

Treetops Hospice Trust

Annual report and consolidated accounts

for the year ended 31 March 2012



Charity number: 519540

Company number: 1801708

Treetops Hospice Trust

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Treetops Hospice Trust

Report of the trustees for the year ended 31 March 2012

The Trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 March 2012

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

Chair	Mrs J Heath
Vice Chair	Mr R Smallwood
Treasurer	Mr I Ferguson
Elected trustees	Mr J Davis Dr J Dornan Mr M Fox Dr H Godridge Mr R D Jones Mr R W Jones Mrs M King (Resigned July 2012) Ms J Kavanagh (Resigned June 2011) Ms H MacDonald 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 2012 (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 organization
- 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 organization 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 organization and has identified the major risks to which the organization is exposed, these are reviewed every six months 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 Organization

The Board of Trustees have agreed the strategic direction of the charity through the preparation of a five-year rolling plan. The plan was approved and became effective on the 1st April 2012. The Chief Executive, with departmental managers, continues to develop operational plans and organizational 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, 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

This is now under review with the Board considering adopting the new 2010 Good Governance Code of Practice

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

Review of the period's activities and future plans

Provision of Care

The Director of Clinical Services, Kathy Longden has responsibility for the delivery of Day Care, Hospice at Home and Bereavement services

During 2011/2012 Treetops Hospice has had its first full year of providing **Day Care** services from its purpose built unit, completed in September 2010. The new facility has enabled the organisation to increase the number of guests accessing the service by 100%. This has allowed Treetops Hospice the opportunity to play a more significant role in the provision of local supportive palliative care services within Southern Derbyshire and Nottinghamshire.

Our **Hospice at Home** team continues to also play a major role in the provision of end of life care, working collaboratively with similar providers such as Marie Curie Cancer Care and Nottinghamshire Hospice, to ensure that each patient has a choice in their preferred place of care and ultimately have the choice to die at home.

Our **Bereavement Support Service** continues to operate from the centre situated in Sandiacre. Activity has increased in the Families service but has remained consistent during the last two years for the Adult service. However, to date we have not promoted these services, and awareness is mainly through Health Professionals or word-of-mouth.

It is evident that the complexity of referrals to both the Adult and Families services has grown. This trend could be associated with the recent growth and development of the families service where a high percentage of referred children are referred following the death of a significant other. This growth often impacts on the adult service as they are often supporting the surviving partner through the same death. We are therefore finding that the overall level of intervention required has increased, thereby recognising the need for counselling rather than support.

Both Derbyshire and Nottinghamshire PCTs who oversee the provision of local palliative care services have continued to commission Treetops Hospice for Day Care and Hospice at Home. Derbyshire also continued to commission Adult and the Families Bereavement Service during this period.

The introduction of a new database/computerised system was planned for 2010-2011 and although familiarisation of the new system was achieved, it was agreed that to simplify end of year reporting the database would not go live until April 2012. This year we will endeavour to maximise the capability of the new computerised system by devolving both patient records and activity to the relevant departments.

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 with progressive disease and are assessed as being in the later stages of their journey. As a general rule the criteria for care mirrors with the identification of a patient who is placed by their General Practitioner on the Gold Standards Framework. Commissioners have stipulated that our criteria for referral to Day Care should be for patients who are in their last 12 months of life, whereas, access to our Hospice at Home service should be for those who are assessed as being in the last 6 months of life.

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, 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 service objectives stated above were all achieved

The total number of people referred to all our services in 2011–2012 was 1,500, an increase of 23% over the previous year

The total number of patients who received care was 1,147 (increase of 26.4%). With 273 adults and children receiving Bereavement Support and 37 carers attending Carers Group this brings the total number of individuals who received our care to 1,457 compared with 1,203 last year – an increase of 21.1%

530 patients died during the year. Of these 406 (77%) died at home, 53 (10%) in specialist palliative care units, 62 (11.5%) in hospital and 69 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. 77.4% of our patients identified their preferred place of death and of these, 83.5% achieved their preference.

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. The team of co-ordinators are now using the new computerised system for patient records and activity. In addition to this we will introduce the electronic rostering function to streamline the co-ordination element of the service.

