

DELPHSIDE LTD

England & Wales · Charity number 1006024

Details

Other names	AVONDALE MENTAL HEALTHCARE CENTRE, AVONDALE NURSING HOME
Status	Registered
Legal form	Charitable company
Company number	02609389
Registered	1991-11-15
Register	View on the Charity Commission register

Contact

Address	Avondale Mental Healthcare Centre 11 Sandstone Drive Whiston Prescot L35 7LS
Phone	01514310330
Email	info@avondale.org.uk
Website	www.avondale.org.uk

Activities

Objects: 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

Activities: THE PRINCIPAL ACTIVITY AND OBJECTS OF THE COMPANY DURING THE YEAR ARE TO PROVIDE THE RELIEF OF SUFFERING BY PROVIDING FOR THE CARE, ACCOMMODATION, TRAINING, EDUCATION, FUTURE LIVING, EMPLOYMENT, OCCUPATION AND SUSTENANCE OF PHYSICALLY OR MENTALLY ILL PERSONS, IN ORDER TO FOSTER AND ENCOURAGE A SENSE OF INDEPENDENCE.

Classification

- **How:** Provides Services
- **What:** The Advancement Of Health Or Saving Of Lives
- **Who:** People With Disabilities

Geography

- Knowsley
- St Helens

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,741,140	£2,646,364	£1,103,848	69
2024-03-31	£2,566,517	£2,465,209	£1,009,072	70
2023-03-31	£2,339,961	£2,400,394	£907,764	75
2022-03-31	£2,343,476	£2,200,635	£968,197	70
2021-03-31	£2,135,933	£2,053,239	£825,356	69

Trustees

Name	Role	Appointed
William Henry Devling	Chair	2014-12-22
Christopher Andrew McNamara		2016-04-22
Dr Barnaby James Finlayson		2019-06-28
Margaret Janet Albion		2019-09-02
PAUL HARRISON		2011-04-18
Victor Welsh		2011-04-18

DELPHSIDE LTD

England & Wales - Charity number 1006024

Accounts

Charity registration number 1006024 (England and Wales)

Company registration number 02609389

DELPHSIDE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025



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	
Secretary	P Jones	
Senior management	P Jones M McCabe M Allan	Registered Manager Clinical Manager Finance Manager
Charity number (England and Wales)	1006024	
Company number	02609389	
Registered office	Avondale Mental Health Centre 11 Sandstone Drive Whiston Prescot Merseyside L35 7LS	
Auditor	Xeinadin Audit Limited The Foundation Herons Way Chester Business Park Chester Cheshire CH4 9GB	

DELPHSIDE LIMITED

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DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their annual report and financial statements for the year ended 31 March 2025.

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, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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)".

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.

Public benefit

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

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Activities

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 and any changes thereof.
- 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. In addition, secure any additional funding available for the betterment of care provided to the beneficiaries.

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 Integrated Commissioning Boards (ICB'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 2024/25. 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 company was registered with the CQC for the provision of 54 places within the home. Places are filled because 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, set by the service were provided to the main commissioning authority's and funding was uplifted 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) a planned social hub was put on hold following the company providing this going into receivership, which caused a loss to the service of the deposit on that unit, funded from the grant monies. The service made a further approach to OLC and gained additional funding of a further £40,000 to progress the build of a hub and complete significant work to upgrade external accessibility, provision of usable gardening and growing areas for those less able bodied etc.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

Previous work with commissioners in KMBC resulting in a upgrade of the Amber unit with a view to potential changed usage re type of cliental was stalled in 2024/25 as changes within KMBC commissioning and contracts has held matters up, however that is likely to progress in 2025, allowing wider support of persons with dementia type needs, allowing the service access to a further income stream.

The service continued to hold the highest rating of Outstanding following CQC inspection in January 2022. This saw the service remain 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 and ongoing commissioning/contract reviews, the service remains the go to service for mental health care in the borough and for the wider area commissioning areas.

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

Changes to staff salaries and the Real Living wage were planned for and help in securing a suitably skilled and staffed service during the period. A succession plan was drafted and allowed for future progression and maintenance of suitably skilled senior team members to allow future service delivery to be consistently planned for.

Financial review

The financial results for the year are shown in the Statement of Financial Activities. Income for the year has increased by £174,623 to £2,702,901 from £2,566,517. Expenditure has increased by £181,155 to £2,646,364 from £2,465,209 (2024). This includes £68,340 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 £94,776 in comparison to a surplus of £101,308 in 2024.

This has resulted in total funds carried forward at 31 March 2025 of £1,103,848 in comparison to £1,009,072 at 31 March 2024. All funds carried forward are unrestricted, with the exception of £59,600 from Oliver Lymes Charity.

The charity does have a restricted asset of £1,100,000 at 31 March 2025, 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 a minimum of three and up to a six month period if achievable. There is a formal policy determining what reserves can be utilised for.

The freely available reserves of the Charity were Increased by £94,111 and totalled £697,716 (2024 £603,605)

Principal funding sources

The charity's principal funding comes from the following:

- Halton and St Helens ICB
- Knowsley ICB
- St Helens MBC
- Knowsley MBC
- Warrington MBC
- Liverpool MBC
- Halton MBC
- Cheshire and Wirral NHS

Investment policy

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

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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.

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 into 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 2025 was 6.

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

Recruitment and appointment of trustees

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.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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.

Induction and training of trustees

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

Succession planning is undertaken proactively to ensure continuation of a suitable council of management and allow suitable governance and controls remain in place. In the financial year 2024/25 this was completed with a specific eye to financial governance, meeting CQC standards and future key staff retirement. The General Manager (CEO) produces the succession plan, which the Trustees consider for implementation and approve. The succession plan 2024/2025 resulted in additional Financial governance and control in the form of the addition of a Financial Controller being employed.

Trustees tasked the General Manager (CEO) 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 (CEO). 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 bonus scheme (PRB) 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 PRB.

Other matters

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 2025, the company held funds amounting to £87,526 (2024: £76,488) on behalf of the patients of Avondale Mental Healthcare Centre.

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.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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.

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.

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.

