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Company registration number: 01801708

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TREETOPS HOSPICE TRUST

**ANNUAL REPORT AND
CONSOLIDATED ACCOUNTS**

31 MARCH 2013

TREETOPS HOSPICE TRUST

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TREETOPS HOSPICE TRUST

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2013

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 present their report with the audited financial statements of the company for the year ended 31 March 2013, in compliance with current statutory requirements, the requirements of the charity's governing documents and the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP) 2005.

Charity registration number 519540

Company registration number 01801708 (England and Wales)

Registered office and operational address

Treetops Hospice
Derby Road
Risley
Derbyshire
DE72 3SS

Trustees

The Trustees serving during the year and after the year end were as follows:

Chair	Mrs J Heath	
Treasurer	Mr T I Ferguson	
Elected Trustees	Mr S Beeley Mr J Davis Dr J Dornan Mr M Fox Dr H Godridge Mr R D Jones Mr R W Jones Mrs A Johnson Ms H MacDonald Dr S Miller Mr R J Smallwood Mr A Wardle	appointed March 2013 resigned September 2012 appointed March 2013 appointed November 2012
Chief Executive	Mr G Cameron	
Company Secretary	Mr R Thomas	

Auditors

Barber Harrison & Platt
Chartered Accountants
2 Rutland Park
Sheffield
S10 2PD

Bankers

Santander
Bridle Road
Bootle
Merseyside
GIR 0AA

Solicitors

Ellis Fermor & Negus
2 Devonshire Avenue
Beeston
Nottingham
NG9 1BS

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

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 20 March 1984 under the name Draycott Hospice Association. The name of the company was changed to Treetops Hospice Trust on 21 June 1993. The charity's governing document is its Memorandum and Articles of Association (last amended on 24 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 Vision, Mission and Values statement and are summarised as follows:

Vision

That everyone living within the communities we serve has access to end of life care of the highest quality

Mission

To make every day count through giving the highest quality support for patients and families living with life limiting illness or affected by death and dying by

- Ensuring we have the skills and experience to deliver and promote excellence in end of life care provision
- Working in partnership with other local end of life service providers to ensure the best possible patient experience is achieved
- Developing services to reflect the changing needs of the diverse community we serve

Values

Respecting the unique worth of every person

We believe that every person is different but equal, and that everyone's unique needs and contribution should be recognised and supported.

Exercising responsible stewardship

The commitment of our staff and volunteers to making the best use of all our resources enables us to deliver high quality care today and in the future.

Working with hope

Our hope is to enable patients and families supported by the Hospice to live well and die well.

Sustaining a culture of trust, warmth and safety

Everyone who comes into contact with Treetops is treated with care and respect.

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

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

- Day Care Provision
 - Complementary Therapy
 - Art Therapy
 - Carer Support
 - Out Patient Clinic
- Bereavement Support
- Hospice at Home
- 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 principle functions from the Finance and Income Generation and the Clinical sub-committees. These committees consist of members of the Board of Trustees and senior 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 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, since 2012, new Trustees have a one day induction where they spend time in the Hospice in order to meet staff from all departments and attendees at Day Care. 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. A Health & Safety audit was carried out in the autumn of 2012 and all reported risks are being addressed. 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.

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

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 2012 the Trustees took part in the Help the Hospices Board Development Project run by Cass Business School. The Help the Hospices Board development programme, funded by the Monument Trust focused on effective governance (i.e. the systems, processes and behaviours that enable Trustees/non-executive directors to hold the organisation in trust, steer its work and optimise the benefit to its current and future beneficiaries). The key framework used in the programme was Good Governance – a code for the voluntary and community sector (2nd edition October 2010), which sets out six key principles of effective governance

The key indicators used to assess the success of the programme included:

- The Board has a better understanding of good governance (including clinical)
- The Board has reflected on its governance strengths and weaknesses
- The Board has greater self awareness of its culture and behaviours
- The Board, led by the Chair has agreed, and is implementing a clear action plan to improve its governance

The programme consisted of a document review, interviews with the Chair, Chief Executive and two Trustees; three visits to the hospice, including Board meetings and some interim contact.

The Board gave careful consideration to the 11 recommendations in the board development report. It was decided that the Board wanted to focus on:

1. Ensuring the Board focuses on strategic matters
2. Improving the effectiveness of meetings
3. Induction, training and recruitment of Trustees
4. Assessing the Board's own performance

Two Trustee away days took place in June and November 2012 to focus on these matters and also to review the Strategy.

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

Review of the period's activities

Provision of Care

Kathy Longden, the Director of Clinical Services is responsible for the delivery of all clinical activity including Hospice at Home, Day Care and Bereavement Services that are commissioned by Derbyshire and Nottinghamshire CCGs.

