

REGISTERED COMPANY NUMBER: 02609389 (England and Wales)
REGISTERED CHARITY NUMBER: 1006024

Report of the Trustees and
Audited Financial Statements for the Year Ended 31 March 2021
for
Delphside Limited

Delphside Limited

**Contents of the Financial Statements
for the Year Ended 31 March 2021**

	Page
Report of the Trustees	1 to 6
Report of the Independent Auditors	7 to 10
Statement of Financial Activities	11
Balance Sheet	12
Cash Flow Statement	13
Notes to the Cash Flow Statement	14
Notes to the Financial Statements	15 to 25
Detailed Statement of Financial Activities	26 to 27

Delphside Limited

Report of the Trustees for the Year Ended 31 March 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

This company objectives are to relieve mentally ill or infirm persons by the provision of accommodation and other assistance in order that they might be rehabilitated and resettled in the community at large. The company aims to achieve these objectives by tailored activities.

Strategies for achieving stated aims and objectives

To acquire suitable freehold or leasehold premises for the establishment of a home for the beneficiaries,
To maintain, equip, improve carry on and administer such a home for the care of the beneficiaries,
To employ staff to attend, train, and educate the beneficiaries (residents), and to accept help, assistance and services from such other persons as the company may deem capable of furthering the objects of the company,
To make all reasonable provisions for the payment of wages, salaries and pensions of employees of the company,
To undertake any charitable trust that may lawfully be undertaken to further the objectives of the company,
To appoint Trustees to act in the interests of the company for the safety of any property given or held upon trust for charitable purposes.

Criteria or measures used to assess success in the reporting period

Review the records of the care provided to the residents both in relation to personal records and also in relation to the maintenance and equipment of the home.
Determine the records of the numbers of staff employed together with their responsibilities and make reference in the individual care records of the residents to demonstrate the achievement of the company objectives.
Maintain payroll records and details of job descriptions and contracts of employment issued to the staff.
Access the regular information bulletins issued by the Charity Commission and check that company procedures follow any advice issued.
Ensure that the number of Trustees during the review period never falls below 3.

Significant activities undertaken and how they contribute to the achievement of the charity's aims and objectives

Close attention to the Care Quality Commission (CQC) essential standards for nursing and care homes. This ensures the continuance of the home.
Holding regular discussions with approved social workers (ASW) concerning the needs of the residents. This ensures the home is fit for purpose.
Listening to the residents and their families to ensure they are happy with the care provided. This ensures good feedback to the staff providing care for the residents, enhanced by formal feedback requests.
Discussions with the local authority/health representatives (commissioners) over the levels of financial support they will make for the residents within the home. Understanding of the finances helps the continuance of the home.
Maintaining good relationships with hospital and GP doctors when residents require medical attention. Resident's confidence in their care is thus maintained, and the home objective of help to residents achieved.
Secure and ensure Grant monies available for the control of Infection are utilised and allocated as per set criteria and that these are for the express use in providing a safe environment and supporting the wellbeing of residents and staff at the service.

Delphside Limited

Report of the Trustees for the Year Ended 31 March 2021

ACHIEVEMENT AND PERFORMANCE

Review of activities and performance

Delphside Ltd (operating as Avondale Mental Healthcare Centre) continues to provide care and accommodation for persons with longer term mental health problems. Delphside Limited works closely with Clinical Commissioning Groups (CCG's) and local authorities (MBC) to identify individuals who would benefit from a period of residence at the home. Where possible the objective is to subsequently re-integrate such persons back into their local community.

Delphside Limited Registered with C.Q.C. under the Health and Social Care Act 2008 (Regulated Activity) Regulations 2010. Delphside Limited continued to provide activities and services for persons identified as suitable for placement at Avondale during 2020/21. Central to that activity is the provision of accommodation for persons who require nursing or personal care, the treatment of disease, disorder or injury.

That service was delivered in accordance with the essential standards demanded by C.Q.C. and was overseen by Miss Paula Jones as the Registered Manager and Mr William Devling as Nominated Individual.

During the review period the company was registered with the CQC for the provision of 54 places within the home. Places are filled as a result of requests ASW make upon the home manager to assess the suitability of people for placement. Should the assessment indicate a likely positive outcome, a place is offered. The costs of the placement are determined by the assistance likely to be needed.