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 our 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 are available 24 hours a day, 365 days a year. The service is managed by two part-time Nurse Managers/Coordinators with the support of a part-time clerical co-ordinator who together ensure the provision of 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	16,778	16,461
Nottinghamshire	5,697	6,016

The Hospice at Home service contract with Derbyshire Primary Care Trusts fell short by 317 hours of the contract (1.8%), whilst the contract with Nottinghamshire Primary Care Trusts had an over provision of 319 hours of the contract (5.6%)

3,620 Hospice at Home visits were provided during the year, an increase of 497 visits (15.9%) over the previous year

The total number of patients cared for by our Hospice at Home service during the period was 602 an increase of 12.9% over the previous year. Of these, 517 people received care for the first time. There were a total of 959 referrals to the service during the year, an increase of 20.5% over the previous year.

473 Hospice at Home patients died during the year. Of these 385 (81.4%) died at home compared with the national average for Hospice at Home services of 58.5% (NCPC minimum data set 2010-2011). 84% (397) of our Hospice at Home patients identified their preferred place of death and of these, 83.1% achieved their preference.

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. Our new annexe has afforded us the opportunity to offer more guests access to our supportive palliative Day Care service. The significant increase of provision of Day Care places for the year demonstrates the tangible result of the generosity of all those who contributed to the funding of our new purpose built unit.

The total number of patients accessing Day Care in 2011-2012 was 244 an increase of 48%. Of these, 145 guests attended for the first time. There were 266 referrals to the unit. Performance, measured against service level agreements, was as follows:

Service Level Agreement	Target Attendances	Actual Attendance
Derbyshire	2,219	4,002
Nottinghamshire	360	595

As can be seen from the above, the service level target for Derbyshire exceeded the contract by 1,783 attendances (80.3%). Our Nottinghamshire target was also exceeded by 235 attendances (65.3%). In exception to our referral criteria we provided 11 sessions to a guest who was registered with a Leicestershire General Practitioner.

During 2011-2012 there were 4,608 attendances which resulted in a significant increase on the 2011-2012 agreements.

With the provision of the new building Treetops Hospice was aware that to utilise the unit effectively a much more realistic and ambitious target was achievable. Therefore the target increase of guest places for 2011-2012 set by ourselves was 4,579 an increase of 77.5% above the combined PCTs contract. We are pleased to report that this target was also exceeded by 1% (4,608).

Guests who attend 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. As part of the refurbishment and the availability of two dedicated therapy rooms the number of individual treatments provided increased from 628 to 906 (+44.3%). This service is not funded by PCT/CCG's and is totally supported by voluntary funding and we are pleased to offer our client groups this much valued and appreciated service providing therapies for 261 people free of charge.

Complementary Therapy Activity	Actual Treatments
Derbyshire	806
Nottinghamshire	100

Art Therapy Service

During 2011/12 the service provided 406 sessions of therapy to 33 Day Care patients, 4 bereaved clients, 2 complementary therapy clients, 1 carer and 1 clinic patient.

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.

A 15 session model was introduced in October 2011. This is to ensure that Art Therapy is made available to more clients within our services.

Carers Support

The group meets twice a month on a Wednesday between 2pm and 4pm. This year 37 carers accessed the group on a total of 262 visits. The Hospice provides occasional guest speakers or a facilitated session on a specific subject chosen by the group. 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/review. No funding is received for this service and so there are no service level agreements. There were 170 attendances during the year for 40 patients.

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 both 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 senior 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 helps to provide one to one support sessions for individual clients and assists the counsellor in contacting all families following their bereavement by letter and telephone.

Service Level Agreement	Target Contacts	Actual Contacts
Derbyshire	980	939
Nottinghamshire	0	149
Leicestershire	0	110

The service agreement with Derbyshire PCT fell short by 41 sessions (4.2%)

Nottinghamshire PCT withdrew their agreement for Bereavement Support this year.

The total number of clients receiving adult bereavement support during the year was 200, an increase of 2.5% from the previous year.

Families Bereavement Support Service

The young people's group "in it together" has developed over the last year, co-facilitated by Families Practitioner and the Families Bereavement Support Worker. The group have had successful meetings and in view of the latter's therapeutic drumming skills have also benefitted from the purchase of a drumming kit for her to incorporate into the group and to deliver workshops to adults.

Service Level Agreement	Target Contacts	Actual Contacts
Derbyshire	307	520
Nottinghamshire	0	16
Leicestershire	0	9

We exceeded our total agreement with the Derbyshire PCTs by 213 contacts (69.4%)

During the period, the total number of young people and families who accessed the service was 73 and 545 sessions took place.