Treetops Hospice continues to play a significant role in the provision of supportive palliative care within Derbyshire and Nottinghamshire. We continue to 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 the care provided

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

In 2012-2013, the hospice provided a record of 29,133 of Hospice at Home hours. This significant increase of 6,903 hours on the previous year heralded the 1st year of its 2012-2017 "5 year Strategy"

Despite an over-booking policy and on-going promotion of the service, the Day Care unit did not fulfill its aspiration of providing 115 places per week. However, measured against the national average occupancy as documented by the National Council for Palliative Care, we consistently achieve a much higher occupancy rate than the national average of 58%.

The Bereavement Service structure has been reviewed with the aim of creating a more integrated and collaborative service that supports a more flexible approach to support.

As planned, a new patient information system was introduced in April 2012. This has enabled us to devolve responsibility to each department for the creation/maintenance of their own patient/client records.

Who uses the services of Treetops Hospice?

Treetops Hospice provides care and support to people 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 marries with the identification of a patient who is placed on the Gold Standards Framework by their General Practitioner. Commissioners have stipulated that our criteria for referral to Day Care should be for patients that are in their last 12 months of life. However, we have a separate contract that is not limited to the 12 month criteria to provide support for people with long term neurological conditions. Access to our Hospice at Home service should be for those who are assessed as being in the last 6 months of life.

We provide care to people who have expressed a wish to be cared for in their own home and ultimately to give them a real choice of dying in their own home. Care and support also extends to patients' carers and families. We also provide services to bereaved adults, children and their families whether or not they have a previous association with the hospice.

Treetops Hospice provides services to Derbyshire and Nottinghamshire, which has a population in excess of 1,250,000. All services provided by Treetops Hospice are free of charge at point of delivery.

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 2012-2013 was 1,530, an increase of 2% over the previous year.

The total number of patients who received care was 1,127 (decrease of 1.7% on last year). With adults and children receiving Bereavement Support and carers attending Carers Group this brings the total number of individuals who received our care to 1,404 compared with 1,457 last year – a decrease of 3.6%.

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 of Trustees and to the Clinical Commissioning Groups (CCGs).

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

As an appendix to our Quality Account for 2012-2013, we have received a statement of approval from Southern Derbyshire CCG which strongly supports the services that we provide to our local communities.

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 team have achieved a significant growth of hospice at home support, and despite to date not having introduced the rostering element of the database, the management and quality of co-ordination has improved significantly demonstrated by a 7% increase in referred patients accessing care

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 Hours	Actual Hours
Derbyshire	16,460	21,968
Nottinghamshire	5,770	7,165

The Hospice at Home service contract with Derbyshire CCGs over-performed by 5,508 hours of the contract (33%) and the contract with Nottinghamshire CCGs had an over provision of 1,395 hours of the contract (24%)

4,246 Hospice at Home visits were provided during the year; an increase of 626 visits (17%) above the previous year.

The total number of patients cared for by our Hospice at Home service during the period was 652; an increase of 50 patients (8%) over the previous year. Of these, 598 people received care for the first time. There were a total of 976 referrals to the service during the year, an increase of 1.6% over the previous year.

500 Hospice at Home patients died during the year. Of these, 82% died at home compared with the national average for Hospice at Home services of 68% (NCPC minimum data set 2011-2012). Of our Hospice at Home patients who identified their preferred place of care, 82% 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 that contributed to the funding of our new purpose built unit

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

Despite continuous promotion of the service to health care professionals, the number of referrals fell significantly by 36% compared to the previous year, affecting the total number of patients supported, which fell by 8% (20 guests)

Performance, measured against service level agreements, was as follows:

Service Level Agreement	Target Attendances	Actual Attendance
Derbyshire	4,002	4,188
Nottinghamshire	460	598
Leicestershire	0	3

As can be seen from the above, the service level target for Derbyshire exceeded the contract by 186 attendances (5%) Our Nottinghamshire target was also exceeded by 138 attendances (30%).

During 2012-2013, there were 4,789 attendances which resulted in an increase on the 2011-2012 agreements by 181 attendances (4%).

Day Care guest attendances during 2012-2013 did not achieve the revised target set by the organisation. The 2013-2014 targets have been set with a more realistic target with the qualitative aspects of the service being the main focus of measures.

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 During 2012-2013, the number of individual treatments provided was 908, equal to last year, indicating that we continue to run the service at full capacity. No service level agreement exists for the service but we are pleased to offer our client group this much valued and appreciated service providing therapies for 207 individuals during the year.

Art Therapy Service

During 2012-13, the service provided sessions of therapy to Day Care patients, bereaved clients, complementary therapy clients, carer and 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.

We are currently exploring the feasibility of offering Art Therapy to bereaved children and young people as part of the plans to amalgamate a combined and collaborative approach to therapeutic support.

Carers Support

The group meets twice a month on a Wednesday between 2pm and 4pm. This year, 35 carers accessed the group. 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 A review of the current carers group is to be carried out in 2013-2014 to form two separate groups that invite carers of patients at End of Life and the second group for carers of patients with long term conditions.

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

Out Patient Clinic

We continue to host an outpatient clinic staffed by a Palliative Care Consultant from Royal Derby Hospital NHS Foundation Trust. 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. 44 patients accessed the service during the year with a total of 128 attendances.