Fee rates in relation to the main commissioning authority's funding were unaltered, following the previous year's negotiations and the service continued to provide suitable care and services to its charges. Ongoing redecoration and maintenance of the service continued although this was hindered in relation to timescales due to Covid -19 pandemic effects.

The service continued to hold the highest rating of Outstanding following CQC inspection in December 2019, which sets the service apart from all others locally and regionally as being the first nursing home and only service in Knowsley in Mental Health care to achieve this. This places the service in a favourable position re future endeavours.

HR matters that had previously been made note of in 2019/20 accounts were resolved.

The Covid-19 Pandemic did impact on the way in which processes were applied at the service with changes to working routines and difficulties surrounding accessing support from external professionals, recruitment and the stressors placed on staffing to manage changed routines, safety measures etc. Emergency contingency planning and business continuity planning helped minimise impact on service delivery and the finances of the service were supported by Adult Social Care Infection Control grant monies. Although the service was impacted on negatively initially, overall the service in the financial year 2020/21, with robust management and support from government and LA grants, did have a strong year and was able to finish in a positive financial position.

FINANCIAL REVIEW

Principal funding sources

The charity's principal funding comes from the following:

Halton and St Helens Clinical Commissioning Group

Knowsley Clinical Commissioning Group

St Helens MBC

Knowsley MBC

Warrington MBC

Liverpool MBC

Hertfordshire MBC

Investment policy and objectives

Delphside has the power under its Memorandum and Articles to make any investment that its Council of Management sees fit. Funds are invested in cash based deposits to produce reasonable income and/or capital gain over time.

Delphside Limited

Report of the Trustees for the Year Ended 31 March 2021

FINANCIAL REVIEW

Reserves policy

The Council of Management maintains a reserve fund. Historically the level has been between two and four months' expenditure costs for Avondale Mental Healthcare Centre. The Council have found a reserve to be necessary to cover the effects of fluctuating levels of occupancy rates and necessary expenditure as the building ages. This is to be reviewed with a view to uplift to a reserve that will cover six month period due to changes brought about by Pandemic, National living wage and NI, which are likely to be ongoing.

The freely available reserves of the Charity increased by £79,805 and totalled £464,787 (2020 - £384,982) as detailed in note 20.

FUTURE PLANS

Trustees take heed of the Charity Commission advice on the prevention of fraud by employees. Fidelity guarantee insurance is in place, as are internal checks and controls.

Trustees look towards how Government funding policies impact on local authorities and NHS Trusts. This leads to constant economies being made by both the charitable and private sectors as monies for placements in care homes is reduced. Trustees have seen a change in the needs of individuals being put forward for assessment. At the same time standard facilities within homes are increasing.

CQC and commissioners have amended visiting and inspecting processes in light of the Pandemic and the service has been proactive in seeking to ensure it is aware of those changes and the requirements it places on services in particular in relation to meeting the criteria for Safe and Well Led. This meaning any expectations being asked of the service in relation to standards in that area will be met by the service, whilst other care homes unable to meet the new requirements will fail. As a service Avondale has looked consistently at meeting all standards and exceed these when possible even during the Pandemic, to ensure the service is seen as a "go to" service for the provision of mental health care in the community setting. The award of Outstanding rating from CQC evidences the services work in maintaining and exceeding those standards, which along with ongoing referrals for complex mental health placements at the service evidence the service holds a strong position as a Provider of mental health nursing care.

Links with Commissioners and in particular Commissioners in the Knowsley area who have been the responsible Commissioning body for the service throughout the Pandemic remain good and to some extent have improved further. The service remains fixed of its position that clarity on service terms regarding fees, contractual obligations and the rights of the service to set those at reasonable rates is a must. That being necessary to allow suitable service provision, whilst maintaining financial viability and help secure future service market position.

