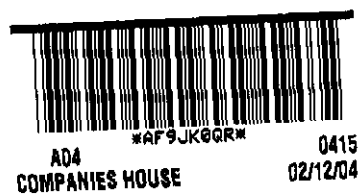


GREENSLEEVES HOMES TRUST
ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004



GREENSLEEVES HOMES TRUST
(A Company limited by Guarantee not having a share capital –
Company Registered Number 03260168)

(Charity Registration Number 1060478)

ANNUAL REPORT AND
CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2004

PKF

**GREENSLEEVES HOMES TRUST
ANNUAL REPORT
YEAR ENDED 31 MARCH 2004**

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GREENSLEEVES HOMES TRUST
LEGAL AND ADMINISTRATIVE DETAILS
(A Company limited by Guarantee not having a share capital –
Company Registered Number 03260168)
(Charity Registration Number 1060478)

DIRECTORS

Mrs J A Macdonald (Chairman)
Mrs E A Boot
Mrs A Cleland CBE
Mrs A C Fleming OBE
Mr P Woods
Mrs R Friend
Mrs B Mills MBE

COMPANY SECRETARY

Mr D V P Frost CA

REGISTERED OFFICE

151 Clapham Road
London
SW9 0PU

AUDITORS

PKF
Farringdon Place
20 Farringdon Road
London
EC1M 3AP

BANKERS

Lloyds TSB Bank Plc
2nd Floor
39 Threadneedle Street
London EC2R 8AU

SOLICITORS

Moonbeever
24-26 Bloomsbury Square
London
WC1A 2PL

INVESTMENT ADVISORS

Tilney
Donaldson House
97 Haymarket Terrace
Edinburgh
EH12 5HD

**GREENSLEEVES HOMES TRUST
REPORT OF THE BOARD
YEAR ENDED 31 MARCH 2004**

The Trustees submit their report and accounts for the year ended 31 March 2004.

Basis and values

Greensleeves Homes Trust is a charitable organisation providing care and accommodation for elderly people, primarily but not exclusively through residential care services. The latter are provided in 17 residential care homes situated throughout England. Greensleeves Homes Trust's mission is to provide the highest and most appropriate standards of care, in comfortable accommodation, at affordable prices, thus enabling service users to enjoy the best possible quality of life.

The core values which underpin and inform our work are those set out in "Homes are for living in", namely: -

- Privacy
- Dignity
- Independence
- Choice
- Individual Rights
- Fulfilment

To enable the above, we promote and develop anti-discrimination practice, equal opportunity, Health & Safety and staff training.

Objects

The objects of Greensleeves Homes Trust as defined by the Memorandum and Articles of Association are:

- The relief of poverty, distress, suffering or need among all sections of the community in the United Kingdom by all charitable means and particularly by providing residential accommodation and assistance in kind for individuals in the community on terms appropriate to their means.
- Such other purposes for the benefit of the community as shall be exclusively charitable.

Current focus

The current focus of Greensleeves Homes Trust's work is to provide residential care, comfort and security to elderly men and women, at an economic price that reflects our charitable status. Greensleeves Homes Trust currently employs approximately 570 staff who are supported by volunteer groups in most homes, and there are approximately 500 residents/beds.

Greensleeves Homes Trust currently manages 24 projects which cover our two main areas of work:-

- 17 Residential care homes for the elderly located in London (2), Bedfordshire, Buckinghamshire, Dorset, Hampshire, Hertfordshire, Isle of Wight, Kent, Suffolk (3), East Sussex, Warwickshire, Wiltshire, Worcestershire and The West Midlands.
- Independent rented accommodation situated as follows:-

Wirral area: Bebington – 3 flats in a sheltered housing complex; Birkenhead (Petergate) – 6 flats in a large older house.
Wallasey (Grosvenor Street) – 2 flats in a smaller house.
Ipswich area: Singleton House – 8 bed-sitters; Woodbridge – 4 bungalows.
Other areas: Lancing – 1 flat in a larger older house; Bridport – 1 house.

Wherever possible, our accommodation is let to elderly people at economic rents, which fulfils our charitable objectives. Older people who wish to retain their independence do not now generally favour bed-sitter accommodation, so we are now letting this type of accommodation to younger professionals.

**GREENSLEEVES HOMES TRUST
REPORT OF THE BOARD
YEAR ENDED 31 MARCH 2004**

Agenda for action

The Trustees continued to work towards their long term strategic plan, which is regularly reviewed.

