

Charity registration number 1006024

Company registration number 02609389 (England and Wales)

DELPHSIDE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

DELPHSIDE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

M J Albion
W H Devling
Dr B J Finlayson
P Harrison
C A McNamara
V B Welsh

Senior Management Team

P Jones - Registered Manager
M McCabe - Clinical Manager
J Dunn - Finance Manager

Secretary

P Jones

Charity number

1006024

Company number

02609389

Registered office

Avondale Mental Health Centre
11 Sandstone Drive
Whiston
Prescot
Merseyside
L35 7LS

Auditor

Xeinadin Audit Limited
2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9QP

Bankers

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

DELPHSIDE LIMITED

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DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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

This charity 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. The charity aims to achieve these objectives by tailored activities and support.

Strategies for achieving 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 charity may deem capable of furthering the objects of the charity
- To make all reasonable provisions for the payment of wages, salaries and pensions of employees of the charity
- To undertake any charitable trust that may lawfully be undertaken to further the objectives of the charity
- To appoint Trustees to act in the interests of the charity for the safety of any property given or held upon trust for charitable purposes.

Criteria used for assessing success

- 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 charity 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 charity procedures follow any advice issued.
- Ensure that the number of Trustees during the review period never falls below 3.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

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) and commissioning teams, concerning the needs of the residents. This ensures the home is fit for purpose and able to meet needs.
- 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 external professional partners such as hospital, GP doctors, Care Home Liaison and Urgent care teams, district nurses etc. when residents require medical attention and support. Resident's confidence in their care is thus maintained, and the services objective to help those residents in their care 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

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Achievements and performance

Significant activities and achievements against objectives

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 and subsequent Health Care Act 2022. Delphside Limited continued to provide activities and services for persons identified as suitable for placement at Avondale during 2023/24. 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 Mrs Margaret Janet Albion as Nominated Individual.

During the review period the charity 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 uplifted by a small percentage for standard rates and the service continued to provide suitable care and services to its charges.

Having secured a grant of £100,000 (from OLC) the service undertook significant work to upgrade external accessibility in the form of upgrading/widening walk ways, provision of usable gardening and growing areas for those less able bodied etc. A planned social hub was put on hold following the company providing this going in to receivership, which caused a loss to the service of the deposit on that unit, funded from the grant monies. Following further approach to OLC this part of the project has gained additional funding and work planned should progress in 2024.

Work with commissioners in KMBC resulting in a upgrade of the Amber unit with a view to potential changed usage re type of client that could better use that area, allowing wider support of dementia type needs and allowing potential for a further income stream in future.

The service continued to hold the highest rating of Outstanding following CQC inspection in January 2022. This saw the service remaining as one of only three such service providers on Merseyside holding the Outstanding rating and the only service in Knowsley in Mental Health care to achieve this. This has meant the service has remained in a favourable position. Following the Service's work with the local Quality team previously the service remains the go to service for mental health care and the provision of extra dementia care provision has been looked at following LA approach..

The impact of the cost of living and inflation was felt by the service, but managed with careful review of costings in some areas, such as catering supplies, housekeeping and with review of utility contracts.

Changes to staffs salaries and Living wage were planned for and help in securing a suitably skilled and staffed service during the period.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Financial review

The financial results for the year are shown in the Statement of Financial Activities. Income for the year has increased by £226,556 to £2,566,517 from £2,339,961. Expenditure has increased by £64,815 to £2,465,209 from £2,400,394. This includes £100,000 of restricted income which has not been fully expended in the year and as such is held in restricted reserves. The net surplus in the year was £101,308 in comparison to a deficit of £60,433 in 2023.

This has resulted in total funds carried forward at 31 March 2024 of £1,009,072 in comparison to £907,764 at 31 March 2023. All funds carried forward are unrestricted, with the exception of £87,940 from Oliver Lymes Charity.

The charity does have a restricted asset of £1,100,000 at 31 March 2024, in respect of the property, however an associated loan of the same amount is also held.

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 was reviewed and uplifted to a reserve that will cover up to a six month period if achievable and was determined due to changes brought about by Pandemic and subsequent crisis in the NHS, Social care system, National living wage rises etc, areas which are likely to pose ongoing issues for care services.

The freely available reserves of the Charity increased by £99,195 and totalled £603,605 (2023 - £504,410).

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
- Cheshire and Wirral

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.

Plans for future periods

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.

As a service Avondale has looked consistently at meeting all standards and exceed these when possible to ensure the service remains the "go to" service for the provision of mental health care in the community setting. The awards of Outstanding rating from CQC and Excellent from PAMMS, 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.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Links with Commissioners and in particular Commissioners in the Knowsley area who have been the responsible Commissioning body for the service throughout have remained good. The Service has also forged links for provision of complex care packages further afield and will continue to do so.

