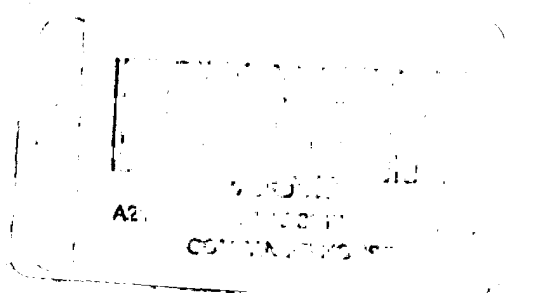


20 SEP 2017

Registered number: 01801708

Charity number: 519540



TREETOPS HOSPICE TRUST

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2017

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TREETOPS HOSPICE TRUST
(A company limited by guarantee)

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TREETOPS HOSPICE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2017

Trustees	Mrs J Heath, Chair Mr A Sarda, Treasurer Miss S Ansley Mr S Beeley Mr J Davis Mr M Fox Dr H Godridge Mr R W Jones Dr S Miller Mr A Perkins Mr A Wardle Dr M Swanwick Dr R E Aldridge (appointed 27 February 2017) Ms K Ashcroft (resigned 26 September 2016) Dr J Dornan (resigned 3 October 2016)
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Company registered number	01801708
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Charity registered number	519540
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Registered office	Treetops Hospice Derby Road Risley Derbyshire DE72 3SS
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Company secretary	Mr R Thomas
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Chief executive	Mr G Cameron
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Independent auditor	BHP LLP Chartered Accountants Statutory Auditor 2 Rutland Park Sheffield S10 2PD
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Bankers	Santander Bridle Road Bootle Merseyside GIR 0AA
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TREETOPS HOSPICE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2017

Advisers (continued)

Solicitors	Ellis Fermor & Negus 2 Devonshire Avenue Beeston Nottingham NG9 1BS
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Investment managers	Rathbone Brothers Plc Temple Point 1 Temple Row Birmingham B2 5LG
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TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT)
FOR THE YEAR ENDED 31 MARCH 2017

The Trustees (who are also directors of the charity for the purpose of the Companies Act) present their annual report together with the audited financial statements of Treetops Hospice Trust (the charity) for the year 1 April 2016 to 31 March 2017. The Trustees confirm that the Annual Report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Objectives and Activities

a. Policies and objectives

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.

b. Strategies for achieving objectives

The Board of Trustees have agreed the strategic direction of the charity through the preparation of a five-year rolling plan. The plan is approved and reviewed each year by the Trustees. The Chief Executive, with departmental managers, continues to develop operational plans and organisational objectives that are encapsulated in the annual budget, which has been approved by the Board. Progress towards achieving objectives is monitored and reviewed through the respective Board and Sub-Committee meetings of the Trustees. All activities of the organisation are monitored and reviewed by the Trustees through the production of monthly management accounts, care service delivery statistics and bi-monthly reports to the Board by the Chief Executive and departmental managers.

c. Activities for achieving objectives

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

- Day Care Provision:
 - Wellbeing days
 - Out Patient Clinic
- Support and Information:
 - Carer Support
- Counselling and Emotional Support:
 - Pre and Post Bereavement Support
 - Complementary Therapy
 - Art Therapy
- 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. More information on how the charity has provided public benefit can be found in the achievements and performance section of this report.

d. Volunteers

Our key objectives in Volunteer Services are to ensure that our volunteer resource remains integrated in operational issues and plans to meet the present and future needs of the organisation; also, to ensure that the experience of volunteering with us is rewarding and acknowledged and that our volunteer roles are attractive to potential volunteers and fulfilling for existing ones.

As both our services and support functions develop and diversify so too will the roles and associated competencies of our volunteers; there is a growing focus on the importance of volunteer training and refresher training to ensure that it is both accessible and relevant. The Foundation Course is being refocussed to ensure complete understanding of our values and standards and this in turn may necessitate a revision of the Initial Training Course. Alongside this we plan in "Working with Volunteers" training sessions to promote better understanding amongst the considerable number of employees who have joined us in recent times who are unfamiliar with working with a volunteer workforce.

Our Volunteer Services Co-ordinator is currently on maternity leave and her role is being covered temporarily. Of course, we plan to maintain the standard of service provided now and volunteer activities and socials will be planned and supported as usual.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 MARCH 2017

We greatly appreciate our 650 highly committed volunteers who enrich the work of the organisation. 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 contribution.

Achievements and performance

a. Review of activities

Provision of Care

Philippa Shreeve, the Director of Clinical Services who was appointed in September 2016, is responsible for the delivery of all clinical activity that is commissioned by Derbyshire and Nottinghamshire CCGs. Philippa previously worked for Southern Derbyshire Clinical Commissioning Group as Transformation Manager and is also a qualified Occupational Therapist.

Treetops Hospice Care 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, to ensure that our patients' and their carers' voices are heard so that ultimately their choices remain at the centre of care provided.

In 2016-2017 the hospice provided 39,444 hours of Hospice at Home, an increase of 12% on 2015-16. We plan to continue to increase activity year on year in line with our five-year strategy, with a target of 40,000 hours in 2017-2018.

Day Care attendances were down on the previous year by 5%. The total number of places provided was 3,907. 2016 saw the introduction of the Wellbeing Day, which is now held each Monday and therefore reduces Day Care capacity to 4,600 places. This gives an occupancy rate over the remaining four days of 85% which is up 3% on last year.

The Counselling and Emotional Support service for adults and children, which includes counselling for bereavement and individuals who are affected by a life limiting illness provided 4,318 sessions, an increase of 6%.