Bereavement Services

We continue to receive some funding from Southern Derbyshire CCGs for both services

Adult Bereavement Service

Bereavement support is provided to people regardless of previous association with Treetops Hospice. We only accept self-referral to the service, as this is the best indicator that clients are ready to engage in the therapeutic process.

The support team consists of both paid and volunteer qualified counsellors, and trained and supervised volunteer support workers

Although we do not receive any funding we provided a total of 180 sessions to the local community outside Derbyshire and the service agreement with Derbyshire CCGs was exceeded by 3%.

Service Level Agreement	Target Sessions	Actual Sessions
Derbyshire	939	970
Nottinghamshire	N/A	99
Leicestershire	N/A	69
Out of area	N/A	12

The total number of clients receiving adult bereavement support during the year was 172; a decrease of 14% from the previous year.

Families Bereavement Support Service

The service continued to operate to capacity providing 540 sessions to 70 children maintaining a consistent level of activity compared with last year.

Service Level Agreement	Target Sessions	Actual Sessions
Derbyshire	520	540

We exceeded our total agreement with the Derbyshire CCGs by 4%

From 2013-2014, our re-structured Bereavement Service will be using a much more collaborative approach to support. It is envisaged that the two distinct teams of counsellors and support workers that have previously been in place will work much more flexibly across the department.

The criteria for access to the service will remain the same with an open door self-referral policy to anyone who is bereaved and lives within Southern Derbyshire. The bereaved person does not have to have had an affiliation with Treetops previously.

During 2013-2014, we will also be developing a Student Placement programme where students in their final year of studying who have an interest in Bereavement support can enrol on the programme. The programme will give students access to clients as well as a comprehensive training programme. The service will benefit from a more diverse pool of support to our clients of all ages with complex and challenging needs.

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

Objectives for 2013-2014

1. Hospice at Home

With the continued recommendation for facilitating choice of preferred place of care for patients in their terminal stage of life, the growth in activity and specialism of our Hospice at Home service has been an identified priority since April 2012.

During the 2012-2013, we recruited an additional 6 Health Care Assistants to the team and increased our activity by 30% on the previous year by providing in excess of 6,000 more hours.

During 2013-2014, it is our intention that this growth will be sustained and continued with the aim of supporting more patients and their families to have a real choice of place of care and ultimately, death.

2. Nursing team development programme

During 2012, we embarked on a learning agreement partnership with the Royal College of Nursing. Investing in two of our Hospice at Home senior nurses, we have co-supported their training to become RCN learning representatives for the Hospice. Regular education/support meetings are now facilitated by the learning representatives and nurses attendance has grown significantly in the year.

3. Review of the Day Care unit

Following the opening of our purpose built unit in 2010 there was a substantive growth of patients' attendances, which more than doubled our previous weekly provision. During 2013-2014, we plan to undertake a full review of the service.

Our model to date has been traditional in style with access to Art and Complementary therapies and creative activities.

Our focus for the future will be to review the patient experience of Hospice Day Care provision. We propose to widen the choice of activities outdoors, both in the grounds and outside the hospice environment, and indoors, offering more physical and intellectual stimulation

It is intended to review the current Patient Day Care notes documentation in order to eliminate duplication of information and significantly increase the amount of measurable data for audit purposes.

The management structure of Day Care will also be reviewed and succession planning has been identified as a priority with the planned retirement of two key members of the team. This will ensure that the service is maintained at the highest level of supportive day care provision.

4. A new Clinical Support Centre

The successful application to the Department of Health for funding a new Clinical Support Centre, will allow Clinical Services to be developed in line with the five year Strategy.

Three main areas of development have been identified:

- A bespoke Bereavement Centre
- Increased office space for Hospice at Home co-ordination hub
- Introduction and development of a Support and Information Service

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

The new centre will be built in the hospice grounds which will relocate the Bereavement Service from its current off site location to within close proximity of the rest of our clinical services. The stand-alone sensitively designed centre will provide user-friendly access to support and care which it is hoped make the visiting experience less intimidating. This will be particularly important with regard to bereaved clients who may find it difficult to access areas that are designated for End of Life patient care

Volunteer Services

The Hospice works with over 550 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. Despite a continuing uncertainty in the economic climate, volunteer numbers have grown steadily over the last 12 months, including recruiting volunteers for 2 new shops. The changing demographic of volunteers means that we are still seeing more short term volunteering, particularly at the Coffee Shop at Nottingham Magistrates' Court, which attracts many overseas students who are studying at the Nottingham universities. We are also seeing more volunteers coming forward from underrepresented groups such as those with criminal convictions or a history of mental health difficulties. Volunteering has been shown to be very effective to improve the prospects and health of these groups of people. However, all placements are carefully considered and relevant checks and assessments are completed and appropriate support is given. This means that Treetops Hospice is able to provide a meaningful volunteer experience while also enjoying the benefit of the volunteer's time in support of the Hospice.

