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Charity number: 519540

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TREETOPS HOSPICE TRUST

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 31 MARCH 2019

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 - 28
Independent auditor's report	29 - 31
Consolidated statement of financial activities	32
Consolidated balance sheet	33
Company balance sheet	34
Consolidated statement of cash flows	35
Notes to the financial statements	36 - 61

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 2019**

Trustees	Mrs J Heath, Chair (resigned 20 August 2018) Mr A Sarda, Treasurer Miss S Ansley (resigned 20 August 2018) Mr S Beeley Mr J Davis Mr M Fox Dr H Godridge Mr R W Jones Dr S Miller (resigned 30 April 2019) Mr A Perkins Mr A Wardle Dr M Swanwick Dr R E Aldridge Mr S Mitchell Mr D J Millington Ms H Macdonald (appointed 19 November 2018) Dr C S Kang (appointed 19 November 2018)
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Company registered number	01801708
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Charity registered number	519540
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Registered office	Treetops Hospice Derby Road Risley Derbyshire DE72 3SS
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Company secretary	Miss C D Munton
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Chief executive	Mrs J Heath
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Independent auditor	BHP LLP Chartered Accountants Statutory Auditor 2 Rutland Park Sheffield S10 2PD
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Bankers	Santander Bridle Road Bootle Merseyside GIR 0AA
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TREETOPS HOSPICE TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019

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 2019

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 2018 to 31 March 2019. 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 contributions 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 operation 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:

- Wellbeing Provision:
 - o Wellbeing Days with Activity Programmes
 - o Out-Patient Clinic
 - o Drop-In Café
- Support and Information
 - o Carer Support and Signposting
- Therapeutic Services
 - o Pre and Post Bereavement Support
 - o Complementary Therapy
 - o Art Therapy
- Hospice at Home
- Education
- Compassionate Communities Work

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 performances section of this report.

d. Volunteers

The Hospice would not be able to achieve what we do without the support received from our volunteers and we are indebted to them for their contribution.

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.

An example of this is, in the last 12 months, the former Day Care service has been transitioned to a Wellbeing model aimed at reaching and supporting more and a more diverse range of people in our community who are suffering a life limiting illness. The new format offers support, information and care from the time of diagnosis and throughout the

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

progression of their condition. We now offer a more educational and interactive approach alongside the traditional care and support. As with all our services, we could not have achieved these changes without the commitment and support of our volunteers. All of whom have worked with us patiently, supportively and flexibly over the last 12 months to launch the new service and reach as many people in the community as we can. Some have taken on new and different roles and acquired new skills in order to support the hospice and our guests; all have changed the days and hours they contribute to accommodate the demands of the new flexible service. As a group, our volunteers have enabled this change and will support Treetops Hospice Care in the development of the service in the future.

We see similar dedication to supporting the hospice from all our volunteers in every department; with the valuable gift of their time, they have made and continue to make a significant contribution to improving the support available to individuals and their families, who are facing the challenge of life limiting illness.

To maintain and grow volunteer support, volunteer induction, mandatory and role related training and retraining remain imperative to maintain and improve our standard of services and care. Other areas requiring continual development are that of improving communication to keep volunteers engaged and recognition, to find different but appropriate ways to show each individual volunteer how much the organisation values their contribution.

As an additional opportunity to recognise the contribution of volunteers, this year, for the first time, we have introduced the Volunteer of the Year Award for outstanding contribution. The award will be presented at the Annual General Meeting.

Achievements and performance

a. Review of activities

Provision of Care

Philippa Shreeve (Director of Clinical Services) is the registered manager for the organisation and is responsible for the delivery of all clinical activity that is commissioned by Derbyshire and Nottinghamshire CCGs.

The priorities that we set for 2018–2019

1 - Support, Information and Day Services

The priority for this year was to implement the changes identified from the service review conducted the previous year. This highlighted that the traditional model previously offered was not meeting 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 programme had demonstrated that people respond extremely well to a more educational-based approach alongside the benefits of interaction and support.

In addition 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 as envisaged, with the majority of support and information being offered via email or over the telephone.

Over the year, these two services have merged to make sure that every contact counts, 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.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

A programme of activities has now been introduced 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. The programme focuses on every area of life including physical, emotional, spiritual and social aspects. The new Wellbeing Service offers support to help people deal with concerns that may arise as a result of their condition, as well as sharing skills and knowledge to be able to manage and maintain quality of life.

The re-structure has also seen the introduction of a Support and Information Wellbeing Café on a Thursday. The café is open to anyone with a life-limiting illness or bereaved – and their family, carers and friends. Individuals do not need to be referred and can just turn up at any time during the day. The Café provides a relaxed environment, where over coffee and cake, conversations can be undertaken and support and information provided.

2 – LISTEN Person-Centred Care

Over the last year, the Support and Information Service has continued to focus on delivery of person-centred care following the organisations involvement in the Personal Health Budget pilot project in conjunction with NHS England.

Our Clinical Nurse Specialist has developed the 'LISTEN' model, to engage staff and volunteers in facilitating structured conversations with users of our services. This approach is now embedded into the assessment and support planning process. This model continues to evolve and in conjunction with the University of Derby is now in its second research year. The findings so far have generated significant interest and have been presented at a national Hospice UK Conference along with the Association of Palliative Medicine Conference.

3 – Hospice at Home Service

It was anticipated that the Hospice at Home team would deliver 42,000 hours of care over the coming year. However clinical activity did not reach this level as the CCG were keen to ensure that the activity remained as close as possible to contracted levels. As a result 32,467 hours of care were delivered.

In order to provide high quality care to our patients, it was decided that the HCA staff should be trained to undertake the administration of some anticipatory medications. Over the year, collaborative working with Marie Curie enabled the development of training packages that ensure consistency of approach and quality across both services.

4 - Compassionate Communities

During the year, Treetops Hospice Care completed delivery of an 18 month project developing Compassionate Communities for Derbyshire County Council in two distinct localities.

The project focused on volunteer befriending, education and awareness raising with emphasis on opportunities to talk about death, dying, loss and bereavement and finally engagement with employers and commitment to the 'Dying to Work' Charter.

Learning from the two pilot areas is now being implemented across the locality.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

5 – 'SystmOne' deployment and migration

All the clinical services moved to SystmOne over the year. This was not without its challenges but has been a very positive move operationally for the organisation. The teams are now able to communicate more effectively with the wider health care system. There have been challenges with the procurement process predominantly due to the organisation sitting outside of the internal NHS business support system but hopefully this will be resolved for 2019–2020.

6 – To progress to construction of an In-Patient Unit on our Risley campus

Planning approval was granted for the proposed 12 bedded In-Patient Unit. Prior to any construction starting, a capital campaign has been launched with the target of £5million to fund both construction and support initial running costs. This is a significant undertaking for Treetops but a very positive move for the population that it serves.

Review of services

From 1 April 2018 to 31 March 2019, 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 63% of the funding for these services through retail outlets, lottery and fundraising. The remaining 37% comes from the NHS via the above CCGs through 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.

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.