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

W H Devling
Trustee

9 September 2025

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF DELPHSIDE LIMITED

Opinion

We have audited the financial statements of Delphside Limited (the 'charity') for the year ended 31 March 2025 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 2025 and of its incoming resources and application of resources, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustee's report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DELPHSIDE LIMITED

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 formal 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.

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

Firstly, the charity 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 charity 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 charity'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.

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.

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF DELPHSIDE LIMITED

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Robert Pearl BSc BEng ACA (Senior Statutory Auditor)

For and on behalf of Xeinadin Audit Limited, Statutory Auditor

Chartered Accountants

The Foundation

Herons Way

Chester Business Park

Chester

Cheshire

CH4 9GB

9 September 2025

Xeinadin Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

DELPHSIDE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income and endowments from:							
Donations and legacies	3	-	40,000	40,000	1,937	100,000	101,937
Charitable activities	4	2,670,621	-	2,670,621	2,426,317	-	2,426,317
Investments	5	4,420	-	4,420	5,170	-	5,170
Other income	6	26,099	-	26,099	33,093	-	33,093
Total income		2,701,140	40,000	2,741,140	2,466,517	100,000	2,566,517
Expenditure on:							
Charitable activities	7	2,578,024	68,340	2,646,364	2,422,650	42,559	2,465,209
Total expenditure		2,578,024	68,340	2,646,364	2,422,650	42,559	2,465,209
Net income/(expenditure) and movement in funds		123,116	(28,340)	94,776	43,867	57,441	101,308
Reconciliation of funds:							
Fund balances at 1 April 2024		921,132	87,940	1,009,072	877,265	30,499	907,764
Fund balances at 31 March 2025		1,044,248	59,600	1,103,848	921,132	87,940	1,009,072

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 2025

		2025		2024	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	12		1,506,132		1,505,467
Current assets					
Debtors	13	179,193		122,472	
Cash at bank and in hand		705,067		669,035	
		884,260		791,507	
Creditors: amounts falling due within one year	14	(186,544)		(187,902)	
Net current assets			697,716		603,605
Total assets less current liabilities			2,203,848		2,109,072
Creditors: amounts falling due after more than one year	15		(1,100,000)		(1,100,000)
Net assets			1,103,848		1,009,072
The funds of the charity					
Restricted income funds	18		59,600		87,940
Unrestricted funds	19		1,044,248		921,132
			1,103,848		1,009,072

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved by the trustees on 9 September 2025

W H Devling
Trustee

Company registration number 02609389 (England and Wales)

DELPHSIDE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	23		57,537		90,241
Investing activities					
Purchase of tangible fixed assets		(25,925)		(62,482)	
Investment income received		4,420		5,170	
Net cash used in investing activities			(21,505)		(57,312)
Net cash generated from financing activities			-		-
Net increase in cash and cash equivalents			36,032		32,929
Cash and cash equivalents at beginning of year			669,035		636,106
Cash and cash equivalents at end of year			705,067		669,035

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

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" 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)". 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 2025

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 2025

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 2025.

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.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements

(Continued)

Key sources of estimation uncertainty

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.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	-	-	-	1,937	-	1,937
Grants	-	40,000	40,000	-	100,000	100,000
	-	40,000	40,000	1,937	100,000	101,937

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Relief of suffering		
Department of Social Security	50,740	21,424
St Helens MBC	1,298,082	1,211,614
Knowsley MBC	773,863	716,587
Clinical Commissioning Groups	201,255	219,578
Warrington CC	135,513	117,656
Liverpool CC	103,147	76,216
Cheshire East CC	-	6,568
NHS Cheshire & Merseyside	-	56,674
St Helens MBC	66,707	-
Cheshire East CC	41,314	-
	2,670,621	2,426,317

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	4,420	5,170

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Sundry Income	26,099	33,093

7 Expenditure on charitable activities

	Relief of suffering 2025 £	Relief of suffering 2024 £
Direct costs		
Staff costs	2,084,974	1,898,833
Depreciation and impairment	25,261	29,871
Hire of equipment	41,005	37,155
Rates and water	18,773	15,516
Insurance	24,553	23,460
Light and heat	83,216	63,212
Telephone, printing, stationery and postage	8,229	18,842
Waste disposal	28,364	29,746
Staff sundries	16,693	20,046
Sundry expenses	6,996	6,787
Catering provisions and consumables	130,781	135,501
Residents welfare	9,503	20,917
Housekeeping and nursing consumables	37,191	42,162
Computer and software costs	47,203	50,458
Repairs, renewals and gardening	60,016	51,676
Bad debts written off	275	-
	2,623,033	2,444,182
Share of support and governance costs (see note 8)		
Support	11,305	10,947
Governance	12,026	10,080
	2,646,364	2,465,209
Analysis by fund		
Unrestricted funds	2,578,024	2,422,650
Restricted funds	68,340	42,559
	2,646,364	2,465,209

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

8 Support costs allocated to activities

	2025 £	2024 £
Legal and professional	11,305	10,947
Audit fees	12,026	10,080
	<u>23,331</u>	<u>21,027</u>
Analysed between:		
Relief of suffering	<u>23,331</u>	<u>21,027</u>

9 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	12,026	10,080
Depreciation of owned tangible fixed assets	25,261	29,871
	<u>37,287</u>	<u>39,951</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Management and administration	5	4
Nursing and rehabilitation	31	35
Domestic, laundry, porters and drivers	14	13
Catering	5	5
Bank	14	13
	<u>69</u>	<u>70</u>
Total	<u>69</u>	<u>70</u>

Employment costs

	2025 £	2024 £
Wages and salaries	1,867,030	1,718,880
Social security costs	171,216	136,644
Other pension costs	46,728	43,309
	<u>2,084,974</u>	<u>1,898,833</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

11 Employees

(Continued)

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

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

	2025 Number	2024 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	1	-
	<u> </u>	<u> </u>

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.