The Pandemic led to works undertaken jointly with the LA and also CCG in the form of the Enhanced Help for Care Homes for example which has consolidated the services reputation in relation to provision of quality care in the area of mental health nursing, which it is hoped will impacting positively on future income and ongoing joint working potential and that continues. In addition as a result of that, the service has participated in trials for bulk prescribing and student placements to allow better industry wide support for care and nursing homes. These will continue as necessary and will further enhance the services profile with commissioners and referring professionals.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Delphside Limited

Report of the Trustees for the Year Ended 31 March 2021

Organisational structure

In accordance with the Memorandum and Articles of Association, the Council of Management governs the Charity. The Council meets at least bi-monthly to consider reports from the officers of the charitable company. Agenda and supporting documentation are sent to the Council at least 7 days prior to the meeting.

Charitable status

The company was appointed and registered as a charity by the Charity Commissioners for all purposes on 15th November 1991 (Certificate No. 1006024).

Constitution

The charitable company is governed by its Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

The company has no share capital, being a company limited by guarantee under clause 6 of its Memorandum of Association, with each member agreeing to contribute £1 in the event of it being wound up. The number of members registered at 31 March 2021 was 8.

Council of management

The company may at any time appoint a member of the Council of Management; there is no maximum limit on the number of members but there should be a minimum of three. At the Annual General Meeting one third of the members are eligible for re-election. The following served as members of the company during the year:

Victor Welsh
Paul Harrison
William Devling
Christopher McNamara
John Ashcroft
Janet Albion
Lynette Barlow
Barnaby Finlayson

Induction and training of new trustees

New Trustees are inducted and appointed following due diligence in relation to Fit and Proper Persons requirements as per HMRC, Charity Commission and CQC guidance.

In order to ensure good financial governance of the Charity, annually the Trustees require the General Manager to produce a financial plan for the coming 12 months. This plan contains a budget of revenue expenditure and income. Also the General Manager produces a requirement for capital expenditure. This is considered alongside the existing cash position. The financial plan is the principle document that the Trustees rely upon during the year. They receive monthly management accounts on an income and expenditure basis, and also a monthly cash analysis.

Trustees task the General Manager to produce a business plan. This is a document that is extensively reviewed by the Trustees every two years. Between these dates it is updated by the General Manager. It covers the risks within the insurance policy for loss of income following extensive physical damage to the home. It also explains what contingency provision is made to safeguard the existing beneficiaries should the home cease to operate due to a failure of any of the operational systems due to any cause.

Business continuity plan for the service is also produced and updated annually or when influencing factors, such as Covid direct changes.

Regulatory risk is managed by the home meeting essential care standards as required by the Care Quality Commission (CQC).

Arrangements for setting the pay and remuneration of key management personnel

Trustees have established a Remuneration Committee. This is guided by the Chair. The Committee meets annually and considers salaries for key managers against what is known in the local area. Additionally, there is a performance related pay scheme (PRP) in operation. Trustees determine the total amount to be distributed. Distribution is against set objectives. All employees are eligible to be considered against the set criteria for the award of PRP.

Delphside Limited

**Report of the Trustees
for the Year Ended 31 March 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Patients' money

At 31 March 2021, the company held funds amounting to £25,991.65 (2020: £8,940.43) on behalf of the patients of Avondale Mental Healthcare Centre.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02609389 (England and Wales)

Registered Charity number

1006024

Registered office

Avondale Mental Healthcare Centre
11 Sandstone Drive
Prescot
Merseyside
L35 7LS

Trustees

Mrs M J Albion Business Executive
Dr J R Ashcroft Consultant Psychiatrist
Mrs L Barlow Chartered Accountant
W H Devling Retired
Dr B J Finlayson Doctor
P Harrison Contracts Officer
C A Mcnamara Senior Manager-Procurement
V B Welsh Solicitor

Senior Management Team

Ms Paula Jones - Registered Manager
Ms Dina Newland - Clinical Manager
Ms Julie Dunne - Finance Manager

Company Secretary

Mrs P Jones

Auditors

Styles & Co JFC Limited
Heather House
473 Warrington Road
Culcheth
Warrington
WA3 5QU

Bankers

Bank of Scotland
Community Banking
St Andrews Square
Edinburgh
Midlothian
EH2 2YR

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Delphside Limited for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Delphside Limited

**Report of the Trustees
for the Year Ended 31 March 2021**

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements 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 which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