Who uses the services of Treetops Hospice?

Treetops Hospice Care 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 life. As a general rule, the criterion 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. 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 they have a previous association with the hospice or not.

Treetops Hospice Care provides services within Derbyshire and Nottinghamshire, which has a population more than 1,250,000. All services provided by Treetops Hospice Care are free of charge at point of delivery.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 MARCH 2017

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 2016-2017 was 2,185, an increase of 19% over the previous year.

The total number of patients who received care was 1,409, an increase of 10% on last year. With 515 adults and children receiving support from our Counselling and Emotional Support services this brings the total number of individuals who received our care to 1,924 compared with 1,724 last year – an increase of 10%.

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).

During this year the Care Quality Commission undertook an unannounced inspection of the service and rated Treetops Hospice Care as "Good" overall and in all five inspection domains.

As an appendix to our Quality Account for 2016-2017 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 a care home, 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.

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 Manager 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 and co-ordinated by a Nurse Manager (0.8 full time equivalent); her team consists of 1.6 full time equivalent nurse co-ordinators and two clerical co-ordinators who, between them, work the equivalent of 9 days per week to co-ordinate the team of 56 skilled and experienced palliative care nurses.

TREETOPS HOSPICE TRUST
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TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 MARCH 2017

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	24,456	27,883
Nottinghamshire	8,760	8,993
Nottingham City	2,400	2,568

The Hospice at Home service contract with Derbyshire CCGs over-performed by 3,427 hours of the contract and the contract with Nottinghamshire CCGs had an over-provision of 233 hours.

The total provision went up from 35,616 to 39,444 hours, an increase of 11%.

The total number of patients cared for by our Hospice at Home service during the period was 770, an increase of 10 patients over the previous year. Of these, 660 (85%) people received care for the first time. There were a total of 1,132 referrals to the service compared to 1,085 the previous year.

538 Hospice at Home patients died during the year and of these 87% achieved their preferred place of care and death, and died at home.

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 focus on 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.

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

	Target Attendances	Actual Attendances
Derbyshire	3,636	2,772
Nottinghamshire	686	1,070
Nottingham City	66	65

As can be seen from the above, the service level target for Nottinghamshire exceeded the contract by 384 attendances (36%). Our Derbyshire target was not met by 864 attendances (24%).

Carers Support

During 2016 2017 the Carers Workshops changed from a six-week set format to a rolling programme. Sessions are held twice a month, although not over the summer and holiday periods. Over the year, 19 sessions of carer support were delivered. Sessions are managed and facilitated by our Support and Information Clinical Nurse Specialist, providing education, practical, psychological, emotional and peer support.

TREETOPS HOSPICE TRUST
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TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Out-patient Clinic

We continue to host an out-patient clinic staffed by a Palliative Care Consultant from 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. In 2016-2017 a total of 42 people attended, of whom 21 were new patients. The total number of attendances was 138.

Working in partnership with the Royal Derby Hospital Respiratory Team, a hospice-based service for non-malignant respiratory disease commenced in January 2016 focusing initially on patients with pulmonary fibrosis.

This initiative is to transition patients from an acute setting to an alternative supportive environment where appropriate end-of-life support and care can be provided. To date 30 patients have been supported by this service and 10 have since died. Of those patients, all 10 achieved their preferred place of death. The clinic is managed by our Clinical Nurse Specialist who leads on the Support and Information service.

Therapeutic Services

Counselling and Emotional Support Service

We continue to receive a financial contribution from Derbyshire CCGs for bereavement support, which is provided to people regardless of them having a previous association with Treetops Hospice Care.

We only accept self referral to the service from adult clients, as this is the best indicator that they are ready to engage in the therapeutic process. Referrals for support of children and families are accepted from family members and from interested parties such as school personnel, social workers and children's mental health specialists.

The team currently consists of 53 volunteers – 16 Treetops-trained volunteers, 17 counsellors and over the year the Student Placement Service has grown from 15 students to 20.

Service Level Agreement

	Target Attendances	Actual Attendances
Derbyshire	2,760	2,769
Nottinghamshire	84	129

Although we do not receive any statutory funding, we provided a total of 57 sessions to the local community outside Derbyshire.

The total number of clients receiving bereavement support during the year was 372 adults and 142 children and young people, totalling to 515, which replicates the number of overall clients supported last year.

2016-2017 saw the continued growth of the counselling service for patients and their families and carers who are living with a life limiting illness. During the year 94 people referred themselves or were referred to the service of which 71 became clients of the service. 433 sessions were provided.

TREETOPS HOSPICE TRUST
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TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 MARCH 2017

Complementary Therapy Service

Our Complementary Therapy service is available to patients, carers and the bereaved, on campus or in the community. 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 2016-2017, management of the service moved from Day Care to Therapeutic Services and this has seen a restructure in the way in which this valuable resource is utilised. Provision in the community reduced due to a planned reduction in hours by one staff member. The number of individual treatments provided was 1,157, a decrease of 1% on the previous year with 189 individuals seen. This service is fully funded through voluntary donations as no service level agreement exists for the service, but we are pleased to offer our client group this much valued and appreciated service.

Art Therapy Service

During 2016-2017 our Art Therapy provision has continued as a five day service offering Art Therapy to bereaved children and young people as part of the implementation of combined therapeutic services. 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 and adult bereavement provision gives an added dimension of support to clients who are coming to terms with living with life limiting conditions, or a death.

This service is also supported fully by voluntary donations, as no service level agreement exists for the service. However, we offered 253 sessions of Art Therapy to our client group during the year.

b. Investment policy and performance

During 2015 the Board of Trustees decided that due to the low interest rates, it was now the appropriate time to move some of our reserves from interest bearing accounts to be managed by investment brokers.