	2025 £	2024 £
Aggregate compensation	289,136	265,118
	<u> </u>	<u> </u>

12 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2024	1,749,702	328,470	24,192	54,690	2,157,054
Additions	18,618	7,307	-	-	25,925
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	1,768,320	335,777	24,192	54,690	2,182,979
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation and impairment					
At 1 April 2024	317,279	274,057	24,192	36,058	651,586
Depreciation charged in the year	7,122	13,481	-	4,658	25,261
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2025	324,401	287,538	24,192	40,716	676,847
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Carrying amount					
At 31 March 2025	1,443,919	48,239	-	13,974	1,506,132
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2024	1,432,423	54,412	-	18,632	1,505,467
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

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

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	149,770	67,790
Prepayments and accrued income	29,423	54,682
	<u>179,193</u>	<u>122,472</u>

14 Creditors: amounts falling due within one year

	2025 £	2024 £
Other taxation and social security	48,956	32,744
Trade creditors	9,543	10,996
Other creditors	103,450	85,065
Accruals and deferred income	24,595	59,097
	<u>186,544</u>	<u>187,902</u>

15 Creditors: amounts falling due after more than one year

	2025 £	2024 £
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 2025

16 Loans and overdrafts

	2025 £	2024 £
Other loans	1,100,000	1,100,000
Payable after one year	1,100,000	1,100,000

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

17 Retirement benefit schemes

	2025 £	2024 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	46,728	43,309

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.

18 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 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
Oliver Lymes Charity	87,940	40,000	(68,340)	59,600
Previous year:	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)	-
	30,499	100,000	(42,559)	87,940

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

18 Restricted funds

(Continued)

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 current and prior 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 and tendering processes have began for the construction of a brick built permanent structure on site.

19 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 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
General funds	921,132	2,701,140	(2,578,024)	1,044,248
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
General funds	877,265	2,466,517	(2,422,650)	921,132

20 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	406,132	1,100,000	1,506,132
Current assets/(liabilities)	638,116	59,600	697,716
Long term liabilities	-	(1,100,000)	(1,100,000)
	1,044,248	59,600	1,103,848

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

20 Analysis of net assets between funds

(Continued)

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	405,467	1,100,000	1,505,467
Current assets/(liabilities)	515,665	87,940	603,605
Long term liabilities	-	(1,100,000)	(1,100,000)
	<u>921,132</u>	<u>87,940</u>	<u>1,009,072</u>

21 Operating lease commitments

Lessee

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:

	2025 £	2024 £
Within one year	13,992	13,992
Between two and five years	3,498	17,490
	<u>17,490</u>	<u>31,482</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.

22 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

23 Cash generated from operations

	2025 £	2024 £
Surplus for the year	94,776	101,308
Adjustments for:		
Investment income recognised in statement of financial activities	(4,420)	(5,170)
Depreciation and impairment of tangible fixed assets	25,261	29,871
Movements in working capital:		
(Increase) in debtors	(56,721)	(62,457)
(Decrease)/increase in creditors	(1,359)	26,689
Cash generated from operations	<u>57,537</u>	<u>90,241</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2025

24 Analysis of changes in net (debt)/funds

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	669,035	36,032	705,067
Loans falling due after more than one year	(1,100,000)	-	(1,100,000)
	<u>(430,965)</u>	<u>36,032</u>	<u>(394,933)</u>

DELPHSIDE LTD

England & Wales - Charity number 1006024

Accounts

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 cliental 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

	Notes	2024 £	£	2023 £	£
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	
		791,507		696,121	
Creditors: amounts falling due within one year	14	(187,902)		(161,212)	
Net current assets			603,605		534,909
Total assets less current liabilities			2,109,072		2,007,764
Creditors: amounts falling due after more than one year	15		(1,100,000)		(1,100,000)
Net assets excluding pension liability			1,009,072		907,764
Net assets			1,009,072		907,764
The funds of the charity					
Restricted income funds	17	87,940		30,499	
Unrestricted funds		921,132		877,265	
		1,009,072		907,764	

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
	2,444,182	2,376,407
Share of support and governance costs (see note 8)		
Support	10,947	14,387
Governance	10,080	9,600
	2,465,209	2,400,394
Analysis by fund		
Unrestricted funds	2,422,650	2,400,394
Restricted funds	42,559	-
	2,465,209	2,400,394

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	<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
Total	<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, Prescott.

16 Retirement benefit schemes

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

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

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 £	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	1,472,855
Current assets/(liabilities)	515,665	87,940	603,605	504,410	534,909
Long term liabilities	-	(1,100,000)	(1,100,000)	-	(1,100,000)
	921,132	87,940	1,009,072	877,265	907,764

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>

DELPHSIDE LTD

England & Wales - Charity number 1006024

Accounts



Xeinadin Audit Limited
2 Hilliards Court
Chester Business Park
Chester
CH4 9PX

24TH November 2023

Dear Sirs

Audit of Financial Statements – Year ended 31 March 2023

This representation letter is provided in connection with your audit of the financial statements of Delphside Limited for the year ended 31st March 2023 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the results and financial position of the charity in accordance with The Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK (FRS 102)"

Financial Statements

1. We have fulfilled our responsibilities as trustees, as set out in the terms of our engagement letter for preparing financial statements in accordance with the Companies Act 2006 and the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard 102 which give a true and fair view of the financial position of Delphside Limited as of 31st March 2023 and of the results of its operations for the year then ended and for making accurate representations to you.
2. The methods, significant assumptions, and the data used by us in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
3. We have no plans or intentions that may materially alter the carrying value and where relevant the fair value measurements or classification of assets and liabilities reflected in the financial statements.
4. We have disclosed all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements and these have been disclosed in accordance with the requirements of accounting standards.
5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of accounting standards.
6. All events since the balance sheet date which require disclosure or which would materially affect the amounts in the financial statements have been adjusted or disclosed in the financial statements.
7. We confirm the financial statements are free of material misstatements, including omissions. We believe that any uncorrected misstatements identified during the audit are immaterial both individually and in aggregation to the financial statements as a whole. A list of these items is included within the audit findings report.

8. We confirm that, having considered our expectations and intentions for the next twelve months, and the availability of working capital, the charity is a going concern. We confirm that the disclosures in the accounting policies are an accurate reflection of the reasons for our consideration that the financial statements should be drawn up on a going concern basis. We confirm that we have disclosed to you details of our plans for future actions relating to our going concern assessment including the feasibility of these plans.
9. We confirm that all grants, donations and other income, including those subject to special terms or conditions or received for restricted purposes, have been notified to you. There have been no breaches of terms or conditions during the year regarding the application of such income.
10. We confirm we have provided to you all bank accounts open during the year to 31 March 2023.