Research

During 2018–2019, the hospice was involved in one research project in conjunction with Derby University.

NHS Quality Improvement and Innovation Goals

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

- All quality requirements for 2018-2019 were met (Quality Schedule available)
- To be an active participant in the Workstream 4 (End of Life and Care Home) innovation and improvement initiative, the Derbyshire Sustainability and Transformation Programme (STP) End of Life Care Group and The Derbyshire Alliance for End of Life Education.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Quality Overview

Activity data across the year reveals the following trends

Day Care and Wellbeing Service

Day Care / Wellbeing Service Data

	2018 – 2019	2017 - 2018	
	Treetops Hospice Care	Treetops Hospice Care	Percentage Change
Total number of sessions delivered	2,778	3,128	-11.19%
Total number of new patients	99	179	-44%
% New patients with a non-cancer diagnosis	46%	58%	-12%

Following the review of the Day Care Model, steps were taken to move from the existing service structure to the new Wellbeing model. Over the course of the year conversations were held with all guests to ascertain how best to support them going forward. A new programme structure was introduced which required the gradual relocation of guests to different sessions. A decision was taken to introduce the new programme over time rather than shut and reopen with a new service. As a result, there was a period of reduced capacity whilst these changes were made and this is reflected in the activity data.

Wellbeing Programme Data

As part of the changes the Wellbeing Day was reformatted to a programme of 8 sessions.

	2018 - 2019	2017 - 2018	Percentage Change
	Treetops Hospice Care	Treetops Hospice Care	
Total number of sessions delivered	248	338	-26%
Total number of new patients	42	65	-35%
% New patients with a non-cancer diagnosis	61%	70%	-9%

This programme has unfortunately continued to under-perform to the level originally anticipated. Although the feedback from attendees is positive, referral levels are low and as a result this programme will be reviewed further.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

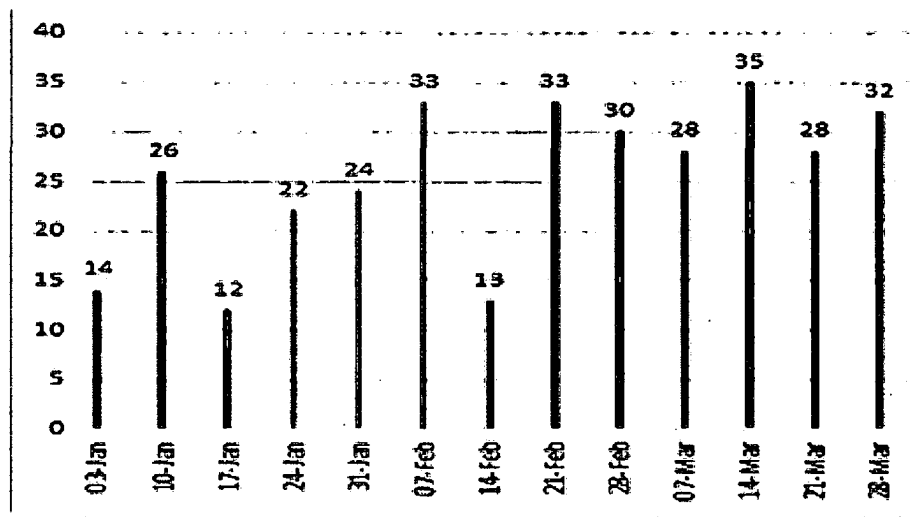
TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Support and Information Wellbeing Cafe

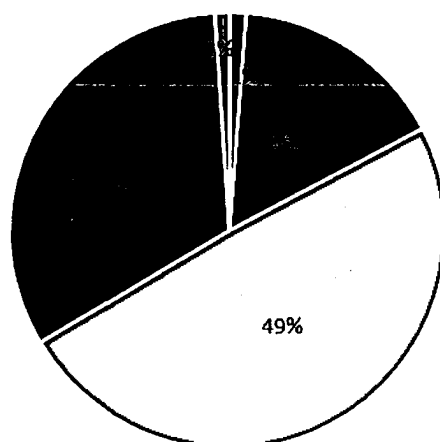
The Café opened its doors for business at the beginning of 2019 and in the three months for this report, 330 guests have been through our doors on a Thursday.

It has grown steadily in popularity and in the first month (January) there were 98 guests in total.

By March this was 123 and the numbers continue to grow month on month.



% of Guests Attending By Age Group



■ 18-29 ■ 30-49 ■ 50-69 ■ 70+ ■ Not Specified

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019**

Hospice at Home ServiceHospice at Home Data

	2018 - 2019	2017 - 2018	
	Treetops Hospice Care	Treetops Hospice Care	Percentage change
Total number of hours of care	32467	41898	-22%
Total number of new patients	802	1150	-30%
% New patients with a non-cancer diagnosis	18%	26%	-8%
% all patients aged 85 and over	36%	31%	4%
% Home deaths	90%	90%	0%

The prognosis criteria for referral to our Hospice at Home Service is six months. The number of patients who died at home has remained consistent with previous years. The number of people supported by the Hospice at Home Service fell this year, but this was in order to bring it into line with the activity level commissioned by the Southern Derbyshire and Erewash Clinical Commissioning Groups.

Counselling and Emotional SupportAdult, Children and Families Bereavement Service Data

	2018 - 2019	2017 - 2018	
	Treetops Hospice Care	Treetops Hospice Care	Percentage change
Total number of counselling sessions	4059	3866	5%
Total number of new users	435	431	1%
% New service users are children and families	42%	62%	20%

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 increasing demand.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Life-Limiting Illness Counselling Support Data

	2018 - 2019	2017 – 2018	
	Treetops Hospice Care	Treetops Hospice Care	Percentage change
Total number of counselling sessions	603	487	24%
Total number of new users	92	83	10%

Again, this service is not only for people who have accessed end of life care at the hospice 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.

We are 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. It is our intention to use this tool to evaluate our service in the future.

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

Due to the implementation of changes from our Day Care service to the new Wellbeing model, it was agreed that the quarterly 'Guest Voice' rolling programme of questionnaires was no longer suitable for evaluating the new model of service. As a result, a new evaluation has been implemented and as yet a full set of results has not been produced.

As a temporary measure, comment cards were utilised in order to monitor guests' feedback with 47 completed.

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

Dignity, Safety and Privacy

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 it to be a safe and secure environment.

Your Care

We always aim to meet guests' clinical and emotional needs unobtrusively and with care and compassion.

Catering in Day Care

We offer a range of catering options across the week ranging from a two-course meal to café style options.

Complementary Therapy (CT) Service

As in previous years, clients of the service who completed a full course of CT sessions were sent an evaluation questionnaire.

6 forms were issued for community CT (this figure is low because many of the clients die before completing their treatment) and 6 (100%) were returned.

45 forms were issued for in-house CT and 21 (47%) were returned.

Evaluation results show:

- 89% patients thought that the time between referral and first session was acceptable.
- 100% 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 above results demonstrate the continued high level of professionalism that our therapists display, particularly now that there is a formal assessment process with a comprehensive signed agreement with the client. Alongside the positive therapeutic environment Treetops provides, these factors combine to create a hugely valuable service to clients.

