

COMPANY REGISTRATION NUMBER 4120082

**HOSPICE OF HOPE ROMANIA LTD**  
**FINANCIAL STATEMENTS**  
**FOR**  
**31 DECEMBER 2003**

Charity Number 1088475



**HEDLEY DUNK**  
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 2003**

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

**MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS**

<b>The board of trustees</b>	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
<b>Company secretary</b>	Mrs Catherine Hodgins
<b>Registered office</b>	28a High Street Otford Kent TN14 5PQ
<b>Auditors</b>	Hedley Dunk Chartered Accountants & Registered Auditors Trinity House 3 Bullace Lane Dartford Kent DA1 1BB
<b>Bankers</b>	HSBC Bank Plc 1/5 Week Street Maidstone Kent ME14 1QW
<b>Solicitors</b>	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 2003

I am pleased to report that 2003 has been a very successful year for the charity. Hospice of Hope Romania has significantly improved the quality of life for several thousands of terminally ill patients and their families in Romania and other countries in the region through both the provision of and increased access to hospice/ palliative care and training.

The main role of the UK charity is to advise, support and fund-raise on behalf of its Romanian partner Hospice Casa Sperantei. The income of £325,797 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 Romania do not represent the complete financial picture. The Executive Director and fundraising team have been successful in securing grants and donations from a number of International Funding sources, which have then been paid directly to Casa Sperantei. There is also a team of fundraisers in the USA whose work is supervised by the Executive director. The total amount raised during 2003 was £570,807. It is noteworthy that only 24% of the total expenditure in the UK, the USA and Romania was spent on fundraising and management rather than directly in furtherance of the charitable objects (particularly given the fact that there is a dramatic difference between salaries required for the staff employed in the UK and USA and the hospice staff employed in Romania).

2003 was the beginning of a new chapter for the charity and for the hospice movement in Romania. The "Beacon Project" was launched in April 2003 in response to a report prepared by the University of Sheffield for the Open Society Institute in New York. This study was based on the existing hospice developments in 29 countries of Central Asia and Eastern Europe. It identified Casa Sperantei as one of five "Beacons of Palliative Care", providing good models for service innovation, partnership and approach and successful use of international mechanisms of support.

The Beacon Project will seek further funding to develop Hospice Casa Sperantei as a Centre of Excellence and Training for the region, set up regional training centres and a mobile training unit, and pump-prime new hospice projects in other key cities. Since the start of the project, significant support has been given to Mobilmed, a hospice team operating in Bucharest. They are a home care team who have benefited from training at the Princess Diana Study Centre. With the money they have received from the Beacon Project, they have been able to employ 3 full-time staff.

We were also delighted that in September 2003 the Hospice was awarded the Sister Frances Dominica Award for Innovative Programme Development at the 15<sup>th</sup> World Congress of Children's Hospice International in Alexandria, Virginia.

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

Chairman



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

## **TRUSTEES ANNUAL REPORT**

### **YEAR ENDED 31 DECEMBER 2003**

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 December 2003.

#### **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 second year. We are establishing the organisation and income streams to further fulfill 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

The charity has paid a premium of £404 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.

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.

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

**TRUSTEES ANNUAL REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2003**

**TRUSTEES'S RESPONSIBILITIES** *(continued)*

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 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



MRS CATHERINE HODGINS  
Company Secretary

Approved by the trustees on 5 April 2004.

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS**

**YEAR ENDED 31 DECEMBER 2003**

We have audited the financial statements on pages 8 to 15 which have been prepared under the historical cost convention and the accounting policies set out on page 10.

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 4 to 5.

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** *(continued)*

**YEAR ENDED 31 DECEMBER 2003**

**OPINION**

In our opinion the financial statements give a true and fair view of the charity's state of affairs as at 31 December 2003 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**  
Chartered Accountants  
& Registered Auditors

Trinity House  
3 Bullace Lane  
Dartford  
Kent DA1 1BB

7 April 2004



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

**STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 DECEMBER 2003**

	Note	Total Funds 2003 £	Total Funds 2002 £
<b>INCOMING RESOURCES</b>			
Donations from public and industry	2	55,011	35,544
Covenants and recovered tax	3	106,873	69,350
Trusts and grants	4	108,100	50,130
Interest receivable	5	2,056	2,396
Promotional revenues		53,757	55,515
<b>TOTAL INCOMING RESOURCES</b>		<u>325,797</u>	<u>212,935</u>
<b>RESOURCES EXPENDED</b>			
<b>Costs of generating funds:</b>			
Fundraising and publicity	6	40,644	38,358
<b>Charitable expenditure:</b>			
Costs in furtherance of charitable objects	7	204,478	130,215
Management and administration	8	68,191	18,911
<b>TOTAL RESOURCES EXPENDED</b>	9	<u>313,313</u>	<u>187,484</u>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>	10	12,484	25,451
Balances brought forward		73,768	48,317
Balances carried forward		<u>86,252</u>	<u>73,768</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 2003

	Note	2003 £	£	2002 £	£
<b>FIXED ASSETS</b>					
Tangible assets	11		2,068		112
<b>CURRENT ASSETS</b>					
Stocks	12	1,562		—	
Debtors	13	25,228		10,000	
Investments	14	11,760		111,731	
Cash at bank and in hand		50,629		—	
		<u>89,179</u>		<u>121,731</u>	
<b>CREDITORS: Amounts falling due within one year</b>	15	<u>(4,995)</u>		<u>(48,075)</u>	
<b>NET CURRENT ASSETS</b>			84,184		73,656
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>86,252</u>		<u>73,768</u>
<b>FUNDS</b>					
Unrestricted	16		<u>86,252</u>		<u>73,768</u>

