

**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 2007**



**GREENSLEEVES HOMES TRUST**  
**ANNUAL REPORT**  
**YEAR ENDED 31 MARCH 2007**

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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)  
Mr D E Ballard  
Mrs E A Boot  
Ms C Brown  
Mrs A Cleland CBE  
Mr R W Douglas  
Mrs R Friend  
Mrs B Mills MBE  
Mr K Murali  
Mr J C Wylie (Deputy Chairman – as appointed October 2006)

**COMPANY SECRETARY**

Ms K James

**CHIEF EXECUTIVE**

Ms K James

**REGISTERED OFFICE**

151 Clapham Road  
London  
SW9 0PU

**AUDITORS**

PKF (UK) LLP  
Farringdon Place  
20 Farringdon Road  
London  
EC1M 3AP

**BANKERS**

Lloyds TSB Bank Plc  
2<sup>nd</sup> Floor  
39 Threadneedle Street  
London EC2R 8AU

**SOLICITORS**

Moon Beever  
24-26 Bloomsbury Square  
London  
WC1A 2PL

**INVESTMENT ADVISORS**

Tilney Private Wealth Management  
25 Melville Street  
Edinburgh  
EH3 7PE

# **GREENSLEEVES HOMES TRUST**

## **REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDING 31 MARCH 2007**

The Trustees present the report and financial statements of Greensleeves Homes Trust for the year ended 31 March 2007

### **Structure, governance and 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 8<sup>th</sup> day of October 1996

#### **The Trustees**

As at 31 March 2007 the Board of Trustees comprised 10 members who are responsible for the overall policy, direction and strategy of the Trust and for the oversight of its financial affairs. All attend Trustees' meetings, held throughout the year, at which the important matters affecting the Trust are discussed and decided on.

All Trustees are issued with relevant key documentation including the Memorandum and Articles of Association, current annual budgets and business plans, as well as information about regulatory requirements in the care sector. They are kept informed of any developments within the Trust and in legislation affecting the Trust by the Chief Executive's Update which is issued on a regular basis and, of course, in detailed papers prior to each Board Meeting.

In July 2006, following the expansion of the Board of Trustees, a Trustee Awayday was held. The purpose of the day was to identify the strategic direction for the Trust and discuss important governance matters.

With regard to the Trust's strategic direction, it was decided that

- our homes should continue to be run as well as possible
- our assets should be used in the most effective way possible
- we should be considering specialisms in such areas such as dementia and higher care
- in the slightly longer term, we should be considering the changing environment, so that we continue to provide services which meet the needs and preferences of older people

Following the Awayday, much work was done regarding the governance of the Trust and a number of policies have been implemented. Updated Trustee role descriptions were prepared, a register of interest has been developed and a scheme of delegation policy has been adopted.

At the October AGM, revisions to the Memorandum and Articles of Association were agreed. They now incorporate the terms of office for the Trustees. Finally, a Vice Chairman was appointed during the year. This is a new post whose appointment will ensure cover during any periods of the Chairman's absence.

#### **Audit & Risk Management Committee**

As part of the Trustee Awayday, it was decided to form an Audit & Risk Management Committee to help with the governance of the Trust.

The Audit & Risk Management Committee, which is formed of three Trustees, met for the first time in December. This initial meeting was to agree the Committee's Terms of Reference and to identify its responsibilities. It was decided that the Committee would meet three times per year and that it would oversee all systems, controls and processes that may have an impact on the Trust's ability to meet its objectives by ensuring

- Effective audit functions, both external and internal, are in place
- Adequate risk management processes
- An adequate internal control environment is established

# **GREENSLEEVES HOMES TRUST**

## **REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDING 31 MARCH 2007**

### **Audit & Risk Management Committee - continued**

Since the Committee's first meeting, much progress has been made, including a review of the Trust's accounting policies, which are reflected in these accounts, the revision of the Trust's Investment and Reserve policies, initial preparatory work to update the Trust's risk register and, finally, the agreement of a formal internal audit programme

### **Risk Assessment**

The responsibility of identifying possible areas of risk that could affect the Trust has been delegated to appropriate members of the management team and it is their responsibility to conduct frequent risk assessments particularly in business, operational and financial areas. The management team carry out a variety of internal controls on a regular basis to ensure that any potential problems are identified as soon as possible

These internal controls include,

- monthly visits to the homes by a rotation of Head Office staff who carry out Regulation 26 inspections as required by the Commission for Social Care Inspection
- regular inspections of each home's financial records by the Trust's Financial Controller to ensure that everything is in order and that there is no potential misappropriation of the Trust's funds, and
- continued training of staff to ensure that they have the relevant skills and knowledge to meet the needs of Trust

Trustees are kept fully informed at each Trustees meeting and through reports between meetings

At the first meeting of the Audit & Risk Management Committee, it was decided that the Trust needed to update its risk register and that the way forward was to hold a Risk Workshop for the Trustees. The purpose of this workshop is to identify all possible risks facing the Trust and, for each one, note the likelihood of its occurrence, possible action to prevent it, the potential impact if it were to happen and what course of action would be taken if it did. The day, which will take place early in next year, will be overseen by an external facilitator whose responsibility will be to lead the day to identify potential risks facing the Trust and consequently prepare a revised risk register on the our behalf. A specification of our requirements has been circulated to a selection of potential candidates for quotation