Key objectives for 2012/13

In the current economic climate where NHS governing bodies are experiencing significant change through re-structuring of organisations we are mindful that our services are both effective and cost efficient, whilst ensuring that any decisions that may need to be taken does not compromise the quality of patient care

In line with both local and National targets for increasing patients choice on both their preferred place of care and ultimately their death underpins our ambitions. As identified in our 5 year strategy 2012-2017

2012 will see the commencement of the five year strategy which plans to

- increase Hospice at Home activity by 3,000 hours. This will be supported by the cost and volume contracts we have in place with all our commissioning Primary Care Trusts
- increase co-ordination and expansion of the nurse bank, which is pivotal to the proposed growth
- achieve as close as possible full capacity of our Day Care unit
- develop Clinical Nurse Specialist clinics at the Day Care Centre
- plan for the pilot of a Saturday Support and Information service
- fully utilise the new SMI patient database

The Bereavement Support Service is becoming increasingly compromised by a lack of appropriate counselling space. The current counselling rooms are also used as offices for the volunteer administration support worker and the four part time paid members of the team. This will need to be reviewed and decisions made on the capping of the service or finding alternative accommodation for the team.

Volunteer Services

The Hospice works with over 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. The challenge over the last 12 months has been to maintain volunteer numbers across the organisation in the face of a changing economic climate. This has meant we are taking more short-term volunteers who commit for the time they are unemployed. This works for both the organisation and the volunteer – Treetops benefits from a younger volunteer demographic while the volunteer gains experience for their CV and they are able to show a prospective employer they are keen to get back into work. This does, however, mean that the turnover of volunteers is higher. Volunteers are to be commended for their commitment, not only to their roles, but also to attending statutory training and support meetings.

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.

Financial Review

The Charity's gross income fell slightly from £2,142,084 to £2,091,033, a reduction of £51,051, which is wholly down to a reduction in Legacy income. Gross costs increased from £1,873,951 to £2,089,489, an increase of 11.5%, which was within the targets approved in the budget. This was mainly due to an increase in Day Care provision and investment in recruiting new lottery members.

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. In 2011-12 the Funding and Retail companies made a profit of £209,508, an increase of 17% over the previous year. During the year £195,090 was transferred to the Charity under the Company Gift Aid scheme.

Funding Company – Treetops Hospice Lottery

The Funding Company's turnover rose from £245,438 to £272,838 (11%) and profit reduced from £84,591 to £63,809 (-24.6%). This was due to the board approving a membership recruitment programme, where investment is up front, with the benefits in the following years.

The investment in lottery membership recruitment will continue during 2012/13, with a long term view that will see the contribution from the funding company rise significantly.

Retail Company

Treetops Retail Limited made a net profit of £145,699 for the financial year 2011/12. This was an increase of £51,348 (54.4%) on 2010/11. Total sales increased year on year by 24%.

A new shop was opened in November 2011 in Ashbourne, bringing the total to twelve shops plus the coffee bar. An eBay shop was also opened early in 2011.

It is planned to continue the upgrade programme of existing outlets and also to open two new shops. This will provide the investment necessary for the continued growth in contribution by the retail company.

Fundraising

Fundraising includes income from the community, events, individual donations, corporate support and trusts. The investment in fundraising over the last two years is now paying dividends. The above combined income streams had a record year, with net income rising to £293,102, an increase of £82,264 on the previous year.

Investment in fundraising will continue with an emphasis on individual giving, as well as developing current successful income streams.

Legacy income continued to fall with a decrease on the previous year (-94%), which in funding terms was a decrease in income of £90,210.

Though legacy income is not depended upon for the day to day running of the hospice, it is an important income stream that enables the development of existing or new services. To this end a legacy marketing programme will be implemented to create awareness within the public domain of the need for gifts in wills and the impact that such generosity can have on service development.

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 in this year was £20,978.

Reserves Policy

The Board of Trustees regularly review the level of reserves to ensure that fund levels are appropriate for the current activities and long term aims, should they need to be called upon.

In order to develop long term objectives and ensure the continuation of current services, the charity needs to have an appropriate level of reserves. The Trustees are satisfied with the reserves at the balance sheet date and feel it is at a satisfactory level for the charity to discharge its obligations and long term plans.