Information provided

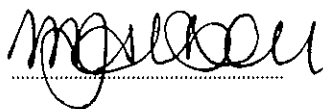
1. All accounting records and relevant information have been made available to you for the purpose of your audit. We have provided to you all other information requested and given unrestricted access to persons within the charity from whom you have deemed it necessary to obtain audit evidence. All other records and related information, including minutes of all trustee meetings have been made available to you.
2. All transactions undertaken by the charity have been properly reflected and recorded in the accounting records and are reflected in the financial statements.
3. We acknowledge our responsibility for the design, implementation and maintenance of controls to prevent and detect fraud. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves, management, employees who have significant roles in internal control, or others, where fraud could have a material effect on the financial statements.
5. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud affecting the charity's financial statements communicated by employees, former employees, analysts, regulators or others.
6. We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide the legal framework within which the charity conducts its business and which could affect the financial statements. The charity has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance.
7. We confirm that we have disclosed to you the identity of the charities related parties and all related party relationships and transactions relevant to the charity that we are aware of.
8. The Charity has satisfactory title to all assets, and there are no liens or encumbrances on the assets except for those disclosed in the financial statements.
9. There are no liabilities, contingent liabilities or guarantees to third parties other than those disclosed in the financial statements.
10. The Charity has at no time during the year entered into any arrangement, transaction or agreement to provide credit facilities (including loans, quasi loans or credit transactions) for trustees, nor to guarantee or provide security for such matters, except as disclosed in the financial statements.

11. We confirm that we are not aware of any matters of material significance that should be reported to the Charity Commission.
12. The property is correctly recorded as a restricted asset and has an associated liability disclosed in the accounts. Whilst a charge is registered against the asset, Delphside Limited holds the legal title to the asset.

We confirm to the best of our knowledge and belief that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience and, where appropriate, of inspection of supporting documentation sufficient to satisfy ourselves that we can properly make each of the above representations to you.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that as far as we are aware, there is no relevant audit information needed by you in connection with the preparing your audit report of which you are unaware. Each trustee has taken all the steps that he/she ought to have taken as a trustee in order to make himself/herself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully



Mrs Margaret Janet Albion

Chairperson

Signed on behalf of the board of Trustees.

24th November 2023

Charity registration number 1006024

Company registration number 02609389 (England and Wales)

DELPHSIDE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

DELPHSIDE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M J Albion L Barlow 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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Statement of cash flows	12
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DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

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

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 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 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.

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

DELPHSIDE LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

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.

Achievements 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 and subsequent Health Care Act 2022. Delphside Limited continued to provide activities and services for persons identified as suitable for placement at Avondale during 2021/22. 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, and subsequently following his retirement from the role, By Mrs Margaret Janet Albion.

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

Planned maintenance work previously held up by Covid- 19 restrictions was completed with external access/egress ramps amended and all external fire exit doors replaced to support better accessibility and safety for those at the Service.

DELPHSIDE LIMITED

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

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance (continued)

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. To bolster this further, the Service has worked closely with the local Quality team to advance further its standing as an Outstanding Service for mental health in Knowsley, participating in a pilot with KMBC Quality team, which saw the Service successfully achieve an Excellent rating for the role out of PAMMS in the borough.

The impact of Covid-19 and the Crisis in Care, continued to impact on the care sector and the Service was not exempt, but through use of Grant monies and proactive succession and workforce planning, alongside prudent financial controls the Service has remained in a strong position. Overall the service in the financial year 2022/23, with robust general and financial management had another strong year in difficult circumstances however did make a slight deficit in part due to its commitment to support and retain suitable staffing in unprecedented times.

Financial review

The financial results for the year are shown in the Statement of Financial Activities. Income for the year has decreased by £3,515 to £2,339,961 from £2,343,476. Expenditure has increased by £199,759 to £2,400,394 from £2,200,635. This includes £30,499 of restricted income which has not been fully expended in the year and as such is held in restricted reserves. The net deficit in the year was £60,433 in comparison to a surplus of £142,841 in 2022.

This has resulted in total funds carried forward at 31 March 2023 of £907,764 in comparison to £968,197 at 31 March 2022. All funds carried forward are unrestricted, with the exception of £30,499 from a KMBC recruitment grant not yet spent.

The charity does have a restricted asset of £1,100,000 at 31 March 2023, 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 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 decreased by £97,073 and totalled £504,410 (2022 - £601,483).

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

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

FOR THE YEAR ENDED 31 MARCH 2023

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.

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 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 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 2023 was 7.

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 trustees and directors of the charitable company during the year:

M J Albion
L Barlow
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 company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

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.

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 company 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 2023, the company held funds amounting to £51,567 (2022: £42,628) 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 2023

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.

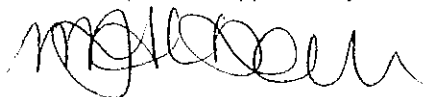
Auditor

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

24 November 2023

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 2023 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 2023 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the company.

The audit procedures undertaken to address any potential risk in relating to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the company complies with relevant laws, regulations and any cases actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

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.

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 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 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.

Michael Caputo FCA (Senior Statutory Auditor)
for and on behalf of Xelnadln Audit Limited

24 November 2023

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 2023

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Notes							
Income and endowments from:							
Donations and legacies	3	10	-	10	2,519	-	2,519
Charitable activities	4	2,279,548	30,499	2,310,047	2,247,060	93,471	2,340,531
Investments	5	1,013	-	1,013	41	-	41
Other income	6	28,891	-	28,891	385	-	385
Total income		2,309,462	30,499	2,339,961	2,250,005	93,471	2,343,476
Expenditure on:							
Charitable activities	7	2,400,394	-	2,400,394	2,107,164	93,471	2,200,635
Net (expenditure)/income for the year/ Net movement in funds		(90,932)	30,499	(60,433)	142,841	-	142,841
Fund balances at 1 April 2022		968,197	-	968,197	825,356	-	825,356
Fund balances at 31 March 2023		877,265	30,499	907,764	968,197	-	968,197