*"I attended today for alternative therapy with Claire who is amazing.
She puts me at ease and I'm totally relaxed at the end of the session.
I am so grateful for all the support I have received both for myself and my family.
Many thanks."*

*"Helped with a migraine I'd had and also helped with painful legs which the chemo
had left me with."*

*"Very soothing treatment that helped with pain, nausea, dizziness (ears aggravated
by chemo). The gentle massage has been relieving swelling and discomfort [in feet]."*

*"I found I was resting better through the day as well as sleeping quality
(less waking up due to pain and discomfort)."*

*"Both during and after a session, I find that my mental and physical well-being
improved dramatically to alleviate my Parkinsons symptoms.
In fact I feel happier in myself."*

Quotes from evaluations, 2018-19

Hospice at Home Service

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.

147 evaluations were sent out between January and December 2018 to carers of patients who died under our care and 71 (48%) were returned.

Referrals are received from many sources but predominantly they come from health professionals with 38% from district nurses, 27% from Macmillan/Community palliative care nurses and hospitals referrals this year have risen to 19%

Of those who returned the questionnaire:

- 88% thought that the referral to the service was timely.
- 70% said that the amount of day time care provided was enough.
- 79% said that the amount of night time care provided was enough.
- 99% were totally at ease or comfortable about the way we cared for their loved ones.

"I would like say how helpful and caring the nurses were to both me and my husband and the people on the other end of the phone always asked how I was, as well as my husband"

"The co-ordination was great; all the nurses were excellent. The sensitivity and the support of the co-ordination team made the last week of my mum's life bearable"

"The service is invaluable at a time when you are so vulnerable"

"The care for my husband was person-centred"

"The nurses were my saviours; they took control but in the nicest possible way"

"They were very considerate and respectful being in someone's home. The care received was second to none"

Hospice at Home - Carer evaluations, March 2019

Counselling and Emotional Support Service and Art Therapy

Since last year, all clients who finish receiving support during the year from the Counselling and Emotional Support and Art Therapy Services are asked to complete an evaluation of their experience.

Adult Bereavement:

162 evaluation forms were sent out and 74 forms were returned (46%):

- 97% said that the support they received had been helpful in their experience of bereavement.
- 97% said they were satisfied with how quickly the service was provided.
- 99% said they would recommend the service to other people.

Parents/Carers

57 evaluation forms were sent and 18 were returned (32%):

- 89% were happy or very happy with the speed of response to the referral.
- 89% reported a decrease in their level of concern about their child after the support had finished.
- 95% 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.
- 94% would recommend the service to other people.

Children/Young People

57 evaluation forms were sent out of which 18 were returned (32%):

- 94% reported an improvement in their feelings after the support.
- 95% said the sessions had been helpful or very helpful.
- 61% said they would recommend the service to other people.

Life-limiting Illness

35 evaluation forms were sent out. 23 of these were in relation to work with adults and 9 (39%) were returned. The other 12 were in relation to work with children/young people but sadly only one of these was returned.

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.
- 80% said the number of sessions provided was just right.
- 90% said they would recommend the service to others.

*"Made the difference between coping and going under.
Gave me permission to feel the way I did without thinking I was losing it!"*

"It was a relief to offload what I had kept inside for all these years."

*"As a result of my sessions I have been able to gain the strength to face
many issues and this has resulted in me regaining confidence
to go forward with life alone."*

"I'm not 'broken' anymore!"

"I can carry on, I can do this!"

Bereaved Adults

"I feel like I can cope with my grief better and I do not get any images in my head about their death."

"It helped me understand more and control my feelings."

"It opened up my feelings/emotions that I had tried to hide away."

"I feel less angry."

*"I know how to manage my feelings and know it's ok to cry.
I had a private space to express my feelings."*

Bereaved Children/Young People

"We are so grateful for the help provided, X has gradually turned back into the boy we used to have!"

*"The difference it has made to both X and the family is huge.
I can't thank you enough for what you have done for my little girl."*

*"She is much more settled now, understands her tummy aches and is able to say if it is a worried tummy ache.
She is working much better at school and is much calmer."*

*"I think he was able to come to terms with the subject of death.
More able to talk about what is bothering him. Very happy with the service."*

"She has started to spend a bit more time with us and we've seen her beautiful smile!"

Parents/Carers of Bereaved Children

"Helped me to come to terms with our situation and become more positive in my outlook."

"It helped me/us get through a prolonged period of distress which affected several areas of my life. I/we are now better equipped to continue managing the situation."

"It has helped me feel more at ease with living with cancer and made me realise I can live a normal life like any other person."

"It helped me offload all my fears and emotions that I will have to deal with in the future."

"It changed my emotions generally from quiet and upset to bubbly and happy/calm." (Child)

Life-Limiting Illness clients

"It was a more comfortable way of communicating and expressing my thoughts and feelings."

"It provided a great way to make links between pieces of artwork which reflected onto me to reveal themes in my thoughts and grief process. Also, continuing and resuming therapy in each session was easier when we had the art to come back to."

"The art therapy sessions really helped X to process her grief. In this respect [she] is in a much better place."

**Art Therapy Clients
Quotes from evaluations, 2018-19**

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019

What our staff say about the organisation

For many years we have used the Birdsong staff survey for employee feedback/engagement. In 2017, we branched out and used the Sunday Times Best Not for Profit survey at the same time entering the Sunday Times Best 100 Not for Profit Company Awards and we came 4th.

The following year we entered again; with an even higher score, we came 6th. However, we are concerned not to send out the message that, as a company, we are only interested in employee feedback/engagement to win awards and also the feedback from Best Companies was limited, therefore this year we have taken a step back to review all the options such as a bespoke survey, other providers, a return to Birdsong or repeat Best Companies. In the meantime, we ensure regular two-way communication through 121s and appraisals, an active staff meeting open to all employees, every 3 months, a management group that meets every 2 months and a Senior Leadership Team that meets every month.

Complaints and Compliments

Complaints

During 2018–2019, we received five 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 145 individual cards and letters of thanks to our full range of services during the year.

It has come to our attention that many people now post their thanks and praise for the service they receive on social media. We do not at present keep a record of these but are currently looking at ways in which we can log this feedback. In total 72% of our in-memoriam donations came from the families and carers of those who were cared for by our services.

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (continued)

FOR THE YEAR ENDED 31 MARCH 2019

"The kindness and the professional, dignified care they showed to our Mum and our family in the last week of her life was truly amazing. They helped us to get through a very tough time. Thank you xxx"

"I can't rate Treetops enough. These people were amazing when my dad was ill. We begged for help from other places but only Treetops was there to help and support us."

"My mother is in the final stages of her illness. Treetops are providing night cover and other support to keep her at home. The cover is allowing me to get some rest. Thank you all for your support at Treetops."

"We could never have managed without the help of Treetops nurses doing the night shifts during the last month of my brother life. Each and every one of them have a special place in my heart. Thank you to everyone"

"The care, kindness and night sitting allowed my husband to stay at home. Always there, only a phone call away. The feeling of security with someone there with you. Many thanks. My husband passed away at home where he wanted to be."

