

21 Contingent asset

At the year end Treetops Hospice Trust is in dispute with HM Revenue and Customs relating to value added tax paid on the new annexed building at Risley. The management of Treetops Hospice Trust considered it likely that the Trust will be due a refund of overpaid vat, at the date the accounts are signed there is no firm estimate of how much this will be.