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 service continues in is collaborative working with Health Education England, Cheshire and Merseyside Workforce resilience team, Enhanced Health for Care homes and is looking to expand its collaborative working in future, for the benefit of the service in terms of further education for supporting future nurses in to the field of mental health.

Structure, governance and management

Governing document and constitution

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.

The charity has no share capital, being a charity 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 2024 was 7.

Council of management

The charity 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 trustees and directors of the charitable company during the year:

M J Albion	
L Barlow	(Resigned 1 April 2024)
W H Devling	
Dr B J Finlayson	
P Harrison	
C A McNamara	
V B Welsh	

None of the trustees has any beneficial interest in the charity. All of the trustees are members of the charity and guarantee to contribute £1 in the event of a winding up.

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.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

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.

Charitable status

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

Patient's money

At 31 March 2024, the charity held funds amounting to £76,488 (2023: £51,567) on behalf of the patients of Avondale Mental Healthcare Centre.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Statement of trustee's responsibilities

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

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with the company's articles, a resolution proposing that Xeinadin Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustee's report was approved by the Board of Trustees.



M J Albion
Trustee

11 October 2024

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF DELPHSIDE LIMITED

Opinion

We have audited the financial statements of Delphside Limited (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (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 2024 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity 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 trustee's 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 charity'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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. 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 course of 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 our audit:

- the information given in the trustee's report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the trustee's report has been prepared in accordance with applicable legal requirements.

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 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 charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustee's report.

We have nothing to report in respect of the following matters in relation to which 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustee's report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustee's responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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.

Auditor's 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 an auditor's report 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:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Reviewing minutes of meetings of those charged with governance;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Enquiry of management and those charged with governance to identify any instances of non-compliance with laws and regulations.

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF DELPHSIDE LIMITED

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequence of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance the imposition of fines or litigation or the loss of the Company's license to operate. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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 involves intentional concealment, forgery, collusion, omission or misrepresentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite the audit being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Stephanie Baker BA(Hons) ACA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited

11 October 2024

Chartered Accountants
Statutory Auditor

2 Hilliards Court
Chester Business Park
Chester
Cheshire
CH4 9QP

DELPHSIDE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income and endowments from:							
Donations and legacies	3	1,937	100,000	101,937	10	-	10
Charitable activities	4	2,426,317	-	2,426,317	2,279,548	30,499	2,310,047
Investments	5	5,170	-	5,170	1,013	-	1,013
Other income	6	33,093	-	33,093	28,891	-	28,891
Total income		2,466,517	100,000	2,566,517	2,309,462	30,499	2,339,961
Expenditure on:							
Charitable activities	7	2,422,650	42,559	2,465,209	2,400,394	-	2,400,394
Total expenditure		2,422,650	42,559	2,465,209	2,400,394	-	2,400,394
Net income/(expenditure) and movement in funds		43,867	57,441	101,308	(90,932)	30,499	(60,433)
Reconciliation of funds:							
Fund balances at 1 April 2023		877,265	30,499	907,764	968,197	-	968,197
Fund balances at 31 March 2024		921,132	87,940	1,009,072	877,265	30,499	907,764

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

DELPHSIDE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		1,505,467		1,472,855
Current assets					
Debtors	13	122,472		60,015	
Cash at bank and in hand		669,035		636,106	
		<u>791,507</u>		<u>696,121</u>	
Creditors: amounts falling due within one year	14	<u>(187,902)</u>		<u>(161,212)</u>	
Net current assets			<u>603,605</u>		<u>534,909</u>
Total assets less current liabilities			<u>2,109,072</u>		<u>2,007,764</u>
Creditors: amounts falling due after more than one year	15		<u>(1,100,000)</u>		<u>(1,100,000)</u>
Net assets excluding pension liability			<u>1,009,072</u>		<u>907,764</u>
Net assets			<u><u>1,009,072</u></u>		<u><u>907,764</u></u>
The funds of the charity					
Restricted income funds	17	87,940		30,499	
Unrestricted funds		921,132		877,265	
		<u>1,009,072</u>		<u>907,764</u>	

The financial statements were approved by the trustees on 11 October 2024



M J Albion
Trustee

Company registration number 02609389 (England and Wales)

DELPHSIDE LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	22		90,241		(11,742)
Investing activities					
Purchase of tangible fixed assets		(62,482)		(36,496)	
Investment income received		5,170		1,013	
Net cash used in investing activities			(57,312)		(35,483)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			32,929		(47,225)
Cash and cash equivalents at beginning of year			636,106		683,331
Cash and cash equivalents at end of year			669,035		636,106