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

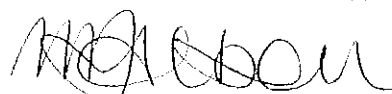
DELPHSIDE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	11		1,472,855		1,466,714
Current assets					
Debtors	12	60,015		83,054	
Cash at bank and in hand		636,106		683,331	
		696,121		766,385	
Creditors: amounts falling due within one year	13	(161,212)		(164,902)	
Net current assets			534,909		601,483
Total assets less current liabilities			2,007,764		2,068,197
Creditors: amounts falling due after more than one year	14		(1,100,000)		(1,100,000)
Net assets			907,764		968,197
Income funds					
Restricted funds	15	30,499		-	
Unrestricted funds		877,265		968,197	
		907,764		968,197	

The financial statements were approved by the Trustees on 24 November 2023



M J Albion
Trustee

Company registration number 02609389

DELPHSIDE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	21		(11,742)		238,095
Investing activities					
Purchase of tangible fixed assets		(36,496)		(39,457)	
Investment income received		1,013		41	
Net cash used in investing activities			(35,483)		(39,416)
Net cash used in financing activities			-		-
Net (decrease)/Increase in cash and cash equivalents			(47,225)		198,679
Cash and cash equivalents at beginning of year			683,331		484,652
Cash and cash equivalents at end of year			636,106		683,331

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

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 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 2023

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 2023

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 2023 nor 31 March 2022.

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 2023

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	10	2,519

4 Charitable activities

	Relief of suffering	Relief of suffering
	2023	2022
	£	£
Department of Social Security	21,734	18,316
St Helens MBC	999,085	1,042,806
Knowsley MBC	771,262	811,792
Clinical Commissioning Groups	287,828	304,872
Warrington CC	134,452	67,600
Hertfordshire Trust	45,831	50,005
Liverpool CC	49,855	45,140
	<u>2,310,047</u>	<u>2,340,531</u>
Analysis by fund		
Unrestricted funds	2,279,548	2,247,060
Restricted funds	30,499	93,471
	<u>2,310,047</u>	<u>2,340,531</u>

5 Investments

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Interest receivable	1,013	41

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Other income

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Sundry income	28,891	385

7 Charitable activities

	Relief of suffering	Relief of suffering
	2023	2022
	£	£
Staff costs	1,767,125	1,670,425
Depreciation and impairment	30,354	33,312
Hire of equipment	33,059	26,553
Rates and water	17,502	16,502
Insurance	22,117	25,546
Light and heat	52,016	49,375
Telephone, printing, stationery and postage	15,568	17,145
Waste disposal	27,042	25,428
Staff sundries	10,105	13,779
Sundry expenses	9,123	7,191
Catering provisions and consumables	133,036	122,223
Residents' welfare	22,762	24,583
Housekeeping and nursing consumables	49,714	39,432
Computer and software costs	38,821	41,631
Repairs, renewals and gardening	148,063	62,038
	2,376,407	2,175,163
Share of support costs (see note 8)	14,387	16,622
Share of governance costs (see note 8)	9,600	8,850
	2,400,394	2,200,635
Analysis by fund		
Unrestricted funds	2,400,394	2,107,164
Restricted funds	-	93,471

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Management fees	-	-	-	2,400	-	2,400
Legal and professional	14,387	-	14,387	14,222	-	14,222
Audit fees	-	9,600	9,600	-	8,850	8,850
	<u>14,387</u>	<u>9,600</u>	<u>23,987</u>	<u>16,622</u>	<u>8,850</u>	<u>25,472</u>
Analysed between						
Charitable activities	<u>14,387</u>	<u>9,600</u>	<u>23,987</u>	<u>16,622</u>	<u>8,850</u>	<u>25,472</u>

9 Trustees

Transactions with trustees have been disclosed in note 20.

10 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Management and administration	4	5
Nursing and rehabilitation	33	32
Domestic, laundry, porters and drivers	14	15
Catering	6	5
Bank	18	13
Total	<u>75</u>	<u>70</u>

Employment costs

	2023 £	2022 £
Wages and salaries	1,580,598	1,514,305
Social security costs	136,044	114,966
Other pension costs	50,483	41,154
	<u>1,767,125</u>	<u>1,670,425</u>

Wage costs include £nil (2022: £20,000) in relation to termination payments.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

10 Employees

(Continued)

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

	2023 Number	2022 Number
£60,001 - £70,000	1	1

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2022	1,696,617	314,517	24,192	22,750	2,058,076
Additions	-	4,556	-	31,940	36,496
At 31 March 2023	1,696,617	319,073	24,192	54,690	2,094,572
Depreciation and impairment					
At 1 April 2022	301,355	246,317	20,940	22,750	591,362
Depreciation charged in the year	8,540	14,260	2,232	5,323	30,355
At 31 March 2023	309,895	260,577	23,172	28,073	621,717
Carrying amount					
At 31 March 2023	1,386,722	58,496	1,020	26,617	1,472,855
At 31 March 2022	1,395,262	68,200	3,252	-	1,466,714

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.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	38,574	58,692
Prepayments and accrued income	21,441	24,362
	<u>60,015</u>	<u>83,054</u>

13 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	36,796	42,393
Trade creditors	26,551	24,374
Other creditors	60,138	51,385
Accruals and deferred income	37,727	46,750
	<u>161,212</u>	<u>164,902</u>

Included in other creditors is the amounts owing at 31 March 2023 in respect of defined pension contributions which were £5,611 (2022: £8,757).

14 Creditors: amounts falling due after more than one year

	2023 £	2022 £
Borrowings	<u>1,100,000</u>	<u>1,100,000</u>

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.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds	
	Incoming resources	Resources expended	Balance at 1 April 2022	Incoming resources	Balance at 31 March 2023
	£	£	£	£	£
COVID-19 Rapid Response	32,612	(32,612)	-	-	-
ASC Infection Control	41,817	(41,817)	-	-	-
Workforce recruitment & retention	19,040	(19,040)	-	30,499	30,499
	<u>93,469</u>	<u>(93,469)</u>	<u>-</u>	<u>30,499</u>	<u>30,499</u>

COVID-19 Rapid Response

During the year the charity received grant monies from Knowsley MBC as financial support to cover specific additional costs arising as a result of the Covid-19 pandemic and infection control.