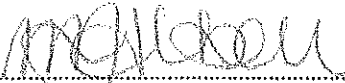
In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Styles & Co JFC Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 15/12/2021 and signed on its behalf by:



Mrs M J Albion - Trustee

Report of the Independent Auditors to the Members of Delphside Limited

Opinion

We have audited the financial statements of Delphside Limited (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Report of the Independent Auditors to the Members of
Delphside Limited**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Members of Delphside Limited

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

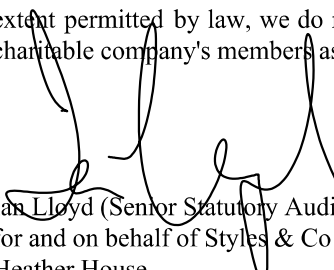
- We enquired of management and those charged with governance, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business. Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud often involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
Delphside Limited**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Ian Lloyd (Senior Statutory Auditor)
for and on behalf of Styles & Co JFC Limited
Heather House
473 Warrington Road
Culcheth
Warrington
WA3 5QU

Date: 15/12/21

Delphside Limited

**Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
for the Year Ended 31 March 2021**

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	9,848	-	9,848	669
Charitable activities					
Relief of suffering	4				
		1,978,940	147,082	2,126,022	2,016,528
Investment income	3	55	-	55	105
Other income		8	-	8	-
Total		1,988,851	147,082	2,135,933	2,017,302
 EXPENDITURE ON					
Charitable activities					
Relief of suffering	5				
		1,906,157	147,082	2,053,239	2,083,628
NET INCOME/(EXPENDITURE)		82,694	-	82,694	(66,326)
 RECONCILIATION OF FUNDS					
Total funds brought forward		742,662	-	742,662	808,988
TOTAL FUNDS CARRIED FORWARD		825,356	-	825,356	742,662

The notes form part of these financial statements

Delphside Limited

Balance Sheet
31 March 2021

	Notes	Unrestricted fund £	Restricted funds £	31.3.21 Total funds £	31.3.20 Total funds £
FIXED ASSETS					
Tangible assets	12	360,569	1,100,000	1,460,569	1,457,680
CURRENT ASSETS					
Debtors	13	121,013	-	121,013	111,788
Cash at bank and in hand		484,652	-	484,652	390,706
		<u>605,665</u>	<u>-</u>	<u>605,665</u>	<u>502,494</u>
CREDITORS					
Amounts falling due within one year	14	(140,878)	-	(140,878)	(117,512)
NET CURRENT ASSETS					
		<u>464,787</u>	<u>-</u>	<u>464,787</u>	<u>384,982</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		825,356	1,100,000	1,925,356	1,842,662
CREDITORS					
Amounts falling due after more than one year	15	-	(1,100,000)	(1,100,000)	(1,100,000)
NET ASSETS					
		<u>825,356</u>	<u>-</u>	<u>825,356</u>	<u>742,662</u>
FUNDS					
Unrestricted funds	17			825,356	742,662
TOTAL FUNDS					
				<u>825,356</u>	<u>742,662</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 15/12/2021 and were signed on its behalf by:


M J Albion - Trustee

Delphside Limited

**Cash Flow Statement
for the Year Ended 31 March 2021**

	Notes	31.3.21 £	31.3.20 £
Cash flows from operating activities			
Cash generated from operations	1	126,822	94,608
Interest paid		(514)	(363)
Net cash provided by operating activities		<u>126,308</u>	<u>94,245</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(32,417)	(7,145)
Interest received		55	105
Net cash used in investing activities		<u>(32,362)</u>	<u>(7,040)</u>
Change in cash and cash equivalents in the reporting period			
		93,946	87,205
Cash and cash equivalents at the beginning of the reporting period		<u>390,706</u>	<u>303,501</u>
Cash and cash equivalents at the end of the reporting period		<u><u>484,652</u></u>	<u><u>390,706</u></u>