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 increased from £2,091,033 to £2,413,102, an increase of £322,069. This was down to an improved performance in all areas of income generation, namely Retail, Lottery, Fundraising and increased statutory funding, which was a direct reflection of the increased service activity. Gross costs increased from £2,089,489 to £2,363,269, an increase of 13%, which was within the targets approved in the budget. This was mainly due to the increase in Hospice at Home activity and investment in retail development.

During the year, there was a transfer from restricted funds to unrestricted funds of £1,120,931. This relates to assets which were subject to specific fundraising appeals where the money has been fully spent and the assets are used for the objectives for which the Hospice exists.

Net incoming resources for the year were £49,833 (2012: £1,544). Funds carried forward are £2,695,078 (2012: £2,645,245) and of this total £2,636,638 (2012: £1,456,083) is held in unrestricted funds and £58,440 (2012: £1,189,162) is held in restricted funds

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 2012-13, the Funding and Retail companies made a profit of £290,288, an increase of 38.6% over the previous year. During the year £292,880 was transferred to the Charity under the Company Gift Aid scheme. This included some profit from 2011-12.

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) **FOR THE YEAR ENDED 31 MARCH 2013**

Funding Company – Treetops Hospice Lottery

The Funding Company's turnover rose from £272,347 to £287,198 (5.5%) and profit increased from £63,809 to £120,238 (88%). This was due to the fact that less money was spent on the membership recruitment programme than in the previous year and membership held up well despite of this.

The investment in lottery membership recruitment will continue during 2013-14 but not on the scale envisaged during 2011-12.

Retail Company

Treetops Retail Limited made a net profit of £170,050 for the financial year 2012-13. This was an increase of £24,351 (16.7%) on 2011-12. Total sales increased year on year by 16.6%.

A second shop was opened in Stapleford in January 2013, specializing in second hand furniture. This brings the total number of shops to thirteen plus the coffee bar and the eBay shop.

It is planned to continue to open three new shops over each two year period. This will provide the investment necessary for the continued growth in the contribution made by the retail company.

Fundraising

Fundraising includes income from the community, events, individual donations, corporate support and trusts. The investment in fundraising over recent years is now paying dividends. The above combined income streams had a record year, with net income rising to £398,306 an increase of £31,209 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 experienced a slight increase of £22,868 but at a total of £28,768 was not significant. 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 has been started and 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 £25,211 (2012: £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 Board of Trustees have agreed an acceptable level to be £750,000, the current reserves amount stands at £782,081. 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 in these uncertain financial times.

TREETOPS HOSPICE TRUST

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

Trustees and trustees' responsibilities statement

The trustees (who are also directors of Treetops Hospice Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principals in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Statement of disclosure to auditors

In so far as the trustees are aware

- there is no relevant audit information of which the charitable company's auditor is unaware, and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Barber Harrison & Platt were appointed as auditors during the year and a resolution proposing that they be re-appointed will be put to the members at the annual general meeting.

This report was approved by the Board of Trustees on 29 July 2013 and signed on their behalf by;



Mrs J Heath
Chair

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF TREETOPS HOSPICE TRUST
FOR THE YEAR ENDED 31 MARCH 2013**

We have audited the financial statements of Treetops Hospice Trust for the year ended 31 March 2013 which comprise the Consolidated Statement of Financial Activities, the Consolidated and the Parent Charitable Company individual Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities)

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and its 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 charitable company and the charitable company's members and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2013 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

**INDEPENDENT AUDITOR'S REPORT
TO THE TRUSTEES OF TREETOPS HOSPICE TRUST (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime

**Jane Marshall (Senior Statutory Auditor)
For and on behalf of Barber Harrison & Platt**

10 September 2013

**Chartered Accountants
Statutory Auditors**

2 Rutland Park
Sheffield
S10 2PD

TREETOPS HOSPICE TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2013

	Note	Unrestricted funds <u>2013</u> £	Restricted funds <u>2013</u> £	Total <u>2013</u> £	Total <u>2012</u> £
Incoming resources					
Incoming resources from generating funds					
Voluntary income	4	487,260	28,463	515,723	464,678
Activities for generating funds	4	1,004,288	-	1,004,288	887,396
Investment income	4	25,211	-	25,211	20,978
Incoming resources from charitable activities	5	867,880	-	867,880	717,981
Total incoming resources		<u>2,384,639</u>	<u>28,463</u>	<u>2,413,102</u>	<u>2,091,033</u>
Resources expended					
Costs of generating voluntary income	6	88,649	-	88,649	91,641
Costs of generating funds	7	714,000	-	714,000	677,889
Costs of charitable activities	8	1,501,878	38,254	1,540,132	1,312,280
Governance costs	9	20,488	-	20,488	7,679
Total resources expended		<u>2,325,015</u>	<u>38,254</u>	<u>2,363,269</u>	<u>2,089,489</u>
Net incoming/(outgoing) resources for the year before transfers		59,624	(9,791)	49,833	1,544
Transfers between funds	17	<u>1,120,931</u>	<u>(1,120,931)</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) resources for the year		1,180,555	(1,130,722)	49,833	1,544
Funds balance at 1 April 2012		1,456,083	1,189,162	2,645,245	2,643,701
Funds balance at 31 March 2013		<u>2,636,638</u>	<u>58,440</u>	<u>2,695,078</u>	<u>2,645,245</u>

All amounts derive from continuing operations.