Quotes from individual thank you cards and letters received during 2018-2019

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 2018 – March 2019, there were 13 fall incidents recorded: 8 reported by our Hospice at Home service and 5 by the Day Care/Wellbeing service. Three falls had happened to patients living alone and before the Treetops nurse was in attendance. The Treetops nurse called for assistance in each of these cases. One patient was attended and assisted back to bed by paramedics, one by family members and one by the out of hours service. Of the remaining falls, two falls resulted in injury: one a minor skin tear (Hospice at Home patient) and the other an injury to the patient's ear (Wellbeing patient) which was attended by paramedics and treated in hospital.

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

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 £8,982.

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 £3,707,283 to £4,043,674, an increase of £336,391. Gross costs increased from £4,049,418 to £4,331,582 an increase of £282,164, 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.

The charity had funds carried forward at 31 March 2019 of £2,805,591 (2018: £3,093,800) of which £40,412 (2018: £33,452) are restricted funds, £435,198 (2018: £693,286) are unrestricted funds and £2,329,981 (2018: £2,367,062) are designated funds.

Treetops Funding Limited and Treetops Retail Limited

In 2003, Treetops Retail Limited was created for the Retail shops and catering operation. From 1 April 2018 onwards, the Retail shops were transferred over to Treetops Hospice Trust to ensure Gift Aid claims were correctly dealt with and did not leave the subsidiary company insolvent. Treetops Retail Limited now only contains the catering operation and is part of the VAT registered group with Treetops Hospice Trust.

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 £455,482 to £565,186 (24%), profit increase from £176,387 to £203,079 (15%). This is due to a robust recruitment campaign, which has seen lottery membership rise by 2,810 members in the fiscal year.

Retail Company

Treetops Retail Limited made an operating profit of £15,056 compared to a loss of £46,479 for 2017/18. The comparison is distorted as the Retail Shops are now included as part of Treetops Hospice Trust from the 2018/19 financial year, leaving only the catering operations in the Retail Company.

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

Fundraising

Fundraising includes income from the community, events, individual donations, corporate support and trusts. Net contribution has risen to a record level of £159,505 (2018: £129,638).

Legacy income experiences an income of income rising from £53,666 to £422,720. This increase in legacy income is welcome as although at present it only is depended on upon a small way, the nature of Charity finances is changing and legacies are becoming more critical to operations. To this end a legacy marketing programme is being implemented in co-ordination with the external Fundraising specialists we are currently working with. This is to develop 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 as:

- Increased operating costs
- Loss or reduction of Statutory income
- Failure to generate sufficient income
- Reserves at insufficient level
- Loss of reduction of Fundraising income

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 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 the year end, the free reserves figure was £435,198 (2018: £669,409), which is below the level set. The Trustees will be reviewing the reserves policy in the forthcoming year as plans for the new In-Patient Unit continue 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 2019

Structure, governance and management

a. Constitution

Treetops Hospice is a registered charity and company limited by guarantee without 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 Leadership Team (SLT) 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 SLT are only awarded pay increases in line with the cost of living annual award given to all staff and will not receive and 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 2019

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 SLT, 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 2019–2020

1 – Wellbeing, Support and Information Service

Following the changes to the model of care, the introduction of the Wellbeing Services is now established. For some service users the change has been unsettling but the staff team have utilised person-centred conversations based on the developing LISTEN model to help everyone accessing the service identify how we best support them. We are in the process of training all our Wellbeing, Support and Information staff and volunteers in this model and work will continue this year to embed this fully. This model continues to evolve and in conjunction with the University of Derby is now in its second research year. The findings so far have generated significant interest and have been presented at national Hospice UK and the Association of Palliative Medicine conferences.

The Wellbeing Space now offers a weekly programme based on a model of enablement and focus this year is to promote this new service to referrers with the aim of increasing referral numbers.

Support and Information Wellbeing Cafe

The restructure has also seen the introduction of a Support and Information Wellbeing Café on a Thursday. The Café is open to anyone with a life-limiting illness or bereaved – and their family, carers and friends. Individuals do not need to be referred and can just turn up at any time during the day. The Café provides a relaxed environment where over coffee and cake conversations can be undertaken and support and information provided. There is no pressure or expectation that people engage in conversations as soon as they walk through the door and for some just coming to the Café for a coffee is the level of engagement that they require at that moment in time.

The Café opened its doors for business at the beginning of 2019 and in the six months so far 633 guests have been through our doors on a Thursday. It has grown steadily in popularity with 131 visiting in January and by May this had grown to 178 guests.

Work will continue this year to further develop the Café and monitor outcomes as initial findings highlight the value of this approach.

2 – Hospice at Home Service

Over the previous year the activity levels within Hospice at Home have been maintained at the contracted levels. This is in contrast to the previous year when performance was significantly above contract. Over performance carries a significant cost to the charity and it was felt that this level of delivery was not sustainable for the organisation. As a result it is anticipated that the team will work to deliver activity levels in line with the NHS contract again this year. This means that priority is given to those patients who are classified as Red and Amber using the Gold Standard Framework. This ensures support to those who are rapidly deteriorating, or requiring symptom control, and less is offered to those settled patients or where families require respite care only.

Work continues to improve the scope and quality of the service and this year will see the introduction of competency training for the clinical staff in medication administration. This will enable the staff team to support patients with their medication and avoid the need for call outs to the out of hours service. The training programme is being developed in

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

collaboration with Marie Curie in order to ensure continuity of care for patients and their families. This year will also see the 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.

3 – Compassionate Communities

Treetops Hospice Care has now completed the 18-month pilot project commissioned by Derbyshire County Council. This work has provided a solid base for future development and it has begun to facilitate conversations and changed the way the organisation approaches these topics. Partner organisations are now more informed about the topics of death, dying and bereavement and the services and support available to those at the end of life or looking to plan for the future.

A priority for this year is to secure funding for the project, to build on the work already done and to take it to the wider community and areas not covered in the pilot.

Businesses will be offered awareness sessions to help support those line-managing people with a life-limiting condition and build knowledge about choices and where support can be accessed. Organisations will still be encouraged to sign the Dying to Work Charter to demonstrate their commitment to their workforce.

Once funding is secured, a review of all aspects of the Befriending Service will be undertaken, focusing on the challenge of recruiting and retaining volunteers, and supporting those who are isolated. A Compassionate Neighbours Service will also be considered to see if this can be introduced alongside the befriending, or as an alternative along with the potential of technology to offer support.

Further work will be carried out with diverse communities to find culturally appropriate ways of engaging them in conversations and events. An assets-based approach will be adopted focusing on what works best for communities, building on local capacity to support those at the end of life or who are bereaved.

Treetops will also work with other hospices working within community development to share best practice. The organisation is proud to have started the conversations about death, dying and bereavement in communities and endeavour to continue breaking down fears and taboos to enable people to plan better and support each other at the end of life.

