

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2018



TREETOPS HOSPICE TRUST
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the charity, its trustees and advisers	1 - 2
Trustees' report	3 - 25
Independent auditor's report	26 - 29
Consolidated statement of financial activities	30
Consolidated balance sheet	31
Company balance sheet	32
Consolidated statement of cash flows	33
Notes to the financial statements	34 - 57

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 2018**

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 Mr S Mitchell (appointed 22 May 2017) Mr D J Millington (appointed 22 May 2017) Mr J Dornan (resigned 24 August 2017)
Company registered number	01801708
Charity registered number	519540
Registered office	Treetops Hospice Derby Road Risley Derbyshire DE72 3SS
Company secretary	Mr R Thomas
Chief executive	Mr G Cameron
Independent auditor	BHP LLP Chartered Accountants Statutory Auditor 2 Rutland Park Sheffield S10 2PD
Bankers	Santander Bridle Road Bootle Merseyside GIR 0AA

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 2018

Advisers (continued)

Solicitors	Ellis Fermor & Negus 2 Devonshire Avenue Beeston Nottingham NG9 1BS
Investment managers	Rathbone Brothers Plc Temple Point 1 Temple Row Birmingham B2 5LG

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2018

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 2017 to 31 March 2018. 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) as updated by Update Bulletin 1.

Since the company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

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
- Therapeutic Services
 - 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 main objective in Volunteer Services is 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 that our volunteers' donation of their time is appreciated and valued.

As both our services and support functions develop and diversify and other opportunities for volunteering in the community increase and become more competitive, there is an increasing need to ensure that volunteer role profiles reflect our current needs and that we recruit volunteers with competencies to match. The completion of volunteer induction, mandatory and role related training and retraining remain imperative to maintain our standards of services and care and to facilitate this, we intend to utilise a mix of e-learning, alongside traditional training techniques. Other areas under consideration are that of improving communication to keep volunteers engaged as a pivotal part of Treetops on-going development and recognition, to find different but appropriate ways to show each individual volunteer how much the organisation values their contribution.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

All of this requires a more focussed approach to planning the volunteer workforce, understanding the added value that volunteers bring to the organisation and ensuring that this is embraced by the management team and reflected in our day to day contact with volunteers

The Hospice would not be able to provide the services it does without the support received from our 650 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.

The priorities that we set for 2017–2018

1. To review our Day Care Services portfolio

The priority for this year was 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. For some time there have been concerns that the current social model does not meet the needs of younger guests and those seeking wellbeing and education.

A full review was completed over the year and was complemented by a day care staff away day to review the findings and explore future options. A service reconfiguration paper was produced and taken to the April 2018 clinical sub-committee. This was approved for presentation to the May 2018 full board and approval was granted for a full restructure of the day care services.

2. To continue to work collaboratively with our NHS colleagues to provide outpatient clinics for patients who are no longer responsive to active treatment and require palliative care

The priority for this year was to expand the respiratory clinical model to include patients with advanced COPD and to extend the availability of the Fatigue and Breathlessness (FAB) support group. This has been achieved and the FAB group now runs regularly throughout the year.

The Southern Derbyshire CCG also recommissioned respiratory services during the year adopting a 'place based' model of care and the hospice has been able to support this local model with support from our Clinical Nurse Specialist.

3. To continue to develop our Hospice at Home Service

We set a target to increase our Hospice at Home provision to 40,000 hours and during 2017-2018 the team actually delivered 41,898 hours.

We undertook to provide regular supervision for all the clinical team and this has been successfully introduced. Each team member now receives 3 group sessions and one session of 1:1 supervision across the year. Verbal feedback on this development has been very positive but a formal evaluation is now being undertaken across the staff group.

4. To work in partnership with NHS England to deliver the pilot project on Personal Health Budgets in End of Life Care. Over the last year the Support and Information (S&I) 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.

This included:

- Running a series of workshops for staff across Southern Derbyshire CCG on person centred care, Personalised Support Planning and the use of PHBs at end of life
- Providing ongoing support to community and hospital based staff on the completion of the personalised support plan
- Developing close working relationships with Care Co-ordinators to facilitate appropriate case finding and supported early planning
- Work with BME communities to understand their needs around end of life and how we can support this cohort of patients to access PHBs
- Raising awareness of EoL PHBs with voluntary sector organisations and patient/carer groups.

The Support and Information Clinical Nurse Specialist has now developed a structured tool for facilitating person centred conversations which is being developed in conjunction with Derby University.

5. To procure 'SystemOne' clinical data system

An application was submitted in February 2017 to the Derbyshire NHS Data and Information Board for support to facilitate the move from our existing clinical system iCare to SystemOne.

This system is widely used by local health care providers and it has been previously identified that this move would reduce 'risk' by improving communication and data sharing. Despite several delays a decision was finally taken in March 2018 to approve the application so deployment of SystemOne across the hospice will now commence in 2018.

6. To seek planning permission to provide an in-patient service from our campus in Risley, Derbyshire, with the view to offering twelve independent hospice beds by spring 2019

During 2017-18, the clinical team worked closely with the architects and planning consultants to help shape the thinking and design of an in-patient facility. A series of public consultation sessions were held with local residents to review the outline plans. A planning application has now been submitted to Erewash Borough Council.

Review of services

From 1 April 2017 to 31 March 2018, Treetops Hospice Care was commissioned to provide Day Care and Hospice at Home services to three CCGs in Derbyshire and four CCGs in Nottinghamshire.

Counselling and Emotional Support for those who have been bereaved and support for people who are facing, or supporting someone who has been diagnosed with, a life-limiting illness are commissioned by the three Derbyshire CCGs.

Treetops Hospice Care raises 68% of the funding for these services through retail outlets, lottery and fundraising. The remaining 32% comes from the NHS via the above CCGs through a block grant and cost and volume contracts.

Treetops Hospice Care offers a Support and Information Service, Complementary Therapy and Art Therapy. We also host outpatient clinics for the Royal Derby Hospital. The clinics are run by a Clinical Nurse specialist and two consultants and support patients with non-malignant respiratory diseases and palliative care needs.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Our Clinical Services are governed by the Clinical Sub-committee of the Board of Trustees, who meet quarterly and receive individual service reports, which enable them to review the management and quality of care provided by the hospice. The reports are then submitted to the whole Board of Trustees at their meetings.

Participation in Clinical Audits

During 2017–2018, Treetops Hospice Care did not participate in any national or local clinical audits.

The regulations require providers to complete the following two statements:

1. The reports of **zero** national clinical audits were reviewed by the provider in **2017-2018** reporting period and **Treetops Hospice Care** intends to take the following actions to improve the quality of healthcare provided [**none**].
2. The reports of **zero** local clinical audits were reviewed by the provider in **2017-2018** reporting period and **Treetops Hospice Care** intends to take the following actions to improve the quality of healthcare provided [**none**].

NHS Quality Improvement and Innovation Goals

Treetops Hospice Care has quality requirements set by the Derbyshire CCGs:

- All quality requirements for 2017-2018 were met (Quality Schedule available)
- To be an active participant in the Workstream 4 (End of Life and Care Home) innovation and improvement initiative and the Derbyshire Sustainability and Transformation Programme (STP) End of Life Care Group.

