

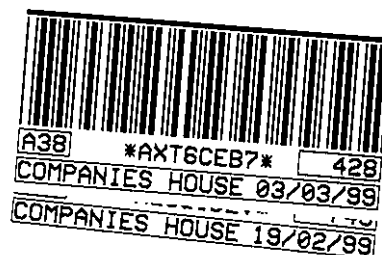
Alder Hey Family House Trust Limited

Report and Accounts

31 March 1998

Registered number 2647684

Registered Charity number 1008765



Alder Hey Family House Trust Limited

Registered No. 2647684

Registered Charity No. 1008765

DIRECTORS

G E Oliver (Chairman)

E M S Cotton JP, DL

K E Deary

C Ferguson

R B Hales

C M Hart

P A Hooton

S Lewis

A J Redmond

D Shaw

J A G Slater

B Thaxter OBE, DL

A Toyne

P J Wotherspoon OBE, JP, DL

SECRETARY

C M Hart

AUDITORS

Ernst & Young

Silkhouse Court

Tithebarn Street

Liverpool

L2 2LE

BANKERS

Barclays Bank plc

Old Swan Branch

521 Prescot Road

Liverpool

L13 5US

SOLICITORS

Dibb Lupton Alsop

India Buildings

Liverpool

L2 0NH

REGISTERED OFFICE

Ronald McDonald House

Alder Road

Liverpool

L12 2AZ

Alder Hey Family House Trust Limited

DIRECTORS' REPORT

COMPANY

The company is constituted as a company limited by guarantee and is governed by memorandum and articles of association. Its affairs are conducted by a minimum of four and a maximum of fifteen committee members, who are also the board of directors. Committee members serve for a maximum of three years, after which time they may offer themselves for re-election. The chairman of the committee serves for two years and may offer himself/herself for re-election for a further two years. All committee members serve on one or more of the sub committees, viz budget and audit, house and fund raising.

REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

The company's principal activity during the year continued to be the provision of free accommodation and assistance for the parents and families of children undergoing treatment at Alder Hey Children's Hospital. Some 640 families benefited: the average stay was eight days and the average house occupancy, after taking into account the fact that four rooms were unavailable during the extension of the house, was in excess of 96%.

There has been no material change to policy and day to day management is under the control of a house manager, assisted by three administrative members of staff, three domestics and some seventy invaluable volunteers.

Income is dependent upon fund raising activity, donation and sponsorship but the directors wish to acknowledge the considerable help and support received from Alder Hey Children's Hospital towards utilities, Ronald McDonalds Childrens Charities Limited for payroll administration and Ernst & Young for professional advice.

Furthermore the directors wish to acknowledge two substantial donations received in the year from the British Kidney Patient Association and McDonalds Restaurants Limited.

During the year an extension to the house at a cost of £160,924 was completed providing two further bedrooms, a staff room and increased administration and storage space. The cost of the building was in the main funded by donations received in the year. Again the directors wish to acknowledge all those organisations and individuals who so generously donated the funds, the principal donors concerned being the people of the Isle of Man through the "Family and Friends Support Group" on the island, Ronald McDonalds Children's Charity and Mersey TV. Furthermore considerable help and support was provided by the professional team of architects and surveyors being Messrs Ansell & Bailey and Mike Jackson Associates.

A separate wholly-owned trading company, RMH Alder Hey Trading Limited, achieved a net income of £nil (1997 £34) after a donation to the Trust of £14,989 by way of deed of covenant on a turnover of £42,963 for the twelve months to 31 March 1998 and its results have been consolidated. Its principal activity is the sale of giftware and souvenirs.

The Trust continues to set aside funds annually for maintenance and depreciation, and is able to fulfil its normal financial obligations.

The property is held on a 125 year lease expiring 2117 at a peppercorn rent, from Alder Hey Children's Hospital.

Net income for the year was £337,383, including £155,866 specifically designated toward the cost of the extension. The financial position of the Trust is considered satisfactory and the directors thank the staff, volunteers and supporters for a sound year of activity and expansion.

