

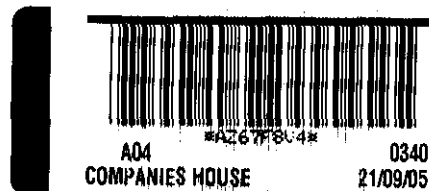
HOSPICE OF HOPE ROMANIA LTD
FINANCIAL STATEMENTS
FOR
31 DECEMBER 2004

Charity Number 1088475

HEDLEY DUNK LIMITED

Chartered Accountants & Registered Auditors

Trinity House
3 Bullace Lane
Dartford
Kent
DA1 1BB



**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

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**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The board of trustees

A P F Bache
Dr M J Baines
Mrs A J Evans
Mrs C Hodgins
Ms L E Howard
M Radoi
A R Whitehill

Company secretary

J R Niblett

Registered office

28a High Street
Otford
Kent
TN14 5PQ

Auditors

Hedley Dunk Limited
Chartered Accountants
& Registered Auditors
Trinity House
3 Bullace Lane
Dartford
Kent
DA1 1BB

Bankers

HSBC Bank Plc
1/5 Week Street
Maidstone
Kent
ME14 1QW

Solicitors

Pothecary & Barratt
White Horse Court
North Street
Bishop's Stortford
Herts
CM23 2LD

HOSPICE OF HOPE ROMANIA LTD COMPANY LIMITED BY GUARANTEE

CHAIRMAN'S STATEMENT

YEAR ENDED 31 DECEMBER 2004

I am pleased to report that 2004 has been a most successful year for the charity.

Hospice Casa Sperantei completed its second complete year operating an inpatient hospice building it worked at capacity for the whole year. The services it provides are home-care teams, outpatient's clinic, adult in-patient ward, the Bagpuss children's wing and two day-care rooms. During the year a total of 6,431 home care visits were made. 382 patients were cared for in the in-patient unit.

The Princess Diana Education Centre also continues its vital role of training health care professionals in all aspects of hospice and palliative care, while the new in-patient units give greater possibilities for practical hands-on experience. Courses were given for Romanian doctors, nurses, social workers and pharmacists and a total of and to date more than 2,000 healthcare professionals have been trained at the centre.

The Nicholas Edeleanu Resource Centre for Palliative Care and training Institute was officially opened in November, and was attended by 80 supporters from the UK, USA, and Romania. This is our first facility in Bucharest and it will have a dual role. It will be a centre for training which will be much more accessible for many in the countries surrounding Romania. Its position in the capital also makes it ideal for lobbying the government on policy issues surrounding palliative care in Romania. For the long-term, this work is vital.

The main role of the UK charity is to advise, support and fund-raise on behalf Hospice Casa Sperantei and to encourage and support the development of the hospice movement in Romania and the surrounding countries. The income of £516,357 shown in the accounts represents the amount raised directly in the UK. It is important to note however, that the accounts of Hospice of Hope do not reflect the complete financial picture for Hospice Casa Sperantei, Brasov. The Executive Director and fund-raising team have been successful in securing grants and donations from international funding sources which have then been paid directly by them to the hospice. This has resulted in the total amount raised during 2004 for the Romanian hospice of £752,540.

Having established the inpatient hospice and the Resource Centre and Institute for Palliative Care, our focus for 2005 will be both to sustain the work in Brasov and to work to encourage and support the development of better care for dying patients and their families in other parts of Romania and the wider Balkan Region. In 2003 we launched the "Beacon Project" Appeal. In a report prepared by the University of Sheffield for the Open Society Institute in New York and based on the study of the existing hospice developments in 29 countries of Central Asia and Eastern Europe, Hospice Casa Sperantei was identified as one of five "Beacons of Palliative Care", providing good models for service innovation, partnership approach and successful use of international mechanisms of support. The "Beacon Project" has already made an impact in Bucharest with the Mobilmed hospice team and the Resource Centre. The Beacon project's most recent work is to support a hospice in Belgrade which is called BELhospice.