During the year, an additional home, Harleston House, was purchased in Suffolk. The home was purchased from the Church Army, increasing the Trust's residential care places by 25, and plans are now underway to add more rooms and to bring the home more in to keeping with that of others in the Trust.

Other developments during the year have included the commencement of major works at Torkington House in Acton, which involves the removal of part of the existing home, adding 18 new rooms in its place, together with additional public areas. It is anticipated that this work will be finished in the latter half of 2004, and will cost in the region of £1.5million. In addition, both Arden House and Grosvenor House are currently undergoing refurbishment, with the works at Grosvenor anticipated to take almost two years and will result in some of the best accommodation the Trust has to offer.

The National Care Standards Commission had been in operation during the year, but has since been replaced with the Commission for Social Care Inspection, and with this change further challenges await us. However, we believe that our operational procedures and the ever improving physical fabric of our homes will meet, if not exceed, any new requirements. We continue to develop and refine our established quality control systems, and negotiations are underway to achieve the "Investors in People" award at a number of our homes.

Corporate governance and risk management

Greensleeves Homes Trust is a company limited by guarantee and a registered charity. Its governing instrument is the Memorandum and Articles of Association incorporated on the 8th day of October 1996. Its governing body is the Trustees, who are responsible for the overall policy, direction and strategy of the Trust, and for the oversight of its financial affairs. As at 31 March 2004 the Board of Trustees comprised 7 members who met 9 times during the year.

During the course of the year, a Training Coordinator was added to the Head Office Management Team. He, together with the existing members, is included on the monthly Head Office rota for visiting homes, and his role is to include arranging training for the Trust's staff and ensuring the training standards of the Commission for Social Care Inspection are met. It is anticipated that as further homes are purchased by the Trust and existing homes are developed, the Head Office Management Team will increase, and discussions are underway to decide which areas of expertise are needed to ensure the highest level of support can be provided to the homes.

All Trustees have access to the advice and services of the Company Secretary/Chief Executive. The salaries of Head Office staff are determined by the Trustees upon their appointment, and, by periodic review, they receive cost of living increases.

Risk assessment still remains at the forefront of the Trust's mind, and to this end Mulberry House were employed during the year to carry out a detailed risk assessment at each of the homes. During this exercise, the majority of possible risks were identified throughout the Trust, and manuals and action plans were prepared for each of the homes showing potential problem areas and possible solutions.

Equal opportunities

Greensleeves Homes Trust is committed to ensuring equality of opportunity for its staff and residents. Greensleeves Homes Trust believes that selection and promotion should be based solely on ability to meet the requirements of the post. The aim is to remove discrimination, to provide equal access to jobs and training and to ensure that all staff enjoy fully the benefits of working for the organisation. In particular Greensleeves Homes Trust will not discriminate on the grounds of sex, marital status, ethnic origin, colour, nationality, disability or other grounds of discrimination not prohibited by legislation such as sexual orientation, age etc.

The policy applies to the advertisement of jobs, recruitment and appointment to them, training, conditions of work, pay and to every other aspect of employment. The policy also applies equally to the treatment of all parties to whom paid employees and volunteers come into contact with.

**GREENSLEEVES HOMES TRUST
REPORT OF THE BOARD
YEAR ENDED 31 MARCH 2004**

Organisation

Responsibility or operational activities is allocated into three categories:-

- Accounting and IT Services
- Personnel and Training
- Residential Care

Review of transactions and financial position

The consolidated balance sheet indicated that at 31 March 2004 the total funds of the group were £13.0 million. This was represented by tangible fixed assets of £8.8 million, Investments of £3.1 million, Net Current Assets of £2.6 million and long term liabilities of £1.5 million. Unrestricted funds of £12.8 million represents the reserves available to the organisation to fulfil its many existing commitments over the long term and also to finance the growth in activity envisaged in future plans.

The Statement of Financial Activities indicates that total incoming resources have increased by £0.6 million in the year to £8.7 million. Total resources expended for the year ended 31 March 2004 was £7.5 million, and overall a surplus of £1.2 million was produced

Consolidated accounts have been prepared which include the accounts of the charity and WRVS Trust Supplies Limited. WRVS Trust Supplies Limited has an issued share capital of £4, which is held beneficially by the directors of that company on behalf of Greensleeves Homes Trust. Its principal activity is to provide supplies to the residential care homes of Greensleeves Homes Trust. A breakdown of its Profit and Loss account and Balance Sheet are given in note 12 to these accounts.