ASC Infection Control

During the year the charity received grant monies from Knowsley MBC to support adult social care providers to reduce the rate of COVID-19 transmission in and between care homes.

Workforce Recruitment & Retention

During the 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.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

16 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	372,855	1,100,000	1,472,855	366,714	1,100,000	1,466,714
Current assets/(liabilities)	504,410	-	534,909	601,483	-	601,483
Long term liabilities	-	(1,100,000)	(1,100,000)	-	(1,100,000)	(1,100,000)
	<u>877,265</u>	<u>-</u>	<u>907,764</u>	<u>968,197</u>	<u>-</u>	<u>968,197</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.

17 FUNDS HELD AS INTERMEDIARY AGENT

The organisation delivers a managed budget service on behalf of clients who are unable to manage the budgets that they receive to support their care. In this instance the organisation is acting as an intermediary agent for the funds and therefore, in accordance with the SORP, they are not included on the balance sheet. Funds held of this nature, at 31 March 2023 totaled £51,567 (2022: £25,992).

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 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:

	2023 £	2022 £
Within one year	14,802	16,491
Between two and five years	31,482	46,284
	<u>46,284</u>	<u>62,775</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.

19 Capital commitments

2023 £	2022 £
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At 31 March 2023 the charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	-	69,701
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20 Related party transactions

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.

	2023 £	2022 £
Aggregate compensation	<u>236,507</u>	<u>248,088</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

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 £nil (2022: £2,387) for legal services provided. At the yearend a balance of £nil (2022: £nil) was owing to this firm.

During the year William Devling, a trustee of the charity, invoiced the charity £nil (2022: £2,400) for management services provided. At the yearend a balance of £nil (2022: £nil) was owing to him.

There were no other transactions with any other Trustees.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

21	Cash generated from operations	2023	2022
		£	£
	(Deficit)/surplus for the year	(60,433)	142,841
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,013)	(41)
	Depreciation and impairment of tangible fixed assets	30,354	33,312
	Movements in working capital:		
	Decrease in debtors	23,039	37,959
	(Decrease)/increase in creditors	(3,689)	24,024
	Cash (absorbed by)/generated from operations	(11,742)	238,095
22	Analysis of changes in net (debt)/funds	At 1 April 2022	Cash flowsAt 31 March 2023
		£	£
	Cash at bank and in hand	683,331	(47,225) 636,106
	Loans falling due after more than one year	(1,100,000)	- (1,100,000)
		<u>(416,669)</u>	<u>(47,225) (463,894)</u>

DELPHSIDE LTD

England & Wales - Charity number 1006024

Accounts

Charity registration number 1006024

Company registration number 0209389 (England and Wales)

DELPHSIDE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

DELPHSIDE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	M J Albion L Barlow 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	0209389
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 2022

The trustees present their annual report and financial statements for the year ended 31 March 2022.

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

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 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 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.

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

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

Achievements 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 and subsequent Health Care Act 2022. Delphside Limited continued to provide activities and services for persons identified as suitable for placement at Avondale during 2021/22. 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, and subsequently following his retirement from the role, By Mrs Margaret Janet Albion.

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

Ongoing redecoration and planned maintenance at the service was held up in relation to amendments to external ramps, fire exits with planned work timescales and orders postponed due to Covid -19 restrictions.

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance (continued)

The service continued to hold the highest rating of Outstanding following CQC inspection in January 2022 which was a focused inspection surrounding safety and specifically Infection Control and Prevention/ Covid -19. 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 means the service remains in a favourable position re future endeavours.

The Covid-19 Pandemic continued to 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. Overall the service in the financial year 2021/22, with robust management and support from had another strong year and was able to achieve an excellent outcome in relation to its positive financial position.

Financial review

The financial results for the year are shown in the Statement of Financial Activities. Income for the year has increased by £207,543 to £2,343,476 from £2,135,933. Expenditure has increased by £147,396 to £2,200,476 from £2,053,239. This includes £93,471 of restricted income which has been fully expended in the year. The net surplus generated in the year was £142,841 in comparison to £82,694 in 2021.

This as resulted in total funds carried forward at 31 March 2022 of £968,197 in comparison to £825,356 at 31 March 2021. All funds carried forward are unrestricted.

The charity does have a restricted asset of £1,100,000 at 31 March 2022, 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 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 £136,696 and totalled £601,483 (2021 - £464,787).

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

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

CQC and commissioners have amended visiting and inspecting processes in light of the Pandemic and the service remains 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 to ensure the service remains the "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 have remained good.

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.

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 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 2022 was 7.

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 trustees and directors of the charitable company during the year:

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

(Retired 4 February 2022)

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

DELPHSIDE LIMITED

TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

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.

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 company 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 2022, the company held funds amounting to £42,628 (2021: £25,992) 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 2022

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; 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

Xeinadin Audit Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed 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.

P.P. M J Albion (Trustee) L Barton (Trustee)

M J Albion
Trustee

25 November 2022

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 2022 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 2022 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the company.

The audit procedures undertaken to address any potential risk in relating to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the company complies with relevant laws, regulations and any cases actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

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.

DELPHSIDE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) 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 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.

**Michael Caputo FCA (Senior Statutory Auditor)
for and on behalf of Xeinadin Audit Limited**

25 November 2022

**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 2022

		Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
	Notes						
<u>Income and endowments from:</u>							
Donations and legacies	3	2,519	-	2,519	9,848	-	9,848
Charitable activities	4	2,247,060	93,471	2,340,531	1,978,940	147,082	2,126,022
Investments	5	41	-	41	55	-	55
Other income	6	385	-	385	8	-	8
Total income		2,250,005	93,471	2,343,476	1,988,851	147,082	2,135,933
<u>Expenditure on:</u>							
Charitable activities	7	2,107,164	93,471	2,200,635	1,906,157	147,082	2,053,239
Net income for the year/ Net movement in funds		142,841	-	142,841	82,694	-	82,694
Fund balances at 1 April 2021		825,356	-	825,356	742,662	-	742,662
Fund balances at 31 March 2022		968,197	-	968,197	825,356	-	825,356