### **Management and Staffing**

The Trust's Chief Executive is responsible for the day to day operation of the Trust on behalf of the Trustees, to develop and strengthen the services provided within the framework set by the Trustees, to ensure staff are recruited who understand the Trust's values and the regulatory requirements in the care sector, and to optimise the use of the Trust's property assets

Other key members of staff who assist the Chief Executive with the day to day running of the Trust are

- Financial Controller – Responsible for all financial reporting and forecasting
- Care Services and Operations Managers – Responsible for ensuring continuing high standards in the Trust's services, in line with guidelines set by the Commission for Social Care Inspection
- Home Managers – Responsible for the management and day to day business of each home
- Property Manager – This was a new appointment during the year. It is the Property Manager's responsibility to ensure that our homes are properly maintained in line with legislation so that they continue to be fit for the purpose of providing residential care. He will also take the lead on upcoming planned redevelopments, liaising with architects and contractors during works to ensure compliance with regulation and Trust requirements
- Personnel Manager – Responsible for the Human Resources function

**GREENSLEEVES HOMES TRUST**  
**REPORT OF THE BOARD OF TRUSTEES**  
**FOR THE YEAR ENDING 31 MARCH 2007**

**Management and Staffing - continued**

- Training Manager – Responsible for training and development of the Trust's employees
- Chief Executive's PA

The Senior Management Team is involved in forward planning and the agreement of the prime objectives of the Trust

Residential care and personnel issues affecting the whole Trust are discussed at national and local training events

**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, sexual orientation or age.

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.

# **GREENSLEEVES HOMES TRUST**

## **REPORT OF THE BOARD OF TRUSTEES FOR THE YEAR ENDING 31 MARCH 2007**

### **Objectives and Activities**

#### **Aims**

Greensleeves Homes Trust is a charitable organisation providing care and accommodation for elderly people, primarily through residential care services. The latter are provided in 16 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 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.

#### **Objectives**

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 600 staff who are supported by volunteer groups in some homes, and there are approximately 525 residents/beds.

Greensleeves Homes Trust currently manages 22 projects which cover our two main areas of work -

- 16 Residential care homes for the elderly located in London (2), Bedfordshire, Buckinghamshire, Hampshire (2), Hertfordshire, Isle of Wight, Kent, Suffolk (3), East Sussex, Warwickshire, Wiltshire and The West Midlands
- Independent rented accommodation situated as follows -
  - Wirral area Bebington – 3 flats in a sheltered housing complex, Birkenhead (Petergate) – 4 flats in a large older house
  - Ipswich area Singleton House – 8 bed-sitters, Woodbridge – 3 cottages
  - Other areas Lancing – 1 flat in a larger older house, Bndport – 1 house

Wherever possible, our accommodation is let to elderly people at economic rents, which fulfils our charitable objectives.

**GREENSLEEVES HOMES TRUST**  
**REPORT OF THE BOARD OF TRUSTEES**  
**FOR THE YEAR ENDING 31 MARCH 2007**

**Achievements and performance**

During the year

- Greensleeves Homes Trust has provided high quality residential care for in excess of 500 increasingly frail elderly people at competitive weekly fees in homely environments that are staffed by caring, well trained staff
- Our homes were regularly inspected by the Commission for Social Care Inspection and either met or exceeded the required regulatory standards. If they did not, any areas of weakness were immediately addressed
- We fulfilled the future plans noted in last year's Report of the Board of Trustees by developing the Trust's strategic direction and enhancing governance through the updating of policies and controls
- We have invested over £140,000 training our staff so that we can continue to provide quality care at all our homes. This has resulted in our staff achieving 42 NVQs in care at various levels during the year. At the end of the year over 60% (2005 50%) of our care staff were qualified to NVQ Level 2 or more
- The Trust's Management Team was expanded to include a Property Manager to oversee the upkeep and expansion of the Trust's property portfolio
- We generated net property sale gains of £761,000 and this has been added to reserves to be used in funding our ongoing home redevelopments
- The development at our home Pelsall Hall in the West Midlands started. By the time the work is finished in December 2007, we will have a modern home providing improved facilities and accommodation for 40 residents
- For the comfort of our residents, we installed a new heating system at Arden House in Leamington Spa, Warwickshire and completely replaced the windows at Thornbank in Ipswich, Suffolk
- Further work was completed assessing proposed development schemes at many of our other homes. This has enabled the Trustees to formally approve works at 3 homes, which will see enhancements to existing accommodation and, for the first time, in line with the Trust's strategic direction, see the Trust providing accommodation specifically suitable for those residents with dementia and high care needs by adding dedicated self contained units to current homes
- Plans for developments at other homes have also progressed to ensure they fully comply with legislation and provide best value to the Trust. This work continues and has been expanded to include research into the possibility of new build homes and care accommodation
- We unfortunately had to close our Westbury House home in Swanage, Dorset. This was a difficult decision for the Trustees. Given its size, the home, which was the smallest in the Trust was no longer considered economically viable. The home's residents were given full assistance to find alternative accommodation, with all of them being re housed locally within a few weeks of the closure announcement

**GREENSLEEVES HOMES TRUST**  
**REPORT OF THE BOARD OF TRUSTEES**  
**FOR THE YEAR ENDING 31 MARCH 2007**

## **Financial Review**

### **Review of transactions and financial position**

The consolidated balance sheet shows that at 31 March 2007 the total funds of the group were £19.1million (2006 £16.3 million). This was represented by tangible fixed assets of £15.5million (2006 £14.8 million), Net Current Assets of £5.4million including Investments of £3.6million (2006 Net Current Assets of £4.9million including Investments of £3.0million) and long term liabilities of £1.8million (2006 £3.4 million). Unrestricted funds of £19.0million (2006 £15.9 million) represent 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 shows incoming resources have increased by £1.7 million in the year to £13.2 million,