The notes form part of these financial statements

Delphside Limited

**Notes to the Cash Flow Statement
for the Year Ended 31 March 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.3.21	31.3.20
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	82,694	(66,326)
Adjustments for:		
Depreciation charges	29,528	33,885
Interest received	(55)	(105)
Interest paid	514	363
(Increase)/decrease in debtors	(9,225)	69,284
Increase in creditors	23,366	57,507
	<u>126,822</u>	<u>94,608</u>
Net cash provided by operations	<u>126,822</u>	<u>94,608</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.20	Cash flow	At 31.3.21
	£	£	£
Net cash			
Cash at bank and in hand	390,706	93,946	484,652
	<u>390,706</u>	<u>93,946</u>	<u>484,652</u>
Total	<u>390,706</u>	<u>93,946</u>	<u>484,652</u>

The notes form part of these financial statements

Delphside Limited

Notes to the Financial Statements for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Delphside Limited is a registered charity in England. In the event of the charity being wound up, the liability in respect of guarantee is limited to £1 per member of the charity. The address of the registered office is given in the report to the trustees on page 6. The nature of the charity's operations and principal activities is to relieve mentally ill or infirm persons by the provision of accommodation and other assistance in order that they might be rehabilitated and resettled in the community at large.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity, this is normally upon notification of the interest paid or payable by the bank.

Income from charitable activities, income is recognised when the charity has entitlement to the funds.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- in accordance with the property
Fixtures and fittings	- 15% on cost
Motor vehicles	- 25% on reducing balance
Computer equipment	- 33% on cost

Items of equipment are capitalised where the purchase price exceeds £500. Fixed assets are measured at cost less accumulated depreciation.

Taxation

As a registered charity the company is not liable to corporation tax on its income and therefore no liability arose on ordinary activities for the years ended 31 March 2020 and 31 March 2019.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Delphside Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES - continued

Leasing commitments

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the statement of financial activities on a straight line basis over the minimum lease term.

Gifts

The buildings from which the company operates were initially furnished by St Helens & Knowsley Health Authority. All gifts in kind are not shown in the financial statements due to the difficulty in quantifying them.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. The Charity has taken advantage of reduced disclosure exemptions permitted by FRS102.

Allocation of support costs

Support costs, comprising the staff and overhead costs of the charity, are apportioned to the charity based on the time spent by employees. Those costs that are actual costs rather than apportioned costs have been included within the summary in note 12.

Judgements and key assumptions

Estimates and judgements are continually evaluated and are based on historical evidence and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Charity makes estimates and assumptions concerning the future.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as going concern in the foreseeable future.

2. DONATIONS AND LEGACIES

	31.3.21	31.3.20
	£	£
Donations	9,848	669
	<u> </u>	<u> </u>

Delphside Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

3. INVESTMENT INCOME

	31.3.21	31.3.20
	£	£
Deposit account interest	55	105
	<u>55</u>	<u>105</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Activity		
Relief of suffering		
Department of Social Security	33,027	33,807
Relief of suffering		
St Helens MBC	865,871	743,075
Relief of suffering		
Knowsley MBC	894,384	722,321
Relief of suffering		
Clinical Commissioning Groups	183,125	380,846
Relief of suffering		
Warrington CC	62,400	81,380
Relief of suffering		
Hertfordshire trust	47,934	34,220
Relief of suffering		
Liverpool CC	39,281	20,879
	<u>39,281</u>	<u>20,879</u>
	<u>2,126,022</u>	<u>2,016,528</u>

Income from charitable activities was £2,126,022 (2020 - £2,016,528) of which £147,082 (2020 - £nil) was attributable to restricted and £1,978,940 (2020 - £2,016,528) was attributable to unrestricted funds.

5. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 6)
	£
Relief of suffering	
	<u>2,053,239</u>

£147,082 (2020 - £nil) of the above costs were attributable to restricted fund and £1,906,157 (2020 - £2,083,628) were attributable to unrestricted funds.