Other investments are £10,000 invested in Treetops Funding Limited and £1,000 in Treetops Retail Limited. The amount of interest received in this year was £10,466.

Financial review

a. Going concern

After making appropriate enquiries, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued)

FOR THE YEAR ENDED 31 MARCH 2017

b. Results for the year

The Charity's gross income rose from £3,375,974 to £3,550,710, an increase of £174,736. Gross costs increased from £3,286,206 to £3,680,099 an increase of 12%, which was within the targets approved in the budget. This was mainly due to increased investment within Fundraising, Lottery and Retail as well as growth in charitable activities.

Legacy income experienced a reduction of income falling from £211,131 to £164,067. Though legacy income is only in a small way 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 is constantly in progress 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.

c. Principal risks and uncertainties

As reported earlier, the Board has agreed a risk management structure for the organisation and has identified the major risks to which the organisation is exposed. These are reviewed every six months and appropriate mitigating action is taken accordingly. The most recent review showed that the only item with a high score and hence the highest risk is the potential loss of statutory income.

As the NHS puts out more services to tender it is clear that they are looking to reduce their costs at this time of austerity and it is possible that this will have an impact on the hospice's income. To counter this the Trustees continue to invest in the three income generation streams that already provide the charity with 70% of its income, namely the Lottery, the Retail operations and general fundraising.

The other risks in the intermediate category also focus on income generation, but with reasonable reserves and a strategy in place the Trustees are confident in the future financial strength of the organisation.

d. 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. The reserves policy forms part of our Finance Policies and can be provided upon request.

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 calculated and agreed an acceptable level to be £800,000. This accounts for any major loss of income, such as statutory funding, to allow services to continue running for 6 months and fund redundancy costs. As at 31 March 2017 free reserves were £895,506. The Trustees are satisfied with the reserves level 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

(A company limited by guarantee)

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued) **FOR THE YEAR ENDED 31 MARCH 2017**

Structure, governance and management

a. Constitution

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.

b. Method of appointment or election of Trustees

The management of the company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

c. Policies adopted for the induction and training of Trustees

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

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

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. All Trustees receive individual copies and a copy is held in the general office and Trustees are given information on relevant training courses.

d. Pay policy for senior staff

It is the policy of the Board of Trustees to remunerate the Senior Management Team (SMT) in line with market forces and pay an acceptable salary that in general is in line with the charity sector and specifically hospices, which will attract and keep quality staff.

The SMT are only awarded pay increases in line with the cost of living annual award given to all staff and will not receive any other financial recognition. The cost of living increase is discussed by the Board of Trustees annually and is awarded in line with the charities performance, affordability and external indicators, such as the cost of living index.

e. Organisational structure and decision making

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. The Finance and Income Generation sub committee meet to review the financial activity every quarter, as do the clinical sub-committee who monitor clinical services. The Board also meets quarterly with additional meetings as required.

The Chief Executive, who leads the senior 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.

f. Risk management

The Board has agreed a risk management structure for the organisation and has identified the major risks to which the organisation is exposed. These are reviewed 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 quarterly Health and Safety reports for the Board.

g. Governance

In 2012 the Trustees took place in the Help the Hospices (Hospice UK) Board Development Programme 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 chair, Chief Executive and two trustees; three visits to the hospice, including Board meetings and some interim contact.

The Board considered 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

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

Plans for future periods

a. Future developments

Objectives for 2017-2018

1. Day Care Services

Despite receiving a similar level of referrals to previous years, we have continued to experience reduced activity. The reasons for this are complex, but are centred on supporting a more dependent client group.

The introduction of the Well-being day into the Day Care portfolio saw a change of direction for the organisation; the programme commenced October 2016. It is now starting to fully embed within the Treetops model of care, and numbers are slowly growing. The staff are more confident in its delivery, but there is still a need to promote the availability of the Well-being service to referrers in order that they understand the different model of care. Recent work with the Respiratory Consultants at the Royal Derby Hospital and Community Team have given an endorsement that the provision of the Well-being day is a positive move for Treetops Hospice Care.

The priority for the year is to undertake a full review of the model of Day Care and to explore how other hospices are structuring their offer within the remit of last year of life. This will be completed over the next six months. The review will report and make recommendations to the Board on the future model to be adopted.

2 Support and Information Service

The service continues to consolidate and grow, while developing the following additional activities:

2.1 Personal Health Budgets in End of Life Care

Over the last year the Support and Information service within Treetops Hospice Care has played a key role in the Personal Health Budget (PHB) in End of Life (EoL) care pilot project in conjunction with NHS England. The extension of the pilot project for a further year creates a great opportunity for Treetops to promote its involvement in a high profile national initiative.

To deliver NHS England PHB targets the Support & Information service will have additional input from one day of dedicated admin time and one day of Occupational Therapy input.

2.2 Outreach and clinics

Agreement has been reached with the CCG to continue the pilot of the consultant-led clinic for patients with non-malignant respiratory diseases, where active treatment has been deemed as not being beneficial.

This initiative is now linked to the wider CCG pathway development for respiratory disease and forms part of the strategic 'place' based care planning. The Fatigue and Breathlessness Support Group, in particular, is seen as an integral part of future pathway of care.

During 2017-18 there is a plan to expand the respiratory clinical model to include patients with advanced COPD and to extend the availability of the Fatigue and Breathlessness Support Group.

3. Hospice at Home

3.1 Hospice at Home provision

During 2016-2017 we provided 39,444 hours of care. Our key objectives for this year are to have a year of consolidation and it is anticipated that the team will deliver 40,000 hours of care over the coming year.