Alder Hey Family House Trust Limited

DIRECTORS' REPORT

DIRECTORS AND COMMITTEE MEMBERS

The following served during the year:

G E Oliver (Chairman)
E M S Cotton JP, DL
K E Deary (appointed 15 April 1997)
C Ferguson
R B Hales (appointed 15 April 1997)
C M Hart
P A Hooton
S Lewis
A J Redmond
D Shaw (appointed 15 April 1997)
J A G Slater
B Thaxter OBE, DL
A Toyne
P J Wotherspoon OBE, JP, DL

P W Richards also served as a director until 15 April 1997.

INVESTMENTS

The Trust has placed surplus funds with banks and building societies.

AUDITORS

Ernst & Young have expressed their willingness to continue in office and a resolution proposing their appointment will be submitted at the Annual General Meeting.

By order of the board

C M Hart 13/10/98

C M Hart
Secretary

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE
ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those accounts, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the group and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS
to the members of Alder Hey Family House Trust Limited

We have audited the accounts on pages 7 to 14, which have been prepared under the historical cost convention and on the basis of the accounting policies set out on page 10.

Respective responsibilities of directors and auditors

As described on page 5 the company's directors are responsible for the preparation of the accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of affairs of the company and of the group as at 31 March 1998 and of the net incoming resources of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young
Registered Auditor
Liverpool

16 October 1998

Alder Hey Family House Trust Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 March 1998

	Notes	General fund £	Designated fund £	Total 1998 £	Total 1997 £
INCOME AND EXPENDITURE					
INCOMING RESOURCES					
Donations and gifts	2	338,325	155,866	494,191	212,010
Investment income		41,101	-	41,101	28,776
Net income of trading subsidiary	3	-	-	-	34
TOTAL INCOMING RESOURCES		379,426	155,866	535,292	240,820
RESOURCES EXPENDED					
Direct charitable expenditure	4	129,499	-	129,499	121,293
Fund-raising and publicity	5	51,090	-	51,090	51,519
Management and administration of the charity	6	18,498	-	18,498	18,573
Appropriation of restricted fund		-	-	-	222
TOTAL RESOURCES EXPENDED		199,087	-	199,087	191,607
NET INCOMING RESOURCES BEFORE TRANSFERS		180,339	155,866	336,205	49,213
Transfer from designated fund		155,866	(155,866)	-	-
NET INCOMING RESOURCES FOR THE YEAR		336,205	-	336,205	49,213
OTHER RECOGNISED GAINS AND LOSSES					
Unrealised gain on quoted investment		1,678	-	1,678	-
NET MOVEMENT IN FUNDS		337,883	-	337,883	49,213
Balances brought forward at 1 April 1997		1,848,187	-	1,848,187	1,798,974
Balances carried forward at 31 March 1998		2,186,070	-	2,186,070	1,848,187

Alder Hey Family House Trust Limited

GROUP BALANCE SHEET

at 31 March 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Tangible assets	8	1,383,422	1,235,487
Investments	9	1,678	-
		<u>1,385,100</u>	<u>1,235,487</u>
CURRENT ASSETS			
Stock - goods for resale		10,011	10,433
Debtors	10	61,651	11,200
Bank, building society and cash		770,413	607,592
		<u>842,075</u>	<u>629,225</u>
CREDITORS : amounts falling due within one year	11	41,105	16,525
		<u>800,970</u>	<u>612,700</u>
NET CURRENT ASSETS			
		<u>2,186,070</u>	<u>1,848,187</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>2,186,070</u>	<u>1,848,187</u>
NET ASSETS			
		<u>2,186,070</u>	<u>1,848,187</u>
FUNDS			
Unrestricted:			
Charitable fund	12	2,173,750	1,835,867
Trading company reserves		11,542	11,542
Restricted	13	778	778
		<u>2,186,070</u>	<u>1,848,187</u>