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

Charity information

Delphside Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Avondale Mental Health Centre, 11 Sandstone Drive, Whiston, Prescot, Merseyside, L35 7LS.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Delphside Limited is a registered charity in England. In the event of the charity being wound up, the liability in the 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. The nature of charity's operations and principle 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.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

The building 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.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	Between 0 & 15% Straight Line
Fixtures and fittings	7 year straight line
Computers	3 year straight line
Motor vehicles	25% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

As a registered charity, the company is not liable to corporation tax on its income, therefore no liability arose on any ordinary activities for the year ended 31 March 2024 nor 31 March 2023.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Determining useful economic lives of plant and equipment

The Charity depreciates tangible assets over their estimated useful lives based on historic performance. The actual lives can vary.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	1,937	-	1,937	10	-	10
Oliver Lymes Charity	-	100,000	100,000	-	-	-
	<u>1,937</u>	<u>100,000</u>	<u>101,937</u>	<u>10</u>	<u>-</u>	<u>10</u>

4 Income from charitable activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Relief of suffering						
Department of Social Security	21,424	-	21,424	21,734	-	21,734
St Helens MBC	1,211,614	-	1,211,614	999,085	-	999,085
Knowsley MBC	716,587	-	716,587	740,763	30,499	771,262
Clinical Commissioning Groups	219,578	-	219,578	287,828	-	287,828
Warrington CC	117,656	-	117,656	134,452	-	134,452
Hertfordshire Trust	-	-	-	45,831	-	45,831
Liverpool CC	76,216	-	76,216	49,855	-	49,855
Cheshire East CC	6,568	-	6,568	-	-	-
NHS Cheshire & Merseyside	56,674	-	56,674	-	-	-
	<u>2,426,317</u>	<u>-</u>	<u>2,426,317</u>	<u>2,279,548</u>	<u>30,499</u>	<u>2,310,047</u>

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	<u>5,170</u>	<u>1,013</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Sundry income	33,093	28,891

7 Expenditure on charitable activities

	Relief of suffering 2024 £	Relief of suffering 2023 £
Direct costs		
Staff costs	1,898,833	1,767,125
Depreciation and impairment	29,871	30,355
Hire of equipment	37,153	33,058
Rates and water	15,516	17,502
Insurance	23,460	22,117
Light and heat	63,212	52,016
Telephone, printing, stationery and postage	18,842	15,568
Waste disposal	29,746	27,042
Staff sundries	20,048	10,105
Sundry expenses	6,787	9,123
Catering provisions and consumables	135,501	133,036
Residents' welfare	20,917	22,762
Housekeeping and nursing consumables	42,162	49,714
Computer and software costs	50,458	38,821
Repairs, renewals and gardening	51,676	148,063
	<u>2,444,182</u>	<u>2,376,407</u>
Share of support and governance costs (see note 8)		
Support	10,947	14,387
Governance	10,080	9,600
	<u>2,465,209</u>	<u>2,400,394</u>
Analysis by fund		
Unrestricted funds	2,422,650	2,400,394
Restricted funds	42,559	-
	<u>2,465,209</u>	<u>2,400,394</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

8 Support costs allocated to activities

	2024 £	2023 £
Legal and professional	10,947	14,387
Audit fees	10,080	9,600
	<u>21,027</u>	<u>23,987</u>
Analysed between:		
Relief of suffering	<u>21,027</u>	<u>23,987</u>

9 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	10,080	9,600
Depreciation of owned tangible fixed assets	29,871	30,355
	<u>29,871</u>	<u>30,355</u>

10 Trustees

Transactions with trustees have been disclosed in note 21.

11 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Management and administration	4	4
Nursing and rehabilitation	35	33
Domestic, laundry, porters and drivers	13	14
Catering	5	6
Bank	13	18
	<u>70</u>	<u>75</u>

Employment costs

	2024 £	2023 £
Wages and salaries	1,718,880	1,580,598
Social security costs	136,644	136,044
Other pension costs	43,309	50,483
	<u>1,898,833</u>	<u>1,767,125</u>

Included within employment costs this year are PRP bonuses totalling £23,575. This bonus was not paid until post year end and is recorded within creditors.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Employees

(Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2024 Number	2023 Number
£60,001 - £70,000	1	1

Remuneration of key management personnel

The Trustees consider the key management personnel to be comprised of; the Trustees, Registered Manager, Finance Manager, Service Coordinator and the Clinical Manager. The remuneration of key management personnel is as follows.