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

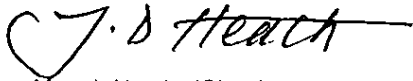
Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will not continue in business

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



Mrs J Heath (Chair)

1.10.12

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 2012 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

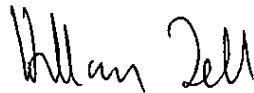
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examinations, on a test basis, of evidence relevant to the amounts and disclosure in the financial statements. It also includes an assessment of the 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 2012, 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



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

Date 4/10/12

Treetops Hospice Trust

Consolidated statement of financial activities for the year ended 31 March 2012

	Note	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total 2012 £	Total 2011 £
Incoming resources					
Incoming resources from generated funds					
- Voluntary income	3	8,871	455,807	464,678	804,663
- Activities for generating funds	4	-	887,396	887,396	741,596
- Investment income	5	-	20,978	20,978	29,850
Incoming resources from charitable activities	6	-	717,981	717,981	565,975
Total incoming resources		8,871	2,082,162	2,091,033	2,142,084
Resources expended					
Cost of generating voluntary income	7	-	91,641	91,641	117,223
Cost of activities for generating funds	7	-	677,889	677,889	588,239
Charitable activities	8,18	49,926	1,262,354	1,312,280	1,156,543
Governance costs	9	-	7,679	7,679	11,946
Total resources expended	10	49,926	2,039,562	2,089,488	1,873,951
Net incoming resources		(41,055)	42,599	1,544	268,133
Fund balance at 31 March 2011		1,230,217	1,413,484	2,643,701	2,375,568
Fund balance at 31 March 2012	18,19	1,189,162	1,456,083	2,645,245	2,643,701

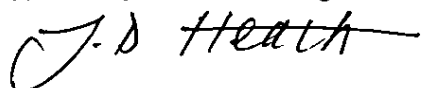
Treetops Hospice Trust (Registered number 1801708)

Consolidated balance sheet as at 31 March 2012

	Note	Group		Trust	
		2012 £	2011 £	2012 £	2011 £
Fixed assets					
Tangible assets	12,13	1,672,572	1,705,104	1,620,826	1,664,568
Investments	14	-	-	11,000	11,000
		<u>1,672,572</u>	<u>1,705,104</u>	<u>1,631,826</u>	<u>1,675,568</u>
Current assets					
Stocks		1,682	1,339	-	-
Debtors	15	114,758	24,171	110,204	31,508
Cash at bank and in hand		1,043,037	1,057,994	987,354	1,008,886
		<u>1,159,477</u>	<u>1,083,504</u>	<u>1,097,558</u>	<u>1,040,394</u>
Creditors	16	<u>186,804</u>	<u>144,907</u>	<u>147,482</u>	<u>121,186</u>
Net current assets		<u>972,673</u>	<u>938,597</u>	<u>950,076</u>	<u>919,208</u>
Net assets	20	<u>2,645,245</u>	<u>2,643,701</u>	<u>2,581,902</u>	<u>2,594,776</u>
Capital funds					
Restricted funds	18	1,189,162	1,230,217	1,189,162	1,230,218
Unrestricted funds	19	1,456,083	1,413,484	1,392,740	1,364,558
		<u>2,645,245</u>	<u>2,643,701</u>	<u>2,581,902</u>	<u>2,594,776</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 the Financial Reporting Standards for Smaller Entities (effective April 2008)

Approved by the board and signed on it's behalf



Mrs J Heath (Chair)

Date 1.10.12

The notes form part of these financial statements

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

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 2012 £	Funding 2012 £	Total 2012 £	Total 2011 £
Hospice Lottery receipts (inc prizes not claimed)	-	272,347	272,347	245,438
Shop sales	549,239	-	549,239	432,823
Catering	65,810	-	65,810	63,335
	615,049	272,347	887,396	741,596
Prizes	-	(73,060)	(73,060)	(70,408)
Cost of shop sales	(16,071)	-	(16,071)	(15,182)
Catering supplies	(22,475)	-	(22,475)	(22,250)
	576,503	199,287	775,790	633,756
Administration	(430,804)	(135,478)	(566,282)	(454,814)
	145,699	63,809	209,508	178,942

