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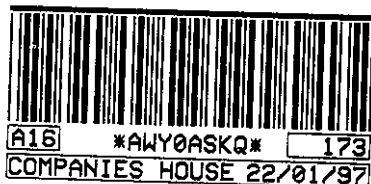
# Alder Hey Family House Trust Limited

## Report and Accounts

31 March 1996

*Registered number 2647684*

*Registered Charity number 1008765*



# Alder Hey Family House Trust Limited

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Registered No. 2647684

Registered Charity No 1008765

## **DIRECTORS**

B Thaxter OBE, DL (Chairman)

E M S Cotton JP, DL

C Ferguson

C M Hart

P A Hooton

S Lewis

J Martin

G E Oliver

A J Redmond

P W Richards

J A G Slater

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**

Alsop Wilkinson

India Buildings

Liverpool

L2 0NH

## **REGISTERED OFFICE**

Ronald McDonald House

Alder Road

Liverpool

L12 2AZ

# Alder Hey Family House Trust Limited

## DIRECTORS' REPORT

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### 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 Childrens Hospital. Some 750 families benefited; the average stay was eleven days and the average house occupancy was in excess of 90%.

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. Greater emphasis has been placed this year on fund raising as evidenced by the split of salary and pension costs between fund raising and direct charitable expenditure.

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 Childrens Hospital towards utilities, McDonalds Restaurants Limited for payroll administration and Ernst & Young for professional advice.

A separate wholly-owned trading company, RMH Alder Hey trading Ltd, achieved a net income of £8,764 on a turnover of £40,586 for the twelve months to 31 March 1996 and its results have been consolidated. Its principal activity is the sale of giftware and souvenirs.

Whilst setting aside sufficient funds annually for maintenance and depreciation, space limitation has put pressure on storage and office space and the directors have approved preliminary planning work on a £100,000 extension to the house. Should this project proceed it is considered that the Trust has sufficient resources to meet capital expenditure 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 Childrens Hospital.

Net income for the year was £53,120. The financial position of the Trust is considered satisfactory and the directors thank the staff, volunteers and supporters for a sound year of activity.

### DIRECTORS AND COMMITTEE MEMBERS

The following served during the year:

B Thaxter OBE, DL (Chairman)	
Lady J R Stoddart DL (resigned 19 March 1996)	
E M S Cotton JP, DL	G E Oliver
C Ferguson	A J Redmond
C M Hart	P W Richards
P A Hooton	J A G Slater
S Lewis	A Toyne
J Martin	P J Wotherspoon OBE, JP, DL

## DIRECTORS' REPORT

### 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.

On behalf of the board



C M Hart  
Secretary

22 August 1996

## Alder Hey Family House Trust Limited

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### 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 13, 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 company'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 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 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 1996 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  
Chartered Accountants  
Registered Auditor  
Liverpool

22 August 1996

# Alder Hey Family House Trust Limited

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 1996

	Notes	1996 £	1995 £
<b>INCOME AND EXPENDITURE</b>			
Incoming resources			
Donations and gifts	2	197,448	209,595
Investment income		28,657	18,161
Net income of trading subsidiary	3	8,764	4,438
<b>TOTAL INCOMING RESOURCES</b>		<u>234,869</u>	<u>232,194</u>
<b>RESOURCES EXPENDED</b>			
Direct charitable expenditure	4	115,367	124,299
Fund-raising and publicity	5	41,613	46,950
Management and administration of the charity	6	16,005	12,386
<b>TOTAL RESOURCES EXPENDED</b>		<u>172,985</u>	<u>183,635</u>
<b>NET INCOMING RESOURCES FOR THE YEAR</b>		61,884	48,559
Balances brought forward at 1 April 1995		1,737,090	1,688,531
Balances carried forward at 31 March 1996		<u>1,798,974</u>	<u>1,737,090</u>

# Alder Hey Family House Trust Limited

## GROUP BALANCE SHEET

at 31 March 1996

	Notes	1996 £	1995 £
<b>FIXED ASSETS</b>			
Tangible assets	8	1,280,040	1,330,998
<b>CURRENT ASSETS</b>			
Stock - goods for resale		8,646	6,375
Debtors	9	15,342	9,426
Bank, building society and cash		537,698	491,617
		561,686	507,418
<b>CREDITORS : amounts falling due within one year</b>	10	42,752	101,326
<b>NET CURRENT ASSETS</b>		518,934	406,092
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,798,974	1,737,090
<b>NET ASSETS</b>		1,798,974	1,737,090
<b>FUNDS</b>			
Unrestricted:			
Charitable fund	11	1,787,466	1,734,346
Trading company reserves		11,508	2,744
		1,798,974	1,737,090