Quality Overview

Activity data across the year reveals the following trends

Day Care and Wellbeing Service

Day Care data

	2017 - 2018	2016 - 2017	
	Treetops Hospice Care	Treetops Hospice Care	Percentage Change
Total number of patients	177	211	-19%
Total number of new patients	65	99	-34%
% New patients	58%	47%	23%
% New patients with a non-cancer diagnosis	58%	63%	-8%

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Wellbeing Day Data

This year saw the first full year of the Monday Wellbeing Day. In 2016 - 17 the Wellbeing figures were incorporated into the total day care figures.

	2017 - 2018
	Treetops Hospice Care
Total number of patients	53
Total number of new patients	37
% New patients	70%
% New patients with a non-cancer diagnosis	70%

The total number of patients supported by the two; day care services during 2017-2018 has increased by 9%. The number of new patients has increased by 3%. The number of patients that we support with a non-cancer diagnosis, has increased by 103%.

Hospice at Home Service

Hospice at Home Data

	2017 - 2018	2016 - 2017	
	Treetops Hospice Care	Treetops Hospice Care	Percentage change
Total number of patients	1,293	1,237	4%
Total number of new patients	1,156	1,081	7%
% New patients	89%	87%	2%
% New patients with a non-cancer diagnosis	26%	25%	1%
% All patients aged 85 and over	31%	31%	0%
% Home deaths	90%	89%	1%

The prognosis criteria for referral to our Hospice at Home service is six months.

This year has seen an increase of 1% for the number of patients who died at home to 90%. National End of Life Care Intelligence Network figure show that 23% of deaths occurred in people's own home and 22% of deaths occurred in care homes, that is residential and nursing homes.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Counselling and Emotional Support

Adult, Children and Families Bereavement Service data

	2017 - 2018	2016 - 2017	
	Treetops Hospice Care	Treetops Hospice Care	Percentage change
Total service users	532	514	3.5%
% New service users under 16 years	113 (31%)	22%	9%
% New service users 16-24 years	18 (5%)	8%	-3%

Our commissioned Bereavement Support is unusual in hospice terms as we accept referrals from anyone in the community regardless of any previous association with Treetops Hospice Care. We also provide Bereavement Support to children and young people under 18 years old and this service has seen steady growth over the year.

An area of counselling and support work that we continue to develop has been with people dealing with life-limiting illness, either as the adult with the illness or the patient's family (of any age).

Life Limiting Illness Counselling Support data

	2017 - 2018	2016 - 2017	
	Treetops Hospice Care	Treetops Hospice Care	Percentage change
Total service users	76	71	7%
Total number of new service users	55	53	3%
% New service users	72%	74%	-2%

Again, this is not only for people who have accessed end-of-life care but is for anyone in our community facing life-limiting illness.

In 2013, the Bereavement Services Association and Cruse Bereavement Care Services introduced the Bereavement Care Service Standards as a national evaluation tool. This tool has been now endorsed by the National Bereavement Alliance, to which Treetops Hospice Care is affiliated, and sets three levels of achievement within seven separate standards. These are Planning, Awareness and Access, Assessment, Support and Supervision, Education and Training, Resources, and Monitoring and Evaluation.

Having initially worked to achieve the highest level across five of the seven standards we are now confident that we are achieving the highest level across all seven of the standards. Work has been undertaken nationally by the Association of Bereavement Service Co-ordinators to develop a new service audit tool which incorporates the Bereavement Care Service Standards. This is being launched in July and in future we will be able to evaluate our service using the tool.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

What others say about us

1. Care Quality Commission

Treetops Hospice Care is registered with, and regulated by, the Care Quality Commission in accordance with the Health & Social Care Act 2008.

Our most recent inspection report dated 7 April 2016 is available on the CQC website and finds us meeting the standards and rating us "Good" in all five core areas inspected. The report can be found at: www.cqc.org.uk.

2. What our patients and carers say about us

Day Care Service

Day Care Guest Evaluations

Our Day Care guests are surveyed quarterly on a rolling programme of questionnaires. A sample of the domains included:

Dignity, Safety and Privacy

Guest's Voice No. 4 asks about dignity, safety and privacy and 21 Day Care guests completed the evaluation over a one week period.

Our aim is that our guests' privacy and dignity is maintained, especially during intimate procedures. That they feel treated as individuals; their needs are addressed, and that they find Day Care a safe and secure environment. 100% of our guests feel safe and secure in Day Care.

When asked if Day Care had been able to accommodate a quiet space 62% responded yes always but 10% said not often. Remaining guests replied not applicable. This may be due to a lack of space or that they felt the space offered was not a quiet space e.g. a quieter corner of Day Care or the gallery.

Your Care

We had 46 responses to the Guest Voice No. 5 which asks about their care and assessments.

We aim to monitor guest's clinical needs unobtrusively without detracting from the 'home from home' atmosphere we endeavour to provide and for guest's to have confidence in our nursing staff.

Overall the results of this survey were very satisfactory with 100% of respondents saying they felt happy with their ongoing care and assessments.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Your activities in Day Care

We had 47 responses to the Guest Voice No. 6 which asks guests which activities they most enjoyed or valued doing in Day Care. Here are the results of activities enjoyed and valued (the percentages from last time in brackets):

Activity	Percentage enjoy/value
Having a break from home	85% (93%)
Making new friends	91% (90%)
Meals	79% (86%)
Socialising	85% (80%)
Advice about health issues	59% (78%)
Giving relatives a break	83% (74%)
Chance to discuss problems	61% (74%)
Shop Trolley	57% (73%)
Quizzes	36% (72%)
Alcoholic drinks	59% (68%)
Hand massage	51% (66%)
The garden	49% (61%)
Singers, bands and entertainers	85% (61%)
Outings	34% (59%)
Crafts	44% (54%)
Learning new skills	34% (49%)
Games (boccia, curling, bingo etc.)	72% (49%)
Advice on daily activities	34% (42%)
Computer/ iPad/ Wii	0% (27%)
Potting plants	30%

Catering in Day Care

We had 38 responses to the Guest Voice No. 7 which asks guests about the quality of the food and catering service. 89% guests feel the quality of the catering service is good or very good and 84% guests think the quality and variety of food is good or very good.

"The volunteers are amazing as well as the staff"

"It's near perfect as it possibly could be"

"Like to come here"

"I think everyone is very good at what they do"

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Complementary Therapy Service

As in previous years all clients of the service who had completed a set of four CT sessions were sent an evaluation questionnaire. 39 forms were issued for in-house CT and 39 (100%) were returned. 10 forms were issued for community CT and 7 (70%) were returned. Clients in receipt of CT in the community are predominantly patients who are receiving care from our Hospice at Home service, and therefore in the last six months of life, as a result a smaller number of clients received the full allocation of four sessions. Despite this the results of the evaluation clearly demonstrate that this service has great impact for those most at need within the home environment and at end of life.

Evaluation results show:

- 96% patients thought that the time between referral and first session was acceptable.
- 98% patients said that they were given information about the available and appropriate therapies on their first visit.
- 100% patients said that their therapist acted professionally at all times.
- 100% patients said the environment in which therapies took place was satisfactory.
- 100% patients found the Complementary Therapies beneficial.

The evaluation forms returned to the service demonstrate that the complementary therapy service remains highly regarded and of great benefit to the holistic well-being of clients who access it. Many people found the benefits to include: alleviation of stress and anxiety, help with relaxation, relief of physical symptoms, help with sleep issues and was overall enjoyable.