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

3 Voluntary income - analysis by fund type

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total 2012 £	Total 2011 £
Donations and sponsorships (page 22)	-	187,018	187,018	122,805
Ripple Appeal for new building	-	-	-	364,104
Legacies and bequests	-	5,940	5,940	96,150
Income from charitable trusts (page 21)	-	68,255	68,255	40,538
Support group donations from organised events	-	12,292	12,292	9,139
Income from other clubs and organisations	-	30,431	30,431	28,851
Christmas appeal	-	7,075	7,075	7,815
Car boot sales	-	9,294	9,294	12,047
Light Up A Life	-	13,823	13,823	14,410
Golf Day	-	3,576	3,576	820
Easter appeal	-	2,478	2,478	1,805
Recycling	-	408	408	745
Prize draw	-	11,351	11,351	13,731
Ladies lunch	-	-	-	3,511
Wedding fayre	-	-	-	10
Miscellaneous	-	19,061	19,061	10,359
Spring appeal	-	835	835	3,835
Sponsored walk	-	456	456	3,993
Experian Event	-	21,989	21,989	28,851
Moonlight walk	-	40,843	40,843	36,179
Voices for hospice	-	2,538	2,538	-
Gift aid share	-	18,144	18,144	-
BBC Children In Need	8,871	-	8,871	4,965
Total voluntary income	8,871	455,807	464,678	804,663

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

3 Voluntary income - analysis by fund type (continued)

Analysis of income from charitable trusts

	2012 £
Boulton Toll House and Poor Piece Charity	100
Cecil Rosen Foundation	400
Coutts Charitable Trust	750
East Midlands Business Trust	1,980
Garfield Western Foundation	25,000
Help the Hospices National Garden Scheme	9,975
Hospice Aid UK	1,000
R S Brownless Charitable Trust	200
Ruffield Charity Trust	2,600
Sir Arthur Black Charities	200
Sir John Sumner's Trust	100
The Albert Hunt Trust	2,000
The Charles Littlewood Hill Trust	5,000
The Freemason's Grand Charity	1,000
The H B Allen Charitable Trust	5,000
The Institute of Our Lady of Mercy	1,000
The Jones 1986 Charitable Trust	5,000
The Sawley Charities	250
Thomas J Horne memorial Trust	5,000
Toyota Charitable Trust	1,700
	68,255

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

3 Voluntary income - analysis by fund type (continued)

Corporate & Groups included in donations and sponsorships

Adelphic Movement	1,200
Belfield Furnishings Ltd	3,418
Capital One (Europe) PLC	988
Chaddesden Tuesday Ladies Group	1,000
CHARBS	500
Colin and Friends Singing Group	400
Columbus IT	5,318
David Thompson	1,000
Derby Breast Cancer Support Group	2,500
Derby Cathedral Centre	505
Derby County Football Club	1,487
Enterprise Rent A Car Ltd	1,000
Erewash Borough Council	925
Exel Computer Systems	6,090
Fairgrove Homes	1,984
Friesland School	1,335
Holbrook Women's Institute	442
Inner Wheel Club of Heanor	1,000
Kirk Hallam Community Technology College	980
M A Ford Europe Ltd	300
Marehay Community Trust	500
Natwest	6,275
Old Hall Nurseries Ltd	500
Rangemaster	1,562
Ripley Bridge Club	1,600
Rolls Royce PLC	2,265
Royal Bank of Scotland	1,122
Slimming World	610
Somercotes Ladies Group	450
Special Offer Supplies Ltd	1,184
Specsavers	1,045
Spondon Conservative Club	300
St Michael and All Angels Church	300
Trent Lock Golf Centre	334
What's on Tickets	500
Yorkshire Bank	5,126
Other donations and sponsorships	130,973
	<u>187,018</u>

Restricted Funds

BBC Children In Need	<u>8,871</u>
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Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

4 Activities for generating funds - analysis by fund type

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total 2012 £	Total 2011 £
Hospice Lottery income	-	272,347	272,347	245,438
Shop sales	-	549,239	549,239	432,823
Catering income	-	65,810	65,810	63,335
	-	887,396	887,396	741,596

5 Investment income - analysis by fund type

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total 2012 £	Total 2011 £
Interest received	-	20,978	20,978	29,850

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

6 Incoming resources from charitable activities

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total 2012 £	Total 2011 £
Service agreements				
Derby City PCT	-	551,569	551,569	399,884
Nottingham County Teaching PCT	-	104,981	104,981	130,285
	-	656,550	656,550	530,169
Other income				
Education	-	20,110	20,110	10,684
Meals and refreshments	-	20,551	20,551	14,971
Trustee membership fees	-	450	450	430
NHS pension rebate	-	8,056	8,056	8,056
Miscellaneous	-	12,264	12,264	1,665
	-	61,431	61,431	35,806
Total incoming resources from charitable activities	-	717,981	717,981	565,975