4 - Therapeutic Services Project for Traumatically Bereaved Children

Mollitiam Projx

In March 2019, we were successful in bidding for a grant of £20,000 from the Masonic Lodge (via Hospice UK) to fund a 'non-talking' therapies project for children and young people traumatically bereaved of a significant family member. This project is aimed at reaching children/young people who struggle to benefit from traditional 1-2-1 talking therapy.

Evidence shows that people experiencing trauma benefit most from interventions that assist with regulation of emotion, positive sense of self and social support.

The project will create a group-work programme providing a range of 'non-talking' therapies such as drumming therapy, equine therapy, trauma yoga, meditation/mindfulness and complementary therapy and will be working in partnership with other local charities/specialists. Peer and parental support will be key factors in the project.

The Director of the Nottingham-based Centre for Trauma, Resilience and Growth, Steve Regel OBE, has agreed to act as a consultant in the development, monitoring and review of the project as it comes to fruition.

The project starts on the 1 June 2019 with a three month planning phase. Preparations are well underway with the six week programme already developed. This will be delivered 6 times throughout the year starting in September 2019.

As part of the development of the project, a scoping meeting was held with past service users. This was an enthusiastic, positive meeting with the young people providing lots of input about the plans and coming up with the name and logo for the project Mollitiam Projx. Mollitiam means resilience in Latin. Mollitiam Projx has its own webpage on the hospice website and, during the next phase of planning, local professionals will be visited/contacted to promote the programme.

5 - To progress to construction of an In-Patient Unit on our Risley campus

Following a successful planning application for the proposed 12 bedded In-Patient Unit, the focus this year is on capital campaign to fund the build.

The £5 million-pound funding for the In-Patient Unit is being raised through the Lime Tree Campaign which is Treetops most ambitious fundraising campaign to date.

New relationships will need to be nurtured and new fundraising initiatives will need to be undertaken in order to secure significant gifts from philanthropists, companies and grant making trusts and foundations. Communication with the organisation and wider community will need to be undertaken in order that much-needed income currently given to fund our £3.5 million annual revenue costs, is not diverted to the Campaign.

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

TRUSTEES' REPORT (continued) FOR THE YEAR ENDED 31 MARCH 2019

Information on fundraising practices

All staff and volunteers read the Treetops Hospice Trust 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 Volunteers Services in line with the Treetops Hospice Trust 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.

Treetops Hospice Trust 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 the charity. Treetops Hospice Trust does not use professional fundraisers or involve commercial participators for its revenue operations. 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.

Trustees' responsibilities statement

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 MARCH 2019**

- 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

In so far as the trustees are aware:

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

This report was approved by the Trustees, on 11/12/19 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 charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2019 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).

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 2019 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.

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 Directors' 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

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

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

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 (incorporating the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Directors' Report has been prepared in accordance with applicable legal requirements.

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 Directors' 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 Directors' 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 Directors' 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.

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 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 as a body and the charitable company's trustees as a body for our audit work, for this report, or for the opinions we have formed.

BHP LLP

Jane Marshall FCA DChA (Senior statutory auditor)

for and on behalf of

BHP LLP

Chartered Accountants
Statutory Auditor

2 Rutland Park
Sheffield
S10 2PD

Date: *11 DECEMBER 2019*

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 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	2	1,311,541	183,494	1,495,035	1,188,707
Charitable activities	8	880,958	-	880,958	1,056,160
Other trading activities	6	1,658,699	-	1,658,699	1,442,949
Investments	7	8,982	-	8,982	19,467
Total income		3,860,180	183,494	4,043,674	3,707,283
Expenditure on:					
Raising funds:					
Voluntary income	9	339,331	-	339,331	268,919
Fundraising trading	10	1,499,194	-	1,499,194	1,313,311
Charitable activities	11	2,316,523	176,534	2,493,057	2,467,188
Total expenditure		4,155,048	176,534	4,331,582	4,049,418
Net income / (expenditure) before investment losses		(294,868)	6,960	(287,908)	(342,135)
Net losses on investments		(301)	-	(301)	(2,451)
Net income / (expenditure) before other recognised gains and losses		(295,169)	6,960	(288,209)	(344,586)
Net movement in funds		(295,169)	6,960	(288,209)	(344,586)
Reconciliation of funds:					
Total funds brought forward		3,060,348	33,452	3,093,800	3,438,386
Total funds carried forward		2,765,179	40,412	2,805,591	3,093,800

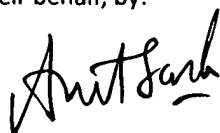
The notes on pages 36 to 61 form part of these financial statements.

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****REGISTERED NUMBER: 01801708****CONSOLIDATED BALANCE SHEET****AS AT 31 MARCH 2019**

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	16		2,329,981		2,343,185
Investments	17		155,789		214,058
			2,485,770		2,557,243
Current assets					
Stocks		77,642		68,067	
Debtors	18	196,635		125,911	
Cash at bank and in hand		305,871		598,572	
		580,148		792,550	
Creditors: amounts falling due within one year	19	(260,327)		(255,993)	
Net current assets			319,821		536,557
Net assets			2,805,591		3,093,800
Charity Funds					
Restricted funds	20		40,412		33,452
Unrestricted funds	20		2,765,179		3,060,348
Total funds			2,805,591		3,093,800

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 11/12/19 and signed on their behalf, by:



Mr A Sarda, Treasurer, Chair

The notes on pages 36 to 61 form part of these financial statements.

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****REGISTERED NUMBER: 01801708****COMPANY BALANCE SHEET****AS AT 31 MARCH 2019**

	Note	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	16		2,329,981		2,251,638
Investments	17		166,789		225,058
			2,496,770		2,476,696
Current assets					
Stocks		74,572		-	
Debtors	18	181,069		363,027	
Cash at bank and in hand		278,362		445,196	
		534,003		808,223	
Creditors: amounts falling due within one year	19	(443,317)		(382,167)	
Net current assets			90,686		426,056
Net assets			2,587,456		2,902,752
Charity Funds					
Restricted funds	20		40,412		33,452
Unrestricted funds			2,547,044		2,869,300
Total funds			2,587,456		2,902,752

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 11/12/19 and signed on their behalf, by:



Mr A Sarda, Treasurer

The notes on pages 36 to 61 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 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash used in operating activities	22	<u>(239,056)</u>	<u>(224,809)</u>
Cash flows from investing activities:			
Interest from investments		8,982	19,467
Purchase of tangible fixed assets		(120,595)	(104,480)
Proceeds from sale of investments		171,815	46,487
Purchase of investments		<u>(113,847)</u>	<u>(48,804)</u>
Net cash used in investing activities		<u>(53,645)</u>	<u>(87,330)</u>
Change in cash and cash equivalents in the year		(292,701)	(312,139)
Cash and cash equivalents brought forward		<u>598,572</u>	<u>910,711</u>
Cash and cash equivalents carried forward	23	<u><u>305,871</u></u>	<u><u>598,572</u></u>

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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 prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

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 2019

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.

Raising funds 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 2019

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 results of the subsidiaries are consolidated on a line by line basis.