Delphside Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

6. DIRECT COSTS OF CHARITABLE ACTIVITIES

	31.3.21	31.3.20
	£	£
Staff costs	1,529,818	1,504,737
Hire of plant and machinery	26,282	17,598
Rates and water	16,282	14,054
Insurance	23,184	21,434
Light and heat	56,187	56,103
Telephone	6,786	6,854
Printing, stationery & postage	11,153	13,750
Recruitment	2,838	2,704
Sundry expenses	2,282	4,629
Catering provisions	100,733	97,197
Catering consumables and equip	4,022	7,279
Housekeeping and laundry	40,096	34,616
Computer and software costs	43,572	39,940
Nursing consumables	8,252	13,925
Repairs and renewals	52,635	53,141
Redecoration	-	5,445
Gardening	5,335	143
Residents' welfare	19,787	24,486
Waste disposal	21,892	20,450
Motor and travel costs	2,941	4,368
Uniforms	7,420	5,231
Staff training and rehabilitat	2,356	6,301
Legal and professional fees	17,739	49,205
Bad debts	6,515	8,200
Management fees	4,800	4,800
Auditors' remuneration	10,290	8,790
HR costs	-	24,000
Depreciation	29,528	33,885
Interest payable and similar charges	514	363
	<u>2,053,239</u>	<u>2,083,628</u>

7. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.3.21	31.3.20
	£	£
Depreciation - owned assets	29,528	33,885
Hire of plant and machinery	26,282	17,598
	<u>26,282</u>	<u>17,598</u>

Delphside Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

8. TRUSTEES' REMUNERATION AND BENEFITS

Trustees' expenses

During the year travelling expenses totalling £nil (2020: £nil) were reimbursed to trustees.

Expenses were reimbursed to nil (2020: nil) trustees during the year ended 31 March 2021.

9. STAFF COSTS

	31.3.21	31.3.20
	£	£
Wages and salaries	1,529,818	1,504,737
	<u>1,529,818</u>	<u>1,504,737</u>

The average monthly number of employees during the year was as follows:

	31.3.21	31.3.20
Nursing and rehabilitation	32	35
Domestic, laundry, porters and drivers	15	15
Catering	5	5
Management and administration	5	5
Bank staff	12	-
	<u>69</u>	<u>60</u>

No employees received emoluments in excess of £60,000.

	31.03.21	31.03.20
	£	£
Salaries and wages	1,391,104	1,354,901
Social security costs	100,178	103,391
Pensions	38,536	46,445
	<u>1,529,818</u>	<u>1,504,737</u>

The trustees consider key management personnel to be comprised of the Trustees, Registered Manager, Finance Manager and the Clinical Manager.

The total amount of employee benefits, including salaries, received by key management personnel was £173,301 (2020: £169,175)

Delphside Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

10. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	669	-	669
Charitable activities			
Relief of suffering	2,016,528	-	2,016,528
Investment income	105	-	105
Total	2,017,302	-	2,017,302
EXPENDITURE ON			
Charitable activities			
Relief of suffering	2,083,628	-	2,083,628
NET INCOME/(EXPENDITURE)	(66,326)	-	(66,326)
RECONCILIATION OF FUNDS			
Total funds brought forward	808,988	-	808,988
TOTAL FUNDS CARRIED FORWARD	742,662	-	742,662

11. SUPPORT COSTS

Support costs incurred in the year in relation to charitable activities were as follows:

	31.03.21 £	31.03.20 £
Staff costs	92,092	77,792
Hire of equipment	1,523	1,020
Rates and water	944	815
Insurance	1,344	1,243
Light and heat	3,258	3,253
Telephone	393	397
Printing, stationery and postage	646	797
Sundry expenses	243	397
Computer and software costs	2,325	2,316
Repairs and renewals	3,052	3,081
Redecoration	-	-
Motor and travel	170	253
Staff training	136	365
Legal and professional	1,530	4,245
Depreciation	3,499	4,149
Interest payable	30	21
Management fees	4,800	4,800
Auditor's remuneration	10,290	8,790

Delphside Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

11. SUPPORT COSTS - continued

	126,277	113,734
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12. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2020	1,696,617	250,665	22,750	19,812	1,989,844
Additions	-	28,037	-	4,380	32,417
Disposals	-	(3,642)	-	-	(3,642)
	1,696,617	275,060	22,750	24,192	2,018,619
DEPRECIATION					
At 1 April 2020	271,269	220,954	22,750	17,191	532,164
Charge for year	13,750	14,415	-	1,363	29,528
Eliminated on disposal	-	(3,642)	-	-	(3,642)
	285,019	231,727	22,750	18,554	558,050
NET BOOK VALUE					
At 31 March 2021	1,411,598	43,333	-	5,638	1,460,569
At 31 March 2020	1,425,348	29,711	-	2,621	1,457,680