7 Cost of generating voluntary income

	Direct 2012 £	Staff costs 2012 £	Other 2012 £	Total 2012 £	Total 2011 £
Fund raising activities	48,915	42,726	-	91,641	117,223
	48,915	42,726	-	91,641	117,223

Cost of Activities for generating funds

	Direct 2012 £	Staff costs 2012 £	Other 2012 £	Total 2012 £	Total 2011 £
Hospice lottery	122,834	50,571	35,133	208,538	160,847
Shops	16,071	246,132	184,673	446,876	367,988
Catering	22,475	-	-	22,475	33,819
Ripple appeal (restricted fund)	-	-	-	-	25,585
	161,380	296,703	219,806	677,889	588,239

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 2012

8 Charitable activities

	Staff costs 2012 £	Other 2012 £	Depreciation 2012 £	Total 2012 £	Total 2011 £
Daycare provision	319,634	100,027	9,129	428,790	332,395
Bereavement support	92,703	21,739	2,434	116,876	102,884
Complementary therapy	14,280	24,274	913	39,467	32,601
Hospice at home	537,545	103,385	17,346	658,276	614,027
Training	4,563	13,774	609	18,945	11,312
	<u>968,724</u>	<u>263,198</u>	<u>30,431</u>	<u>1,262,354</u>	<u>1,093,219</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% These are the same as the previous year

9 Governance costs

	Staff costs 2012 £	Other 2012 £	Depreciation 2012 £	Total 2012 £	Total 2011 £
Governance costs	4,465	3,214	-	7,679	11,946

Staff costs represent company secretarial costs

Other governance costs represent Trust audit fees and legal costs

10 Total resources expended

	2012 £	2011 £
Total resources expended include		
Depreciation and loss on disposals	77,885	95,622
Auditors' remuneration	<u>7,334</u>	<u>7,335</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

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

	2012 £	2011 £
Direct charitable	30	28
Fund raising and publicity	22	21
Management and administration	4	4
	<u>56</u>	<u>53</u>

12 Tangible fixed assets - group

	Freehold & Leasehold Property £	Fixtures & Equipment £	Office Equipment £	Motor Vehicles £	Total £
Cost					
At 1 April 2011	1,657,808	192,652	29,006	14,195	1,893,661
Additions	-	34,791	10,561	-	45,352
At 31 March 2012	<u>1,657,808</u>	<u>227,443</u>	<u>39,567</u>	<u>14,195</u>	<u>1,939,013</u>
Depreciation					
At 1 April 2011	93,759	66,450	17,521	10,826	188,556
Charge for year	31,281	41,312	4,450	842	77,885
At 31 March 2012	<u>125,040</u>	<u>107,762</u>	<u>21,971</u>	<u>11,668</u>	<u>266,441</u>
Net book value					
At 31 March 2012	<u>1,532,768</u>	<u>119,682</u>	<u>17,596</u>	<u>2,527</u>	<u>1,672,572</u>
At 31 March 2011	<u>1,564,049</u>	<u>126,202</u>	<u>11,484</u>	<u>3,369</u>	<u>1,705,104</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

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	1,092,649	13,222	-	-	1,105,871
Fund raising	-	104,146	5,983	2,527	112,657
Management and administration	440,119	2,314	11,615	-	454,047
	<u>1,532,768</u>	<u>119,682</u>	<u>17,598</u>	<u>2,527</u>	<u>1,672,572</u>

13 Tangible fixed assets - Trust

	Freehold & Leasehold Property £	Fixtures & Fittings £	Office Equipment £	Total £
Cost				
At 1 April 2011	1,657,808	138,884	23,334	1,820,026
Additions	-	6,331	10,561	16,892
At 31 March 2012	<u>1,657,808</u>	<u>145,215</u>	<u>33,895</u>	<u>1,836,918</u>
Depreciation				
At 1 April 2011	93,759	45,596	16,103	155,458
Charge for year	<u>31,281</u>	<u>24,905</u>	<u>4,448</u>	<u>60,634</u>
At 31 March 2012	<u>125,040</u>	<u>70,501</u>	<u>20,551</u>	<u>216,092</u>
Net book value				
At 31 March 2012	<u>1,532,768</u>	<u>74,715</u>	<u>13,344</u>	<u>1,620,826</u>
At 31 March 2011	<u>1,564,049</u>	<u>93,288</u>	<u>7,231</u>	<u>1,664,568</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