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

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 2019****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 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations and sponsorship (note 3)	596,363	-	596,363	525,218
Legacies and bequests	422,720	-	422,720	53,666
Income from charitable trusts (note 4)	38,317	68,600	106,917	108,554
Income from other clubs and organisations	28,098	-	28,098	32,784
Christmas appeal	9,996	-	9,996	11,599
Business club	2,375	-	2,375	-
Car boot sales	17,886	-	17,886	17,696
Light Up A Life	9,776	-	9,776	11,381
Easter appeal	4,921	-	4,921	5,403
Recycling	5,848	-	5,848	356
Prize draw	11,083	-	11,083	13,870
Miscellaneous	-	-	-	31,830
Starlight Strut	42,734	-	42,734	70,461
Colour run	7,362	-	7,362	19,644
Gift aid	63,925	-	63,925	48,108
BBC Children In Need	-	10,000	10,000	10,000
Community events	44,030	-	44,030	65,397
Tea for Treetops	3,618	-	3,618	2,834
Big Lottery	-	70,608	70,608	69,192
Compassionate Communities Project	-	34,286	34,286	25,714
South Derbyshire CCG	-	-	-	65,000
Support groups	2,489	-	2,489	-
Total	1,311,541	183,494	1,495,035	1,188,707

In 2018, of the total donations and legacies income, £934,597 was to unrestricted funds and £254,110 was to restricted funds.

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****3. Donations and sponsorship**

	2019 £
<i>Corporate groups</i>	
Ashley Kate HR and Finance	354
AW Lymn Funeral Services	703
Bar & Block Steakhouse	587
Baxter Freight Ltd	745
BEC Consulting	1,049
Boots	926
BP Garage Wollaton & Marks & Spencer Simply Food	435
Breezemount Services Ltd	305
Chemring Defense UK Ltd	1,340
Create Financial Management	308
Dains	539
Darcy Developments	300
Enterprise Rent-A-Car Foundation Fund	1,000
Exchange Coins	301
Fairgrove Homes	1,113
The FA Premier League	2,500
Gamestec	4,037
Gardner Aerospace Group	400
Holland & Barrett	1,000
Ignite Your Inner Potential	701
Imperial Commercials	600
Intu Derby	500
MCPN Promotions	500
Midland Fixings Ltd	5,500
Nationwide Bank	2,643
NK Motors Ltd	3,473
Rolls Royce	501
Roma Publications Ltd	2,500
Routen Chaplin & Partners	430
Sainsbury's Local Total	3,420
Santander UK Plc	2,353
S Collins & Co	500
SGC Solicitors	3,654
Sunspel Ltd	467
Vodafone	1,000
Yorkshire Bank	763
Other donations and sponsorship under £300 and individual donations	548,916
	<u>596,363</u>

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****4. Charitable trusts**

	2019 £
Albert Hunt Trust	10,000
Blakemore Foundation	200
Francis Winham Foundation	5,000
Institute of Our Lady of Mercy	1,000
Kobller Trust	300
Masonic Charitable Foundation	800
Santander Foundation	5,000
The Annandale Charitable Trust	4,300
The Charles Littlewood Hill Trust	2,500
The Derbyshire Community Foundation - Foundation House	5,000
The Edgar E Lawley Foundation	1,500
The Elizabeth Frankland Moore and Star Foundation	10,000
The February Foundation	7,500
The Hedley Foundation	1,500
The Jane Tomlinson Appeal	2,000
The Jessie Spencer Trust (Eversheds)	5,000
The Lynn Foundation	500
The Mary Potter Convent Hospital Trust - Massers Solicitors	3,000
The Mary Robertson Trust c/o Natwest Nottingham Uni Branch	3,000
The Paget Trust	3,000
The Percy Billton Charity	4,917
The Sawley Charities	500
The Sir John Eastwood Foundation	2,000
The Sir Jules Thorn Charitable Trust	5,000
The Sobell Foundation	10,000
The Souter Foundation	1,000
The Thomas Farr Charity	6,000
The Thomas J Horne Memorial Trust	6,000
The Woodroffe Benton Foundation Total	400
	106,917

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****5. Donations and legacies - restricted funds**

	2019 £	2018 £
Children's Bereavement Project	1,500	10,000
Big Lottery Fund - Support and Information	70,608	69,192
SDCCH Personal Health Budget Funding	-	65,000
Derbyshire CC Compassionate Communities Project	34,286	25,714
BBC Children in Need	10,000	-
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	5,000	1,250
The Winnifred Potter Charitable Trust - Hospice at Home	-	2,000
Toyota Motor Manufacturing UK Ltd - Hospice at Home	-	4,500
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
Jane Tomlinson- Hospice at Home	2,000	-
The Francis Whinham Foundation- Hospice at Home	5,000	-
The Lynn Foundation- Hospice at Home	500	-
Thomas Farr Charity- Hospice at Home	6,000	-
The Kobler Trust- Hospice at Home	300	-
The February Foundation- Hospice at Home	7,500	-
The Edgar E Lawley Foundation- Hospice at Home	1,500	-
The Annandale Charitable Trust	4,300	-
Santander- Day care	5,000	-
The Jessie Spencer Trust- Day care	5,000	-
The Albert Hunt Trust- Wellbeing equipment	10,000	-
The Derbyshire Community Foundation- Wellbeing equipment	5,000	-
The Sobell Foundation- Wellbeing equipment	10,000	-
	183,494	254,110

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

6. Other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hospice lottery income	565,186	-	565,186	455,482
Shop sales	925,063	-	925,063	829,757
Catering income	168,450	-	168,450	157,710
	<u>1,658,699</u>	<u>-</u>	<u>1,658,699</u>	<u>1,442,949</u>
Total 2018	<u>1,442,949</u>	<u>-</u>	<u>1,442,949</u>	

7. Investments income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	3,847	-	3,847	14,033
Listed investments income	5,135	-	5,135	5,434
	<u>8,982</u>	<u>-</u>	<u>8,982</u>	<u>19,467</u>
Total 2018	<u>19,467</u>	<u>-</u>	<u>19,467</u>	

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

8. Income from charitable activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Erewash CCG	212,382	-	212,382	267,125
Derby City CCG	492,106	-	492,106	553,660
Hardwick CCG	2,556	-	2,556	6,807
Nottingham County Teaching CCG	108,326	-	108,326	157,942
SDCCG LLI	23,983	-	23,983	23,983
Erewash LLI	3,178	-	3,178	3,467
	842,531	-	842,531	1,012,984
<i>Other income</i>				
Education	10,332	-	10,332	9,065
Meals and refreshments	15,014	-	15,014	16,025
Trustee membership fees	400	-	400	385
NHS pension rebate	8,500	-	8,500	8,500
Miscellaneous	4,181	-	4,181	9,201
	880,958	-	880,958	1,056,160

In 2018, of the total charitable activities income, £1,056,160 was to unrestricted funds and £Nil was to restricted funds.