- £10.5million of incoming resources relates to income produced by our core activity of providing residential care which represents an increase of £1.0million in comparison to last year. This increase comes following a comprehensive review of the level of our fees in comparison to homes' local markets and improved control over occupancy.
- £0.8million relates to the net proceeds from the sale of our Woodgate home in Malvern, Worcestershire and a property in Wallasey, Merseyside.
- £206,000 was investment income generated by our investment portfolio and cash reserves.
- £259,000 is for other miscellaneous income including rent generated by non-core activity properties of £130,000 and donations of £53,000.
- Finally, total incoming resources also include the write off of a creditor that the Trustees have deemed no longer due. This accounts for £1.5million.

Total resources expended for the year ended 31 March 2007 was £10.7million,

Overall a surplus from operating activities of £1.0million was produced and this, together with gains made on investments of £0.2million, and the £1.5million from the creditor write off, have been added to reserves, bringing the total to £19.0million.

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. During the year a dividend of £16,305 was paid by WRVS Trust Supplies Limited to Greensleeves Homes Trust. WRVS Trust Supplies Limited's principal activity was to provide supplies of utilities to the residential care homes of Greensleeves Homes Trust. However, following depletion of the Company's funds, this is no longer permissible. We therefore intend to change its status to dormant for possible use by the Charity in the future. A breakdown of WRVS Trust Supplies Limited's Statement of Financial Activities and Balance Sheet are given in note 12 to these accounts.

### **Reserves**

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."

The Board of Trustees regularly reviews the Trust's reserve levels in the light of its planned activities. They currently believe it necessary to hold reserves so that the future standards of service and accommodation offered to residents can be maintained and, hopefully, improved.

During the year, the Trustees were presented with business plans for a number of capital development works at many of the Trust's homes. Following a comprehensive review of these plans, a substantial amount of work was agreed or agreed in principle. These works will be phased in order of priority over the next ten years and will be funded from our current reserves, surpluses earned in future years from operating activities, the sale of non-core activity assets and possible bank funding.

**GREENSLEEVES HOMES TRUST**  
**REPORT OF THE BOARD OF TRUSTEES**  
**FOR THE YEAR ENDING 31 MARCH 2007**

**Reserves – continued**

The Trust's ten year business plan was updated to reflect the planned expenditure and, in light of this, it was felt that the reserves policy should also be revised

Given the level of planned capital investment, the Board of Trustees believe that the Trust should have sufficient reserves available to fund the capital expenditure anticipated for the coming year and, in addition, there should be further funds available to meet the Trust's revenue costs in the event of any unexpected problems that could occur. As the Trust's operational sites are widespread, it is anticipated that any such problems would be isolated to a particular site and would not affect the Trust as a whole. Therefore the reserves provision for revenue costs has been set at 10% of the Trust's ordinary costs for a period of 3 months

At the balance sheet date, the Trust has unrestricted reserves of £5.0million (the balance on net current assets less the carrying value of fixed assets). This currently exceeds our required level of reserves, which as at 31 March 2007 were in the region of £4.2million

The Board of Trustees have delegated the monitoring of reserves to the Trust's Management Team who are responsible for providing quarterly updates on the current situation and highlighting any potential problems that are envisaged

Greensleeves Homes Trust the charity, currently has total reserves of £19.1million of which £0.1million are restricted. These restricted funds are made up by unspent legacies and amenity funds raised specifically for our homes' residents' benefit

**Investments**

The Trustees of Greensleeves Homes Trust wish to ensure the sound and competent management of the Trust's financial assets in order to maximise the monies available to meet the charity's core purpose of meeting the needs of older people by residential accommodation and other assistance

The Trustees recognise their responsibility to provide both for future older people and for those currently resident in the Trust's Homes. In the light of this, and of the Trust's plans to extend and refurbish many of its Homes, investment of its funds is weighted towards capital growth rather than immediate income

The Trust's attitude to risk is cautious to balanced

The Trust's Investment Manager, to whom the trustees have delegated their power under paragraph 4(j) of the Memorandum of Association, follows the requirements set out below

- a) No more than 5% is invested in any one stock/fund/unit trust, although it is permissible for 5 to 10% to be held for short periods when changes in investments are being made
- b) No more than 25% at any one time is held in fixed income returns or cash
- c) The Trust does not apply any restrictions on where investments are placed, other than those set out in d) below
- d) Direct investments are excluded in
  - Non-quoted stock ie private companies
  - Land
  - Property (although property funds are permitted as are buildings purchased for our core business)
  - Derivatives
- e) Liquidity all funds should be capable of being available in 6 months, with £1million in 3 months

The Investment Manager produces a report at quarterly intervals, measuring performance over the last five years, using as a comparator a Composite Index. The suitability of this index is kept under review in consultation with the Investment Manager

**GREENSLEEVES HOMES TRUST**  
**REPORT OF THE BOARD OF TRUSTEES**  
**FOR THE YEAR ENDING 31 MARCH 2007**

**Investments – continued**

The Trustees review our policy, and the written agreement with the Investment Manager, at least every 12 months. In addition, a specific review of the policy will be undertaken if, as a result of spending on Home developments, the total fund falls below £2 million.