Staffing levels will be monitored and reviewed to ensure that any changes in work patterns that impact on the overall availability of staff can be maintained at a level required to achieve the annual target. No further recruitment is planned at this time.

3.2. Nursing team development programme

Supervision of the clinical team has been highlighted as a priority for this year with plans to introduce a system of supervision and support for all staff. This will take the form of regular group and individual supervision.

This development will assist us in assuring the quality of care being delivered to our patients and maintaining the current high standards we expect for our service users.

In order to deliver this service development, the qualified nursing team need to undertake supervision training and this will be sourced both internally and externally.

As part of the NHS England Personal Health Budget (PHB) pilot there is also an opportunity for Hospice at Home to increase the provision of flexible packages of care as part of the PHB programme, especially in the community. This will be explored as part of the PHB steering group and reviewed on a case-by-case basis.

4. Therapeutic Services

Demand for family therapy based counselling and emotional support has highlighted that the next development for the team will be the recruitment of a family therapist and this will be explored over the forthcoming year.

Following the completion of the clinical supervision programme there will be increased capacity in the team to provide the anticipated number of supervision sessions for all staff and volunteers across the service.

4.1 Complementary Therapy

Ensuring the appropriate use of this rather scarce resource continues to be complex, especially the challenge of managing appointments and bookings. There has been a reduction in community hours, which is a loss to the service but options are being explored to restore this capacity alongside a review of CT provision.

5. To procure 'SystmOne' clinical data system

As community health care providers move to the use of IT based systems, this creates a risk for Treetops Hospice Care because the quality of paper-based notes has been seen to decline. It is apparent that Treetops needs to move its clinical system to SystmOne in order to be able to communicate and share data with the wider health care economy and be fit for the future.

It is anticipated that this will take place over 2017-18. This will create a period of disruption requiring new infrastructure, staff training and a period of double running.

6. Compassionate Communities

Treetops has recently won a tender from Derbyshire County Council to deliver a project to develop compassionate communities in the localities of Erewash and Swadlincote. This will require close working with other voluntary sector providers to develop low-level support to people at end of life, via volunteers. The project will enable the organisation to position itself ready for future developments as health and social care services look to deliver more care in the community.

7. Nurse led in patient unit

A non-NHS in-patient unit is the one main end-of-life service that is missing from the portfolio of services delivered within our catchment area. Independent hospice facilities, providing step up and step down beds, would assist surrounding hospitals in reducing their deaths in hospital, in addition to creating more acute bed space. It would also increase patient choice.

During the incoming year Treetops Hospice Care will apply for planning permission to build a twelve-bedded in-patient unit on our campus at Risley, with a planned opening in Spring 2019.

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (INCLUDING STRATEGIC REPORT) (continued)
FOR THE YEAR ENDED 31 MARCH 2017

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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 principles in the Charities SORP 2015 (FRS102);
- make judgments and accounting 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 group will continue in operation.

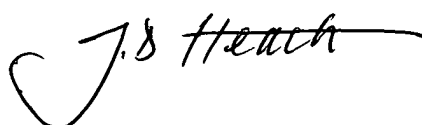
The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial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

Disclosure of information to auditor

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditor is unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditor is aware of that information.

This report was approved by the Trustees on 19/9/17 and signed on their behalf by:



Mrs J Heath, Chair

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TREETOPS HOSPICE TRUST

We have audited the financial statements of Treetops Hospice Trust for the year ended 31 March 2017 set out on pages 19 to 44. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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. Our audit work has been undertaken so that we might state to the charitable company's members 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 its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustees' responsibilities statement, 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.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit, the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with those financial statements and such reports have been prepared in accordance with applicable legal requirements.

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TREETOPS HOSPICE TRUST

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustee's Report.

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

- the parent charitable company has not kept adequate 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.

BHP

Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield

S10 2PD

Date: 22 September 2017.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:					
Donations and legacies	2	987,282	126,098	1,113,380	1,031,436
Charitable activities	8	1,106,746	-	1,106,746	997,102
Other trading activities	6	1,320,118	-	1,320,118	1,329,375
Investments	7	10,466	-	10,466	18,061
Total income		3,424,612	126,098	3,550,710	3,375,974
Expenditure on:					
Raising funds:					
Voluntary income	9	281,258	-	281,258	240,136
Fundraising trading	10	1,154,338	-	1,154,338	1,016,160
Charitable activities	11	2,108,277	136,226	2,244,503	2,029,910
Total expenditure		3,543,873	136,226	3,680,099	3,286,206
Net income / (expenditure) before investment gains		(119,261)	(10,128)	(129,389)	89,768
Net gains on investments		14,192	-	14,192	-
Net income / (expenditure) before other recognised gains and losses		(105,069)	(10,128)	(115,197)	89,768
Net movement in funds		(105,069)	(10,128)	(115,197)	89,768
Reconciliation of funds:					
Total funds brought forward		3,436,930	48,045	3,484,975	3,395,207
Total funds carried forward		3,331,861	37,917	3,369,778	3,484,975

All activities relate to continuing operations.