9. Raising funds - voluntary income

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs - other	101,035	-	101,035	90,846
Direct costs - staff	238,296	-	238,296	178,073
	339,331	-	339,331	268,919
Total 2018	268,919	-	268,919	

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

10. Raising funds - fundraising trading

	Direct staff costs 2019 £	Direct other costs 2019 £	Support costs 2019	Total costs 2019 £	Total costs 2018 £
Hospice lottery	62,459	299,648	-	362,107	279,095
Shops	363,813	619,880	-	983,693	912,757
Catering	86,550	66,844	-	153,394	121,459
Total	512,822	986,372	-	1,499,194	1,313,311

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

In 2018, of the total expenditure on raising funds, £1,313,311 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 2019

11. Cost of charitable activities

	Direct staff costs 2019 £	Direct other costs 2019 £	Support costs 2019 £	Total costs 2019 £	Total costs 2018 £
Wellbeing	384,866	122,509	62,913	570,288	518,939
Bereavement support	335,953	48,218	47,636	431,807	290,271
Complementary therapy	3,179	11,882	1,867	16,928	53,459
Hospice at home	1,010,991	79,385	135,203	1,225,579	1,336,873
Training	19,587	23,144	5,298	48,029	64,439
Clinical information & support centre	73,734	3,934	9,631	87,299	82,119
Personal Health Budget	-	-	-	-	89,288
In Patient Unit	-	85,135	-	85,135	-
Governance costs (note 12)	8,841	19,151	-	27,992	31,800
	1,837,151	393,358	262,548	2,493,057	2,467,188

Support costs outlined below have been allocated to charitable activities in proportion to the direct costs attributed to each activity.

The relevant proportions are wellbeing 24% (2018: 21%), bereavement support 18% (2018: 12%), complementary therapy 1% (2018: 2%), hospice at home 51% (2018: 55%), training 2% (2018: 3%), clinical information and support centre 4% (2018: 3%) and personal health budget 0% (2018: 4%).

Restricted expenditure totalling £176,534 (2018: £258,623) is included in the total expenditure of £2,410,190 (2017: £2,467,188).

Support costs

	2019 £	2018 £
Administration	165,126	172,533
Marketing	97,422	78,817
	262,548	251,350

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

12. Governance costs

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Direct costs - other	16,883	-	16,883	21,183
Direct costs - staff	11,109	-	11,109	10,617
	<u>27,992</u>	<u>-</u>	<u>27,992</u>	<u>31,800</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:

	2019 £	2018 £
Depreciation of tangible fixed assets:		
- owned by the charitable group	133,798	147,888
Auditor's remuneration - other services	568	-
Auditor's remuneration	<u>7,960</u>	<u>9,865</u>

14. Staff costs

	2019 £	2018 £
<i>Treetops Hospice Trust - group</i>		
Wages and salaries	2,436,200	2,302,666
Social security costs	181,471	167,760
Other pension costs	211,154	192,615
	<u>2,828,825</u>	<u>2,663,041</u>
Total group	2,828,825	2,663,041
Treetops Retail Limited	(84,619)	(633,374)
Treetops Funding Limited	(62,459)	(62,912)
	<u>2,681,747</u>	<u>1,966,755</u>
Total company		

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

15. Staff costs (continued)

Staff costs were as follows:

	2019 £	2018 £
Wages and salaries	1,769,783	1,681,758
Social security costs	140,946	129,193
Other pension costs	168,913	155,804
	<u>2,079,642</u>	<u>1,966,755</u>

The average monthly number of employees was 159 (2018: 156) and the average monthly number of employees expressed as full time equivalents was as follows (including casual and part time staff):

	2019 No.	2018 No.
Direct charitable	45	45
Fundraising and publicity	47	46
Management and administration	13	13
	<u>105</u>	<u>104</u>

The number of higher paid employees was:

	2019 No.	2018 No.
In the band £ 70,001 - £ 80,000	0	1

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****15. Staff costs (continued)**

The total amount of employee benefits received by key management personnel is £301,589 (2018: £297,880). 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. 1 trustee was re-imbursed travel expenses during the year for their participation in volunteering in line with the charitable company's expense policy £1,234 (2018: 0, £NIL).

Treetops Hospice Trust makes payments on behalf of employees into individuals' defined contributions pension schemes. The assets of these schemes are held separately from those of the charity in independently administered funds. The pension cost charge in the Statement of Financial Activities represents contributions payable by the charity to the funds and amounts to £211,154 (2018: £192,615). At the year end, contributions of £11,401 (2018: £12,545) were outstanding.

16. Tangible fixed assets

<i>Group</i>	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2018	2,525,361	118,230	540,001	82,090	3,265,682
Additions	105,401	-	15,193	-	120,594
At 31 March 2019	2,630,762	118,230	555,194	82,090	3,386,276
Depreciation					
At 1 April 2018	378,305	84,844	416,073	43,275	922,497
Charge for the year	49,678	24,845	48,087	11,188	133,798
At 31 March 2019	427,983	109,689	464,160	54,463	1,056,295
Net book value					
At 31 March 2019	2,202,779	8,541	91,034	27,627	2,329,981
At 31 March 2018	2,147,056	33,386	123,928	38,815	2,343,185

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

16. Tangible fixed assets (continued)

<i>Company</i>	Freehold property £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost					
At 1 April 2018	2,525,361	80,761	281,614	82,090	2,969,826
Additions	105,401	-	15,193	-	120,594
Transfers intra group	-	37,469	258,387	-	295,856
At 31 March 2019	2,630,762	118,230	555,194	82,090	3,386,276
Depreciation					
At 1 April 2018	378,305	55,522	241,086	43,275	718,188
Charge for the year	49,678	24,845	48,087	11,188	133,798
Transfers intra group	-	29,322	174,987	-	204,309
At 31 March 2019	427,983	109,689	464,160	54,463	1,056,295
Net book value					
At 31 March 2019	2,202,779	8,541	91,034	27,627	2,329,981
At 31 March 2018	2,147,056	25,239	40,528	38,815	2,251,638

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.

	2019 £	2018 £
Original costs	246,882	246,882
Improvements to freehold property	1,310,694	1,304,670
Sandiacre premises	167,941	167,941
New build costs	765,545	765,545
In Patient Unit	139,700	40,323
Total	2,630,762	2,525,361

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

17. Fixed asset investments

Group	Listed securities
	£
Market value	
At 1 April 2018	214,058
Additions	98,848
Disposals	(171,815)
Revaluations	14,698
	<u>155,789</u>
At 31 March 2019	<u>155,789</u>
Historical cost	<u>153,240</u>

Group investments at market value comprise:

	2019	2018
	£	£
Listed investments	<u>155,789</u>	<u>214,058</u>

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 2019

17. Fixed asset investments (continued)

<i>Company</i>	Listed securities £	Sub total carried forward £
Market value		
At 1 April 2018	214,058	214,058
Additions	98,848	98,848
Disposals	(171,815)	(171,815)
Revaluations	14,698	14,698
At 31 March 2019	155,789	155,789
Historical cost	153,240	153,240

<i>Company</i>	Sub total brought forward £	Shares in group undertakings £	Total £
Market value			
At 1 April 2018	214,058	11,000	225,058
Additions	98,848	-	98,848
Disposals	(171,815)	-	(171,815)
Revaluations	14,698	-	14,698
At 31 March 2019	155,789	11,000	166,789
Historical cost	153,240	-	153,240

Company investments at market value comprise:

	2019 £	2018 £
Listed investments	155,789	214,058
Group	11,000	11,000
Total	166,789	225,058

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 2019****17. Fixed asset investments (continued)**

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 £16,056 and profit for the year amounted to £15,056.