Over the past year the Trust has seen a total of realised and unrealised profits on investment of £243,747. In the last quarter of the year, following the sale of Woodgate in Malvern, £1million was transferred to our Investment Manager for investment and this money is currently being invested in line with the Trust's Investment Policy. As at 31 March 2007, the market value of the Trust's portfolio was £3.6million.

**GREENSLEEVES HOMES TRUST**  
**REPORT OF THE BOARD OF TRUSTEES**  
**FOR THE YEAR ENDING 31 MARCH 2007**

**Plans for the future**

Our main aim for the coming and all future years will be to continue providing the same quality care that we are known for and, where possible, to improve on these standards through the ongoing training of our staff and also with the updating of our homes

**Capital Programme**

Greensleeves Homes Trust's major asset is the property it owns and as such its maintenance, enhancement and expansion remains at the forefront of the Trust's plans. As part of this portfolio there are 16 residential care homes situated throughout the South and East of England. Each of them varies greatly in character, from purpose built homes to listed buildings. Yet at all of them we strive to offer our residents the best environment possible, one that they can consider their home, and to do this requires constant capital investment.

During the year, development works at Pelsall Hall in the West Midlands commenced and other smaller works, such as the installation of a new heating system at one home and replacement windows at another, were carried out.

Next year the Pelsall Hall development will be completed and the following works will be undertaken -

- Broadlands, Oulton Broad – 6 rooms will be fully en suited, leaving just 3 rooms without such facilities and thus ensuring the majority of residents are able to enjoy something that most requiring residential care demand, privacy
- Broadlands, Oulton Broad – The construction of a dedicated self contained unit for those residents requiring higher care
- Harleston House, Lowestoft – Complete renovation and extension to the existing home to provide accommodation for those residents requiring varying degrees of dementia care
- Torkington House – A further extension to the home adding improved kitchen and laundry facilities

Plans already underway for other homes will be further worked on to ensure they provide the best use of the Trust's assets



By Order of the Trustees  
Kate James  
Company Secretary  
24 July 2007

**GREENSLEEVES HOMES TRUST**  
**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**YEAR ENDED 31 MARCH 2007**

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and Charity Statement of Recommended Practice 'Accounting by Charities' as revised in 2005). The financial statements are required to give a true and fair view of the state of affairs of the charitable company and of the result of the charitable company for that period. In preparing these financial statements the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

In accordance with company law, as the charitable company's Trustees we certify that

- so far as we are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- as the Trustees of the charitable company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

# **INDEPENDENT AUDITORS' REPORT TO GREENSLEEVES HOMES TRUST**

We have audited the financial statements of Greensleeves Homes Trust for the year ended 31 March 2007 which comprise the Consolidated Statement of Financial Activities, the Consolidated and the Charity Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable 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 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 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 Trustees' responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom accounting standards ('United Kingdom Generally Accepted Accounting Practice') 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 International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been 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 other transactions 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 International Standards on Auditing (UK and Ireland) 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 judgments made by the directors 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 the information and explanations 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, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable company's and the group's affairs as at 31 March 2007 and of its incoming resources and application of resources for the year then ended,
- have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Trustees' Report is consistent with the Financial Statements

PKF(UK)LLP  
PKF (UK) LLP  
Registered Auditors

London, UK

24 July

2007

**GREENSLEEVES HOMES TRUST**  
**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**YEAR ENDED 31 MARCH 2007**

	<u>Notes</u>	<u>Unrestricted Funds</u> £	<u>Restricted Funds</u> £	<u>Total 2007</u> £	<u>Total 2006</u> £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Donations and fundraising		28,902	24,409	53,311	40,584
Investment income	2	204,244	1,727	205,971	151,367
<b>Incoming resources from charitable activities</b>					
Residents' care fees		10,491,195	-	10,491,195	9,512,515
Other rental income		130,395	-	130,395	138,659
<b>Other incoming resources</b>					
Miscellaneous income		46,241	-	46,241	35,742
Gains on disposal of fixed assets		760,795	-	760,795	1,665,813
Other income	9	1,527,180	-	1,527,180	-
<b>Total incoming resources</b>		<b>13,188,952</b>	<b>26,136</b>	<b>13,215,088</b>	<b>11,544,680</b>
<b>RESOURCES EXPENDED</b>					
<b>Cost of generating funds</b>					
Investment managers fees		21,139	-	21,139	15,225
<b>Charitable activities</b>					
Residents' care costs		10,196,608	28,894	10,225,502	9,396,131
Head office costs		293,916	-	293,916	239,301
Other rental costs		26,860	-	26,860	31,006
<b>Governance costs</b>		<b>73,270</b>	<b>-</b>	<b>73,270</b>	<b>71,081</b>
<b>Total resources expended</b>	3	<b>10,611,793</b>	<b>28,894</b>	<b>10,640,687</b>	<b>9,752,744</b>
<b>Net incoming resources</b>		<b>2,577,159</b>	<b>(2,758)</b>	<b>2,574,401</b>	<b>1,791,936</b>
Net gain on investments		243,747	-	243,747	604,361
<b>Net movement in funds</b>		<b>2,820,906</b>	<b>(2,758)</b>	<b>2,818,148</b>	<b>2,396,297</b>
<b>Transfer between funds</b>		<b>281,086</b>	<b>(281,086)</b>	<b>-</b>	
<b>Funds brought forward 1 April 2006</b>	10	<b>15,933,474</b>	<b>359,499</b>	<b>16,292,973</b>	<b>13,896,676</b>
<b>Funds carried forward 31 March 2007</b>	10	<b>19,035,466</b>	<b>75,655</b>	<b>19,111,121</b>	<b>16,292,973</b>