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

DELPHSIDE LIMITED

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	11		1,466,714		1,460,569
Current assets					
Debtors	12	83,054		121,013	
Cash at bank and in hand		683,331		484,652	
		<u>766,385</u>		<u>605,665</u>	
Creditors: amounts falling due within one year	13	(164,902)		(140,878)	
Net current assets			601,483		464,787
Total assets less current liabilities			2,068,197		1,925,356
Creditors: amounts falling due after more than one year	14		(1,100,000)		(1,100,000)
Net assets			<u>968,197</u>		<u>825,356</u>
Income funds					
Unrestricted funds			968,197		825,356
			<u>968,197</u>		<u>825,356</u>

The financial statements were approved by the Trustees on 25 November 2022

PP *M J Albion (Trustee)* *H Barlow (Trustee)*
M J Albion
Trustee

Company registration number 0209389

DELPHSIDE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Cash flows from operating activities					
Cash generated from operations	21		238,095		126,308
Investing activities					
Purchase of tangible fixed assets		(39,457)		(32,417)	
Investment income received		41		55	
Net cash used in investing activities			(39,416)		(32,362)
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			198,679		93,946
Cash and cash equivalents at beginning of year			484,652		390,706
Cash and cash equivalents at end of year			683,331		484,652

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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 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 2022

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	In accordance with the property
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 2022

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 years ended 31 March 2022 nor 31 March 2021.

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 2022

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Donations and gifts	2,519	9,848

4 Charitable activities

	Relief of suffering 2022 £	Relief of suffering 2021 £
Department of Social Security	18,316	33,027
St Helens MBC	1,042,806	865,871
Knowsley MBC	811,792	894,384
Clinical Commissioning Groups	304,872	183,125
Warrington CC	67,600	62,400
Hertfordshire Trust	50,005	47,934
Liverpool CC	45,140	39,281
	2,340,531	2,126,022
Analysis by fund		
Unrestricted funds	2,247,060	1,978,940
Restricted funds	93,471	147,082
	2,340,531	2,126,022

5 Investments

	Unrestricted funds	Unrestricted funds
	2022 £	2021 £
Interest receivable	41	55

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Sundry income	385	8

7 Charitable activities

	Relief of suffering 2022	Relief of suffering 2021
	£	£
Staff costs	1,573,421	1,437,726
Depreciation and impairment	29,364	26,029
Hire of equipment	25,016	24,759
Rates and water	15,545	15,338
Insurance	24,065	21,840
Light and heat	46,512	52,929
Telephone, printing, stationery and postage	16,719	16,900
Waste disposal	25,428	21,892
Staff sundries	13,779	9,776
Sundry expenses	6,045	7,996
Catering provisions and consumables	122,223	104,755
Residents' welfare	24,583	19,787
Housekeeping and nursing consumables	39,432	48,348
Computer and software costs	39,409	41,247
Legal and professional fees	12,025	16,209
Repairs, renewals and gardening	58,772	54,918
Other charitable expenditure	-	6,515
	2,072,338	1,926,964
Share of support costs (see note 8)	119,447	115,985
Share of governance costs (see note 8)	8,850	10,290
	2,200,635	2,053,239
Analysis by fund		
Unrestricted funds	2,107,164	1,906,157
Restricted funds	93,471	147,082
	2,200,635	2,053,239

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

8 Support costs

	Support costs	Governance costs	2022	Support costs	Governance costs	2021
	£	£	£	£	£	£
Staff costs	97,004	-	97,004	92,092	-	92,092
Depreciation	3,947	-	3,947	3,499	-	3,499
Hire of equipment	1,539	-	1,539	1,523	-	1,523
Rates and water	957	-	957	944	-	944
Insurance	1,481	-	1,481	1,344	-	1,344
Light and heat	2,863	-	2,863	3,258	-	3,258
Telephone, printing, stationery and postage	426	-	426	1,039	-	1,039
Management fees	2,400	-	2,400	4,800	-	4,800
Sundry expenses	1,146	-	1,146	579	-	579
Computer and software costs	2,221	-	2,221	2,325	-	2,325
Repairs and renewals	3,266	-	3,266	3,052	-	3,052
Legal and professional	2,197	-	2,197	1,530	-	1,530
Audit fees	-	8,850	8,850	-	10,290	10,290
	<u>119,447</u>	<u>8,850</u>	<u>128,297</u>	<u>115,985</u>	<u>10,290</u>	<u>126,275</u>
Analysed between Charitable activities	<u>119,447</u>	<u>8,850</u>	<u>128,297</u>	<u>115,985</u>	<u>10,290</u>	<u>126,275</u>

9 Trustees

Transactions with trustees have been disclosed in note 20.

10 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Management and administration	5	5
Nursing and rehabilitation	32	32
Domestic, laundry, porters and drivers	15	15
Catering	5	5
Bank	13	12
Total	<u>70</u>	<u>69</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

10 Employees

(Continued)

Employment costs	2022 £	2021 £
Wages and salaries	1,514,305	1,391,104
Social security costs	114,966	100,178
Other pension costs	41,154	38,536
	<u>1,670,425</u>	<u>1,529,818</u>

Wage costs include £20,000 (2021: £nil) in relation to termination payments.

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

	2022 Number	2021 Number
£60,001 - £70,000	<u>1</u>	<u>-</u>

11 Tangible fixed assets

	Freehold land and buildings £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost					
At 1 April 2021	1,696,617	275,060	24,192	22,750	2,018,619
Additions	-	39,457	-	-	39,457
	<u>1,696,617</u>	<u>314,517</u>	<u>24,192</u>	<u>22,750</u>	<u>2,058,076</u>
At 31 March 2022	1,696,617	314,517	24,192	22,750	2,058,076
Depreciation and impairment					
At 1 April 2021	285,019	231,727	18,554	22,750	558,050
Depreciation charged in the year	16,336	14,590	2,386	-	33,312
	<u>301,355</u>	<u>246,317</u>	<u>20,940</u>	<u>22,750</u>	<u>591,362</u>
At 31 March 2022	301,355	246,317	20,940	22,750	591,362
Carrying amount					
At 31 March 2022	<u>1,395,262</u>	<u>68,200</u>	<u>3,252</u>	<u>-</u>	<u>1,466,714</u>
At 31 March 2021	<u>1,411,598</u>	<u>43,333</u>	<u>5,638</u>	<u>-</u>	<u>1,460,569</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 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.