At the year end, the aggregate capital and reserves of Treetops Funding Ltd amounted to £213,079 and profit for the year amounted to £203,079.

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.

18. Debtors

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade debtors	52,025	41,349	50,374	34,919
Amounts owed by group undertakings	-	-	-	284,919
Other debtors	3,774	3,629	-	-
Prepayments and accrued income	115,355	61,835	105,214	24,091
Tax recoverable	25,481	19,098	25,481	19,098
	196,635	125,911	181,069	363,027

19. Creditors: Amounts falling due within one year

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	103,039	95,559	66,988	75,284
Amounts owed to group undertakings	-	-	287,824	217,094
Other taxation and social security	43,939	41,857	40,971	39,361
Other creditors	77,949	79,027	22,828	29,553
Accruals and deferred income	35,400	39,550	24,706	20,875
	260,327	255,993	443,317	382,167

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

19. Creditors: Amounts falling due within one year (continued)

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
<i>Deferred income</i>				
Deferred income at 1 April 2018	3,540	36,054	3,540	36,054
Resources deferred during the year	8,388	3,540	8,388	3,540
Amounts released from previous years	(3,540)	(36,054)	(3,540)	(36,054)
Deferred income at 31 March 2019	<u>8,388</u>	<u>3,540</u>	<u>8,388</u>	<u>3,540</u>

Deferred income represents income received in advance for the provision of services.

20. Statement of funds

Statement of funds - current year

	Balance at 1 April 2018	Income	Expenditure	Transfers in/out	Gains/ (Losses)	Balance at 31 March 2019
	£	£	£	£	£	£
<i>Designated funds</i>						
New build	23,877	-	-	(23,877)	-	-
Fixed assets	2,343,185	-	-	(13,204)	-	2,329,981
	<u>2,367,062</u>	<u>-</u>	<u>-</u>	<u>(37,081)</u>	<u>-</u>	<u>2,329,981</u>
<i>General funds</i>						
General funds	497,120	3,126,544	(3,448,501)	39,351	-	214,514
Revaluation reserve	5,120	-	-	(2,270)	(301)	2,549
Treetops Funding Limited	177,595	565,186	(539,702)	-	-	203,079
Treetops Retail Limited	13,451	168,450	(166,845)	-	-	15,056
	<u>693,286</u>	<u>3,860,180</u>	<u>(4,155,048)</u>	<u>37,081</u>	<u>(301)</u>	<u>435,198</u>
Total Unrestricted funds	<u>3,060,348</u>	<u>3,860,180</u>	<u>(4,155,048)</u>	<u>-</u>	<u>(301)</u>	<u>2,765,179</u>

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****20. Statement of funds (continued)*****Restricted funds***

Grounds fund	33,452	-	(7,668)	-	-	25,784
Children's bereavement project	-	11,500	(10,000)	-	-	1,500
Hospice at Home	-	32,100	(32,100)	-	-	-
Day care	-	35,000	(35,000)	-	-	-
Support and information	-	70,608	(57,480)	-	-	13,128
Compassionate Communities Project	-	34,286	(34,286)	-	-	-
	<u>33,452</u>	<u>183,494</u>	<u>(176,534)</u>	<u>-</u>	<u>-</u>	<u>40,412</u>
Total of funds	<u>3,093,800</u>	<u>4,043,674</u>	<u>(4,331,582)</u>	<u>-</u>	<u>(301)</u>	<u>2,805,591</u>

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

20. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2018 £
Designated funds						
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>
General funds						
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>
Restricted funds						
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 2019**

Summary of funds - current year

	Balance at 1 April 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2019 £
Designated funds	2,367,062	-	-	(37,081)	-	2,329,981
General funds	693,286	3,860,180	(4,155,048)	37,081	(301)	435,198
	<u>3,060,348</u>	<u>3,860,180</u>	<u>(4,155,048)</u>	<u>-</u>	<u>(301)</u>	<u>2,765,179</u>
Restricted funds	33,452	183,494	(176,534)	-	-	40,412
	<u>3,093,800</u>	<u>4,043,674</u>	<u>(4,331,582)</u>	<u>-</u>	<u>(301)</u>	<u>2,805,591</u>

Summary of funds - prior 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>

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.

Hospice at Home - established to offer nursing and emotional support for patients in their own homes.

TREETOPS HOSPICE TRUST**(A company limited by guarantee)****NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019****20. Statement of funds (continued)**

Hearing equipment - established from monies received toward the purchase of hearing equipment.

Day care - established to provide improvements to the daycare a wellbeing area within the Hospice.

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

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.

Transfers

During the year a transfer has been made between general funds and designated funds for the purchase. The transfers represent a movement in NBV on fixed assets and fixed asset investment revaluation reserve.

21. Analysis of net assets between funds**Analysis of net assets between funds - current year**

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	2,329,981	-	2,329,981
Fixed asset investments	155,789	-	155,789
Current assets	539,736	40,412	580,148
Creditors due within one year	(260,327)	-	(260,327)
	2,765,179	40,412	2,805,591

Analysis of net assets between funds - prior 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)
	3,060,348	33,452	3,093,800

TREETOPS HOSPICE TRUST

(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

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

	Group	
	2019	2018
	£	£
Net expenditure for the year (as per Statement of Financial Activities)	(288,209)	(344,586)
Adjustment for:		
Losses on investments	301	2,451
Depreciation charges	133,798	147,888
Dividends and interest from investments	(8,982)	(19,467)
Loss on the sale of fixed assets	-	562
(Increase)/decrease in stocks	(9,575)	2,902
(Increase)/decrease in debtors	(70,723)	35,763
Increase/(decrease) in creditors	4,334	(50,322)
Net cash used in operating activities	(239,056)	(224,809)

23. Analysis of cash and cash equivalents

	Group	
	2019	2018
	£	£
Cash in hand	305,871	598,572
Total	305,871	598,572

24. Operating lease commitments

At 31 March 2019 the total of the group's future minimum lease payments under non-cancellable operating leases was:

Group	2019	2018
	£	£
Amounts payable:		
Within 1 year	132,588	119,902
Between 1 and 5 years	342,733	390,533
After more than 5 years	237,417	269,292
Total	712,738	779,727

TREETOPS HOSPICE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

25. Other financial commitments

As at 31 March 2019, Treetops Hospice Trust was committed to expenditure totalling £108,000 for the fundraising consultation supporting the build of the In Patient Unit.

26. 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.

27. Related party transactions

During the year 7 trustees made donations totalling £3,543 (2018: 3 trustees, £381). A number of trustees also donate goods to the retail shops.

There were no other related party transactions during the year (2018: £Nil).

28. Controlling party

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