'The treatment relaxed me very much – it helped me forget about my physical condition and other worries. It left me calm, totally relaxed and feeling happy and optimistic. A real benefit!'

'Helped tremendously with the side effects I get from my treatment for myeloma.'

'The massage really helps ease the aches and pains in my legs and neck from having chemotherapy and carrying baby.'

'Sleep problems are another symptom and the therapy helped a great deal.'

'During the session I was able to switch off completely, my head became completely vacant! The benefits post therapy released tension, physically but also gave a sense of well-being that wraps around you for the rest of the day. Truly amazing experience.'

Quotes from evaluations, 2017-18.

Art Therapy Service

For this year's evaluations, the art therapy service has synchronised its evaluation forms with those of the CES service. Given the art therapy service is very limited and so has too few feedback forms from which to draw any meaningful conclusions, it seemed more useful to merge the figures and look at both therapeutic services together (see below). There is one question on the art therapy evaluation form which asked about the specific value of art therapy as opposed to other talking therapies and the following comments were received:

'Through the use of images, I find it more helpful to discuss my concerns.'

'Cause I didn't feel awkward for an hour just looking at her, I had something to do.'

'I found it easy to image make and talk rather than just sitting and talking.'

'It was because the art I did helped me see and remember the things that this particular family member liked.'

Quotes from evaluations, 2017-18.

Hospice at Home

Family or Carer Evaluation

Each year we send out a service evaluation to the carers of (1 in 4) patients who died under our care during the year.

148 evaluations were sent out between January and December 2017 to carers of patients who died under our care and 79 (53%) were returned.

Referrals are received from many sources but predominantly they come from health professionals with 47% from district nurses, 34% from Macmillan/Community palliative care nurses and hospitals referrals this year have plateaued at 9%.

Of those who returned the questionnaire:

- 90% thought that the referral to the service was timely.
- 94% said that the amount of day time care provided was enough.
- 90% said that the amount of night time care provided was enough.
- 97% were totally at ease or comfortable about the way we cared for their loved ones.

"We felt the carers were experienced and treated mum with dignity and respect."

"The nurse sent was an 'angel without wings', we could not have wished for a better service"

"Full of admiration for this service, no improvements come to mind"

"The care and service was second to none, my family will be forever indebted to you"

"Exceptional care and support" "you took care of us all"

Hospice at Home - Carer evaluations, March 2018.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Counselling and Emotional Support Service

All clients who finish receiving support during the year are asked to complete an evaluation of their experience.

Adults

183 evaluation forms were sent out and 88 forms were returned (48%):

- 98% said that the support they received had been helpful in their experience of bereavement.
- 98% said they were satisfied with how quickly the service was provided.
- 98% said they would recommend the service to other people.

Parents/Carers

75 evaluation forms were sent and 18 were returned (24%):

- 100% were happy or very happy with the speed of response to the referral.
- 83% reported a decrease in their level of concern about their child after the support had finished.
- 83% were happy or very happy with the extent to which the support had addressed their child's bereavement needs.
- 78% were happy or very happy with the number of sessions/length of support their child received.
- 100% would recommend the service to other people.

Children/Young People

75 evaluation forms were sent out of which 19 were returned (25%):

- 100% reported an improvement in their feelings after the support.
- 95% said the sessions had been helpful or very helpful.
- 90% said they would recommend the service to other people.

Life-limiting Illness

24 evaluation forms were sent out. 12 of these were in relation to work with adults and 5 (42%) were returned. The other 12 were in relation to work with children/young people and 6 (50%) of these were returned, 3 by children/young people and 3 by the parent/carer.

In view of the relatively low numbers the figures have been amalgamated:

- 100% said the support they had received was helpful.
- 100% were happy or very happy with the speed of response of the service.
- 91% said the number of sessions provided was just right.
- 100% said they would recommend the service to others.

'I worked through many different issues. I feel more connected to life and have lots of tools to help me in the future.'
'I have learnt so much about myself, made changes and know that it's 'ok' to feel sad, happy, angry sometimes.'
'Treetops gave this service very professionally. I cannot fault the lovely building or care given in any way whatsoever.'
(Bereaved adults)

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

'I've been able to open up about my feelings.'
'I'm a lot more confident with what I do.'
'It helped me understand what I was dealing with.'
(Bereaved children/young people)

'A great service, I cannot thank you enough for being there and supporting us. It has improved our family time a lot.'
'When X came back from her sessions she was a different child.'
'The sessions really helped X to deal with her frustrations and the sadness.'
(Bereaved parents/carers)

'I gained confidence, I learnt how to speak about/deal with anything bothering me.'
'It was helpful to just talk to someone who was not involved in our situation.'
'I now realise that dreams and thoughts are not reality.'
(Life-limiting illness clients)

Quotes from evaluations, 2017-18.

What our staff says about the organisation

This year, for the second time, we took part in the Sunday Times 100 Best Not-for-Profit companies to work for in the United Kingdom. This is the 18th year the survey has been held and it has become a high-profile event in the business calendar with accreditation to the top 100 being a highly prestigious award.

Accreditation is a dual process with one part being an employee engagement survey and the other a company profile that reflects the organisation's approach to a variety of internal and external issues such as the environment and employee benefits.

76% of employees participated in the survey

- 81% of participating employees are positive about opportunities for personal growth.
- 83% of participating employees are positive about the leadership of Treetops Hospice Care.
- 80% of participating employees are positive about the relationship they have with their manager.
- 68% of participating employees are positive about pay and benefits.
- 85% of participating employees are positive about the relationship with their team.
- 83% of participating employees are positive about that Treetops Hospice Care gives back to the community.
- 72% of participating employees are positive about their work/home balance and personal wellbeing whilst working for Treetops Hospice Care.
- 95% of participating employees are positive about Treetops Hospice Care and are proud to work here.

This is a very encouraging result as Treetops Hospice Care scored positive in all aspects of Employee Engagement across every department.

The engagement of participating employees at Treetops Hospice Care was rated as extraordinary and makes us a Three Star company in the Sunday Times 100 Best Not for Profit organisations listing; our overall score improved on last year and we came a very creditable 6th in the top 100.

This is again a very creditable achievement. We intend to continue to maintain and build upon our achievements and focus further on improved communication and opportunities for personal development.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Complaints and compliments

Complaints

During 2017–2018, we received three clinical service complaints. All incidents were investigated, documented and action taken if required. Feedback on the outcome and action was provided to the complainant.

Compliments

In addition to the positive evaluations of our services, we also received over 367 individual cards and letters of thanks to our full range of services during the year and 78% of our in-memoriam donations came from the families and carers of those who were cared for by our services.

'your health care assistants and nurses are worth their 'weight in gold' and helped to make the last few months more bearable for us as a family'

'dad very much wished to remain at home and with your excellent team he was able to fulfil his dream.'

'your nurse was amazing and handled everything with such care and dignity and made an unbearable time that little bit easier.'

'the support and care of your nurses in the last weeksof her life meant so much, giving us the rest, we needed and ensuring she was well cared for and comfortable in her own home, just as she wanted.'

The work you do is tremendous and vital to all who need it'

Quotes from individual thank you cards and letters received during 2017-2018.

Patient Safety Indicators

Patient safety is paramount to our services and all incidents are reported and logged. We ensure that every incident is assessed, relevant risk assessments reviewed, and any wider implications are considered, resulting in policy and training updates as identified.