- Director

22 August 1996



# Alder Hey Family House Trust Limited

## BALANCE SHEET

at 31 March 1996

	Notes	1996 £	1995 £
<b>FIXED ASSETS</b>			
Tangible assets	8	1,280,040	1,330,998
Investment	3	2	2
		<u>1,280,042</u>	<u>1,331,000</u>
<b>CURRENT ASSETS</b>			
Debtors	9	15,381	19,992
Bank, building society and cash		530,390	481,883
		<u>545,771</u>	<u>501,875</u>
<b>CREDITORS : amounts falling due within one year</b>	10	38,347	98,529
		<u>507,424</u>	<u>403,346</u>
<b>NET CURRENT ASSETS</b>			
		<u>1,787,466</u>	<u>1,734,346</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			
		<u>1,787,466</u>	<u>1,734,346</u>
<b>NET ASSETS</b>			
		<u>1,787,466</u>	<u>1,734,346</u>
<b>FUND</b>			
Unrestricted	11	<u>1,787,466</u>	<u>1,734,346</u>



- Director

22 August 1996

# Alder Hey Family House Trust Limited

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## NOTES TO THE ACCOUNTS

at 31 March 1996

### 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	-	over 40 years
Fixtures and furnishings	-	over 7 years
Office equipment	-	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 to 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 1996

### 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:

	1996	1995
	£	£
Turnover	40,586	19,799
Cost of sales	17,987	10,640
Gross profit	22,599	9,159
Administrative expenses paid to parent undertaking	(4,000)	(2,000)
Other administrative expenses	(48)	(738)
Interest payable to parent undertaking	(402)	(533)
Donation to parent undertaking	(6,667)	-
Profit before taxation	11,482	5,888
Corporation tax	2,718	1,450
Retained profit	8,764	4,438

### 4. DIRECT CHARITABLE EXPENDITURE

	1996	1995
	£	£
Salaries and pension costs	39,443	44,029
Depreciation of fixed assets	51,490	51,155
Other house maintenance and operating expenses	24,434	29,115
	115,367	124,299

### 5. FUND-RAISING AND PUBLICITY

	1996	1995
	£	£
Salaries and pension costs	24,562	19,729
Fund-raising events	15,147	22,442
Advertising	1,904	4,779
	41,613	46,950

### 6. MANAGEMENT AND ADMINISTRATION OF THE CHARITY

	1996	1995
	£	£
Salaries and pension costs	9,487	5,981
Audit and accountancy charges	4,700	4,400
Legal and professional fees	1,818	2,005
	16,005	12,386

# Alder Hey Family House Trust Limited

## NOTES TO THE ACCOUNTS

at 31 March 1996

### 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 £77,492 (1995 £71,739) 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 1995	1,300,554	132,431	1,432,985
Additions	332	200	532
At 31 March 1996	1,300,886	132,631	1,433,517
Depreciation:			
At 1 April 1995	65,028	36,959	101,987
Provided during the year	32,515	18,975	51,490
At 31 March 1996	97,543	55,934	153,477
Net book value at 31 March 1996	1,203,343	76,697	1,280,040
Net book value at 31 March 1995	1,235,526	95,472	1,330,998

### 9. DEBTORS

	<i>1996</i>	<i>Group 1995</i>	<i>1996</i>	<i>Company 1995</i>
	£	£	£	£
Subsidiary undertaking	-	-	39	10,781
Prepayments and accrued income	10,754	9,426	10,754	9,211
Income tax repayable	4,588	-	4,588	-
	<u>15,342</u>	<u>9,426</u>	<u>15,381</u>	<u>19,992</u>

# Alder Hey Family House Trust Limited

## NOTES TO THE ACCOUNTS

at 31 March 1996

### 10. CREDITORS

	1996	Group 1995	1996	Company 1995
	£	£	£	£
Corporation tax	2,738	1,450	-	-
Income tax	1,667	-	-	-
Accruals	38,347	54,876	38,347	53,529
Other creditors	-	45,000	-	45,000
	<u>42,752</u>	<u>101,326</u>	<u>38,347</u>	<u>98,529</u>

### 11. FUND

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

### 12. PENSION COMMITMENTS

The company operates a defined contribution pension scheme for certain staff. The pension cost charge amounted to £2,026 (1995 - £2,030).