The group has no recognised gains or losses other than the net incoming resources above.

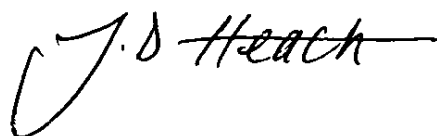
TREETOPS HOSPICE TRUST
BALANCE SHEETS
AT 31 MARCH 2013

		Group		Trust	
	Note	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
		£	£	£	£
Fixed assets					
Tangible assets	11	1,654,557	1,672,572	1,602,898	1,620,826
Investments	12	-	-	11,000	11,000
		<u>1,654,557</u>	<u>1,672,572</u>	<u>1,613,898</u>	<u>1,631,826</u>
Current assets					
Stocks		1,533	1,682	-	-
Debtors	13	105,050	114,758	112,886	110,204
Cash at bank and in hand		1,106,602	1,043,037	1,036,694	987,354
		<u>1,213,185</u>	<u>1,159,477</u>	<u>1,149,580</u>	<u>1,097,558</u>
Creditors: amounts falling due within one year	14	<u>(172,664)</u>	<u>(186,804)</u>	<u>(129,152)</u>	<u>(147,482)</u>
Net current assets		<u>1,040,521</u>	<u>972,673</u>	<u>1,020,428</u>	<u>950,076</u>
Net assets	18	<u>2,695,078</u>	<u>2,645,245</u>	<u>2,634,326</u>	<u>2,581,902</u>
Funds					
	17				
Unrestricted funds					
General fund		782,081	1,456,083	772,988	1,392,740
Designated funds		1,854,557	-	1,802,898	-
		<u>2,636,638</u>	<u>1,456,083</u>	<u>2,575,886</u>	<u>1,392,740</u>
Restricted funds		58,440	1,189,162	58,440	1,189,162
		<u>2,695,078</u>	<u>2,645,245</u>	<u>2,634,326</u>	<u>2,581,902</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 of Trustees on 29 July 2013 and signed on their behalf by:

Mrs J Heath
Chair



Company registration number: 01801708

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005) issued in March 2005 and the Financial Reporting Standards for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities) under the historical cost convention.

(b) Basis of consolidation

The consolidated accounts include the accounts of Treetops Hospice Trust and its subsidiaries, Treetops Retail Limited and Treetops Funding Limited.

Under section 408 of the Companies Act 2006 and paragraph 397 of the SORP the Company is exempt from the requirement to present its own Statement of Financial Activities (SOFA).

(c) Company status

The charity is a company limited by guarantee. The members of the company include the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

(d) Fund accounting

General funds are unrestricted funds which 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.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes

(e) 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 where 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.

Legacies are treated as income when they are received, or on a receivable basis when they have been notified prior to the accounting reference date and become capable of financial measurement within a two month period after that date

(f) Resources expended

Expenditure is accounted for on an accruals basis when a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and it is reported as part of the expenditure to which it relates. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Fundraising 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 at Headquarters. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

1. Accounting policies - continued

(g) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Individual fixed assets costing £1,000 or more are capitalised at cost.

Depreciation is provided on tangible assets at the following annual rates calculated to write off the cost less estimated residual value, over their useful economic lives.

Freehold property	2% reducing balance
Fixtures and equipment	25% reducing balance
Motor vehicles	25% reducing balance

(h) Stocks

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

(i) 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 in accordance with FRS17.

(j) Operating and finance 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 (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

2. Net income from trading activities of the subsidiaries

The charity has two wholly owned subsidiaries which are incorporated in the UK, Treetops Retail Limited and Treetops Funding Limited. The companies gift aid 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

	<u>Retail</u> <u>2013</u> £	<u>Funding</u> <u>2013</u> £	<u>Total</u> <u>2013</u> £	Total <u>2012</u> £
Income				
Hospice Lottery receipts (inc prizes not claimed)	-	287,198	287,198	272,347
Shop sales	656,070	-	656,070	549,239
Catering	61,020	-	61,020	65,810
	<u>717,090</u>	<u>287,198</u>	<u>1,004,288</u>	<u>887,396</u>
Expenditure				
Prizes	-	(74,790)	(74,790)	(73,060)
Costs of shop sales	(11,180)	-	(11,180)	(16,071)
Catering supplies	(25,094)	-	(25,094)	(22,475)
	<u>680,816</u>	<u>212,408</u>	<u>893,224</u>	<u>775,790</u>
Administration	<u>(510,766)</u>	<u>(92,170)</u>	<u>(602,936)</u>	<u>(566,283)</u>
	<u>170,050</u>	<u>120,238</u>	<u>290,288</u>	<u>209,507</u>

3. Net incoming resources for the period

	<u>2013</u> £	<u>2012</u> £
This is stated after charging		
Depreciation	66,767	77,885
Auditors' remuneration	8,220	7,334