We have a Health and Safety Committee, made up of staff and trustees, who meet quarterly and receive departmental reports. They review and drive forward the Health and Safety Action Plan and scrutinise all accidents and incidents in order to identify trends.

During the period April 17 – March 18, there were 9 fall incidents recorded: 7 reported by our Hospice at Home service and 2 by the Day Care service. No fall resulted in injury but one Hospice at Home patient needed paramedic assistance as the nurse was unable to assist back to bed. The patient was taken to hospital to be checked over as a precaution.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

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. The amount invested is the surplus over the minimum amount set aside for reserves. The total amount of investment income received in the year was £19,467.

Other investments are £10,000 invested in Treetops Funding Limited and £1,000 in Treetops Retail Limited.

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.

b. Results for the year

The Charity's gross income rose from £3,619,318 to £3,707,283, an increase of £87,965. Gross costs increased from £3,680,099 to £4,049,418 an increase of 10%, which was within the targets approved in the budget. This was mainly due to the continued increase of investment within Fundraising, Lottery and Retail as well as growth in charitable activities.

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.

Funding Company – Treetops Hospice Lottery

The Funding Company's turnover rose from £391,899 to £455,482 (16%), profit increased from £162,173 to £176,387 (7%). This is due to a robust recruitment campaign, which has seen lottery membership rise by 1,500 members in the fiscal year.

Retail Company

Treetops Retail Limited made an operating loss of £46,749 for the financial year 2017-18. This was a decrease of £118,964 on 2016-17. The comparison of operating results are distorted due to the inclusion of donated stock for both years which has inflated the results for 2017. This true operating results show a small decline which is mainly due to a review of our Retail infrastructure, which took place with an investment in Gift Aid, staffing levels and catering.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Fundraising

Fundraising includes income from the community, events, individual donations, corporate support and trusts. Net contribution has risen to a record level of £866,122.

Legacy income experienced a reduction of income falling from £164,067 to £53,666. 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

The Board has agreed a risk management structure for the organisation and has identified the major risks to which the organisation is exposed, which are reviewed every six months and appropriate mitigating action is taken accordingly. The most recent review showed that the highest risks are the potential loss of statutory income, which is always a concern, regarding the financial situation of the NHS; increased operating cost, as we proceed with plans to build an In-Patient unit; loss of key staff, which may be a temporary high score, due to the chief executive retiring.

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. 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.

At year end the free reserves figure was £693,286, which is below the level set. The Trustees will be reviewing the reserves policy in the forthcoming year as a result of the new in-patient unit plans and will set a strategy to return reserves to the required level.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

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.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

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

Priorities for 2018–2019

1. Support, Information and Day Services

Maintaining and improving day care numbers continues to be a challenge. The review undertaken over the previous year highlights the complexity of the picture. Currently Day Care offers people with a life limiting illness and in the last 12 months of life a social based model of support and care. But this rather traditional model does not meet the needs of everyone with a life limiting condition, in particular people under the age of 60 or from different social, ethnic or cultural backgrounds. In contrast the introduction of the Wellbeing model has demonstrated that people respond extremely well to a more educational based approach alongside the benefits of interaction and support.

The original concept of the Support and Information Service was for a 'drop in' model whereby people would access support at Treetops Hospice Care and that Volunteers would be used to provide this service with support of the clinical nurse specialist. Since 2014, very few people have visited the hospice for 'drop in' support with the majority of support and information being offered via email or over the telephone.

During 2018/19

To merge these two departments into one with emphasis on making every contact count and ensuring that people obtain the support and information they require either from Treetops Hospice Care or are sign posted and assisted to obtain it from another source.

Plan a programme of change to restructure day care into a new model based on sessions, workshops, and groups for individuals to participate in to address their needs whilst helping them maintain independence and control of their lives.

2. LISTEN person centred care

Over the last two years the Support and Information service within Treetops Hospice Care has played a key role in the Personal Health Budget in End of Life care pilot project in conjunction with NHS England.

The person-centred model of care has been an area of focus and from this our Clinical Nurse Specialist has developed the 'LISTEN' model, to engage staff and volunteers in facilitating structured conversations. We will be embedding this approach into the assessment and support planning process.

During 2018/19

To develop and promote the 'LISTEN' model with Derby University to undertake a detailed research analysis on its impact in providing structure and confidence to undertake end of life conversations.

3. Hospice at Home Service and Fast Track CHC

It is anticipated that the team will deliver 42,000 hours of care over the coming year.

Demand for Hospice at Home continues to grow across South Derbyshire and this increase in demand needs to be closely monitored this year.

Discussion are being held with the Derbyshire CCGs as to the provision of care for patients identified within the Fast Track Continuing Health Care stream. A new model of care has been identified that would reduce duplication, deliver better care and save resources.

Supervision of the clinical team was successfully introduced over the last year and this year will provide opportunity for consolidation and also introduction of a yearly shadow sit to review practice. These developments will assist us in monitoring the quality of care being delivered to our patients and maintaining the current high standards we expect for our service users.

In order to provide high quality care to our patients the opportunity for the HCA staff to undertake the administration of some anticipatory medications is also to be explored. This would allow staff to provide medication as and when required to patients with symptom control problems and reduce the need to call upon the NHS out of hours service. This would ensure a more timely response and better care for patients. In order to achieve this a significant programme of education would need be undertaken along with associated policy development.

During 2018-2019

To play an active role in developing the model of care for fast track continuing health care and to further grow the hospice at home service accordingly in order to deliver care.

Introduce a regular shadow sit for each member of the Hospice at Home Clinical workforce.

Explore with Marie Curie the opportunities for enhancing the HCA role to include aspects of medication administration and support.

4. Compassionate Communities

Treetops Hospice Care is now 10 months into an 18 month project to pilot a model of Compassionate Communities for Derbyshire County Council in two distinct localities.

This project has three defined areas focused on volunteering and befriending, education and awareness raising with emphasis on opportunity to talking about death and dying and finally engagement with employers and commitment to the 'Dying to Work' charter.

During 2018/19

To extend compassionate communities into Derby City area and to work with BME communities to understand their needs around end of life and how we can support this cohort of patients.

To raise awareness of Compassionate Communities across the whole of Southern Derbyshire.

To engage voluntary sector organisations in delivering befriending support via education and recruitment of volunteers.

To engage with employers and promote the dying to work charter.

5. 'SystemOne' deployment and migration

As community health care providers move to the use of IT based systems this has created a risk for Treetops Hospice Care as the quality of paper-based notes has been seen to decline. For some time Treetops Hospice Care has been working to move its clinical system to SystmOne to mirror that of other service providers.

We have now achieved the necessary approvals to make this change and all the clinical services will be moving to SystmOne over the coming months. This will create a period of double running as they transition from iCare.

This is a very positive move for the organisation and will enable the teams to communicate more effectively with the wider health care system.

During 2018/19

To undertake full deployment and migration of data to SystmOne for all clinical services.

6. To progress to construction of an in-patient facility on our Risley campus

This year hopefully sees approval of the plans to build a 12 bedded in patient unit. This is a significant undertaking for Treetops and a lot of work to finalise room design and to ensure that the specification is being met as work begins with the contractors. Communication with the organisation and wider community will need to be undertaken in order to articulate the rationale for developing this facility.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

Information on fundraising practices

All staff and volunteers read the Treetops Hospice policies on fundraising as part of their induction. All outside agencies are registered with the Fundraising Regulator and sign agreements with Treetops Hospice Trust regarding policies on fundraising and General Data Protection Regulation compliance.