All of the above results are derived from continuing activities

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

The surplus for the year for Companies Act purposes was £2,674,575 (2006 £1,874,918) comprising net incoming resources for the year of £2,574,401 plus realised gains on investments of £100,174

**GREENSLEEVES HOMES TRUST**  
**CONSOLIDATED AND CHARITY BALANCE SHEETS**  
**31 MARCH 2007**

	<u>Notes</u>	<u>2007</u> £	<u>Group</u> <u>2006</u> £	<u>2007</u> £	<u>Charity</u> <u>2006</u> £
<b>FIXED ASSETS</b>					
Tangible fixed assets	6	<b>15,537,430</b>	14,765,845	<b>15,537,430</b>	14,765,845
		<b>15,537,430</b>	14,765,845	<b>15,537,430</b>	14,765,845
<b>CURRENT ASSETS</b>					
Investments	7	<b>3,619,339</b>	2,973,469	<b>3,619,339</b>	2,973,469
Property held for sale		<b>664,742</b>	249,786	<b>664,742</b>	249,786
Debtors	8	<b>76,777</b>	131,474	<b>76,773</b>	109,013
Bank and cash balances		<b>2,010,707</b>	2,178,960	<b>2,010,707</b>	2,173,636
		<b>6,371,565</b>	5,533,689	<b>6,371,561</b>	5,505,904
<b>CREDITORS</b>					
Amounts falling due within one year	9	<b>(1,020,354)</b>	(625,122)	<b>(1,020,354)</b>	(621,893)
<b>NET CURRENT ASSETS</b>		<b>5,351,211</b>	4,908,567	<b>5,351,207</b>	4,884,011
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>20,888,641</b>	19,674,412	<b>20,888,637</b>	19,649,856
<b>CREDITORS</b>					
Amounts falling due after more than one year	9	<b>(1,777,520)</b>	(3,381,439)	<b>(1,777,520)</b>	(3,379,034)
<b>NET ASSETS</b>		<b>19,111,121</b>	16,292,973	<b>19,111,117</b>	16,270,822
<b>UNRESTRICTED FUNDS</b>	10,11	<b>19,035,466</b>	15,933,474	<b>19,035,462</b>	15,911,323
<b>RESTRICTED FUNDS</b>	10,11	<b>75,655</b>	359,499	<b>75,655</b>	359,499
<b>TOTAL FUNDS</b>		<b>19,111,121</b>	16,292,973	<b>19,111,117</b>	16,270,822

Approved by the Board of Trustees and authorised for issue on 24 July 2007 and signed on their behalf by

*JM Marshall,*

Trustees of Greensleeves Homes Trust

**GREENSLEEVES HOMES TRUST**  
**CONSOLIDATED CASH FLOW STATEMENT**  
**31 MARCH 2007**

	£	<u>2007</u>	£	£	<u>2006</u>	£
<b>Net cash inflow from operating activities</b>		<b>1,008,274</b>			<b>2,670,107</b>	
<b>Returns on investment and servicing of finance</b>						
Dividends received	93,579			83,859		
Interest Received	112,392			67,508		
		<u>205,971</u>			<u>151,367</u>	
<b>Capital expenditure and financial investment</b>						
Purchases of fixed assets	(2,019,227)			(3,962,470)		
Sale of fixed assets	1,038,852			1,690,128		
Purchases of investments	(746,720)			(37,659)		
Sales of investments	344,597			163,498		
Withdrawals from fixed interest deposits	-			284,561		
		<u>(1,382,498)</u>			<u>(1,861,941)</u>	
<b>Increase / (decrease) in cash</b>		<b>168,253</b>			<b>959,533</b>	
<b>Reconciliation of net incoming resources to net cash inflow from operating activities</b>						
Net incoming resources		2,574,401			1,791,936	
(Increase) / decrease in debtors		54,697			228,615	
Increase / (decrease) in creditors		(1,208,686)			1,984,207	
Depreciation		554,628			482,529	
Returns on investments and servicing of finance		(205,971)			(151,367)	
Gain on disposal of fixed and current assets		(760,795)			(1,665,813)	
<b>Net cash inflow from operating activities</b>		<b>1,008,274</b>			<b>2,670,107</b>	
<b>Analysis of changes in net funds</b>						
	Cash at 1 April 2006	<u>Cashflows</u>			Cash at 31 March 2007	
<b>Cash at bank</b>	2,178,960	<u>(168,253)</u>			<u>2,010,707</u>	

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**1 ACCOUNTING POLICIES**

**(a) Basis of accounting**

The accounts are prepared under the historical cost convention with the exception of investments which are included at market value. This is in accordance with applicable accounting standards and with the Statement of Recommended Practice (SORP 2005) 'Accounting and Reporting by Charities' issued by the Charity Commission in March 2005.

**(b) Basis of consolidation**

These financial statements consolidate the results of the charity and its wholly owned subsidiary WRVS Trust Supplied Limited on a line by line basis. A separate statement of financial activities and income and expenditure account are not presented for the charity itself following the exemptions afforded by section 230 of the Companies Act 1985 and paragraph 397 of the SORP.