R. B. Hales 13 October 1998
R B Hales - Director

Alder Hey Family House Trust Limited

BALANCE SHEET

at 31 March 1998

	Notes	1998 £	1997 £
FIXED ASSETS			
Tangible assets	8	1,383,422	1,235,487
Investments	9	1,680	2
		<u>1,385,102</u>	<u>1,235,489</u>
CURRENT ASSETS			
Stock		260	779
Debtors	10	69,181	11,200
Bank, building society and cash		757,643	605,692
		<u>827,084</u>	<u>617,671</u>
CREDITORS : amounts falling due within one year	11	37,658	16,515
		<u>789,426</u>	<u>601,156</u>
NET CURRENT ASSETS			
		<u>2,174,528</u>	<u>1,836,645</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>2,174,528</u>	<u>1,836,645</u>
NET ASSETS			
		<u>2,174,528</u>	<u>1,836,645</u>
FUNDS			
Unrestricted	12	2,173,750	1,835,867
Restricted	13	778	778
		<u>2,174,528</u>	<u>1,836,645</u>

R. B. Hales 13 October 1998
R B Hales - Director

NOTES TO THE ACCOUNTS

at 31 March 1998

1. ACCOUNTING POLICIES

The accounts are prepared in accordance with the Statement of Recommended Practice "Accounting by Charities" issued in October 1995. The principal accounting policies adopted are as follows:

Accounting convention

The accounts are prepared under the historical cost convention.

Donations and gifts

Cash donations, gifts and legacies are included in the accounts when received with the exception of intangible income, which is included at the estimated value of the benefit received.

Investment income

Investment income comprises bank and building society deposit interest which is included in the accounts on an accruals basis.

Depreciation

Depreciation is provided on a straight line basis as follows:

Long leasehold building	-	depreciated over 40 years
Fixtures and furnishings	-	depreciated over 7 years
Office equipment	-	depreciated over 5 years

Stocks

Stocks are stated at the lower of cost and net realisable value.

Cost represents purchase cost on a first in, first out basis.

Net realisable value is based on estimated selling price less further costs expected to be incurred on disposal.

Pension costs

Pension contributions in respect of the company's defined contribution scheme are charged in the accounting period in which they become payable.

2. DONATIONS AND GIFTS

Donations and gifts consists of gross proceeds from fund-raising events, intangible income comprising utilities and professional advice provided to the charity and other donations from companies, private individuals and associations.

Alder Hey Family House Trust Limited

NOTES TO THE ACCOUNTS

at 31 March 1998

3. NET INCOME OF TRADING SUBSIDIARY

The company owns the entire share capital, consisting of two shares of £1 each, of RMH Alder Hey Trading Limited, a company registered in England and trading in Ronald McDonald House merchandise. The trading results were as follows:

	1998 £	1997 £
Turnover	42,963	39,232
Cost of sales	23,988	17,761
Gross profit	18,975	21,471
Administrative expenses paid to parent undertaking	(4,000)	(4,000)
Other administrative expenses	(61)	(7)
Donation to parent undertaking	(14,989)	(17,464)
Interest received	75	44
Profit before taxation	-	44
Corporation tax	-	10
Retained profit	-	34

4. DIRECT CHARITABLE EXPENDITURE

	1998 £	1997 £
Salaries and pension costs	43,730	36,863
Depreciation of fixed assets	52,844	52,119
Other house maintenance and operating expenses	32,925	32,311
	129,499	121,293

5. FUND-RAISING AND PUBLICITY

	1998 £	1997 £
Salaries and pension costs	31,069	31,729
Fund-raising events	18,525	15,782
Advertising and publicity	1,496	4,008
	51,090	51,519

6. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	1998 £	1997 £
Salaries and pension costs	11,029	10,407
Audit and accountancy charges	5,650	5,875
Legal and professional fees	1,819	2,291
	18,498	18,573

Alder Hey Family House Trust Limited

NOTES TO THE ACCOUNTS

at 31 March 1998

7. DIRECTORS AND EMPLOYEES

The directors did not receive any remuneration during the year in respect of their services to the company or its subsidiary undertaking.