Volunteers attend training sessions on specific aspects of fundraising i.e. Collections and are given the Fundraising Regulators Code of Practice for that particular activity.

Breach of any of the policies is dealt with by the Head of Fundraising or Volunteer Services in line with the Treetops Hospice volunteer procedures. Any breach by a paid fundraiser, would be handled through the Treetops Hospice Disciplinary Policy and Procedure. Treetops Hospice also has a clear Gift Policy on accepting or abusing position for receiving money/gifts.

Any person from a group or any individual holding a third party event, completes a registration form to ensure that we are aware of the event, they are compliant, and that the money is received after the event. This is monitored by the fundraising team.

There were two complaints received during the year by the charity about activities by the charity or by a person on behalf of the charity for the purpose of fund-raising. Both were misunderstandings and were dealt with immediately and were regarding donations. These were recorded on the incident log and raised at the appropriate meeting to sign off when completed.

Treetops Hospice fundraising department organise fundraising events and co-ordinate the activities of our supporters both in the Hospice and in the wider community on behalf of Treetops Hospice Trust. Treetops Hospice does not use professional fundraisers or involve commercial participants. The fundraising department has signed up to the Fundraising Regulator's Code of Fundraising Practice and the organisation as a whole adheres to the General Data Protection Regulations.

All direct marketing is undertaken by the marketing department to ensure that it is not unreasonably intrusive or persistent. Contact is made through direct marketing a maximum of three times a year but usually annually. All marketing material contains clear instructions on how a person can be removed from mailing lists as do all letters of thanks.

Treetops Hospice Lottery does use a third party canvassing company to recruit members of the Lottery. A Data Protection Agreement is in place with that company (Burden and Burden), which confirms that they adhere to the Fundraising Regulator's Code of Fundraising Practice and the General Data Protection Regulations.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2018

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;
- 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 26/8/18 and signed on their behalf by:



Mr A Sarda, Treasurer

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of Treetops Hospice Trust (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the group Consolidated statement of financial activities incorporating income and expenditure account, the group Consolidated balance sheet, the group Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2018 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 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Use of our report

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, Part 4 of the Charities (Accounts and Reports) Regulations 2008. 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 opinions we have formed.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters 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 the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which 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 and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Group Strategic Report.

Responsibilities of trustees

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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.

BHP LLP

Jane Marshall (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

Date: **9 October 2018**

BHP LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2018**

		Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
	Note				
Income from:					
Donations and legacies	2	934,597	254,110	1,188,707	1,181,988
Charitable activities	8	1,056,160	-	1,056,160	1,106,746
Other trading activities	6	1,442,949	-	1,442,949	1,320,118
Investments	7	19,467	-	19,467	10,466
Total income		3,453,173	254,110	3,707,283	3,619,318
Expenditure on:					
Raising funds:					
Voluntary income	9	268,919	-	268,919	281,258
Fundraising trading	10	1,313,311	-	1,313,311	1,154,338
Charitable activities	11	2,208,565	258,623	2,467,188	2,244,503
Total expenditure		3,790,795	258,623	4,049,418	3,680,099
Net expenditure before investment gains/(losses)		(337,622)	(4,513)	(342,135)	(60,781)
Net gains/(losses) on investments		(2,451)	-	(2,451)	14,192
Net expenditure before transfers		(340,073)	(4,513)	(344,586)	(46,589)
Transfers between funds	20	(48)	48	-	-
Net expenditure before other recognised gains and losses		(340,121)	(4,465)	(344,586)	(46,589)
Net movement in funds		(340,121)	(4,465)	(344,586)	(46,589)
Reconciliation of funds:					
Total funds brought forward		3,400,469	37,917	3,438,386	3,484,975
Total funds carried forward		3,060,348	33,452	3,093,800	3,438,386

The notes on pages 34 to 57 form part of these financial statements.

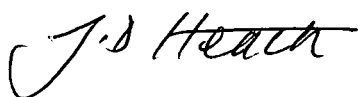
TREETOPS HOSPICE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 01801708

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	16		2,343,185		2,387,155
Investments	17		214,058		214,192
			<u>2,557,243</u>		<u>2,601,347</u>
Current assets					
Stocks		68,067		70,969	
Debtors	18	125,911		161,674	
Cash at bank and in hand		598,572		910,711	
		<u>792,550</u>		<u>1,143,354</u>	
Creditors: amounts falling due within one year	19	(255,993)		(306,315)	
Net current assets			<u>536,557</u>		<u>837,039</u>
Net assets			<u><u>3,093,800</u></u>		<u><u>3,438,386</u></u>
Charity Funds					
Restricted funds	20		33,452		37,917
Unrestricted funds	20		3,060,348		3,400,469
Total funds			<u><u>3,093,800</u></u>		<u><u>3,438,386</u></u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 20/8/18 and signed on their behalf, by:



Mrs J Heath, Chair

The notes on pages 34 to 57 form part of these financial statements.

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

COMPANY BALANCE SHEET
AS AT 31 MARCH 2018

	Note	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	16		2,251,638		2,259,326
Investments	17		225,058		225,192
			<u>2,476,696</u>		<u>2,484,518</u>
Current assets					
Debtors	18	363,027		289,456	
Cash at bank and in hand		445,196		786,741	
		<u>808,223</u>		<u>1,076,197</u>	
Creditors: amounts falling due within one year	19	<u>(382,167)</u>		<u>(252,345)</u>	
Net current assets			<u>426,056</u>		<u>823,852</u>
Net assets			<u>2,902,752</u>		<u>3,308,370</u>
Charity Funds					
Restricted funds	20		33,452		37,917
Unrestricted funds			2,869,300		3,270,453
Total funds			<u>2,902,752</u>		<u>3,308,370</u>

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on 20/8/18 and signed on their behalf, by:



Mr A Sarda, Treasurer

The notes on pages 34 to 57 form part of these financial statements.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash used in operating activities	22	<u>(224,809)</u>	<u>(94,700)</u>
Cash flows from investing activities:			
Interest from investments		19,467	10,466
Purchase of tangible fixed assets		(104,480)	(145,077)
Proceeds from sale of investments		46,487	-
Purchase of investments		<u>(48,804)</u>	<u>(200,000)</u>
Net cash used in investing activities		<u>(87,330)</u>	<u>(334,611)</u>
Change in cash and cash equivalents in the year		(312,139)	(429,311)
Cash and cash equivalents brought forward		<u>910,711</u>	<u>1,340,022</u>
Cash and cash equivalents carried forward	23	<u><u>598,572</u></u>	<u><u>910,711</u></u>

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) as updated for Update Bulletin 1), 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 financial statements are presented in £ sterling which is the functional currency of the charity and rounded to the nearest £1.

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.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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

All expenditure is inclusive of irrecoverable VAT.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies (continued)

1.6 Basis of consolidation

The financial statements consolidate the accounts of Treetops Hospice Trust and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

1.7 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

1.8 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.

1.9 Operating leases

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

1.10 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 included in the financial statements at estimated fair value which is the expected proceeds from sale less the expected costs of sale.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies (continued)

1.11 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.

1.12 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.

1.13 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.