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade debtors	52,599	42,100
Other debtors	-	506
Prepayments and accrued income	68,414	69,182
	121,013	111,788

Delphside Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.21	31.3.20
	£	£
Trade creditors	38,505	18,807
Social security and other taxes	40,710	22,519
Other creditors	35,791	16,339
Accruals and deferred income	25,872	59,847
	<u>140,878</u>	<u>117,512</u>

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31.3.21	31.3.20
	£	£
NHS Property Services loan	1,100,000	1,100,000
	<u>1,100,000</u>	<u>1,100,000</u>

The Nhs Property Services Limited loan (formerly Knowsley Primary Care Trust loan) is secured on the land and buildings at 11 Sandstone Drive, Prescot.

16. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	31.3.21	31.3.20
	£	£
Within one year	23,906	23,906
Between one and five years	103,358	79,291
In more than five years	-	24,067
	<u>127,264</u>	<u>127,264</u>

17. MOVEMENT IN FUNDS

	At 1.4.20	Net movement in funds	At 31.3.21
	£	£	£
Unrestricted funds			
General fund	742,662	82,694	825,356
	<u>742,662</u>	<u>82,694</u>	<u>825,356</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	1,988,851	(1,906,157)	82,694
Restricted funds			
COVID 19 - Knowsley MBC	147,082	(147,082)	-
	<u>2,135,933</u>	<u>(2,053,239)</u>	<u>82,694</u>

Delphside Limited

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2021**

17. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	808,988	(66,326)	742,662
TOTAL FUNDS	<u>808,988</u>	<u>(66,326)</u>	<u>742,662</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,017,302	(2,083,628)	(66,326)
TOTAL FUNDS	<u>2,017,302</u>	<u>(2,083,628)</u>	<u>(66,326)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	808,988	16,368	825,356
TOTAL FUNDS	<u>808,988</u>	<u>16,368</u>	<u>825,356</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	4,006,153	(3,989,785)	16,368
Restricted funds			
COVID 19 - Knowsley MBC	147,082	(147,082)	-
TOTAL FUNDS	<u>4,153,235</u>	<u>(4,136,867)</u>	<u>16,368</u>

Delphside Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

18. RELATED PARTY DISCLOSURES

Victor Welsh is a trustee of the charity and is also a partner in the firm Victor Welsh, Solicitors and Notary Public. During the year this firm, invoiced the charity £16,844 (2020: £27,888) for legal services provided. At the year end a balance of £nil (2020: £7,006) was owing to this firm.

During the year William Devling, a trustee of the charity, invoiced the charity £4,800 (2020 - £4,800) for management services provided. At the year end a balance of £2,400 (2020: £nil) was owing to him.

19. PENSION COSTS

The pension costs charge represents the company's contributions payable to various defined contribution schemes and amounted to £50,323 (2020: £46,445). The amounts owing at 31 March 2021 in respect of these pension contributions were £9,067 (2020: £,7399).

20. ANALYSIS OF RESERVES

	31.03.21	31.03.20
	£	£
Total reserves	825,356	742,662
Less:		
Fixed assets unrealised	(1,460,569)	(1,457,680)
Add:		
Long term liabilities	1,100,000	1,100,000
	<hr/>	<hr/>
Freely available reserves	464,787	384,982
	<hr/> <hr/>	<hr/> <hr/>

21. RESTRICTED FUNDS

Following changes in legislation in prior years, St Helens & Knowsley Health Authority were required to dispose of Avondale Nursing Home.

During the year to 30 June 2002 it was agreed that Delphside Limited purchase the home from the Health Authority for £1,100,000. The purchase was funded by a 100% mortgage from St Helens & Knowsley Health Authority. Repayments of either capital or interest will not be required so long as the home is used for its current designated purpose.

This has been treated as a restricted fund, details of which are shown in the balance sheet on page 12.

The company was required to enter into a pre-emptive agreement with St Helens & Knowsley Health Authority to enable the Authority to re-purchase the home, for a sum equal to the purchase price paid by the company, in the event of any future disposal. It is on this basis that the directors have decided not to charge depreciation on freehold land and buildings.