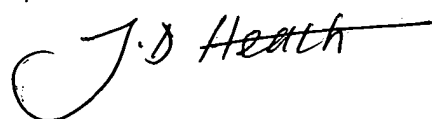
The notes on pages 23 to 44 form part of these financial statements.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 01801708

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	16		2,387,155		2,376,764
Investments	17		214,192		-
			<u>2,601,347</u>		<u>2,376,764</u>
Current assets					
Stocks		2,361		1,710	
Debtors	18	161,674		75,726	
Cash at bank and in hand		910,711		1,340,022	
			<u>1,074,746</u>	<u>1,417,458</u>	
Creditors: amounts falling due within one year	19	(306,315)		<u>(309,247)</u>	
Net current assets			<u>768,431</u>		<u>1,108,211</u>
Net assets			<u>3,369,778</u>		<u>3,484,975</u>
Charity Funds					
Restricted funds	20		37,917		48,045
Unrestricted funds	20		3,331,861		3,436,930
Total funds			<u>3,369,778</u>		<u>3,484,975</u>

The financial statements were approved by the Trustees on **19/9/17**
by:



Mrs J Heath, Chair

and signed on their behalf,

The notes on pages 23 to 44 form part of these financial statements.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 01801708

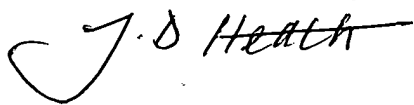
COMPANY BALANCE SHEET
AS AT 31 MARCH 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	16		2,259,326		2,321,728
Investments	17		225,192		11,000
			<u>2,484,518</u>		<u>2,332,728</u>
Current assets					
Debtors	18	289,456		84,203	
Cash at bank and in hand		786,741		1,215,135	
		<u>1,076,197</u>		<u>1,299,338</u>	
Creditors: amounts falling due within one year	19	(252,345)		(208,499)	
Net current assets			<u>823,852</u>		<u>1,090,839</u>
Net assets			<u><u>3,308,370</u></u>		<u><u>3,423,567</u></u>
Charity Funds					
Restricted funds	20		37,917		48,045
Unrestricted funds			<u>3,270,453</u>		<u>3,375,522</u>
Total funds			<u><u>3,308,370</u></u>		<u><u>3,423,567</u></u>

The financial statements were approved by the Trustees on
by:

19/9/17

and signed on their behalf,



Mrs J Heath, Chair

The notes on pages 23 to 44 form part of these financial statements.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	22	<u>(94,700)</u>	<u>246,483</u>
Cash flows from investing activities:			
Interest from investments		10,466	18,061
Purchase of tangible fixed assets		(145,077)	(129,714)
Purchase of investments		<u>(200,000)</u>	<u>-</u>
Net cash used in investing activities		<u>(334,611)</u>	<u>(111,653)</u>
Change in cash and cash equivalents in the year		(429,311)	134,830
Cash and cash equivalents brought forward		<u>1,340,022</u>	<u>1,205,192</u>
Cash and cash equivalents carried forward	23	<u><u>910,711</u></u>	<u><u>1,340,022</u></u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006

Treetops Hospice Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006.

1.2 Company status

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

1.3 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 company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies (continued)

1.4 Income

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the company is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the company has been notified of the executor's intention to make a distribution. Where legacies have been notified to the company, or the company is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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 company 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.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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 company and include project management carried out centrally. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

Costs of raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

All resources expended are inclusive of irrecoverable VAT.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies (continued)

1.6 *Tangible fixed assets and depreciation*

All assets costing more than £1,000 are capitalised or items below £1,000 are capitalised if part of a bigger project.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	25% straight line
Office equipment	-	25% straight line

1.7 *Investments*

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities.

- (i) *Subsidiary undertakings*
Investments in subsidiaries are valued at cost less provision for impairment.

1.8 *Operating leases*

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.9 *Stocks*

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed because the Trustees consider it impracticable to do so as there are no formal systems in place to record these items and undertaking a stock count would incur undue cost which outweighs the benefits to the charity.

1.10 *Interest receivable*

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

1. Accounting Policies (continued)

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.14 Pensions

The company contributes to individuals' defined contribution pension schemes. Contributions are charged to the SOFA in the year they are payable.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

2. Donations and legacies

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations and sponsorship (note 3)	500,956	-	500,956	268,463
Legacies and bequests	164,067	-	164,067	211,131
Income from charitable trusts (note 4)	49,975	14,253	64,228	133,750
Income from other clubs and organisations	36,827	-	36,827	39,950
Christmas appeal	7,652	-	7,652	5,151
Car boot sales	14,675	-	14,675	14,097
Light Up A Life	12,514	-	12,514	14,936
Easter appeal	5,338	-	5,338	5,500
Recycling	455	-	455	938
Prize draw	13,877	-	13,877	15,887
Miscellaneous	6,181	-	6,181	31,811
Moonlight Walk	50,856	-	50,856	66,040
Colour run	20,881	-	20,881	24,500
Gift aid	42,668	-	42,668	3,567
BBC Children In Need	-	9,991	9,991	9,964
Community events	56,770	-	56,770	52,521
Tea for Treetops	3,590	-	3,590	8,718
Erewash CCG	-	-	-	11,958
Big Lottery	-	67,854	67,854	67,023
Apprentice grant	-	-	-	1,500
South Derbyshire CCG	-	34,000	34,000	44,031
Total	987,282	126,098	1,113,380	1,031,436

In 2016, of the total donations and legacies income, £837,760 was to unrestricted funds and £193,676 was to restricted funds.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

3. Donations and sponsorship

	2017 £
<i>Corporate groups</i>	
Bibby Financial Services	1,000
Boots	598
David Thompson	1,000
Danny Dunne	780
Envigo	624
Fairgrove Homes	1,315
Imperial Commercials	439
Marks & Spencers	675
Meridian Business Support	276
Miss England	609
O'Connor Electrical Ltd	3,287
Pensions Administration Network	622
PJ Frankland Ltd	963
Radleigh Group	540
Roma Publications Ltd	1,000
Sainsbury's Local	3,654
William Allitt School	799
Yorkshire Bank	796
Other donations and sponsorship under £300 and individual donations	481,979
	500,956