Trading activities

Greensleeves Homes Trust has no other trading activities apart from its core business of providing residential care and accommodation.

Reserves Policy

The Charity Commission defines free reserves as "income which becomes available to the charity and is to be expended at the Trustees' discretion in furtherance of the Charity's objectives, but which is not yet spent, committed or expended." At the balance sheet date the Trust has free reserves of £4.0 million (the balance on unrestricted funds less the carrying value of fixed assets).

The Board of Trustees regularly reviews the reserve levels in the light of its planned activities. Currently, the Trustees have approved capital expenditure of over £16.0 million for the future development and improvement of the residential care homes. This will be funded from the existing reserves, surpluses earned during those years, sale of non core activity assets and possible loan financing. In light of the planned capital investment programme, it is expected that over the next five years the free reserves will reduce to approximately £1million.

Investment Policy

In accordance with the Trust deed, the Trustees have the power to invest in such stock, shares and investments as they see fit. The trustees have delegated powers to the investment managers who report to the trustees on a regular basis. The policy is to adopt an investment strategy based on a balance of income and capital growth.

The past year, in comparison to the previous year, has proven to be a better one for equity investment, and this has resulted in a total realised and unrealised gain of £565,303, which goes some way to recovering the losses made in the year end 31 March 2003. The market value of investments on 31 March 2004 stood at £3.1million, and Zero Bonds had a value of £0.4 million.

**GREENSLEEVES HOMES TRUST
REPORT OF THE BOARD
YEAR ENDED 31 MARCH 2004**

Valuation of land and buildings

Although some properties would individually realise sums considerably in excess of their book value, others have been purpose-built or specially adapted for a particular use and might not realise their cost. It is, therefore, not practical to estimate the difference between market value and book value and in view of the fact that the properties are occupied for charitable purposes, the Trustees do not consider the expense of an independent valuation justified.

Members of the Board of Trustees

The Trustees who have served during the year are listed on page 1. In accordance with Article 28.2 all Trustees retire at the Annual General meeting, and offer themselves for re-election. Of these seven members, all indicated that they were prepared to be re-appointed.

Planning, consultation and communication

Head Office Staff in conjunction with each Home's Manager are responsible for the management and day to day business of each home, in accordance with:-

- The requirements of the law and the Registration Authority;
- Any general or particular instructions given by Greensleeves Homes Trust.

The Manager of each home is responsible, in consultation with Head Office Staff, for deciding priorities.

Senior Management Teams are involved in forward planning and the agreement of prime objectives. Professional residential care and personnel issues are discussed at national and local training events. All homes hold regular meetings for residents and staff.

Each Home is visited on a monthly basis in compliance with Regulation 26 of the Care Standards Act 2000. In addition, extra visits are made to any particular Home as the need arises.

Special acknowledgements

Greensleeves Home Trust wishes to record its appreciation to the many volunteers who have given so generously of their time and skills to enhance the quality of life for our residents. Although their role has changed, many of the members of the former management committees have willingly agreed to become members of the support groups, and the Trustees are very appreciative of this.

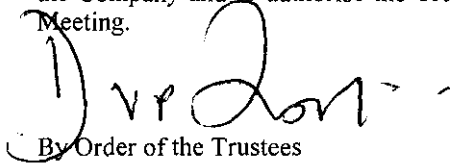
The staff throughout our Homes have continued to show a high level of professionalism and commitment to the interests of our residents, and the Trustees would like to thank them for their contribution.

As indicated in the report, the year has again been a challenging one for Head Office Staff. We operate in a constantly changing environment, but the performances of our staff and homes have continued to meet these fresh challenges. The Trustees would like to thank the Head Office team for their major contribution to the success of the charity during the past year.

**GREENSLEEVES HOMES TRUST
REPORT OF THE BOARD
YEAR ENDED 31 MARCH 2004**

Auditors

In accordance with Section 384 of the Companies Act 1985 resolutions proposing the re-appointment of PKF as auditors of the Company and to authorise the Trustees to fix their remuneration, will be put to the members at the Annual General Meeting.



By Order of the Trustees
Douglas V P Frost
Company Secretary
26 OCTOBER 2004

**GREENSLEEVES HOMES TRUST
STATEMENT OF TRUSTEES' RESPONSIBILITIES
YEAR ENDED 31 MARCH 2004**

The Companies Act 1985 requires the Trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's financial activities during the year and of its financial position at the end of the year. In preparing accounts giving a true and fair view, the Trustees should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Trustees are responsible for keeping accounting records, which disclose with reasonable accuracy the financial position of the charitable company and which enable them to ensure that the accounts comply with applicable law. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for ensuring that the Trustees Report and other information included in the annual report is prepared in accordance with Company Law in the United Kingdom.