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 cost of freehold and leasehold property comprise of the buildings and grounds known as Treetops Hospice Trust

	2012 £	2011 £
Original costs	246,882	246,882
Improvements to freehold property	1,251,763	1,251,763
Leasehold property	3,842	3,842
Sandiacre premises	155,321	155,321
	<u>1,657,808</u>	<u>1,657,808</u>

14 Investments

	2012 £	2011 £
Wholly owned subsidiaries		
Treetops Retail Limited	1,000	1,000
Treetops Funding Limited	10,000	10,000
	<u>11,000</u>	<u>11,000</u>

The investments represent the entire ordinary issued share capital in Treetops Retail Limited and Treetops Funding Limited which are registered in England and Wales

15 Debtors

	Group		Trust	
	2012 £	2011 £	2012 £	2011 £
Service debtors	68,850	(4,337)	65,628	(8,161)
Amounts due from group companies	-	-	30,193	30,956
Prepayments and accrued income	37,484	23,361	10,383	7,497
Other debtors	8,425	5,147	3,999	1,216
	<u>114,758</u>	<u>24,171</u>	<u>110,204</u>	<u>31,508</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

16 Creditors

	Group		Trust	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	51,121	24,207	34,336	15,077
Other taxes and social security	22,895	24,848	22,895	24,848
Other creditors	20,697	20,564	20,696	20,563
Accruals and deferred income	35,566	25,116	24,595	14,445
Amounts due to group companies	-	-	44,960	46,253
Lottery receipts in advance	56,525	50,172	-	-
	<u>186,804</u>	<u>144,907</u>	<u>147,482</u>	<u>121,186</u>

17 Financial commitments

As at 31 March 2012 annual commitments under operating leases, all in relation to land and buildings, were

	2012	2011
	£	£
Under one year	-	-
Two to five years	72,150	59,400
Over five years	-	-
	<u>72,150</u>	<u>59,400</u>

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

18 Restricted funds

	At 1 April 2011 £	Donations £	Sub Total £	Costs £	Depreciation £	At 31 March 2012 £
Capital appeal for new building	1,119,916	-	1,119,916	-	(22,398)	1,097,518
Daycare refurbishment	2,554	-	2,554	-	(639)	1,916
Replacement Windows	2,874	-	2,874	-	(719)	2,156
Equipment	199	-	199	-	(50)	149
Bereavement support centre	25,590	-	25,590	-	(6,398)	19,193
Grounds Fund	77,567	-	77,567	(10,182)	0	67,385
Childrens Bereavement Project	1,517	8,871	10,387	(9,541)	0	846
Total	1,230,217	8,871	1,239,087	(19,724)	(30,203)	1,189,162

Represented by.

	Cash at bank £	Fixed assets £	Total £
Capital appeal for new building	-	1,097,518	1,097,518
Childrens' Bereavement Project	846	-	846
Daycare refurbishment	-	1,916	1,916
Replacement windows	-	2,156	2,156
Equipment	-	149	149
Bereavement support centre	-	19,193	19,193
Grounds fund	67,385	-	67,385
	68,231	1,120,931	1,189,162

Treetops Hospice Trust

Notes to the financial statements for the year ended 31 March 2012

19 Unrestricted funds of the group

	Total £
At 1 April 2011	1,413,484
Movement in year	42,599
At 31 March 2012	<u>1,456,083</u>

Unrestricted funds of the trust

At 1 April 2011	1,364,558
Movement in the year	28,182
At 31 March 2012	<u>1,392,740</u>

20 Analysis of group net assets between funds

	General fund £	Restricted funds £	Total £
Tangible fixed assets	551,641	1,120,931	1,672,572
Cash at bank and in hand	974,806	68,231	1,043,037
Other net current assets	(70,364)	-	(70,364)
	<u>1,456,083</u>	<u>1,189,162</u>	<u>2,645,245</u>

21 Analysis of trust net assets between funds

	General fund £	Restricted funds £	Total £
Tangible fixed assets	499,896	1,120,931	1,620,827
Investments	11,000	-	-
Cash at bank and in hand	927,420	68,231	995,651
Other net current assets	(45,576)	-	(45,576)
	<u>1,392,740</u>	<u>1,189,162</u>	<u>2,581,902</u>