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

4. Charitable trusts

	2017 £
Aviva Community Fund	500
The Albert Hunt Trust	5,000
Erewash Borough Council	1,753
Institute of Our Lady of Mercy	1,000
The Cecil Rosen Foundation	200
The Charles Littlewood Hill Trust	2,000
The D'Oyly Carte Charitable Trust	3,000
The February Foundation	7,500
The Hedley Foundation	1,500
The Jessie Spencer Trust	1,000
The Jones 1986 Charitable Trust	5,000
The Kobler Trust	250
The Mary Potter Convent Hospital Trust	3,000
The Mary Robertson Trust	2,000
Masonic Charitable Foundation	1,000
The Ruffield Charitable Trust	4,625
The Sawley Charities	500
The Screwfix Foundation	2,000
The Sir John Eastwood Foundation	2,500
The Sir Jules Thorn Charitable Trust	1,250
St James's Place Foundation	1,250
The Thomas Farr Charity	5,000
The Thomas J Horne Memorial Trust	6,000
The Winifred Potter Charitable Trust	1,000
The Woodroffe Benton Foundation	400
Toyota Motor Manufacturing	5,000
	<u>64,228</u>

5. Donations and legacies - restricted funds

	2017 £
Children's Bereavement Project	9,991
Big Lottery Fund - Support and Information	67,854
Erewash Borough Council - Hospice at Home	1,753
SDCCH Personal Health Budget Funding	34,000
The Charles Littlewood Hill Trust - Hospice at Home	2,000
The February Foundation - Clinical Support Centre	7,500
The D'Oyly Carte Charitable Trust - Hospice at Home	3,000
	<u>126,098</u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

6. Other trading activities

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hospice lottery income	391,899	-	391,899	384,948
Shop sales	763,382	-	763,382	789,335
Catering income	164,837	-	164,837	155,092
	<u>1,320,118</u>	<u>-</u>	<u>1,320,118</u>	<u>1,329,375</u>

In 2016, of the total income from other trading activities, £1,329,375 was to unrestricted funds and £nil was to restricted funds.

7. Investments income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	10,466	-	10,466	18,061

In 2016, of the total investment income, £18,061 was to unrestricted funds and £nil was to restricted funds.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

8. Income from charitable activities

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Erewash CCG	275,131	-	275,131	239,897
Derby City CCG	490,464	-	490,464	453,225
Hardwick CCG	5,243	-	5,243	11,184
Nottingham County Teaching CCG	258,155	-	258,155	228,072
SDCCG LLI	23,983	-	23,983	-
Erewash LLI	3,467	-	3,467	-
	<u>1,056,443</u>	<u>-</u>	<u>1,056,443</u>	<u>932,378</u>
Other income				
Education	13,337	-	13,337	29,131
Meals and refreshments	20,738	-	20,738	21,411
Trustee membership fees	390	-	390	370
NHS pension rebate	8,500	-	8,500	8,500
Miscellaneous	7,338	-	7,338	5,312
	<u>1,106,746</u>	<u>-</u>	<u>1,106,746</u>	<u>997,102</u>

In 2016, of the total charitable activities income, £997,102 was to unrestricted funds and £nil was to restricted funds.

9. Raising funds - voluntary income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Direct costs - other	101,566	-	101,566	84,889
Direct costs - staff	179,692	-	179,692	155,247
	<u>281,258</u>	<u>-</u>	<u>281,258</u>	<u>240,136</u>

In 2016, of the total voluntary income, £240,136 was to unrestricted funds and £nil was to restricted funds.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

10. Raising funds - fundraising trading

	Direct staff costs 2017 £	Direct other costs 2017 £	Support costs 2017	Total costs 2017 £	Total costs 2016 £
Hospice lottery	63,611	166,115	-	229,726	227,234
Shops	495,992	311,498	-	807,490	674,029
Catering	63,305	53,817	-	117,122	114,897
Total	<u>622,908</u>	<u>531,430</u>	<u>-</u>	<u>1,154,338</u>	<u>1,016,160</u>

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

In 2016, of the total expenditure on raising funds, £1,016,160 was to unrestricted funds and £nil was to restricted funds.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

11. Cost of charitable activities

	Direct staff costs 2017 £	Direct other costs 2017 £	Support costs 2017 £	Total costs 2017 £	Total costs 2016 £
Daycare provision	375,658	116,422	59,507	551,587	540,606
Bereavement support	203,226	33,233	28,595	265,054	234,407
Complementary therapy	23,020	29,630	6,367	59,017	56,767
Hospice at home	1,004,159	90,998	132,435	1,227,592	1,062,740
Training	5,518	22,283	3,362	31,163	18,750
Clinical information & support centre	74,714	4,750	9,609	89,073	90,993
Governance costs (note 12)	10,425	10,592	-	21,017	25,647
	<u>1,696,720</u>	<u>307,908</u>	<u>239,875</u>	<u>2,244,503</u>	<u>2,029,910</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 25% (2016: 27%), bereavement support 12% (2016: 12%), complementary therapy 3% (2016: 3%), hospice at home 55% (2016: 52%), training 1% (2016: 1%) and clinical information and support centre 4% (2016: 5%).

Restricted expenditure totalling £136,226 (2016: £170,017) is included in the total expenditure of £2,244,503 (2016: £2,029,910).