INDEPENDENT AUDITORS' REPORT TO GREENSLEEVES HOMES TRUST

We have audited the financial statements of Greensleeves Homes Trust for the year ended 31 March 2004 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company'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 company's members 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The responsibilities of the trustees, who are also the directors for the purposes of company law, for preparing the 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.

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' Report is not consistent with the financial statements, if the charitable company 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 charitable company is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

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 by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all 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.

Opinion

In our opinion the financial statements give a true and fair view of the state of the charitable company's and the group's affairs as at 31 March 2004 and of the group's incoming resources and application of resources, including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

P
KF

PKF

London

Registered Auditors

12 November 2004

GREENSLEEVES HOMES TRUST
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2004

	<u>Notes</u>	<u>Unrestricted funds</u> £	<u>Restricted funds</u> £	<u>Total 2004</u> £	<u>Total 2003</u> £
INCOMING RESOURCES					
Donations, legacies and similar incoming resources		4,535	27,388	31,923	43,783
Activities in furtherance of the charity's objects:					
Resident's fees		7,753,520	-	7,753,520	7,257,260
Investment income	2	224,099	5,780	229,879	203,065
Other incoming resources		150,524	500	151,024	165,775
Gain on disposal of current asset		406,227	-	406,227	422,593
Gain on disposal of fixed assets		112,935	-	112,935	-
Total incoming resources		8,651,840	33,668	8,685,508	8,092,476
RESOURCES EXPENDED					
Cost of generating funds		10,594	-	10,594	15,350
Charitable expenditure:					
Costs of activities in furtherance of the charity's objects:					
Home costs		7,109,040	45,109	7,154,149	6,822,218
Management and administration		287,024	-	287,024	314,579
Total resources expended	3	7,406,658	45,109	7,451,767	7,152,147
Net incoming resources		1,245,182	(11,441)	1,233,741	940,329
Other recognised gains and losses					
Gains/(losses) on investments:					
Realised		3,985	840	4,825	(38,275)
Unrealised	6	535,607	24,871	560,478	(825,642)
Net movement in funds before transfers		1,784,774	14,270	1,799,044	76,412
Transfer between funds		198,584	(198,584)	-	-
Net movement in funds after transfers		1,983,358	(184,314)	1,799,044	76,412
Funds brought forward 1 April 2003	9	10,789,436	449,085	11,238,521	11,162,109
Funds carried forward 31 March 2004	9	12,772,794	264,771	13,037,565	11,238,521

All the above results are derived from continuing activities.

All gains and losses recognised in the year are included in the Statement of Financial Activities.

GREENSLEEVES HOMES TRUST
CONSOLIDATED AND CHARITY BALANCE SHEETS
31 MARCH 2004

	<u>Notes</u>	<u>2004</u> £	<u>Group</u> <u>2003</u> £	<u>2004</u> £	<u>Charity</u> <u>2003</u> £
FIXED ASSETS					
Tangible assets	5	8,805,910	7,002,282	8,805,910	7,002,282
Investments	6	3,116,724	2,483,130	3,116,724	2,483,130
		<u>11,922,634</u>	<u>9,485,412</u>	<u>11,922,634</u>	<u>9,485,412</u>
CURRENT ASSETS					
Fixed interest deposits	6	399,091	326,275	-	-
Property held for resale		-	587,594	-	587,594
Debtors	7	161,839	89,511	202,496	77,637
Bank balances					
- current and deposit accounts		2,365,308	2,470,079	2,303,979	2,437,405
		<u>2,926,238</u>	<u>3,473,459</u>	<u>2,506,475</u>	<u>3,102,636</u>
CREDITORS					
Amounts falling due within one year	8	(280,585)	(185,344)	(242,777)	(161,815)
NET CURRENT ASSETS		<u>2,645,653</u>	<u>3,288,115</u>	<u>2,263,698</u>	<u>2,940,821</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>14,568,287</u>	<u>12,773,527</u>	<u>14,186,332</u>	<u>12,426,233</u>
CREDITORS					
Amounts falling due after more than one year	8	(1,530,722)	(1,535,006)	(1,119,194)	(966,867)
NET ASSETS		<u>13,037,565</u>	<u>11,238,521</u>	<u>13,067,138</u>	<u>11,459,366</u>
UNRESTRICTED FUNDS	9	12,772,794	10,789,436	12,802,367	11,010,281
RESTRICTED FUNDS	9	264,771	449,085	264,771	449,085
		<u>13,037,565</u>	<u>11,238,521</u>	<u>13,067,138</u>	<u>11,459,366</u>