The £1,100,000 mortgage, shown as a long term liability in note 15 above has not been discounted in the financial statements.

During the year the charity received grant monies of £147,082 from Knowsley MBC as financial support to cover specific additional costs arising as a result of the Covid-19 pandemic. All this grant money was expended during the year.

Delphside Limited

Notes to the Financial Statements - continued for the Year Ended 31 March 2021

22. CONTINGENT ASSET

The Charity does not intend to sell its freehold property in the foreseeable future, particularly as the Trustees have ambitious plans to expand the provision of its charitable activities which would involve keeping the property in question and incurring further capital investment in improving it.

The Charity purchased the property in April 1999 with the aid of a loan from Knowsley Primary Care Trust (formerly St Helens and Knowsley Health Authority) of £1,100,000 secured by a Legal Charge and the Primary Care Trust was granted a Right of Pre-Emption exercisable until April 2020. Therefore, the Charity, if it so wishes, may now sell the property to a third party without the constraint of the Pre-emption Agreement.

The terms of the Legal Charge, however, remain valid and provide that on any sale of the property by the Charity the sale price has to be agreed with the Primary Care Trust and the sale price is payable to the Primary Care Trust less the amount of any reasonable sums which shall be proved to the Primary Care Trust's reasonable satisfaction to have been expended by the Charity out of its own funds in effecting structural additions or improvements to the property.

Therefore, in the event that the property is ever sold by the Charity, it stands to benefit by up to a maximum of the expenditure it has incurred in effecting any structural additions or improvements to the property up to the date of sale.

Any potential economic benefit to be derived by the Charity in the future depends entirely on the property being sold. Since nobody can determine if the property will ever be sold in the future nor the amount of any potential economic benefit to be derived, it has been treated as a contingent asset for the purpose of these financial statements and not included in the Charity's balance sheet.

Delphside Limited

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21 £	31.3.20 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	9,848	669
Investment income		
Deposit account interest	55	105
Charitable activities		
Department of Social Security	33,027	33,807
St Helens MBC	865,871	743,075
Knowsley MBC	894,384	722,321
Clinical Commissioning Groups	183,125	380,846
Warrington CC	62,400	81,380
Hertfordshire trust	47,934	34,220
Liverpool CC	39,281	20,879
	2,126,022	2,016,528
Other income		
Sundry Income	8	-
	2,135,933	2,017,302
EXPENDITURE		
Charitable activities		
Wages	1,529,818	1,504,737
Hire of plant and machinery	26,282	17,598
Rates and water	16,282	14,054
Insurance	23,184	21,434
Light and heat	56,187	56,103
Telephone	6,786	6,854
Printing, stationery & postage	11,153	13,750
Recruitment	2,838	2,704
Sundry expenses	2,282	4,629
Catering provisions	100,733	97,197
Catering consumables and equip	4,022	7,279
Housekeeping and laundry	40,096	34,616
Computer and software costs	43,572	39,940
Nursing consumables	8,252	13,925
Repairs and renewals	52,635	53,141
Redecoration	-	5,445
Gardening	5,335	143
Residents' welfare	19,787	24,486
Waste disposal	21,892	20,450
Motor and travel costs	2,941	4,368
Uniforms	7,420	5,231
Staff training and rehabilitat	2,356	6,301
Carried forward	1,983,853	1,954,385

This page does not form part of the statutory financial statements

Delphside Limited

**Detailed Statement of Financial Activities
for the Year Ended 31 March 2021**

	31.3.21	31.3.20
	£	£
Charitable activities		
Brought forward	1,983,853	1,954,385
Legal and professional fees	17,739	49,205
Bad debts	6,515	8,200
Management fees	4,800	4,800
Auditors' remuneration	10,290	8,790
HR costs	-	24,000
Depreciation of tangible fixed assets	29,528	33,885
Bank interest	514	363
	<hr/>	<hr/>
	2,053,239	2,083,628
	<hr/>	<hr/>
Total resources expended	2,053,239	2,083,628
	<hr/>	<hr/>
Net income/(expenditure)	82,694	(66,326)
	<hr/> <hr/>	<hr/> <hr/>

This page does not form part of the statutory financial statements