1.14 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. Liabilities and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

1.15 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.16 Pensions

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

1.17 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

1. Accounting Policies (continued)

1.18 Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. There are estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2. Donations and legacies

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations and sponsorship (note 3)	525,218	-	525,218	500,956
Legacies and bequests	53,666	-	53,666	164,067
Income from charitable trusts (note 4)	24,350	84,204	108,554	132,836
Income from other clubs and organisations	32,784	-	32,784	36,827
Christmas appeal	11,599	-	11,599	7,652
Car boot sales	17,696	-	17,696	14,675
Light Up A Life	11,381	-	11,381	12,514
Easter appeal	5,403	-	5,403	5,338
Recycling	356	-	356	455
Prize draw	13,870	-	13,870	13,877
Miscellaneous	31,830	-	31,830	6,181
Moonlight Walk	70,461	-	70,461	50,856
Colour run	19,644	-	19,644	20,881
Gift aid	48,108	-	48,108	42,668
BBC Children In Need	-	10,000	10,000	9,991
Community events	65,397	-	65,397	56,770
Tea for Treetops	2,834	-	2,834	3,590
Big Lottery	-	69,192	69,192	67,854
Compassionate Communities Project	-	25,714	25,714	-
South Derbyshire CCG	-	65,000	65,000	34,000
Total	934,597	254,110	1,188,707	1,181,988

In 2017, of the total donations and legacies income, £1,055,890 was to unrestricted funds and £126,098 was to restricted funds.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

3. Donations and sponsorship

	2018 £
<i>Corporate groups</i>	
Aga Rangemaster	362
Axiomatic Technology Ltd	500
BP Garage Wollaton & Marks & Spencer Simply Food	492
Broadbents Solicitors LLP	924
Carillion	2,358
Charlotte Pounder	400
Concept Financial Solutions	440
Costain	5,085
Erewash Sound	550
Dains	1,687
D M Thomas Foundation for Young People	1,318
Emma Dalby	410
Enterprise Rent-A-Car Foundation Fund	1,000
Gillotts Funeral Directors - Eastwood	1,980
Fairgrove Homes	2,220
Integrated Food Projects Limited	1,000
J Tomlinson Ltd	500
Leek United	560
Lyndon Scaffolding PLC	500
Mark Whithorn	1,115
Marks & Spencer	5,245
MWUK	1,184
Oviso	367
Routen Chaplin & Partners	342
Ryley & Evans Opticians	319
Sainsbury's Local	2,811
Trescal Limited	573
Waitrose - Wollaton	600
Yorkshire Bank	453
Zan Fish Wholesale	425
Other donations and sponsorship under £300 and individual donations	489,498
	525,218

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

4. Charitable trusts

	2018 £
Asda	1,000
Central England Co-operative Community Dividend Fund	2,500
East Midlands Airport Community Fund	1,000
Elise Pilkington Charitable Trust	2,000
Elvaston United Charities	500
Erewash Borough Council	1,138
Institute of Our Lady of Mercy	1,000
Garfield Weston Foundation	30,000
Gloag Foundation	1,000
Groundworks - Tesco Bags of Help	2,000
Rolls Royce Staff Aerospace	100
The ACT Foundation	3,316
The Ardwick Trust	400
The Boots Charitable Trust	10,000
The Caron Keating Foundation	3,000
The Cecil Rosen Foundation	450
The Derbyshire Community Foundation - Foundation House	2,000
The D'Oyly Carte Charitable Trust	3,000
The February Foundation	7,500
The Fifty Fund	1,000
The Jessie Spencer Trust	3,000
The Jones 1986 Charitable Trust	10,000
The Mary Robertson Trust	3,000
Masonic Charitable Foundation	1,000
The Sawley Charities	500
The Sir John Eastwood Foundation	2,500
The Sir Jules Thorn Charitable Trust	1,250
The Souter Foundation	1,000
The Thomas J Horne Memorial Trust	6,000
The Utley Foundation	500
The Winifred Potter Charitable Trust	2,000
The Woodroffe Benton Foundation	400
Toyota Motor Manufacturing	4,500
	108,554

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

5. Donations and legacies - restricted funds

	2018 £	2017 £
Children's Bereavement Project	10,000	9,991
Big Lottery Fund - Support and Information	69,192	67,854
SDCCH Personal Health Budget Funding	65,000	34,000
Derbyshire CC Compassionate Communities Project	25,714	-
The Charles Littlewood Hill Trust - Hospice at Home	-	2,000
Erewash Borough Council - Hearing equipment	2,138	-
Garfield Weston Foundation - Hospice at Home	30,000	-
Tesco - Grounds fund	2,000	-
The Boots Charitable Trust - Hospice at Home	10,000	-
The Derbyshire Community Foundation - Hospice at Home	2,000	-
The D'Oyly Carte Charitable Trust - Hospice at Home	3,000	-
The February Foundation - Hospice at Home	7,500	-
The Fifty Fund - Hospice at Home	1,000	-
The Jones 1986 Charitable Trust - Hospice at Home	10,000	-
The Sir Jules Thorn Charitable Trust - Hospice at Home	1,250	-
The Winnifred Potter Charitable Trust - Hospice at Home	2,000	-
Toyota Motor Manufacturing UK Ltd - Hospice at Home	4,500	-
Erewash Borough Council - Hospice at Home	-	1,753
Central England Co-operative Community Dividend Fund - Day care	2,500	-
East Midlands Airport Community Fund - Day care	1,000	-
Elise Pilkington Charitable Trust - Day care	2,000	-
The ACT Foundation - Bariatric Wheelchair	3,316	-
The February Foundation - Clinical Support Centre	-	7,500
The D'Oyly Carte Charitable Trust - Hospice at Home	-	3,000
	254,110	126,098

6. Other trading activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hospice lottery income	455,482	-	455,482	391,899
Shop sales	829,757	-	829,757	763,382
Catering income	157,710	-	157,710	164,837
	1,442,949	-	1,442,949	1,320,118
Total 2017	1,320,118	-	1,320,118	

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

7. Investments income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	14,033	-	14,033	10,466
Listed investments income	5,434	-	5,434	-
	<u>19,467</u>	<u>-</u>	<u>19,467</u>	<u>10,466</u>
Total 2017	<u>10,466</u>	<u>-</u>	<u>10,466</u>	

8. Income from charitable activities

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Erewash CCG	267,125	-	267,125	275,131
Derby City CCG	553,660	-	553,660	490,464
Hardwick CCG	6,807	-	6,807	5,243
Nottingham County Teaching CCG	157,942	-	157,942	258,155
SDCCG LLI	23,983	-	23,983	23,983
Erewash LLI	3,467	-	3,467	3,467
	<u>1,012,984</u>	<u>-</u>	<u>1,012,984</u>	<u>1,056,443</u>
Other income				
Education	9,065	-	9,065	13,337
Meals and refreshments	16,025	-	16,025	20,738
Trustee membership fees	385	-	385	390
NHS pension rebate	8,500	-	8,500	8,500
Miscellaneous	9,201	-	9,201	7,338
	<u>1,056,160</u>	<u>-</u>	<u>1,056,160</u>	<u>1,106,746</u>

In 2017, of the total charitable activities income, £1,106,746 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 2018

9. Raising funds - voluntary income

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Direct costs - other	90,846	-	90,846	101,566
Direct costs - staff	178,073	-	178,073	179,692
	<u>268,919</u>	<u>-</u>	<u>268,919</u>	<u>281,258</u>
Total 2017	<u>281,258</u>	<u>-</u>	<u>281,258</u>	