Finally, on behalf of all the patients who have benefited from hospice care in Romania, I would like to thank all those who have supported us so generously during the past year.



A P F BACHE
Chairman

HOSPICE OF HOPE ROMANIA LTD COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 DECEMBER 2004

The trustees, who are also Directors for the purposes of the Companies Act, present their report and the financial statements of the charity for the year ended 31 December 2004.

PRINCIPAL ACTIVITY

Hospice of Hope Romania supports the development of hospice care in Romania and the Balkan region.

LEGAL INFORMATION

The foundation was incorporated as a company limited by guarantee on 6th December 2000. The governing document is the Memorandum and Articles of Association.

REVIEW OF THE DEVELOPMENT, ACTIVITIES AND ACHIEVEMENTS

The Charity has successfully completed the third year. We are establishing the organisation and income streams to further fulfil the objectives in the future.

RESULTS

The results for the year, and the charity's financial position at the end of the year are shown in the attached financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows:

A P F Bache
Dr M J Baines
P L Drown
Mrs A J Evans
Mrs C Hodgins
Ms L E Howard
Professor T W I Lovel
D G Quantrell
M Radoi
A R Whitehill

P L Drown retired as a trustee on 14 March 2005.

Professor T W I Lovel retired as a trustee on 12 February 2005.

D G Quantrell retired as a trustee on 12 February 2005.

The charity has paid a premium of £520 in respect of Trustees' indemnity insurance.

TRUSTEES' RESPONSIBILITIES

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 charity at the end of the year and of the incoming and outgoing resources for the year then ended.

HOSPICE OF HOPE ROMANIA LTD COMPANY LIMITED BY GUARANTEE

TRUSTEES ANNUAL REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2004

TRUSTEES' RESPONSIBILITIES *(continued)*

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

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

AUDITORS

A resolution to re-appoint Hedley Dunk Limited as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:
28a High Street
Otford
Kent
TN14 5PQ

Signed by order of the trustees



J R NIBLETT
Company Secretary

Approved by the trustees on 20th July 2005

**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOSPICE
OF HOPE ROMANIA LTD**

YEAR ENDED 31 DECEMBER 2004

We have audited the financial statements on pages 7 to 14, which have been prepared under the historical cost convention and the accounting policies set out on page 9.

This report is made solely to the charity's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditors' 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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

The trustees' (who also act as Directors for the charitable activities of the company) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities on pages 3 to 4.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read the Chairman's statement and the Trustees Annual Report and consider whether they are consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with United Kingdom 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 financial statements. It also includes an assessment of the significant estimates and judgements made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 financial statements are free from material misstatement, 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 financial statements.

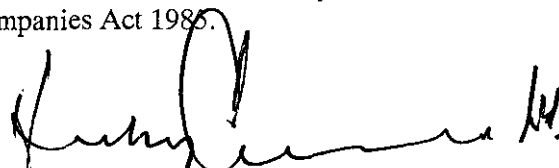
**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOSPICE
OF HOPE ROMANIA LTD *(continued)***

YEAR ENDED 31 DECEMBER 2004

OPINION

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 December 2004 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



HEDLEY DUNK LIMITED
Chartered Accountants
& Registered Auditors

Trinity House
3 Bullace Lane
Dartford
Kent
DA1 1BB

28TH July 2005

**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 DECEMBER 2004

	Note	Total Funds 2004 £	Total Funds 2003 £
INCOMING RESOURCES			
Donations from public and industry	2	243,443	161,884
Trusts and grants	3	163,490	108,100
Events and fundraising		88,562	53,757
Income from non-charitable trading activities:			
Shop income		20,257	—
Interest receivable	4	604	2,056
TOTAL INCOMING RESOURCES		<u>516,356</u>	<u>325,797</u>
RESOURCES EXPENDED			
Costs of generating funds:			
Shop expenditure		29,069	—
Fundraising, events and publicity	5	102,557	40,644
Charitable expenditure:			
Costs in furtherance of charitable objects	6	317,911	204,478
Management and administration	7	66,929	68,191
TOTAL RESOURCES EXPENDED	8	<u>516,466</u>	<u>313,313</u>
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR	9	(110)	12,484
Balances brought forward		86,252	73,768
Balances carried forward		<u>86,142</u>	<u>86,252</u>