**(c) Income Recognition**

Income and residents care 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.

**(d) Resources expended**

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. Support costs are expenses relating to specific income strands, together with the cost of running the Trust's head office, and as such none have been allocated against our core charitable activity of residential care. Governance costs are those incurred in connection with the management of the Charity's assets, compliance with constitutional and statutory requirements.

**(e) 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.

During the year impairment reviews are carried out. The Trustees consider that there are no properties which have been impaired. However to avoid such a situation ever occurring, the rates of depreciation were discussed by the Audit & Risk Management Committee and it was recommended to the Board that, as from this year, any refurbishment element of development works would be depreciated over 20 rather than 50 years, and that any new build would continue to be depreciated over 50 years. The Board agreed with the recommendation. In summary the rates are:

Existing and new build freehold property	- 2% per annum
Refurbishment of freehold property	- 5% per annum
Long-term leasehold property	- over period of lease
Furniture and equipment	- 20% per annum
Motor vehicles	- 25% per annum

Fixed assets include amounts in respect of significant development contracts' valuation certificates received immediately after the year end on the assumption that the work thereon would have occurred prior to the year end.

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**1 ACCOUNTING POLICIES (Continued)**

**(f) 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.

During the year the decision was taken to reclassify investments from a fixed asset to a current asset. This decision was based on the likelihood that we will need to withdraw part of the portfolio to fund the development costs in the coming year. Given that it is not known exactly how much this drawdown might be, the Trustees thought it better to reclassify the full portfolio rather than just a part of it. For ease of comparison, the 2006 figure has been restated as a current rather than a fixed asset.

**(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 criterion is identified to the specific fund. Designated funds are unrestricted funds set aside by the trustees for a particular purpose.

**(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**

	<u>2007</u> £	<u>2006</u> £
Investment income	93,579	83,859
Bank deposit accounts	112,392	67,508
	<u>205,971</u>	<u>151,367</u>

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**3 RESOURCES EXPENDED**

**a) Analysis of total resources expended**

	<b>Staff costs £</b>	<b>Other care costs £</b>	<b>Support costs £</b>	<b>Total 2007 £</b>	<b>Total 2006 £</b>
<b>Unrestricted funds</b>					
<b>Generating funds</b>					
Investment managers fees	-	-	21,139	21,139	15,225
<b>Charitable activities</b>					
Residents' care costs	7,100,457	3,096,151	-	10,196,608	9,354,762
Head office costs	91,766	-	202,150	293,916	239,301
Other rental costs	-	-	26,860	26,860	31,006
	<b>7,192,223</b>	<b>3,096,151</b>	<b>250,149</b>	<b>10,538,523</b>	<b>9,640,294</b>
<b>Restricted funds</b>					
<b>Charitable activities</b>					
Residents' care costs		28,894	-	28,894	41,369
	-	28,894	-	28,894	41,369
<b>Governance costs</b>	22,941	-	50,329	73,270	71,081
<b>Total resources expended</b>	<b>7,215,164</b>	<b>3,125,045</b>	<b>300,478</b>	<b>10,640,687</b>	<b>9,752,744</b>

**b) Analysis of other care costs**

	<b>Total 2007 £</b>	<b>Total 2006 £</b>
<b>Charitable activities</b>		
Food and activities	890,425	794,550
Maintenance	910,080	830,379
Insurance	93,441	92,038
Utilities costs	472,318	343,426
Administration costs	100,005	118,274
Loan interest	134,484	99,277
Depreciation	524,292	425,968
	<b>3,125,045</b>	<b>2,703,912</b>

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**3 RESOURCES EXPENDED (continued)**

**c) Analysis of support costs**

	<u>2007</u> £	<u>2006</u> £
Investment manager's fees	21,139	15,225
Head office running costs	177,422	56,651
Trading subsidiary covenant	-	53,745
Rental property costs	21,251	24,863
Depreciation	37,207	56,561
Governance costs	50,329	51,460
	<hr/> 307,348 <hr/>	<hr/> 258,505 <hr/>

Head office costs for 2007 include a number of one off items including -

	£
Property valuation	36,051
Cost of Resident Surveys	8,306
Equipment and software	12,220
Costs of aborted new home purchase	18,707
Other professional fees	5,645
	<hr/>

**d) Analysis of governance costs**

	<u>2007</u> £	<u>2006</u> £
Legal and professional fees	6,185	8,719
Audit fees	22,266	19,960
Other auditor services	8,587	6,522
Allocation of staff costs	22,941	19,621
Trustee recruitment and expenses	13,291	16,259
	<hr/> 73,270 <hr/>	<hr/> 71,081 <hr/>

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**4 WAGES AND SALARIES**

	<u>2007</u> £	<u>2006</u> £
<b>Summary of wages and salaries allocation:</b>		
Charitable activity staff costs	7,100,457	6,653,008
Head office	91,766	78,487
Governance costs	22,941	19,621
	<hr/> 7,215,164	<hr/> 6,751,116
<b>Analysis of wages and salaries:</b>		
Salaries	5,981,331	5,544,203
National insurance costs	392,492	344,549
Pension costs	60,080	53,027
Agency staff	424,270	543,903
Training	141,486	85,633
Recruitment	35,935	49,521
Redundancy costs	68,743	-
Other staff costs	110,827	130,280
	<hr/> 7,215,164	<hr/> 6,751,116