These financial statements were approved by the Trustees on the 5<sup>th</sup> April 2004 and are signed on their behalf by:

A P F BACHE  
Trustee



# HOSPICE OF HOPE ROMANIA LTD COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2003

### 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 2003	Total Funds 2002
	£	£
General donations	24,738	27,914
Churches	7,587	2,796
Business donations	6,076	1,215
Bagpuss/schools	15,898	3,514
Collecting boxes	712	105
	<u>55,011</u>	<u>35,544</u>

### 3. COVENANTS AND RECOVERED TAX

	Total Funds 2003	Total Funds 2002
	£	£
Covenants and recovered tax	<u>106,873</u>	<u>69,350</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

**4. TRUSTS AND GRANTS**

	Total Funds 2003	Total Funds 2002
	£	£
Charitable bequests	-	500
Trusts	63,100	4,630
Tudor trust	45,000	45,000
	<u>108,100</u>	<u>50,130</u>

**5. INTEREST RECEIVABLE**

	2003	2002
	£	£
Bank interest receivable	<u>2,056</u>	<u>2,396</u>

**6. FUNDRAISING AND PUBLICITY**

	Total Funds 2003	Total Funds 2002
	£	£
Staff costs	24,012	21,717
Promotional expenses	16,441	16,633
Depreciation	191	8
	<u>40,644</u>	<u>38,358</u>

**7. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS**

	Total Funds 2003	Total Funds 2002
	£	£
<b>Provision of charitable services:</b>		
Staff costs	88,519	44,610
Books, journals and subscriptions	890	307
Drugs	12,929	6,322
Patient aids	-	200
Medical equipment expenses	246	441
Hospice casa speranti	79,007	72,273
Romania travel	14,266	4,873
Hospice of hope - building	8,621	1,189
	<u>204,478</u>	<u>130,215</u>

**HOSPICE OF HOPE ROMANIA LTD  
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**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

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

Analysis of provision of charitable services:

	Staff costs	Other costs	Total 2003	Total 2002
	£	£	£	£
Staff costs	88,519	-	88,519	44,610
Books, journals and subscriptions	-	890	890	307
Drugs	-	12,929	12,929	6,322
Patient aids	-	-	-	200
Medical equipment expenses	-	246	246	441
Hospice casa speranti	-	79,007	79,007	72,273
Romania travel	-	14,266	14,266	4,873
Hospice of hope - building	-	8,621	8,621	1,189
	<u>88,519</u>	<u>115,959</u>	<u>204,478</u>	<u>130,215</u>

**8. MANAGEMENT AND ADMINISTRATION**

	Total Funds 2003	Total Funds 2002
	£	£
Salaries	9,945	688
Office costs	45,626	16,602
Audit fees	881	705
Legal and professional	1,763	570
Interest payable	575	146
Other	9,401	200
	<u>68,191</u>	<u>18,911</u>

**9. TOTAL RESOURCES EXPENDED**

	Staff costs	Depreciation	Other costs	Total Funds 2003	Total Funds 2002
	£	£	£	£	£
Direct charitable expenditure	88,519	-	115,959	204,478	130,215
Fundraising and publicity	23,499	191	16,954	40,644	38,358
Management and administration	9,945	-	58,246	68,191	18,911
	<u>121,963</u>	<u>191</u>	<u>191,159</u>	<u>313,313</u>	<u>187,484</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

**9. TOTAL RESOURCES EXPENDED** *(continued)*

The aggregate payroll costs were:

	2003	2002
	£	£
Wages and salaries	121,963	67,015

None of the trustees received any remuneration during the year. (2002 - Nil). One trustee was reimbursed for travelling expenses totalling £75 (2002 - Nil).

**Particulars of employees:**

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

	2003	2002
	No	No
Number of administrative staff	4	3
Number of management staff	1	1
	<u>5</u>	<u>4</u>

	2003	2002
	£	£
<b>Other costs:</b>		
Premises	1,497	1,128
Legal and professional	2,644	1,275
Other	187,018	118,058
	<u>191,159</u>	<u>120,461</u>

**10. OPERATING PROFIT**

Operating profit is stated after charging:

	2003	2002
	£	£
Depreciation	191	8
Auditors' remuneration		
- as auditors	<u>881</u>	<u>705</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

**11. TANGIBLE FIXED ASSETS**

	Fixtures & fittings £
<b>COST</b>	
At 1 January 2003	120
Additions	2,147
<b>At 31 December 2003</b>	<u>2,267</u>
<b>DEPRECIATION</b>	
At 1 January 2003	8
Charge for the year	191
<b>At 31 December 2003</b>	<u>199</u>
<b>NET BOOK VALUE</b>	
<b>At 31 December 2003</b>	<u>2,068</u>
At 31 December 2002	<u>112</u>

**12. STOCKS**

	2003 £	2002 £
Stock	<u>1,562</u>	<u>-</u>

**13. DEBTORS**

	2003 £	2002 £
Gift aid recoverable	3,192	-
Other debtors	20,000	10,000
Prepayments	2,036	-
	<u>25,228</u>	<u>10,000</u>

**14. INVESTMENTS**

	2003 £	2002 £
COIF deposit fund	<u>11,760</u>	<u>111,731</u>

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

**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2003**

**15. CREDITORS: Amounts falling due within one year**

	2003	2002
	£	£
Bank overdrafts	—	36,500
Other creditors	4,114	10,869
Accruals	881	706
	<u>4,995</u>	<u>48,075</u>

**16. ANALYSIS OF NET ASSETS IN UNRESTRICTED FUNDS**

	Tangible fixed assets	Other net assets	Total
	£	£	£
Unrestricted funds	<u>2,068</u>	<u>84,184</u>	<u>86,252</u>

**17. COMPANY LIMITED BY GUARANTEE**

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