All movements are in Unrestricted Funds

The charity has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the charity are classed as continuing.

HOSPICE OF HOPE ROMANIA LTD COMPANY LIMITED BY GUARANTEE

BALANCE SHEET

31 DECEMBER 2004

	Note	2004 £	£	2003 £	£
FIXED ASSETS					
Tangible assets	10		2,560		2,068
CURRENT ASSETS					
Stocks	11	1,870		1,562	
Debtors	12	43,709		25,228	
Investments	13	1,941		11,760	
Cash at bank and in hand		46,760		50,629	
		94,280		89,179	
CREDITORS: Amounts falling due within one year	14	(10,698)		(4,995)	
NET CURRENT ASSETS			83,582		84,184
TOTAL ASSETS LESS CURRENT LIABILITIES			86,142		86,252
NET ASSETS			86,142		86,252
FUNDS					
Unrestricted	15		86,142		86,252
TOTAL FUNDS			86,142		86,252

These financial statements were approved by the members of the committee on the 20th July 2005 and are signed on their behalf by:

A BACHE
Trustee



HOSPICE OF HOPE ROMANIA LTD COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

1. ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2000) and the Companies Act 1985.

Cash flow statement

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

20% reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

2. DONATIONS FROM PUBLIC AND INDUSTRY

	Total Funds 2004	Total Funds 2003
	£	£
General donations	136,914	131,611
Churches	6,790	7,587
Business donations	13,600	6,076
Bagpuss/schools	3,911	15,898
Collecting boxes	4,205	712
Institute appeal	78,023	-
	<u>243,443</u>	<u>161,884</u>

During the year and included in the figures above the company received gift-aided donations totalling £239,155 (2003 - £75,799), which includes £54,257 (2003 - £21,379) of tax recoverable.

**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

3. TRUSTS AND GRANTS

	Total Funds 2004	Total Funds 2003
	£	£
Trusts	113,490	63,100
Tudor trust	50,000	45,000
	<u>163,490</u>	<u>108,100</u>

4. INTEREST RECEIVABLE

	Total Funds 2004	Total Funds 2003
	£	£
Bank interest receivable	604	2,056
	<u>604</u>	<u>2,056</u>

5. FUNDRAISING AND PUBLICITY

	Total Funds 2004	Total Funds 2003
	£	£
Staff costs	72,005	24,012
Promotional expenses	29,911	16,441
Depreciation	641	191
	<u>102,557</u>	<u>40,644</u>

The charity shop in Tollcross, Edinburgh began trading in July 2005. The costs of the shop (£29,069) include £6,959 of one-off start-up costs.

6. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS

	Total Funds 2004	Total Funds 2003
	£	£
Provision of charitable services:		
Staff costs	80,004	88,519
Books, journals and subscriptions	419	890
Drugs	7,652	12,929
Medical equipment expenses	182	246
Hospice Casa Sperantei	205,500	79,007
Romania travel	11,071	14,266
Hospice of hope - building	-	8,621
Mobilmed	13,083	-
	<u>317,911</u>	<u>204,478</u>

HOSPICE OF HOPE ROMANIA LTD COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

6. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS *(continued)*

Analysis of provision of charitable services:

