

PARKHAVEN TRUST

FINANCIAL STATEMENTS

for the year ended

31st March 2016

Charity No: 210163

Company No: 361505

PARKHAVEN TRUST

Financial Statements

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PARKHAVEN TRUST

Company Information
31st March 2016

Charity number: 210163

Company number: 361505

Trustees: Mr J M Brennand
Mr R S Crofts
Ms R Eley - resigned 31st August 2015
Mrs E R Kitt
Ms K Matthews - resigned 31st August 2015
Mrs P J Ryder
Mrs H C Torpey
Mr C Flynn (Chair) - appointed 1st September 2015

Secretary: Mrs K Randall

Chief Executive: Mrs K Crowe

Registered office: Liverpool Road South
Maghull
Merseyside
L31 8BR

Bankers: Lloyds Bank plc
Station House
Mercury Court
Tithebarn Street
Liverpool
L2 2QP

Statutory Auditors: Mitchell Charlesworth LLP
Chartered Accountants
5 Temple Square
Temple Street
Liverpool
L2 5RH

Solicitors: DLA Piper UK LLP
India Buildings
Water Street
Liverpool
L2 0NH

PARKHAVEN TRUST

Trustees' Annual Report For the year ended 31st March 2016

The trustees present their report together with the audited financial statements of the charity for the year ended 31st March 2016. The trustees have adopted the provision of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Charities Act 2011 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 published on 16 July 2014.

Trustees of the charity

The directors of the charitable company are the trustees for the purposes of charity law. The trustees who have served during the year and since the year end were as follows:-

Mr J M Brennand
Mr R S Crofts
Ms R Eley - resigned 31st August 2015
Mrs E R Kitt
Ms K Matthews - resigned 31st August 2015
Mrs P J Ryder
Mrs H C Torpey
Mr C Flynn (Chair) - appointed 1st September 2015

Governing document

The charity is a company limited by guarantee, incorporated on 29th May 1940 and is therefore governed by a Memorandum and Articles of Association which have been subject to revision and were formally adopted in September 2008.

Objectives and activities

Parkhaven Trust was established over a hundred years ago when it was called the Maghull Homes for the Epileptics. In 1997, it changed its name to Parkhaven Trust. The charity's objects are: To relieve the needs of older people and people with epilepsy, learning, physical and other disabilities by the provision of community homes, residential care, nursing home care and a range of day and domiciliary care. Also, to provide training opportunities for staff service users and their carers.

Public benefit statement

The Trust is a provider of care for people in need. These services offer an excellent environment, standard and flexibility of care and are open to everyone either directly or through Social Services. The Trustees have had due regard to the guidance published by the Charity Commission on public benefit and in particular the supplementary guidance on public benefit and fee charging.

Review of activities

Parkhaven Trust's mission statement is "to be an organisation that includes, supports, respects and empowers residents, service users and staff".

The charity endeavours to treat all those who use the services with dignity and respect. It works to promote independence, choice and individuality. It supports, involves and develops the skills of the staff and endeavours to encourage links with the local community and share resources.

PARKHAVEN TRUST

Report of the Trustees (continued) For the year ended 31st March 2016

Review of activities (continued)

The services provided were:-

Residential care

- Harrison House provides residential care for up to 24 older people.
- Kyffin Taylor House provides residential care for up to 29 people with dementia.
- James Page Nursing Home provides nursing care for up to 36 older people.
- Westover Close provided residential care for 4 younger people with physical and learning disabilities. This service was closed in January 2016 due to reduced demand.

Support services

- The Willow day service provides a day service for up to 40 older people with dementia and 9 places for younger people with early onset dementia.
- The Willow respite service provides short term respite services for up to 6 people with dementia.
- The Haven afforded gardening opportunities for people with learning disabilities and dementia.
- Parkhaven@Home, a registered domiciliary service, enables the Trust to provide care in people's own homes and provide continuity of care. Domiciliary care is provided under this umbrella to individuals living in their own homes, people living at 12/14 Deyes Lane and also tenants living in Parkhaven Court, an extra care housing scheme which opened on the Parkhaven site in December 2010.