Support costs

	2017 £	2016 £
Administration	156,595	153,544
Marketing	83,280	68,892
	<u>239,875</u>	<u>222,436</u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

12. Governance costs

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Direct costs - other	10,592	-	10,592	15,539
Direct costs - staff	10,425	-	10,425	10,108
	<u>21,017</u>	<u>-</u>	<u>21,017</u>	<u>25,647</u>

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

13. Net income/(expenditure)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	134,686	111,978
Auditors remuneration	<u>9,570</u>	<u>9,290</u>

14. Staff costs

	2017 £	2016 £
<i>Treetops Hospice Trust - group</i>		
Wages and salaries	2,184,091	1,966,782
Social security costs	150,959	117,428
Other pension costs	170,624	127,535
Total group	<u>2,505,674</u>	<u>2,211,745</u>
Treetops Retail Limited	(559,297)	(491,164)
Treetops Funding Limited	(63,611)	(59,573)
Total company	<u>1,882,766</u>	<u>1,661,008</u>

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15. Staff costs (continued)

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,631,600	1,467,881
Social security costs	115,808	89,718
Other pension costs	135,358	103,409
	<u>1,882,766</u>	<u>1,661,008</u>

The average monthly number of employees was 144 (2016: 134) and the average monthly number of employees expressed as full time equivalents was as follows (including casual and part time staff):

	2017 No.	2016 No.
Direct charitable	50	53
Fundraising and publicity	45	31
Management and administration	6	5
	<u>101</u>	<u>89</u>

The number of higher paid employees was:

	2017 No.	2016 No.
In the band £ 60,001 - £ 70,000	1	1

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15. Staff costs (continued)

The total amount of employee benefits received by key management personnel is £233,272 (2016: £228,219). The Trust considers its key management personnel comprise the Chief Executive Officer, Director of Clinical Services, Company Secretary, Head of Finance and Volunteer & Support Services Manager.

No Trustees were paid any remuneration during the year. One trustee was re-imbursed travel expenses totalling £931 during the year (2016: £nil).

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 £170,624 (2016: £127,535). At the year end, contributions of £11,548 (2016: £9,692) were outstanding.

16. Tangible fixed assets

<i>Group</i>	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2016	2,467,920	118,230	391,751	51,707	3,029,608
Additions	13,568	-	129,324	2,185	145,077
At 31 March 2017	2,481,488	118,230	521,075	53,892	3,174,685
Depreciation					
At 1 April 2016	279,396	35,155	296,777	41,516	652,844
Charge for the year	49,441	24,845	55,268	5,132	134,686
At 31 March 2017	328,837	60,000	352,045	46,648	787,530
Net book value					
At 31 March 2017	2,152,651	58,230	169,030	7,244	2,387,155
At 31 March 2016	2,188,524	83,075	94,974	10,191	2,376,764

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16. Tangible fixed assets (continued)

<i>Company</i>	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2016	2,467,920	80,761	238,454	51,707	2,838,842
Additions	13,568	-	25,878	2,185	41,631
At 31 March 2017	<u>2,481,488</u>	<u>80,761</u>	<u>264,332</u>	<u>53,892</u>	<u>2,880,473</u>
Depreciation					
At 1 April 2016	279,396	15,142	181,060	41,516	517,114
Charge for the year	49,441	20,190	29,270	5,132	104,033
At 31 March 2017	<u>328,837</u>	<u>35,332</u>	<u>210,330</u>	<u>46,648</u>	<u>621,147</u>
Net book value					
At 31 March 2017	<u>2,152,651</u>	<u>45,429</u>	<u>54,002</u>	<u>7,244</u>	<u>2,259,326</u>
At 31 March 2016	<u>2,188,524</u>	<u>65,619</u>	<u>57,394</u>	<u>10,191</u>	<u>2,321,728</u>

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.

	2017 £	2016 £
Original costs	246,882	246,882
Improvements to freehold property	1,304,670	1,300,172
Sandiacre premises	164,391	155,321
New build costs	765,545	765,545
Total	<u>2,481,488</u>	<u>2,467,920</u>

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FOR THE YEAR ENDED 31 MARCH 2017

17. Fixed asset investments

		Listed securities
		£
Group		
Market value		
At 1 April 2016		-
Additions		200,982
Disposals		(8,523)
Revaluations		21,733
		<u>214,192</u>
At 31 March 2017		<u>214,192</u>
Historical cost		<u>200,982</u>
Group investments at market value comprise:		
		2017
		£
Listed investments		<u>214,192</u>

All the fixed asset investments are held in the UK

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NOTES TO THE FINANCIAL STATEMENTS
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17. Fixed asset investments (continued)

		Listed securities £	Sub total carried forward £
Company			
Market value			
At 1 April 2016		-	-
Additions		200,982	200,982
Disposals		(8,523)	(8,523)
Revaluations		21,733	21,733
		<u>214,192</u>	<u>214,192</u>
At 31 March 2017		<u>214,192</u>	<u>214,192</u>
Historical cost		<u>200,982</u>	<u>200,982</u>
	Sub total brought forward £	Shares in group undertakings £	Total £
Company			
Market value			
At 1 April 2016	-	11,000	11,000
Additions	200,982	-	200,982
Disposals	(8,523)	-	(8,523)
Revaluations	21,733	-	21,733
	<u>214,192</u>	<u>11,000</u>	<u>225,192</u>
At 31 March 2017	<u>214,192</u>	<u>11,000</u>	<u>225,192</u>
Historical cost	<u>200,982</u>	<u>11,000</u>	<u>211,982</u>

The investment in group undertakings represents the entire ordinary issued share capital in Treetops Retail Limited and Treetops Funding Limited which are registered in England and Wales.