The average number of persons employed during the period was -

	<u>2007</u> Number	<u>2006</u> Number
Charitable activities	617	643
Head Office and governance	2	2
	<hr/> 619	<hr/> 645

The number of employees whose emoluments as defined for taxation purposes amount to over £60,000 in the year was as follows -

	<u>2007</u> Number	<u>2006</u> Number
£80,000 to £90,000	1	-

**5 TRUSTEE AND RELATED PARTY TRANSACTIONS**

The Trustees received no remuneration for their services during the current or prior year. Travel expenses of £5,628 were reimbursed to 10 Trustees during the year (2006 £8,597)

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**6 TANGIBLE FIXED ASSETS**

	<b>Freehold Property £</b>	<b>Long term leasehold property £</b>	<b>Furniture and equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>					
At 1 April 2006	15,438,926	84,243	862,287	28,977	16,414,433
Additions during the year	1,817,424	-	186,699	15,104	2,019,227
Disposals during the year	(30,683)	-	-	-	(30,683)
Transfer to current assets	(760,225)	-	(10,713)	-	(770,938)
<b>At 31 March 2007</b>	<b>16,465,442</b>	<b>84,243</b>	<b>1,038,273</b>	<b>44,081</b>	<b>17,632,039</b>
<b>Depreciation</b>					
At 1 April 2006	1,152,229	11,837	455,546	28,976	1,648,588
Charge for the year	366,688	1,264	182,900	3,776	554,628
Disposal during the year	(2,412)	-	-	-	(2,412)
Transfer to current assets	(98,945)	-	(7,250)	-	(106,195)
<b>At 31 March 2007</b>	<b>1,417,560</b>	<b>13,101</b>	<b>631,196</b>	<b>32,752</b>	<b>2,094,609</b>
<b>Net book value at 31 March 2007</b>	<b>15,047,882</b>	<b>71,142</b>	<b>407,077</b>	<b>11,329</b>	<b>15,537,430</b>
Net book value at 31 March 2006	14,286,697	72,406	406,741	1	14,765,845

Further capital expenditure contracted for at 31 March 2007 but not provided for in these accounts amounted to £1,465,741 (2006 £2,439,792)

Over the coming year our recently closed home, Westbury House in Swanage Dorset, our Head Office building and a flat in Wallasey are expected to be sold. Their net book values have therefore been transferred to current assets.

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**7 CURRENT ASSET INVESTMENTS**

			<u>2007</u> £	<u>2006</u> £
Market value at 1 April 2006			2,973,469	2,507,754
Acquisitions at cost			746,720	37,659
Disposal proceeds			(344,597)	(163,498)
Net investment gains			243,747	591,554
			<hr/>	<hr/>
Market value at 31 March 2007			3,619,339	2,973,469
			<hr/>	<hr/>
Cost at 31 March 2007			2,775,467	2,273,170
			<hr/>	<hr/>
	<u>UK</u> £	<u>Overseas</u> £	<u>2007</u> £	<u>2006</u> £
<b>Investments are represented by:</b>				
Government bonds	187,384	-	187,384	62,828
Corporate bonds	89,600	-	89,600	50,290
Equities	1,087,528	445,622	1,533,150	1,073,907
Unit Trusts	392,361	572,972	965,333	1,086,145
	<hr/>	<hr/>	<hr/>	<hr/>
	1,756,873	1,018,594	2,775,467	2,273,170
	<hr/>	<hr/>	<hr/>	<hr/>

No single investment represented greater than 5% of the Trust's portfolio

**8 DEBTORS**

	<u>2007</u> £	<u>Group</u>	<u>2006</u> £	<u>Charity</u>	<u>2007</u> £	<u>2006</u> £
<b>Amounts due within one year:</b>						
Residential care home debtors and advance payments	29,527		56,239		29,527	56,239
Other debtors	30,528		41,270		30,524	19,052
Prepayments and accrued income	16,722		33,722		16,722	33,722
Due from WRVS Trust	-		243		-	-
	<hr/>		<hr/>		<hr/>	<hr/>
	76,777		131,474		76,773	109,013
	<hr/>		<hr/>		<hr/>	<hr/>

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**9 CREDITORS**

	<u>Group</u>		<u>Charity</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	£	£	£	£
<b>Amounts due within one year:</b>				
Social security and other taxes	123,413	98,761	123,413	98,761
Other creditors and accruals	819,941	449,361	819,941	446,132
Bank loans	77,000	77,000	77,000	77,000
	<u>1,020,354</u>	<u>625,122</u>	<u>1,020,354</u>	<u>621,893</u>
<b>Amounts due after more than one year:</b>				
Bank loans	1,777,520	1,854,259	1,777,520	1,854,259
Due to The WRVS Trust	-	1,524,775	-	1,524,775
Payment received on account from WRVS Trust	-	2,405	-	-
	<u>1,777,520</u>	<u>3,381,439</u>	<u>1,777,520</u>	<u>3,379,034</u>

During the year, following lengthy research and discussion, the Trustees took the decision to write off the £1.5million debt owing to The WRVS Trust. The debt represented 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. The original agreement was that the monies would be repayable only when Greensleeves Homes Trust deemed that it was no longer needed. Given Greensleeves Homes Trust's current development work planned for the coming years, and the likelihood that such work will be an ongoing exercise, it is believed that there will never be a point at which the monies will not be needed. With this in mind, rather than continuing to carry forward the debt, it has been written off. The £1.5million is included in 'Other Income' on the Statement of Financial Activities.