Strategic Report

Achievements and performance

2015/16 was another important year in the life of the Trust. The focus was on the improvement and development of existing services and support systems.

During the year the Trust Strategy for the following 3 years was implemented details of which are can be found below.

The Trust engaged an outside company to undertake a full review of the Trust approach to Health and Safety. The company carried out a review of policy, risk assessments for fire, premises and grounds, kitchen audits, delivered fire safety training programmes and advised on incident reporting issues. They have now adopted the role of adviser to the Trust.

The Quality Strategy was agreed and implemented including a revised Audit programme and membership of the National Care Forum. The National Care Forum quality assessment tool 'Quality First' was implemented across the trust.

The workforce development plan was implemented. The aim of the plan is to enable the Trust to meet its strategic objectives by identifying and supporting the workforce to provide the highest standards of care to service users.

In addition buildings have been an area of concentration on upgrading flooring and bathrooms at a number of services along with numerous other improvements.

Across its different services Parkhaven Trust supported 348 people, its impact and reach is extending, as noted under the sub-headings below.

The Trust endeavours to be excellent in all that it does and maintains the Investors in People Gold standard which it was re-awarded in 2014. This is external recognition of the Trust's commitment to the development, investment and involvement of its staff. The excellence of the services is only possible because of the excellence of its staff. The Trust also received the Workplace Wellbeing Award in March 2016 in recognition of the Trusts commitment to staff wellbeing.

PARKHAVEN TRUST

Report of the Trustees (continued) For the year ended 31st March 2016

Risk policy

At all times the Trust is aware of the need to minimise the risk that it faces. Risks and the risk register are reviewed quarterly by the Trust Board. This is then used to inform the work and priorities of the Trust for the coming months.

Residential care

During 2015/16 Parkhaven Trust was home to 132 people across its 4 homes.

Two of the Residential services were assessed by the CQC during 2015-16, these were Kyffin Taylor and Harrison House. Harrison House received a Good rating and Kyffin Taylor required improvement. The required actions have been implemented and it is expected that this service will be reassessed in the near future. James Page was assessed in April 2016 and received Good. Occupancy across all the homes averaged 82.5%. This is lower than in previous years due to low occupancy at Westover Close. As discussed previously Westover Close was a 4 bed unit which was closed in January 2016 due to lack of demand.

Support services

The development of support services continues within the Trust. The Willow Day service was created in 2005 and continues to grow in terms of number and reputation. During 2015/16, 99 people attended the Willow Day service, some people attending one day a week, and others on a daily basis. The Willow Centre also provides a respite service with 6 beds available throughout the year.

The extra care housing scheme for people with dementia, Parkhaven Court, was opened in December 2010. The scheme comprises of 24 self-contained apartments and the tenants have the benefit of living in their apartments with 24 hour care available. This scheme is a partnership between Your Housing and Sefton Council and Parkhaven Trust.

The Haven, a gardening service, was developed for people with learning disabilities and latterly for people with dementia. The service supported 34 people throughout the year, 5 of which attended the new Keep Gardening Project for people with dementia. This service was closed in April 2016 due to a fall in demand and an increase in running costs which meant that the service was no longer financially viable.

During 2015/16, Parkhaven@Home supported 3 people in their own homes providing 218.5 hours of support enabling people to stay in their own homes for as long as possible. Parkhaven@Home also provides the care service for up to 24 people living at Parkhaven Court and 9 people living at Deyes Lane.

Working with the community

Within the grounds of the Liverpool Road South site is a general practice, a children's day nursery and a cricket pitch used by the local cricket club. The introduction of 29 Growing Plots from April 2012 have been a great success as has the access to the mile walk with in the Trust grounds. The Trust continues to develop relationships with the local community and is a member of the Sefton Dementia Action Alliance and the Sefton East Partnership Board.