Approved by the Board of Trustees on ~~26 OCTOBER~~ 2004 and signed on their behalf by:

DA Mandall

Trustees of Greensleeves Homes Trust

B. M. M. M.

GREENSLEEVES HOMES TRUST
CONSOLIDATED CASH FLOW STATEMENT
YEAR ENDED 31 MARCH 2004

	£	<u>2004</u>	£	£	<u>2003</u>	£
Net cash inflow from operating activities			769,042			486,097
Returns on investment and servicing of finance						
Dividends received	150,989			135,000		
Interest received	78,890			68,065		
			<u>229,879</u>			<u>203,065</u>
Capital expenditure and financial investment						
Purchases of fixed assets	(2,101,484)			(1,441,863)		
Sale of fixed and current assets	1,138,899			477,986		
Purchases of investments	(449,939)			(203,638)		
Sales of investments	190,376			441,245		
Withdrawn from fixed interest deposits	118,456			155,000		
			<u>(1,103,692)</u>			<u>(571,270)</u>
Increase/ (decrease) in cash			<u>(104,771)</u>			<u>117,892</u>
Reconciliation of net incoming resources to net cash inflow from operating activities						
Net incoming resources		1,233,741				940,329
(Increase)/ decrease in debtors		(123,828)				(58,808)
Increase/(decrease) in creditors		142,457				65,091
Depreciation		265,713				203,418
Loss on disposal of investment		-				(38,275)
Returns on investments and servicing of finance		(229,879)				(203,065)
Gain on disposal of fixed and current assets		(519,162)				(422,593)
			<u>769,042</u>			<u>486,097</u>
Analysis of changes in Net Funds						
		<u>Cash at</u>		<u>Cash flows</u>		<u>Cash at</u>
		<u>1/4/2003</u>				<u>31/3/2004</u>
Cash at bank		<u>2,470,079</u>		<u>(104,771)</u>		<u>2,365,308</u>

GREENSLEEVES HOMES TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

1 ACCOUNTING POLICIES

(a) Basis of accounting

The accounts are prepared in accordance with applicable accounting standards and with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2000) issued by the Charity Commission in October 2000.

(b) Basis of consolidation

Consolidated accounts have been prepared which include the accounts of the charity and WRVS Trust Supplies Limited, a company incorporated in England and Wales. The consolidation has been carried out on a line by line basis.

No Statement of Financial Activities has been presented for the charity as permitted by Section 230 of the Companies Act 1985 as the figures are not materially different to those of the group.

(b) Income Recognition

Income and resident fees are accounted for when receivable except for dividend income, which is recognised when received. Investment income, including bank interest, is stated gross. Legacies and funds represented by specific investments are credited with the gross income from such investments.

(c) Expenditure

Resources expended are accounted for on an accruals basis.

Charitable expenditure comprises direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed they have been allocated to activities on a basis consistent with the use of the resources. Management and administration costs are those incurred in connection with the management of the Charity's assets, organisational administration and compliance with constitutional and statutory requirements.

(d) Fixed assets

Depreciation and amortisation of fixed assets have been provided on a straight line basis at rates calculated to write off the cost over the estimated useful lives of the assets. The rates are:

Freehold property	- 2% per annum
Long-term leasehold property	- over period of lease
Furniture and equipment	- 20% per annum
Motor vehicles	- 25% per annum

(e) Fixed asset investments

Investments are stated at market value. Realised gains or losses on disposals and unrealised gains or losses when the investments are revalued at the year end are reflected in the Statement of Financial Activities.

(f) Current asset investments

Investments are stated at market value. Realised gains or losses on disposals and unrealised gains or losses when the investments are revalued at the year end are reflected in the Statement of Financial Activities.

(g) Funds

General funds are unrestricted funds held for the general objects of the Trust's work. Restricted funds are funds used for specific purposes as laid down by the donor. Expenditure which meets this criteria is identified to the specific fund. Designated funds are unrestricted funds set aside by the trustees for a particular purpose.

GREENSLEEVES HOMES TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

1 ACCOUNTING POLICIES continued

(h) Pension

The Trust operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Trust in an independently administered Scheme.