	2024 £	2023 £
Aggregate compensation	265,118	236,507

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2023	1,696,617	319,073	24,192	54,690	2,094,572
Additions	53,085	9,397	-	-	62,482
At 31 March 2024	1,749,702	328,470	24,192	54,690	2,157,054
Depreciation and impairment					
At 1 April 2023	309,894	260,577	23,172	28,073	621,716
Depreciation charged in the year	7,385	13,481	1,020	7,985	29,871
At 31 March 2024	317,279	274,058	24,192	36,058	651,587
Carrying amount					
At 31 March 2024	1,432,423	54,412	-	18,632	1,505,467
At 31 March 2023	1,386,722	58,496	1,020	26,617	1,472,855

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

12 Tangible fixed assets

(Continued)

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 pre-emption agreement.

The terms of the legal charge, however remain valid and provide that on any sale of 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 Trusts 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. The value of the property is considered to be in excess of its initial cost to the charity, however the charity does follow a policy of revaluation.

13 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	67,790	38,574
Prepayments and accrued income	54,682	21,441
	<u>122,472</u>	<u>60,015</u>

14 Creditors: amounts falling due within one year

	2024	2023
	£	£
Other taxation and social security	32,744	36,796
Trade creditors	10,996	26,551
Other creditors	85,065	60,138
Accruals and deferred income	59,097	37,727
	<u>187,902</u>	<u>161,212</u>

Included in other creditors is the amounts owing at 31 March 2024 in respect of defined pension contributions which were £5,534 (2023: £5,611).

15 Creditors: amounts falling due after more than one year

	2024	2023
	£	£
Borrowings	<u>1,100,000</u>	<u>1,100,000</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Creditors: amounts falling due after more than one year (Continued)

Borrowings represent an other loan from The NHS Property Services Limited (formerly Knowsley Primary Care Trust loan) which is secured on the land and buildings at 11 Sandstone Drive, Prescot.

16 Retirement benefit schemes

	2024	2023
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	43,309	50,483
	<u>43,309</u>	<u>50,483</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

17 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	At 31 March 2024
	£	£	£	£
Oliver Lymes Charity	-	100,000	(12,060)	87,940
Workforce recruitment & retention	30,499	-	(30,499)	-
	<u>30,499</u>	<u>100,000</u>	<u>(42,559)</u>	<u>87,940</u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	At 31 March 2023
	£	£	£	£
Workforce recruitment & retention	-	30,499	-	30,499
	<u>-</u>	<u>30,499</u>	<u>-</u>	<u>30,499</u>

Workforce Recruitment & Retention

During the previous year the charity received grant monies from Knowsley MBC to distribute to front line health care workers for their service in the the COVID-19 pandemic.

Oliver Lymes Charity

During the year the charity received grant monies from Oliver Lymes Charity to enable them to purchase a portacabin and associated ground works. At the year end the ground works were complete but the portacabin has not been purchased.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	877,265	2,466,517	(2,422,650)	921,132
Previous year:	At 1 April 2022 £	Incoming resources £	Resources expended £	At 31 March 2023 £
General funds	968,197	2,309,462	(2,400,394)	877,265

19 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total Unrestricted funds 2024 £	Total Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2024 are represented by:						
Tangible assets	405,467	1,100,000	1,505,467	372,855	1,100,000	1,472,855
Current assets/(liabilities)	515,665	87,940	603,605	504,410	30,499	534,909
Long term liabilities	-	(1,100,000)	(1,100,000)	-	(1,100,000)	(1,100,000)
	<u>921,132</u>	<u>87,940</u>	<u>1,009,072</u>	<u>877,265</u>	<u>30,499</u>	<u>907,764</u>

Property Fund

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

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 and 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 repurchase the home, for a sum equal to the purchase price paid by the company, in the event of any future disposal. It is on the basis that the directors have decided not to charge depreciation on the freehold land and buildings.

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

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	13,992	14,802
Between two and five years	17,490	31,482
	<u>31,482</u>	<u>46,284</u>

The operating leases represent leases of equipment to third parties. The leases are negotiated over terms of 3-5 years and rentals. All leases include a provision for five-yearly upward rent reviews according to prevailing market conditions. There are no options in place for either party to extend the lease terms.

21 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

22 Cash generated from operations

	2024 £	2023 £
Surplus/(deficit) for the year	101,308	(60,433)
Adjustments for:		
Investment income recognised in statement of financial activities	(5,170)	(1,013)
Depreciation and impairment of tangible fixed assets	29,870	30,354
Movements in working capital:		
(Increase)/decrease in debtors	(62,457)	23,039
Increase/(decrease) in creditors	26,690	(3,689)
Cash generated from/(absorbed by) operations	<u>90,241</u>	<u>(11,742)</u>

23 Analysis of changes in net (debt)/funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	636,106	32,929	669,035
Loans falling due after more than one year	(1,100,000)	-	(1,100,000)
	<u>(463,894)</u>	<u>32,929</u>	<u>(430,965)</u>