Staff

The Trust employed an average number of 199 staff during 2015/16. The turnover increased to 20.5% compared with 18% in the previous year (2014/15). Stability (the percentage of staff employed for more than one year) increased to 91% (83% in 2014/15). Sickness levels reduced on the previous year at 3.5% (compared to 4.6%). The Workplace Wellbeing Charter is an opportunity for the Trust to demonstrate commitment to the health and well-being of our workforce. There is strong evidence to show how having a healthy workforce can reduce sickness absence, lower staff turnover and boost productivity - this is good for the Trust, staff and service users.

Training and support

The Trust continues to invest significantly in the training of staff. Over 89.5% of staff have achieved their QCF 2 or above. During the year 335 training places were used, covering a number of different courses including Health & Safety, dementia awareness and safeguarding adults. In November 2015 the Trust revised the Training policy to include the use of e-learning and reviewed the frequency of some elements of mandatory training. This will ensure that staff have access to a wider range of relevant training which they can access more quickly with less impact on the staffing levels for each service.

PARKHAVEN TRUST

Report of the Trustees (continued)
For the year ended 31st March 2016

Achievements and performance (continued)

Policies and procedures

During the period all policies were reviewed and updated where necessary with new policies being introduced where required to ensure that staff were clear about how they should undertake their work, what the organisation expects of the staff and how staff can expect to be treated. This continues to be an ongoing piece of work to ensure that the work reflects best practice and current legislation.

Volunteers

The Trust now has a register of 24 active volunteers and more waiting for a placement. A total of 2,084 volunteering hours were provided during the year compared with 2,010 in the previous year (2014/15). Volunteers contribute hugely to the lives of our service users and are a great benefit to the Trust. We are very grateful to them for their contribution.

Improving the quality of our services

During the year 2015/16, six complaints were received and fully investigated. This compares to seven in the previous year. The Trust actively encourages service users and their families to comment on their experiences and to ensure that lessons are learnt and appropriate action taken. In addition all the homes have regular meetings with those that live there so that residents can really influence how their homes are run. These meetings are also supplemented by an annual survey of those who use Parkhaven services to ensure their needs and wishes are met.

Financial review

The Trust has been supported greatly by generous gifts and legacies, for which the Trust is most grateful.

2015/16 has been another difficult year financially for the Trust. A small uplift of fees was awarded by the Local Authorities for residential care placements. The minimal effect of this small uplift is clearly reflected in the departmental results for Parkhaven's residential services which continue to fail to break even.

The Trust is clear that full cost recovery must be achieved for all new services, and it is working very hard towards this aim for existing services. Where departments do not balance income with expenditure, plans have been put in place to address the situation. The Trust aims to minimise its management overheads as far as possible with overheads representing 10.55% of fee income at the year end. Each department across the Trust is set a budget for the year. The actual results are discussed with the department heads on a monthly basis which promotes a sense of ownership for the managers and a focus on cost savings (where required) and value for money.

Reserves policy

During the year the reserves policy was reviewed by the Finance and Investment Committee. The reserves policy states

The free reserves of Parkhaven Trust should be sufficient to cover any anticipated running costs for 3 months in order to ensure continuity of service should the Trust experience difficulties with income streams. This should be reviewed annually and should be considered in conjunction with the risk register.

Investment policy

The investment policy was reviewed by Trustees during 2015/16 and is as follows:-

The investment policy of Parkhaven Trust aims to minimise risk and maintain liquidity. Funds will be diversified across banking institutions on short to medium term deposits, which can be easily accessed in line with the Trusts Reserves policy. Interest rates will be reviewed biannually to ensure the most competitive rates are sourced. Trustees will be briefed on the status of investment values and interest rates on a quarterly basis or more frequently if significant changes arise.