The investment in listed securities represents a portfolio investment. This is held with Rathbones Investment Management Ltd. An investment management company registered in England and Wales.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

18. Debtors

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade debtors	58,761	20,083	51,747	19,176
Amounts owed by group undertakings	-	-	183,860	41,388
Other debtors	5,612	7,158	-	-
Prepayments and accrued income	66,360	39,085	22,908	14,239
Tax recoverable	30,941	9,400	30,941	9,400
	161,674	75,726	289,456	84,203

19. Creditors:
Amounts falling due within one year

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Trade creditors	62,518	113,229	37,919	73,396
Amounts owed to group undertakings	-	-	47,036	6,530
Other taxation and social security	44,051	37,094	44,051	37,094
Other creditors	114,609	126,650	61,812	73,279
Accruals and deferred income	85,137	32,274	61,527	18,200
	306,315	309,247	252,345	208,499

	Group		Company	
	2017	2016	2017	2016
	£	£	£	£
Deferred income				
Deferred income at 1 April 2016	6,580	-	6,580	-
Resources deferred during the year	36,054	6,580	36,054	6,580
Amounts released from previous years	(6,580)	-	(6,580)	-
Deferred income at 31 March 2017	36,054	6,580	36,054	6,580

Deferred income represents income received in advance for the provision of staff salaries and monies received in advance of charity events.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2017

20. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<i>Designated funds</i>						
New build	-	-	(800)	50,000	-	49,200
Fixed assets	2,376,764	-	(134,852)	145,243	-	2,387,155
	<u>2,376,764</u>	<u>-</u>	<u>(135,652)</u>	<u>195,243</u>	<u>-</u>	<u>2,436,355</u>
<i>General funds</i>						
General funds	998,758	2,104,494	(2,253,883)	(29,463)	-	819,906
Revaluation reserve	-	-	-	-	14,192	14,192
Treetops Funding Limited	1,208	391,899	(229,726)	(162,173)	-	1,208
Treetops Retail Limited	60,200	928,219	(924,612)	(3,607)	-	60,200
	<u>1,060,166</u>	<u>3,424,612</u>	<u>(3,408,221)</u>	<u>(195,243)</u>	<u>14,192</u>	<u>895,506</u>
Total Unrestricted funds	<u>3,436,930</u>	<u>3,424,612</u>	<u>(3,543,873)</u>	<u>-</u>	<u>14,192</u>	<u>3,331,861</u>
<i>Restricted funds</i>						
Grounds fund	46,714	-	(8,797)	-	-	37,917
Children's bereavement project	1,331	9,991	(11,322)	-	-	-
Personal Health Budget Funding	-	34,000	(34,000)	-	-	-
Hospice at Home	-	6,753	(6,753)	-	-	-
Support and information	-	67,854	(67,854)	-	-	-
Clinical support centre	-	7,500	(7,500)	-	-	-
	<u>48,045</u>	<u>126,098</u>	<u>(136,226)</u>	<u>-</u>	<u>-</u>	<u>37,917</u>
Total of funds	<u>3,484,975</u>	<u>3,550,710</u>	<u>(3,680,099)</u>	<u>-</u>	<u>14,192</u>	<u>3,369,778</u>

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Summary of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	2,376,764	-	(135,652)	195,243	-	2,436,355
General funds	1,060,166	3,424,612	(3,408,221)	(195,243)	14,192	895,506
	<u>3,436,930</u>	<u>3,424,612</u>	<u>(3,543,873)</u>	<u>-</u>	<u>14,192</u>	<u>3,331,861</u>
Restricted funds	48,045	126,098	(136,226)	-	-	37,917
	<u>3,484,975</u>	<u>3,550,710</u>	<u>(3,680,099)</u>	<u>-</u>	<u>14,192</u>	<u>3,369,778</u>

Designated funds

Designated funds of £2,436,353 comprise the net book value of the group's unrestricted fixed assets and a fund set up during the year for an anticipated bedded unit.

Restricted funds

The purpose of the restricted funds are as detailed on the previous page.

21. Analysis of net assets between funds

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Tangible fixed assets	2,387,155	-	2,387,155	2,376,764
Fixed asset investments	214,192	-	214,192	-
Current assets	1,036,829	37,917	1,074,746	1,417,458
Creditors due within one year	(306,315)	-	(306,315)	(309,247)
	<u>3,331,861</u>	<u>37,917</u>	<u>3,369,778</u>	<u>3,484,975</u>

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22. Reconciliation of net movement in funds to net cash flow from operating activities

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(115,197)	89,768
Adjustment for:		
Depreciation charges	134,686	111,978
Gains on investments	(14,192)	-
Interest from investments	(10,466)	(18,061)
(Increase)/decrease in stocks	(651)	822
Increase in debtors	(85,947)	(7,267)
(Decrease)/increase in creditors	(2,933)	69,243
Net cash (used in)/provided by operating activities	(94,700)	246,483

23. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	910,711	1,340,022
Total	910,711	1,340,022

24. Operating lease commitments

At 31 March 2017 the total of the group's future minimum lease payments under non-cancellable operating leases was:

Group	2017 £	2016 £
Amounts payable:		
Within 1 year	133,563	120,054
Between 1 and 5 years	402,135	234,783
After more than 5 years	336,292	277,917
Total	871,990	632,754

25. Taxation

As a charity, Treetops Hospice Trust is exempt from tax on income and gains falling within the available tax exemptions to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

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26. Related party transactions

During the year 9 trustees made donations totalling £1,143 (2016: 5 trustees, £390). A number of trustees also donate goods to the retail shops.

There were no other related party transactions during the year (2016: None).

27. Controlling party

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