12 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Trade debtors	58,692	52,599
Prepayments and accrued income	24,362	68,414
	<u>83,054</u>	<u>121,013</u>

13 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other taxation and social security	42,393	40,710
Trade creditors	24,374	38,505
Other creditors	51,385	35,791
Accruals and deferred income	46,750	25,872
	<u>164,902</u>	<u>140,878</u>

Included in other creditors is the amounts owing at 31 March 2022 in respect of defined pension contributions which were £8,757 (2021: £9,067).

14 Creditors: amounts falling due after more than one year

	2022	2021
	£	£
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 2022

15 Loans and overdrafts

	2022 £	2021 £
Other loans	1,100,000	1,100,000
Payable after one year	1,100,000	1,100,000

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

Further information can be found in note .

16 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds		
	Incoming resources £	Resources expended £	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
COVID-19 Rapid Response	147,082	(147,082)	-	32,612	(32,612)	-
ASC Infection Control	-	-	-	41,817	(41,817)	-
Workforce recruitment & retention	-	-	-	19,040	(19,040)	-
	147,082	(147,082)	-	93,469	(93,469)	-

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 15 above has not been discounted in the financial statements.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

16 Restricted funds

(Continued)

COVID-19 Rapid Response

During the year the charity received grant monies from Knowsley MBC as financial support to cover specific additional costs arising as a result of the Covid-19 pandemic and infection control.

ASC Infection Control

During the year the charity received grant monies from Knowsley MBC to support adult social care providers to reduce the rate of COVID-19 transmission in and between care homes.

Workforce Recruitment & Retention

During the 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.

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Tangible assets	366,714	1,100,000	1,466,714	360,569	1,100,000	1,460,569
Current assets/(liabilities)	601,483	-	601,483	464,787	-	464,787
Long term liabilities	-	(1,100,000)	(1,100,000)	-	(1,100,000)	(1,100,000)
	<u>968,197</u>	<u>-</u>	<u>968,197</u>	<u>825,356</u>	<u>-</u>	<u>825,356</u>

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

18 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:

	2022 £	2021 £
Within one year	16,491	23,906
Between two and five years	46,284	75,511
In over five years	-	6,017
	<u>62,775</u>	<u>105,434</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.

19 Capital commitments

	2022 £	2021 £
At 31 March 2022 the charity had capital commitments as follows:		
Contracted for but not provided in the financial statements:		
Acquisition of property, plant and equipment	<u>69,701</u>	<u>-</u>

20 Related party transactions

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.

	2022 £	2021 £
Aggregate compensation	<u>248,088</u>	<u>173,301</u>

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

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 £2,837 (2021: £16,844) for legal services provided. At the yearend a balance of £nil (2021: £nil) was owing to this firm.

During the year William Devling, a trustee of the charity, invoiced the charity £2,400 (2021: £4,800) for management services provided. At the yearend a balance of £nil (2021: £2,400) was owing to him.

There were no other transactions with any other Trustees.

DELPHSIDE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

21	Cash generated from operations	2022	2021
		£	£
	Surplus for the year	142,841	82,694
	Adjustments for:		
	Investment income recognised in statement of financial activities	(41)	(55)
	Depreciation and impairment of tangible fixed assets	33,311	29,528
	Movements in working capital:		
	Decrease/(increase) in debtors	37,959	(9,225)
	Increase in creditors	24,025	23,366
	Cash generated from operations	238,095	126,308
22	Analysis of changes in net (debt)/funds	At 1 April 2021	Cash flowsAt 31 March 2022
		£	£
	Cash at bank and in hand	484,652	198,679
	Loans falling due after more than one year	(1,100,000)	-
		<u>(615,348)</u>	<u>(416,669)</u>

DELPHSIDE LTD

England & Wales - Charity number 1006024

Accounts

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**

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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.

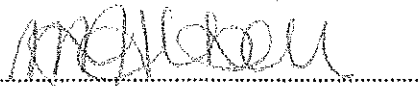
In so far as the trustees are aware:

- 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 noncompliance 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:

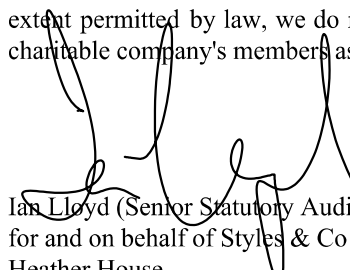
- We enquired of management and those charged with governance, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
- Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances 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	4				
Relief of suffering		1,978,940	147,082	2,126,022	2,016,528
Investment income	3	55	-	55	105
Other income		8	-	8	-
Total		<u>1,988,851</u>	<u>147,082</u>	<u>2,135,933</u>	<u>2,017,302</u>
EXPENDITURE ON					
Charitable activities	5				
Relief of suffering		1,906,157	147,082	2,053,239	2,083,628
NET INCOME/(EXPENDITURE)		<u>82,694</u>	<u>-</u>	<u>82,694</u>	<u>(66,326)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		742,662	-	742,662	808,988
TOTAL FUNDS CARRIED FORWARD		<u><u>825,356</u></u>	<u><u>-</u></u>	<u><u>825,356</u></u>	<u><u>742,662</u></u>

The notes form part of these financial statements

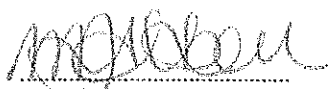
Delphside Limited

**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	17				
Unrestricted funds				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		<u>93,946</u>	<u>87,205</u>
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
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
St Helens MBC		
Relief of suffering	865,871	743,075
Knowsley MBC		
Relief of suffering	894,384	722,321
Clinical Commissioning Groups	183,125	380,846
Warrington CC		
Relief of suffering	62,400	81,380
Hertfordshire trust		
Relief of suffering	47,934	34,220
Liverpool CC		
	39,281	20,879
	<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	<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)
At 31 March 2021	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)
At 31 March 2021	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	<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>
TOTAL FUNDS			
	<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>
TOTAL FUNDS			
	<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: £7,399).

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
Freely available reserves	464,787	384,982

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	-
Total incoming resources	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
	2,053,239	2,083,628
Total resources expended	2,053,239	2,083,628
Net income/(expenditure)	82,694	(66,326)

This page does not form part of the statutory financial statements