10. Raising funds - fundraising trading

	Direct staff costs 2018 £	Direct other costs 2018 £	Support costs 2018	Total costs 2018 £	Total costs 2017 £
Hospice lottery	62,912	216,183	-	279,095	229,726
Shops	566,951	345,806	-	912,757	807,490
Catering	66,423	55,036	-	121,459	117,122
Total	<u>696,286</u>	<u>617,025</u>	<u>-</u>	<u>1,313,311</u>	<u>1,154,338</u>

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

In 2017, of the total expenditure on raising funds, £1,154,338 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 2018

11. Cost of charitable activities

	Direct staff costs 2018 £	Direct other costs 2018 £	Support costs 2018 £	Total costs 2018 £	Total costs 2017 £
Daycare provision	322,397	142,984	53,558	518,939	551,587
Bereavement support	224,244	36,069	29,958	290,271	265,054
Complementary therapy	18,420	29,522	5,517	53,459	59,017
Hospice at home	1,106,513	92,385	137,975	1,336,873	1,227,592
Training	20,850	36,938	6,651	64,439	31,163
Clinical information & support centre	69,835	3,808	8,476	82,119	89,073
Personal Health Budget	15,806	64,267	9,215	89,288	-
Governance costs (note 12)	10,617	21,183	-	31,800	21,017
	<u>1,788,682</u>	<u>427,156</u>	<u>251,350</u>	<u>2,467,188</u>	<u>2,244,503</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 21% (2017: 25%), bereavement support 12% (2017: 12%), complementary therapy 2% (2017: 3%), hospice at home 55% (2017: 55%), training 3% (2017: 1%), clinical information and support centre 3% (2017: 4%) and personal health budget 4% (2017: 0%).

Restricted expenditure totalling £258,623 (2017: £136,226) is included in the total expenditure of £2,467,188 (2017: £2,244,503).

Support costs

	2018 £	2017 £
Administration	172,533	156,595
Marketing	78,817	83,280
	<u>251,350</u>	<u>239,875</u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

12. Governance costs

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Direct costs - other	21,183	-	21,183	10,592
Direct costs - staff	10,617	-	10,617	10,425
	<u>31,800</u>	<u>-</u>	<u>31,800</u>	<u>21,017</u>

Other governance costs represent Trust audit fees, investment management 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:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	147,888	134,686
Auditor's remuneration	<u>9,865</u>	<u>9,570</u>

14. Staff costs

	2018 £	2017 £
<i>Treetops Hospice Trust - group</i>		
Wages and salaries	2,302,666	2,184,091
Social security costs	167,760	150,959
Other pension costs	192,615	170,624
	<u>2,663,041</u>	<u>2,505,674</u>
Total group	2,663,041	2,505,674
Treetops Retail Limited	(633,374)	(559,297)
Treetops Funding Limited	(62,912)	(63,611)
	<u>1,966,755</u>	<u>1,882,766</u>
Total company		

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

15. Staff costs (continued)

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	1,681,758	1,631,600
Social security costs	129,193	115,808
Other pension costs	155,804	135,358
	<u>1,966,755</u>	<u>1,882,766</u>

The average monthly number of employees was 156 (2017: 144) and the average monthly number of employees expressed as full time equivalents was as follows (including casual and part time staff):

	2018	2017
	No.	No.
Direct charitable	45	50
Fundraising and publicity	46	45
Management and administration	13	6
	<u>104</u>	<u>101</u>

The number of higher paid employees was:

	2018	2017
	No.	No.
In the band £ 70,001 - £ 80,000	1	1

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

15. Staff costs (continued)

The total amount of employee benefits received by key management personnel is £297,880 (2017: £257,185). 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 and HR Manager.

No Trustees were paid any remuneration during the year. No trustees were re-imbursed travel expenses during the year (2017: one trustee, £931).

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 £192,615 (2017: £170,624). At the year end, contributions of £12,545 (2017: £11,548) were outstanding.

16. Tangible fixed assets

<i>Group</i>	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2017	2,481,488	118,230	521,075	53,892	3,174,685
Additions	43,873	-	18,926	41,681	104,480
Disposals	-	-	-	(13,483)	(13,483)
At 31 March 2018	2,525,361	118,230	540,001	82,090	3,265,682
Depreciation					
At 1 April 2017	328,837	60,000	352,045	46,648	787,530
Charge for the year	49,468	24,844	64,028	9,548	147,888
On disposals	-	-	-	(12,921)	(12,921)
At 31 March 2018	378,305	84,844	416,073	43,275	922,497
Net book value					
At 31 March 2018	2,147,056	33,386	123,928	38,815	2,343,185
At 31 March 2017	2,152,651	58,230	169,030	7,244	2,387,155

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

16. Tangible fixed assets (continued)

<i>Company</i>	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2017	2,481,488	80,761	264,332	53,892	2,880,473
Additions	43,873	-	17,282	41,681	102,836
Disposals	-	-	-	(13,483)	(13,483)
At 31 March 2018	2,525,361	80,761	281,614	82,090	2,969,826
Depreciation					
At 1 April 2017	328,837	35,332	210,330	46,648	621,147
Charge for the year	49,468	20,190	30,756	9,548	109,962
On disposals	-	-	-	(12,921)	(12,921)
At 31 March 2018	378,305	55,522	241,086	43,275	718,188
Net book value					
At 31 March 2018	2,147,056	25,239	40,528	38,815	2,251,638
At 31 March 2017	2,152,651	45,429	54,002	7,244	2,259,326

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.

	2018 £	2017 £
Original costs	246,882	246,882
Improvements to freehold property	1,304,670	1,304,670
Sandiacre premises	167,941	164,391
New build costs	765,545	765,545
In Patient Unit	40,323	-
Total	2,525,361	2,481,488

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

17. Fixed asset investments

<i>Group</i>	Listed securities £
Market value	
At 1 April 2017	214,192
Additions	54,443
Disposals	(46,487)
Revaluations	(8,090)
At 31 March 2018	214,058
Historical cost	208,938

Group investments at market value comprise:

	2018 £	2017 £
Listed investments	214,058	214,192

All the fixed asset investments are held in the UK

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

17. Fixed asset investments (continued)

<i>Company</i>	Listed securities £	Sub total carried forward £
Market value		
At 1 April 2017	214,192	214,192
Additions	54,443	54,443
Disposals	(46,487)	(46,487)
Revaluations	(8,090)	(8,090)
At 31 March 2018	214,058	214,058
Historical cost	208,938	208,938

<i>Company</i>	Sub total brought forward £	Shares in group undertakings £	Total £
Market value			
At 1 April 2017	214,192	11,000	225,192
Additions	54,443	-	54,443
Disposals	(46,487)	-	(46,487)
Revaluations	(8,090)	-	(8,090)
At 31 March 2018	214,058	11,000	225,058
Historical cost	208,938	11,000	219,938

The investment in group undertakings represents a 100% holding in the ordinary issued share capital in Treetops Retail Limited and Treetops Funding Limited which are registered in England and Wales.

At the year end, the aggregate capital and reserves of Treetops Retail Ltd amounted to £14,451 and loss for the year amounted to £46,749.

At the year end, the aggregate capital and reserves of Treetops Funding Ltd amounted to £187,595 and profit for the year amounted to £176,387.