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

4. Incoming resources from generating funds

	<u>2013</u>	<u>2012</u>
	£	£
Voluntary income		
Donations and sponsorships (note 4a)	210,215	187,018
Legacies and bequests	28,768	5,940
Income from charitable trusts (note 4b)	58,998	68,255
Support group donations from organised events	-	12,292
Income from other clubs and organisations	36,519	30,431
Christmas appeal	3,594	7,075
Car boot sales	9,172	9,294
Light Up A Life	13,730	13,823
Golf Day	-	3,576
Easter appeal	10,401	2,478
Recycling	166	408
Prize draw	18,318	11,351
Miscellaneous	9,354	19,061
Spring appeal	-	835
Sponsored walk	-	456
Experian Event / Robin Hood event	19,711	21,989
Moonlight walk	47,469	40,843
Voices for hospice	-	2,538
Gift aid share	18,946	18,144
BBC Children In Need	9,305	8,871
Community events	21,057	-
	<u>515,723</u>	<u>464,678</u>
Activities for generating funds		
Hospice Lottery income	287,198	272,347
Shop sales	656,070	549,239
Catering income	61,020	65,810
	<u>1,004,288</u>	<u>887,396</u>
Investment income		
Bank interest	<u>25,211</u>	<u>20,978</u>

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

4a. Voluntary income – Donations and sponsorships

	2013
	£
Corporate groups	
Alliance Boots Global Regulatory Affairs Team	655
Ashbourne Golf Club	400
Barclays Bank	372
Barclays Bank Plc	333
Blenheim Veterinary Centre	391
Bob Henry Lodge RAOB	500
Bramcote Crematorium Joint Committee	441
Broughton Heath Golf Club	1,439
Business Live Ltd.	530
Capital One (Europe) plc	1,227
Carry On Singing	2,132
Chilwell Manor Golf Club	3,000
Circle Partnership	449
Columbus IT	17,862
Derby Serenaders	504
East Midlands Business Network	320
Enterprise Rent A Car Ltd.	2,427
Ernst & Young LLP	351
Fairgrove Homes	1,435
GEM Connection	650
George Spencer Academy	852
Ilkeston Ladies Winter Darts League	403
Jolly Potters	1,106
Laura Needham	374
Long Eaton Round Table	2,300
Louise White	818
Manor Pharmacy	2,050
Melbourne Quiz Committee	1,600
Melbourne United Reformed Church	800
Middleton Sports and Social Club	400
Newson Gale Ltd.	350
Ormonde Fields Golf Club	3,290
Payne Ltd.	2,665
Purpose Media Ltd.	3,500
Rainbows Hospice	3,016
Ralph Kerr	1,000
Rolls Royce PLC	1,600
Rotary Club Of Church Wilne	4,200
Rotary Club of Long Eaton Dawnbreakers	366
Serco Derby	540
SGC Solicitors	832
Springvale Leisure Limited	1,978
The British Show Pony Society - Area 4A	300
The Church on Oakwood	300
THE DHL UK Foundation	300
The New Opera Company, Derby	449

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

4a. Voluntary income – Donations and sponsorships (continued)

2013
£

The Rotary Club of Wollaton Park	600
Three Valleys Housing	400
Trent Lock Golf Centre	2,334
Wade Upholstery	310
Waitrose	618
BBC Children in Need	9,305
Western Power Distribution	1,510
Other donations and sponsorship	124,331

210,215

4b. Voluntary income – Charitable trusts

Babington Business College	1,500
Boulton Toll House and Poor Piece Charity	100
Elvaston United Charities	500
Institute of Our Lady of Mercy	1,000
The Albert Hunt Trust	5,000
The Cecil Rosen Foundation	200
The Coutts Charitable Trust	500
The Dunn Family Charitable Trust	3,500
The February Foundation	7,648
The Freemasons' Grand Charity	1,000
The Jessie Spencer Trust (Eversheds)	5,000
The Jones 1986 Charitable Trust	5,000
The Lynn Foundation	500
The Odin Charitable Trust	2,500
The Ruffield Charitable Trust	2,750
The Sawley Charities	300
The Sir John Eastwood Foundation	2,500
The St James's Place Foundation	2,500
The Thomas J Horne Memorial Trust	5,000
The Winnifred Potter Charitable Trust	2,000
The Clothworkers Foundation	10,000

58,998

4c. Voluntary income – Restricted funds

The Clothworkers Foundation	10,000
BBC Children in Need	9,305
Western Power Distribution	1,510
The February Foundation	7,648

28,463

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

5. Incoming resources from charitable activities

	Unrestricted funds <u>2013</u>	Restricted funds <u>2013</u>	Total <u>2013</u>	Total <u>2012</u>
Service agreements				
Derby City PCT	643,343	-	643,343	551,569
Nottingham County Teaching PCT	152,356	-	152,356	104,981
	<u>795,699</u>	<u>-</u>	<u>795,699</u>	<u>656,550</u>
Other income				
Education	29,615	-	29,615	20,110
Meals and refreshments	21,768	-	21,768	20,551
Trustee membership fees	370	-	370	450
NHS pension rebate	8,500	-	8,500	8,056
Miscellaneous	11,928	-	11,928	12,264
	<u>867,880</u>	<u>-</u>	<u>867,880</u>	<u>717,981</u>