2 INVESTMENT INCOME AND INTEREST RECEIVED

	<u>2004</u> £	<u>2003</u> £
Investment income	150,989	135,000
Interest received:		
Bank deposit account	78,890	68,065
	<u>229,879</u>	<u>203,065</u>

3 ANALYSIS OF RESOURCES EXPENDED

	<u>Staff costs</u> £	<u>Depreciation</u> £	<u>Other costs</u> £	<u>2004 Total</u> £	<u>2003 Total</u> £
Cost of generating funds	-	-	10,594	10,594	15,350
Charitable expenditure:					
Cost of activities in the furtherance of the charity's objects	5,223,923	180,276	1,749,950	7,154,149	6,822,218
Management and administration	69,446	85,437	132,141	287,024	314,579
	<u>5,293,369</u>	<u>265,713</u>	<u>1,892,685</u>	<u>7,451,767</u>	<u>7,152,147</u>

Resources expended include:-

	<u>2004</u> £	<u>2003</u> £
Auditors remuneration - audit services group	19,000	17,000
- under accrual in prior year	6,396	16,506
- other services	2,309	-
Trustees indemnity insurance	6,143	3,255
	<u>28,848</u>	<u>36,761</u>

4 WAGES AND SALARIES

	<u>2004</u> £	<u>2003</u> £
Wages and Salaries	4,951,713	4,858,980
Social security costs	286,124	248,057
Pension costs	55,532	56,998
	<u>5,293,369</u>	<u>5,164,035</u>

GREENSLEEVES HOMES TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

4 WAGES AND SALARIES (continued)

	<u>2004</u>	<u>2003</u>
	<u>Number</u>	<u>Number</u>
The average number of persons employed during the period was:-		
Residential care home services, including part-time staff	563	555
Management and administration	6	7
	<hr/> 569 <hr/>	<hr/> 562 <hr/>

The number of employees whose emoluments as defined for taxation purposes amounted to over £50,000 in the year was as follows:

	<u>2004</u>	<u>2003</u>
£50,001 - £60,000	1	1
	<hr/> 1 <hr/>	<hr/> 1 <hr/>

The Trustees received no remuneration for their services during the current or prior year. Travel expenses of £7,256 were reimbursed to 7 Trustees during the year (2003: £7,253).

During the year the Trust paid £204,729 (2003: £85,083) to OWL Partnership Architects. Peter Woods, a partner of OWL Partnership Architects, was appointed a Trustee of Greensleeves Homes Trust in July 2001. The Trust has a long standing relationship with OWL Partnership Architects, which has assisted the Trust for the last 12 years, and Peter Woods abstains from voting on the awarding of architects contracts.

5 TANGIBLE FIXED ASSETS

Group and charity

	<u>Property freehold £</u>	<u>Long term leasehold property £</u>	<u>Furniture and equipment £</u>	<u>Motor vehicles £</u>	<u>Total £</u>
Cost					
At 1 April 2003	7,152,227	112,324	253,939	28,977	7,547,467
Additions	1,985,002	-	116,482	-	2,101,484
Disposals during the year	(7,158)	(28,081)	-	-	(35,239)
At 31 March 2004	9,130,071	84,243	370,241	28,977	9,613,712
Depreciation					
At 1 April 2003	444,993	10,166	75,538	14,488	545,185
Charge for year	182,699	1,685	74,085	7,244	265,713
Disposals during the year	(555)	(2,541)	-	-	(3,096)
At 31 March 2004	627,137	9,310	149,623	21,732	807,802
Net book value at 31 March 2004	8,502,934	74,933	220,798	7,245	8,805,910
Net book value at 31 March 2003	6,707,234	102,158	178,401	14,489	7,002,282

Further capital expenditure, contracted for at 31 March 2004 but not provided for in these accounts, amounted to £2,675,799 (2003: £343,428)

GREENSLEEVES HOMES TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

6 FIXED ASSET INVESTMENTS	<u>2004</u> £	<u>2003</u> £
Market value at 1 April 2003	2,483,130	3,394,139
Acquisitions at cost	449,939	203,638
Disposals at book value	(178,157)	(441,245)
Net gain / (loss) on revaluation at 31 March 2004	361,812	(673,402)
	<hr/>	<hr/>
Market value at 31 March 2004	3,116,724	2,483,130
	<hr/>	<hr/>
Cost at 31 March 2004	3,172,417	2,902,525
	<hr/>	<hr/>