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.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

18. Debtors

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	41,349	58,761	34,919	51,747
Amounts owed by group undertakings	-	-	284,919	183,860
Other debtors	3,629	5,612	-	-
Prepayments and accrued income	61,835	66,360	24,091	22,908
Tax recoverable	19,098	30,941	19,098	30,941
	125,911	161,674	363,027	289,456

19. Creditors: Amounts falling due within one year

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	95,559	62,518	75,284	37,919
Amounts owed to group undertakings	-	-	217,094	47,036
Other taxation and social security	41,857	44,051	39,361	44,051
Other creditors	79,027	114,609	29,553	61,812
Accruals and deferred income	39,550	85,137	20,875	61,527
	255,993	306,315	382,167	252,345

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Deferred income				
Deferred income at 1 April 2017	36,054	6,580	36,054	6,580
Resources deferred during the year	3,540	36,054	3,540	36,054
Amounts released from previous years	(36,054)	(6,580)	(36,054)	(6,580)
Deferred income at 31 March 2018	3,540	36,054	3,540	36,054

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

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
<i>Designated funds</i>						
New build	49,200	-	-	(25,323)	-	23,877
Fixed assets	2,387,155	-	-	(43,970)	-	2,343,185
	<u>2,436,355</u>	<u>-</u>	<u>-</u>	<u>(69,293)</u>	<u>-</u>	<u>2,367,062</u>
<i>General funds</i>						
General funds	888,514	2,006,613	(2,473,873)	70,227	5,639	497,120
Revaluation reserve	14,192	-	-	(982)	(8,090)	5,120
Treetops Funding Limited	1,208	455,482	(279,095)	-	-	177,595
Treetops Retail Limited	60,200	991,078	(1,037,827)	-	-	13,451
	<u>964,114</u>	<u>3,453,173</u>	<u>(3,790,795)</u>	<u>69,245</u>	<u>(2,451)</u>	<u>693,286</u>
Total Unrestricted funds	<u>3,400,469</u>	<u>3,453,173</u>	<u>(3,790,795)</u>	<u>(48)</u>	<u>(2,451)</u>	<u>3,060,348</u>
<i>Restricted funds</i>						
Grounds fund	37,917	2,000	(6,465)	-	-	33,452
Children's bereavement project	-	10,000	(10,000)	-	-	-
Personal Health Budget Funding	-	65,000	(65,000)	-	-	-
Hospice at Home	-	71,250	(71,250)	-	-	-
Hearing Equipment	-	2,138	(2,138)	-	-	-
Day Care	-	5,500	(5,500)	-	-	-
Support and information	-	69,192	(69,192)	-	-	-
Compassionate Communities Project	-	25,714	(25,762)	48	-	-
Bariatric Wheelchair	-	3,316	(3,316)	-	-	-
	<u>37,917</u>	<u>254,110</u>	<u>(258,623)</u>	<u>48</u>	<u>-</u>	<u>33,452</u>
Total of funds	<u>3,438,386</u>	<u>3,707,283</u>	<u>(4,049,418)</u>	<u>-</u>	<u>(2,451)</u>	<u>3,093,800</u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2017 £
<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	2,173,102	(2,253,883)	(29,463)	-	888,514
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>3,493,220</u>	<u>(3,408,221)</u>	<u>(195,243)</u>	<u>14,192</u>	<u>964,114</u>
Total Unrestricted funds	<u>3,436,930</u>	<u>3,493,220</u>	<u>(3,543,873)</u>	<u>-</u>	<u>14,192</u>	<u>3,400,469</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>3,619,318</u>	<u>(3,680,099)</u>	<u>-</u>	<u>14,192</u>	<u>3,438,386</u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

Summary of funds - current year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
Designated funds	2,436,355	-	-	(69,293)	-	2,367,062
General funds	964,114	3,453,173	(3,790,795)	69,245	(2,451)	693,286
	<u>3,400,469</u>	<u>3,453,173</u>	<u>(3,790,795)</u>	<u>(48)</u>	<u>(2,451)</u>	<u>3,060,348</u>
Restricted funds	37,917	254,110	(258,623)	48	-	33,452
	<u>3,438,386</u>	<u>3,707,283</u>	<u>(4,049,418)</u>	<u>-</u>	<u>(2,451)</u>	<u>3,093,800</u>

Summary of funds - prior year

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2017 £
Designated funds	2,376,764	-	(135,652)	195,243	-	2,436,355
General funds	1,060,166	3,493,220	(3,408,221)	(195,243)	14,192	964,114
	<u>3,436,930</u>	<u>3,493,220</u>	<u>(3,543,873)</u>	<u>-</u>	<u>14,192</u>	<u>3,400,469</u>
Restricted funds	48,045	126,098	(136,226)	-	-	37,917
	<u>3,484,975</u>	<u>3,619,318</u>	<u>(3,680,099)</u>	<u>-</u>	<u>14,192</u>	<u>3,438,386</u>

Designated funds

Designated funds comprise the net book value of the group's unrestricted fixed assets and a fund for an anticipated new build bedded unit.

Restricted funds

Grounds fund - for maintaining the ground surrounding the Hospice.

Children's bereavement project - to pay the salaries of counselling and emotional support staff who provide services to bereaved children.

Personal Health Budget funding - established to pay the salaries of specific clinical services salaries who provide specialist one on one care.

Support and information centre - established to assist the provision of support and information.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

20. Statement of funds (continued)

Compassionate Communities Project - established to engage and empower people and communities to have conversations about death, dying, bereavement and loss, ultimately enable people to share their preference and wishes about these.

21. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £
Tangible fixed assets	2,343,185	-	2,343,185
Fixed asset investments	214,058	-	214,058
Current assets	759,098	33,452	792,550
Creditors due within one year	(255,993)	-	(255,993)
	<u>3,060,348</u>	<u>33,452</u>	<u>3,093,800</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Tangible fixed assets	2,387,155	-	2,387,155
Fixed asset investments	214,192	-	214,192
Current assets	1,105,437	37,917	1,143,354
Creditors due within one year	(306,315)	-	(306,315)
	<u>3,400,469</u>	<u>37,917</u>	<u>3,438,386</u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

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

	Group	
	2018	2017
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(344,586)	(46,589)
Adjustment for:		
(Gains) / losses on investments	2,451	(14,192)
Depreciation charges	147,888	134,686
Dividends and interest from investments	(19,467)	(10,466)
Loss on the sale of fixed assets	562	-
Decrease/(increase) in stocks	2,902	(69,259)
Decrease/(increase) in debtors	35,763	(85,947)
Decrease in creditors	(50,322)	(2,933)
Net cash used in operating activities	(224,809)	(94,700)

23. Analysis of cash and cash equivalents

	Group	
	2018	2017
	£	£
Cash in hand	598,572	910,711
Total	598,572	910,711

24. Operating lease commitments

At 31 March 2018 the total of the group's future minimum lease payments under non-cancellable operating leases was:

Group	2018	2017
	£	£
Amounts payable:		
Within 1 year	119,902	133,563
Between 1 and 5 years	390,533	402,135
After more than 5 years	269,292	336,292
Total	779,727	871,990

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

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.

26. Related party transactions

During the year 3 trustees made donations totalling £381 (2017: 9 trustees, £1,143). A number of trustees also donate goods to the retail shops.

There were no other related party transactions during the year (2017: None).

27. Controlling party

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