6. Cost of generating voluntary income

	Direct costs		Support costs	Total	Total
	Staff <u>2013</u>	Other <u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£	£
Fundraising activities	<u>58,446</u>	<u>30,203</u>	<u>-</u>	<u>88,649</u>	<u>91,641</u>

7. Cost of generating funds

	Direct costs		Support costs	Total	Total
	Staff <u>2013</u>	Other <u>2013</u>	<u>2013</u>	<u>2013</u>	<u>2012</u>
	£	£	£	£	£
Hospice lottery	55,524	111,436	-	166,960	208,538
Shops	298,201	223,745	-	521,946	446,876
Catering	-	25,094	-	25,094	22,475
	<u>353,725</u>	<u>360,275</u>	<u>-</u>	<u>714,000</u>	<u>677,889</u>

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 (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

8. Costs of charitable activities

	Direct costs		Support costs	Total	Total
	Staff	Other	costs	2013	2012
	2013	2013	2013	2013	2012
	£	£	£	£	£
Daycare provision	339,131	166,342	47,265	552,738	462,777
Bereavement support	75,893	32,217	12,604	120,714	132,815
Complementary therapy	5,373	22,314	4,726	32,413	39,467
Hospice at home	628,914	103,462	89,803	822,179	658,276
Training	-	8,937	3,151	12,088	18,945
	<u>1,049,311</u>	<u>333,272</u>	<u>157,549</u>	<u>1,540,132</u>	<u>1,312,280</u>

Support costs outlined below 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.

	Total	Total
	2013	2012
	£	£
Administration	98,016	85,628
Marketing	59,533	65,025
	<u>157,549</u>	<u>150,653</u>

9. Governance costs

	Direct costs		Support costs	Total	Total
	Staff	Other	costs	2013	2012
	2013	2013	2013	2013	2012
	£	£	£	£	£
Governance costs	11,782	8,706	-	20,488	7,679

Staff costs represent company secretarial and chief executive governance costs. Other governance costs represent Trust audit fees, legal costs and health & safety audit costs.

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

10. Staff costs and numbers

	<u>2013</u>	<u>2012</u>
	£	£
Wages and salaries	1,400,809	1,186,313
Social security costs	91,881	78,506
Pension costs	80,092	57,110
	<u>1,572,782</u>	<u>1,321,929</u>
Treetops Hospice Trust	1,219,057	1,025,226
Treetops Retail Limited	298,201	246,132
Treetops Funding Limited	55,524	50,571
	<u>1,572,782</u>	<u>1,321,929</u>

The average number of employees during the year, including part-time staff calculated on a full-time equivalent basis analysed by function were:

	<u>2013</u>	<u>2012</u>
Direct charitable	33	30
Fundraising and publicity	24	22
Management and administration	4	4
	<u>61</u>	<u>56</u>

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

No Trustees were paid any remuneration during the year and no expenses were paid to Trustees during the year.

Treetops Hospice Trust makes payments on behalf of employees into individuals' defined contributions pension schemes. The assets of these schemes are held separately from those of the charity in independently administered funds. The pension cost charge in the statement of financial activities represents contributions payable by the charity to the funds and amounts to £80,092 (2012: £57,110). At the year end, contributions of £8,555 (2012: £3,764) were outstanding.

TREETOPS HOSPICE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 MARCH 2013**11. Tangible fixed assets – Group**

	Freehold property	Fixtures, fixtures & equipment	Motor vehicles	Total
	£	£	£	£
Cost				
At 1 April 2012	1,657,808	267,010	14,195	1,939,013
Additions	29,955	19,482	-	49,437
Disposals	-	(3,491)	-	(3,491)
At 31 March 2013	1,687,763	283,001	14,195	1,984,959
Depreciation				
1 April 2012	125,040	129,733	11,668	266,441
Disposals	-	(2,806)	-	(2,806)
Charged for the year	30,655	35,480	632	66,767
At 31 March 2013	155,695	162,407	12,300	330,402
Net book value				
At 31 March 2013	1,532,068	120,594	1,895	1,654,557
At 31 March 2012	1,532,768	137,277	2,527	1,672,572

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

11. Tangible fixed assets – Trust

	Freehold Property £	Fixtures, Fittings & equipment £	Total £
Cost			
At 1 April 2012	1,657,808	179,110	1,836,918
Additions	29,955	5,212	35,167
Disposals	-	(2,009)	(2,009)
At 31 March 2013	1,687,763	182,313	1,870,076
Depreciation			
At 1 April 2012	125,040	91,052	216,092
Disposals	-	(1,793)	(1,793)
Charge for the year	30,655	22,224	52,879
At 31 March 2013	155,695	111,483	267,178
Net book value			
At 31 March 2013	1,532,068	70,830	1,602,898
At 31 March 2012	1,532,768	88,058	1,620,826

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 costs of the freehold property comprise of the buildings and grounds known as Treetops Hospice Trust.