Investments are represented by:	<u>2004</u> £	<u>2003</u> £
Government bonds	596,913	656,565
Corporate bonds	257,069	261,424
UK equities	1,438,382	1,332,564
Foreign equities	388,210	161,084
Unit trusts	436,150	71,493
	<hr/>	<hr/>
	3,116,724	2,483,130
	<hr/>	<hr/>

CURRENT ASSET INVESTMENT	<u>2004</u> £	<u>2003</u> £
Market Value at 1 April 2003	326,275	633,515
Cash withdrawn during year	(118,456)	(155,000)
Net realised losses during the year	(7,394)	-
Net unrealised gain/(loss) during the year	198,667	(152,240)
	<hr/>	<hr/>
Market Value at 31 March 2004	399,091	326,275
	<hr/>	<hr/>

7 DEBTORS	<u>2004</u> £	<u>Group</u> 2003 £	<u>2004</u> £	<u>Charity</u> 2003 £
Amount due within one year:				
Residential care home debtors and advance payments	146,719	62,731	146,719	62,731
Other debtors	2,209	8,708	475	5,943
Prepayments and accrued income	3,802	8,963	3,802	8,963
Due from WRVS Trust	9,109	9,109	-	-
Due from WRVS Trust Supplies	-	-	51,500	-
	<hr/>	<hr/>	<hr/>	<hr/>
	161,839	89,511	202,496	77,637
	<hr/>	<hr/>	<hr/>	<hr/>

GREENSLEEVES HOMES TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

8 CREDITORS

	<u>2004</u>	<u>Group</u>	<u>2003</u>	<u>2004</u>	<u>Charity</u>	<u>2003</u>
	£		£	£		£
Due within one year:						
Social security and other taxes	68,188		67,146	68,188		67,146
Other creditors and accruals	210,111		118,198	174,589		94,669
Due to WRVS Trust	2,286		-	-		-
	<u>280,585</u>		<u>185,344</u>	<u>242,777</u>		<u>161,815</u>
Due after more than one year:						
Due to The WRVS Trust	1,119,194		966,867	1,119,194		966,867
Payment received on account from WRVS Trust	411,528		568,139	-		-
	<u>1,530,722</u>		<u>1,535,006</u>	<u>1,119,194</u>		<u>966,867</u>

The payment received on account from WRVS Trust represents the remaining balance of a £2,000,000 prepayment for gas and electric made in 1995 before the transfer of the residential care homes from WRVS Trust to Greensleeves Homes Trust.

9 FUNDS (group)

	At 1 April <u>2003</u> £	Net incoming/ (outgoing) <u>resources</u> £	Transfers between <u>funds</u> £	Other Recognised gains and <u>losses</u> £	At 31 March <u>2004</u> £
Unrestricted					
General	10,772,984	1,244,605	198,584	340,925	12,557,098
Designated Fund					
Revaluation reserve	-	-	-	198,667	198,667
Maintenance reserve	16,452	577	-	-	17,029
	<u>10,789,436</u>	<u>1,245,182</u>	<u>198,584</u>	<u>539,592</u>	<u>12,772,794</u>
Restricted					
Legacies fund	386,964	992	(198,584)	25,711	215,083
Amenities funds	62,121	(12,433)	-	-	49,688
	<u>449,085</u>	<u>(11,441)</u>	<u>(198,584)</u>	<u>25,711</u>	<u>264,771</u>
	<u>11,238,521</u>	<u>1,233,741</u>	<u>-</u>	<u>565,303</u>	<u>13,037,565</u>

The Revaluation reserve represents the unrealised element of investments, being the difference between the cost and market value.

The Self insurance reserve represents an amount set aside to cover minor repairs at the Homes, which would otherwise be provided for out of claims on insurance.

The Legacies fund represents monies and assets held in trust for specific Homes and purposes.

The Amenities fund represents funds raised by each Home to be spent on specific projects and activities in that Home.

WRVS Trust Supplies Limited has no retained earnings at the beginning or end of the year. All taxable profits in the year are paid by way of Gift Aid to the WRVS Trust.

The transfer between funds represents the release of a restricted legacy to unrestricted funds following the death of the legacy's beneficiary.