The company had an average of seven administrative and operational staff members during the year. Their salaries, pension and social security costs which amounted to £85,828 (1997 £82,999) are paid by McDonalds Restaurants Limited. The company reimburses McDonalds Restaurants Limited for these costs.

No employee earned £40,000 p.a. or more.

8. FIXED ASSETS

Group and company

	<i>Long leasehold building £</i>	<i>Equipment fixtures and furnishings £</i>	<i>Total £</i>
Cost:			
1 April 1997	1,304,772	136,311	1,441,083
Additions	170,730	30,050	200,780
At 31 March 1998	1,475,502	166,361	1,641,863
Depreciation:			
At 1 April 1997	130,059	75,538	205,597
Provided during the year	32,522	20,322	52,844
At 31 March 1998	162,581	95,860	258,441
Net book value at 31 March 1998	1,312,921	70,501	1,383,422
Net book value at 31 March 1997	1,174,713	60,774	1,235,487

Alder Hey Family House Trust Limited

NOTES TO THE ACCOUNTS

at 31 March 1998

9. FIXED ASSET INVESTMENTS

	1998	Group 1997	1998	Company 1997
	£	£	£	£
At 1 April 1997	-	-	2	2
Gain on revaluation	1,678	1,678	1,678	1,678
At 31 March 1998	1,678	1,678	1,680	1,680
Investments comprise:				
Quoted investment	1,678	-	1,678	-
Investment in subsidiary undertaking (note 3)	-	-	2	2
	1,678	-	1,680	2

The quoted investment comprises shares in Woolwich Plc which were acquired for no consideration on the conversion of Woolwich Building Society into Woolwich Plc.

10. DEBTORS

	1998	Group 1997	1998	Company 1997
	£	£	£	£
Subsidiary undertaking	-	-	7,612	-
Prepayments and accrued income	53,647	5,596	53,565	5,596
Income tax repayable	8,004	5,604	8,004	5,604
	61,651	11,200	69,181	11,200

11. CREDITORS

	1998	Group 1997	1998	Company 1997
	£	£	£	£
Corporation tax	-	10	-	-
Income tax	3,447	-	-	-
Accruals	37,658	16,515	37,658	16,515
	41,105	16,525	37,658	16,515

Alder Hey Family House Trust Limited

NOTES TO THE ACCOUNTS

at 31 March 1998

12. UNRESTRICTED FUND

The company is limited by guarantee. Accordingly no share capital account is presented.

13. RESTRICTED FUND

£

At 1 April 1997 and 31 March 1998

778

The fund was established in 1994 by way of a donation. The donor has stipulated that the fund is to be spent on items relating to the house in accordance with her wishes.

14. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for certain staff. The pension cost charge amounted to £2,372 (1997 - £2,737).

Alder Hey Family House Trust Limited

TRADING PROFIT AND LOSS ACCOUNT

for the year ended 31 March 1998

	1998 £	1997 £
INCOME		
Donations and gifts	338,325	212,010
Investment income	41,101	28,776
	<u>379,426</u>	<u>240,786</u>
EXPENDITURE		
Salaries and pension costs	85,828	82,999
Insurance	2,372	2,602
Heat, light and water	8,500	8,000
Maintenance and repair	11,290	8,917
Stationery, postage and telephone	5,691	4,426
Cleaning and household	5,213	4,621
Staff training	225	337
Travelling and subsistence	2,321	2,873
Entertaining	-	303
Miscellaneous	680	232
Audit and accountancy	5,650	5,875
Legal and professional fees	1,819	2,291
Fund-raising	18,865	15,782
Advertising	1,496	4,008
Subscriptions and membership fees	293	-
Depreciation	52,844	52,119
Administration charge from subsidiary	(4,000)	(4,000)
	<u>199,087</u>	<u>191,385</u>
Net income for the year	180,339	49,401
Appropriation from restricted reserve	-	(222)
Donations to designated fund	155,866	-
Unrealised gain on quoted investment	1,678	-
Fund balance brought forward	1,836,645	1,787,466
FUND BALANCE CARRIED FORWARD	<u>2,174,528</u>	<u>1,836,645</u>