	<u>2013</u> £	<u>2012</u> £
Original costs	246,882	246,882
Improvements to freehold property	1,255,605	1,255,605
Sandiacre premises	155,321	155,321
New build costs	29,955	-
	<u>1,687,763</u>	<u>1,657,808</u>

TREETOPS HOSPICE TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2013****12. Investments**

	Group 2013 £	Group 2012 £	Trust 2013 £	Trust 2012 £
Wholly owned subsidiaries				
Treetops Retail Limited	-	-	1,000	1,000
Treetops Funding Limited	-	-	10,000	10,000
	<u>-</u>	<u>-</u>	<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.

13. Debtors (all due within one year)

	Group 2013 £	Group 2012 £	Trust 2013 £	Trust 2012 £
Service debtors	44,539	68,850	41,280	65,629
Amounts due from subsidiary undertakings	-	-	46,128	30,193
Prepayments and accrued income	54,525	37,484	25,228	10,383
Other debtors	5,986	8,424	250	3,999
	<u>105,050</u>	<u>114,758</u>	<u>112,886</u>	<u>110,204</u>

14. Creditors: amounts falling due within one year

	Group 2013 £	Group 2012 £	Trust 2013 £	Trust 2012 £
Trade creditors	45,994	51,121	34,868	34,336
Other taxes and social security	27,875	22,895	27,875	22,895
Other creditors	25,072	20,697	25,072	20,696
Accruals and deferred income	22,569	35,566	14,690	24,595
Amounts due to subsidiary undertakings	-	-	26,647	44,960
Lottery receipts in advance	51,154	56,525	-	-
	<u>172,664</u>	<u>186,804</u>	<u>129,152</u>	<u>147,482</u>

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

15. Financial commitments

As at 31 March 2013, the group has annual commitments under non-cancellable operating leases, all in relation to land and buildings, as follows:

	<u>2013</u> £	<u>2012</u> £
Operating leases due to expire:		
- Within one year	33,812	-
- Between two and five years	52,000	72,150
- Over five years	39,000	-
	<u>124,812</u>	<u>72,150</u>

16. Capital commitments

As at 31 March 2013, the group had the following capital commitments.

	<u>2013</u> £	<u>2012</u> £
New build costs	781,000	-
Defibrillator	1,200	-
	<u>782,200</u>	<u>-</u>

17. Reconciliation of movement in group funds

	Balance 01.04.12 £	Incoming resources £	Resources expended £	Transfers £	Balance 31.03.13 £
Unrestricted funds					
General fund	1,456,083	2,384,639	(2,325,015)	(733,626)	782,081
Designated funds					
New build	-	-	-	200,000	200,000
Fixed assets	-	-	-	1,654,557	1,654,557
	<u>1,456,083</u>	<u>2,384,639</u>	<u>(2,325,015)</u>	<u>1,120,931</u>	<u>2,636,638</u>
Restricted funds					
Capital appeal for new building	1,097,517	-	-	(1,097,517)	-
Daycare refurbishment	1,916	1,510	(1,510)	(1,916)	-
Replacement windows	2,156	-	-	(2,156)	-
Equipment	149	-	-	(149)	-
Bereavement support	19,193	-	-	(19,193)	-
Grounds fund	67,385	10,000	(19,486)	-	57,899
Children's bereavement project	846	9,305	(9,610)	-	541
Provision of hospice at home nurses	-	7,648	(7,648)	-	-
	<u>1,189,162</u>	<u>28,463</u>	<u>(38,254)</u>	<u>(1,120,931)</u>	<u>58,440</u>
	<u>2,645,245</u>	<u>2,413,102</u>	<u>(2,363,269)</u>	<u>-</u>	<u>2,695,078</u>

TREETOPS HOSPICE TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2013

17. Reconciliation of movement in group funds (continued)

Transfers

Restricted funds relating to capital assets have been transferred to unrestricted funds as once the assets have been purchased, they are not considered to be restricted. The Trustees have also transferred £200,000 to a designated fund to be set aside for the new build costs, and £1,654,557, representing the net book value of the group's fixed assets, to a fixed asset designated fund

Restricted funds

The purposes of the restricted funds are as detailed above.

18. Analysis of group net assets between funds

	Fixed assets £	Current assets £	Current liabilities £	Total £
Unrestricted funds	1,654,557	1,154,745	(172,664)	2,636,638
Restricted funds				
Grounds fund	-	57,899	-	57,899
Childrens bereavement project	-	541	-	541
	-	58,440	-	58,440
	1,654,557	1,213,185	(172,664)	2,695,078

19. Taxation

The company is a registered charity and is exempt from charge to Corporation Tax on its charitable activities

20. Related party transactions

There were no related party transactions during the year (2012: None).

21. Control

The company is controlled by its members. No individual member has overall control.