GREENSLEEVES HOMES TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

10 ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Restricted funds £	Unrestricted funds £	Total £
Fund balances at 31 March 2004 are represented by:			
Tangible fixed assets	11,562	8,794,348	8,805,910
Investments	215,083	2,901,641	3,116,724
Current assets	38,126	2,939,612	2,977,738
Current liabilities	-	(332,085)	(332,085)
Long term liabilities	-	(1,530,722)	(1,530,722)
	<hr/>	<hr/>	<hr/>
Total net assets	264,771	12,772,794	13,037,565
	<hr/>	<hr/>	<hr/>

11 TAXATION

The trustees consider that all of the activities of Greensleeves Homes Trust fall within the exemption from Corporation Tax granted by Section 505 ICTA 1988. There is therefore no provision for taxation for the year ended 31 March 2004.

12 SUBSIDIARY RESULTS

WRVS Trust Supplies Limited has an issued share capital of £4, which is held beneficially by the directors of that company on behalf of Greensleeves Homes Trust. Its principal activity is to provide supplies to the residential care homes of Greensleeves Homes Trust.

A summary of the company's trading results and balance sheet is shown below:

	2004 £	2003 £
Profit and loss account		
Turnover	156,611	147,006
Cost of supplies	(152,398)	(145,418)
Administrative expenses	(3,158)	(4,616)
	<hr/>	<hr/>
Operating profit / (loss)	1,055	(3,028)
Bank deposit interest receivable	1,231	908
	<hr/>	<hr/>
Profit / (loss) for the year	2,286	(2,120)
Covenant payment to WRVS Trust	(2,286)	-
Realised loss on current asset investment	(7,394)	-
Unrealised profit / (loss) on current asset investment	198,667	(152,240)
	<hr/>	<hr/>
Retained profit / (loss)	191,273	(154,360)
	<hr/>	<hr/>
Balance sheet		
Fixed interest deposits	399,091	326,275
Debtors	10,843	11,874
Cash at bank	61,330	32,674
	<hr/>	<hr/>
	471,264	370,823
Creditors	(500,832)	(591,664)
	<hr/>	<hr/>
Net liabilities	(29,568)	(220,841)
	<hr/>	<hr/>

GREENSLEEVES HOMES TRUST
NOTES TO THE CONSOLIDATED ACCOUNTS
YEAR ENDED 31 MARCH 2004

13 CONNECTED ENTITIES

The following entities are connected to the Trust by virtue of common or related objects or by unity of administration:

WRVS Trust	A charitable Trust supporting the activities of the Trust and the Women's Royal Voluntary Service. Creditor balances at 31 March 2004 are fully disclosed in the notes to these accounts.
WRVS Trustees Limited	A dormant company and the custodian trustee of WRVS Trust.

14 POST BALANCE SHEET EVENTS

WRVS TRUST

Since 29 July 2002 the trustees have been in discussion with the Charity Commission regarding the status of WRVS Trust (charity number 214020). The Commission has advised the trustees that its current view is that The WRVS Trust was part of the Greensleeves Homes Trust Scheme dated 8 May 1997 and should have been amalgamated with Greensleeves Homes Trust. Accordingly it is the Charity Commission's intention in due course to remove the WRVS Trust from the Register of Charities.

The trustees of Greensleeves Homes Trust are currently liaising with the Charity Commission and their professional advisors to clarify and complete the accounting and legal formalities, and since the year end the Charity Commission have confirmed that The WRVS Trust will this year remain on the Central Register of Charities until these formalities have been completed, and as such, the assets and liabilities of The WRVS Trust have not yet been transferred to Greensleeves Homes Trust but it is intention of the trustees that this will be effected in due course.

The assets and liabilities as at 31 March 2004 of The WRVS Trust were as follows: -

	<u>2004</u> £	<u>2003</u> £
CURRENT ASSETS		
Debtors	2,286	9,929
Bank balances	51,624	39,696
	<hr/> 53,910	<hr/> 49,625
CURRENT LIABILITIES		
Creditors	(9,109)	(9,109)
	<hr/> 44,801	<hr/> 40,516
LONG TERM DEBTORS		
Due from WRVS Trust Supplies Limited	411,528	568,140
Due from Greensleeves Homes Trust	1,119,194	966,867
	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES	1,575,523	1,575,523
LONG TERM LIABILITY		
Amounts falling to WRVS	(1,575,523)	(1,575,523)
	<hr/>	<hr/>
NET ASSETS	-	-
	<hr/>	<hr/>
FUNDS	-	-
	<hr/>	<hr/>

Amounts due after more than one year represent the loan by the WRVS Trust to WRVS Trust Supplies Limited which may ultimately be repayable to WRVS.