	Staff costs £	Other costs £	Total 2004 £	Total 2003 £
Staff costs	77,258	2,746	80,004	88,519
Books, journals and subscriptions	-	419	419	890
Drugs	-	7,652	7,652	12,929
Medical equipment expenses	-	182	182	246
Hospice Casa Sperantei	-	205,500	205,500	79,007
Romania travel	-	11,071	11,071	14,266
Hospice of hope – building	-	-	-	8,621
	<u>77,258</u>	<u>227,570</u>	<u>304,828</u>	<u>204,478</u>

The payment to Casa Sperantei included £56,000 for the Institute Building, which was purchased during the year. It also includes grants made by UK charities for Hospice Casa Sperantei which were managed by Hospice of Hope Romania. In previous years some of these grants had been paid directly to the Romanian hospice.

7. MANAGEMENT AND ADMINISTRATION

	Total Funds 2004 £	Total Funds 2003 £
Salaries	17,756	9,945
Office costs	41,475	45,626
Audit fees	940	881
Legal and professional	5,789	1,763
Interest payable	969	575
Other	-	9,401
	<u>66,929</u>	<u>68,191</u>

8. TOTAL RESOURCES EXPENDED

	Staff costs £	Depreciation £	Other costs £	Total Funds 2004 £	Total Funds 2003 £
Direct charitable expenditure	77,258	-	240,653	317,911	204,478
Fundraising and publicity	65,451	641	36,465	102,557	40,644
Management and administration	17,756	-	49,173	66,929	68,191
Shop expenditure	13,680	-	15,389	29,069	-
	<u>174,145</u>	<u>641</u>	<u>341,680</u>	<u>516,466</u>	<u>313,313</u>

**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

8. TOTAL RESOURCES EXPENDED *(continued)*

The aggregate payroll costs were:

	2004 £	2003 £
Wages and salaries	174,145	121,963

None of the trustees received any remuneration during the year. (2003 - Nil). A trustee was reimbursed for expenses incurred on behalf of the company totalling £49 (2003 - £75).

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2004 No	2003 No
Number of shop staff	1	—
Number of fundraising staff	2	—
Number of administrative staff	1	4
Number of management staff	2	1
	<u>6</u>	<u>5</u>

	2004 £	2003 £
Other costs:		
Premises	547	1,497
Legal and professional	6,729	2,644
Other	319,015	187,018
	<u>326,291</u>	<u>191,159</u>

9. OPERATING LOSS/PROFIT

Operating loss/profit is stated after charging:

	2004 £	2003 £
Depreciation	641	191
Auditors' remuneration		
- as auditors	940	881

**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

10. TANGIBLE FIXED ASSETS

	Fixtures & fittings £
COST	
At 1 January 2004	2,267
Additions	1,133
At 31 December 2004	<u>3,400</u>
DEPRECIATION	
At 1 January 2004	199
Charge for the year	641
At 31 December 2004	<u>840</u>
NET BOOK VALUE	
At 31 December 2004	<u>2,560</u>
At 31 December 2003	<u>2,068</u>

11. STOCKS

	2004 £	2003 £
Stock	<u>1,870</u>	<u>1,562</u>

12. DEBTORS

	2004 £	2003 £
Gift aid recoverable	11,972	3,192
Other debtors	27,658	20,000
Prepayments	4,079	2,036
	<u>43,709</u>	<u>25,228</u>

13. INVESTMENTS

	2004 £	2003 £
COIF deposit fund	<u>1,941</u>	<u>11,760</u>

**HOSPICE OF HOPE ROMANIA LTD
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2004

14. CREDITORS: Amounts falling due within one year

	2004	2003
	£	£
Taxation and social security	4,926	—
Other creditors	5,772	4,114
Accruals	—	881
	<u>10,698</u>	<u>4,995</u>

15. ANALYSIS OF NET ASSETS IN UNRESTRICTED FUNDS

	Tangible fixed assets	Other net assets	Total
	£	£	£
Unrestricted funds	<u>2,560</u>	<u>83,722</u>	<u>86,142</u>

16. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and therefore has no share capital.