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**10 FUNDS**

	At 1 April 2006 £	Net incoming resources £	Transfer between funds £	Net gain on investment £	At 31 March 2007 £
<b>Unrestricted</b>					
General	15,906,024	2,577,928	281,086	243,747	19,008,785
<b>Designated funds</b>					
Self insurance reserve	27,450	(769)	-	-	26,681
<b>Total unrestricted funds</b>	<b>15,933,474</b>	<b>2,577,159</b>	<b>281,086</b>	<b>243,747</b>	<b>19,035,466</b>
<b>Restricted</b>					
Legacies fund	309,480	1,595	(287,195)	-	23,880
Amenity funds	50,019	(4,353)	6,109	-	51,775
<b>Total restricted funds</b>	<b>359,499</b>	<b>(2,758)</b>	<b>(281,086)</b>	<b>-</b>	<b>75,655</b>
<b>Total funds</b>	<b>16,292,973</b>	<b>2,574,401</b>	<b>-</b>	<b>243,747</b>	<b>19,111,121</b>

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. This moves on an annual basis.

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.

Transfer between funds represents monies previously held on restricted legacies being released to unrestricted funds. This decision has been taken following a review of legacy paperwork and consultation with our auditors and lawyers. It was decided that, with the exception of two balances, the monies could have been allocated against works carried out in previous years. Given this, the monies are being released to be used for general purposes in the future.

**11 ANALYSIS OF GROUP ASSETS BETWEEN FUNDS**

	Restricted funds £	Unrestricted funds £	Total £
Tangible fixed assets	1	15,537,429	15,537,430
Investments	-	3,619,339	3,619,339
Current assets	75,654	2,676,572	2,752,226
Current liabilities	-	(1,020,354)	(1,020,354)
Long term liabilities	-	(1,777,520)	(1,777,520)
<b>Total net assets</b>	<b>75,655</b>	<b>19,035,466</b>	<b>19,111,121</b>

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**12 SUBSIDIARY RESULTS**

WRVS Trust Supplies Ltd 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

	<u>2007</u> £	<u>2006</u> £
<b>Profit and loss account</b>		
Turnover	2,405	213,616
Cost of supplies	(2,335)	(205,642)
Administrative expenses	(6,859)	(3,966)
	<hr/>	<hr/>
Operating (loss) / profit	(6,789)	4,008
Bank deposit interest receivable	945	2,588
	<hr/>	<hr/>
(Loss) / profit for the year	(5,844)	6,596
Dividend paid during the year	(16,305)	-
Covenant payment to WRVS Trust	-	(32,705)
Realised profit on current asset investment	-	43,152
Unrealised (loss)/gain on current asset investments	-	(30,345)
	<hr/>	<hr/>
<b>Retained loss</b>	(22,149)	(13,302)
	<hr/>	<hr/>
	<u>2007</u> £	<u>2006</u> £
<b>Balance sheet</b>		
Debtors	4	22,462
Cash at bank	-	5,325
	<hr/>	<hr/>
	4	27,787
Creditors	-	(5,635)
	<hr/>	<hr/>
Net assets	4	22,152
	<hr/>	<hr/>

**13 TAXATION**

The Trustees consider that all 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 2007.

**GREENSLEEVES HOMES TRUST**  
**NOTES TO THE CONSOLIDATED ACCOUNTS**  
**31 MARCH 2007**

**14 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 Greensleeves Homes Trust and the Women's Royal Voluntary Service

**WRVS Trustees Limited** – A dormant company and the custodian Trustee of WRVS Trust

**15 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.

During the year, much progress has been made on the matter of the WRVS Trust. The plan is now to wind up the WRVS Trust's custodian Trustee, WRVS Trustees Limited, and once this is done the administration of the WRVS Trust will be passed over to the WRVS. Initially, two other related entities, Spitalfields Soup Kitchen and Invalid Meals for London, had to be wound up before the actual work could commence regarding WRVS Trustees Limited. A resolution regarding these entities was passed at an EGM of WRVS Trustees Limited held in October 2006 and the Charity Commission has considered the applications and they have now been accepted. Shortly an Insolvency Practitioner will be appointed to deal with the final wind up. This should happen in the early part of the coming year at which point the WRVS will take over the WRVS Trust's administration.

The assets and liabilities as at 31 March 2007 of The WRVS Trust were as follows

	<u>2007</u> £	<u>2006</u> £
<b>Current Assets</b>		
Bank balances	114,843	102,331
	<u>114,843</u>	<u>102,331</u>
<b>Current liabilities</b>		
Creditors	-	(243)
	<u>-</u>	<u>(243)</u>
<b>Net current assets</b>	114,843	102,088
<b>Long term debtors</b>		
Due from WRVS Trust Supplies Limited	-	2,405
Due from Greensleeves Homes Trust	-	1,524,775
	<u>-</u>	<u>1,527,180</u>
<b>Total assets less current liabilities</b>	114,843	1,629,268
<b>Long term liabilities</b>		
Amounts falling to WRVS	-	(1,575,523)
	<u>-</u>	<u>(1,575,523)</u>
<b>Net assets</b>	114,843	53,745
	<u>114,843</u>	<u>53,745</u>
<b>Net funds</b>	114,843	53,745
	<u>114,843</u>	<u>53,745</u>