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Report of the Trustees (continued) For the year ended 31st March 2016

Plans for the future

Strategy 2015-18

Aim: The aim of the strategy is to provide a high standard of service with continuity of care tailored to meet the changing needs of individuals, to develop staff to their full potential and to manage resources effectively.

We will achieve this by addressing the following objectives:

Services

- Providing the best possible quality in all services and as a minimum to achieve “good” in CQC compliance and at least 90% in the NCF Quality First standard
- Providing a range of services including residential and nursing care, home support, day and respite care, for older people, people with dementia and people with learning disabilities
- Involving service users and their families in service delivery and development
- Continuously developing our approach to quality improvement and innovation
- Developing partnerships with other providers to deliver our aim
- Raising the Trust profile by seeking external recognition of our service provision

People

- Ensuring agreed staffing levels are in place to deliver service models
- Agreeing a workforce plan which addresses key workforce objectives
- Enhancing the reputation of the Trust as an employer

Estate

- Managing the Trust estate efficiently, complying with health and safety legislation and meeting the needs of service users and staff
- Maintaining the value of the asset base

Resources

- Ensuring that all budgets achieve at least a break even position to ensure the financial viability of the Trust
- Developing cost efficiency plans for all services to ensure sustainability
- Developing an approach to fundraising to increase Trust income
- Increasing our customer base
- Agreeing robust contracts with commissioners and service users to secure Trust income

Summary

The primary aim of the Trust is to ensure that service users receive high quality services that they want and need, in a safe and excellent environment. The Trust is determined to build on the history and sustainability that it has demonstrated for more than a century. Those that set up the charity showed foresight and generosity in establishing the Trust. It now serves different but no less important functions in affording domiciliary, day and residential care for older people, people with dementia and people with learning disabilities. The Trustees are keen that the Trust continues to demonstrate a real commitment to providing excellent and innovative services that meet the needs of those that require services now and in the future.

The success of our organisation is as a consequence of the commitment and dedication of our staff. The Board of Trustees and senior management team want to put on record our thanks to them.

PARKHAVEN TRUST

Report of the Trustees (continued) For the year ended 31st March 2016

Organisation

The charity is administered by a Board of Trustees. The Board of Trustees met four times during the twelve month period April 2015 to March 2016. The purpose of the Board is to enable the activities of the Trust to be monitored, to establish policies for the Trust, to ensure a clear strategic direction for the Trust and to ensure that the organisation is held properly to account. The agendas of the meetings reflect these objectives. In addition three sub-committees meet on a regular basis. These include the Finance and Investment Committee which is responsible for reviewing the financial results and position of the Trust including reviewing and monitoring investment strategy and performance. This Committee met three times during the year. The Remuneration Committee sets the pay and conditions of the Chief Executive and Senior Management Team. This Committee didn't meet during the year. The Development Committee which is responsible for agreeing the development strategy of the Trust. This Committee met twice during the year.

The Management Team

Day to day management of the Trust is delegated to the senior managers. The management team for 2015/16 was:-

- Mrs K Crowe Chief Executive
- Mrs M O'Reilly Care Services Manager
- Ms L Pearson Support Services Manager
- Mr M Worden Human Resources Manager
- Mrs K Randall Finance Manager
- Mr J McGee Estates Manager

In April 2016 a new post of Operations Manager was created combining the roles of Care and Support Services Managers. Maggie O'Reilly has now been recruited to the post and Lisa Pearson left the Trust on the 30th April 2016.

The remuneration for each post is considered on the basis of the responsibilities of the post, the market rate for similar positions and experience of the post holder.

Remuneration for senior managers is approved by the Remuneration Committee.

Structure, governance and management

Trustees

The trustees who served during the year are detailed on page 1.

Trustee appointment, induction and training

Trustees are appointed for a fixed tenure with the possibility of renewal. Trustees are appointed following an open recruitment process which comprises advertising in the local press, online and interviews. The Trust is keen to ensure it has an appropriate skill mix to reflect the needs and focus of the Trust.

All new Trustees receive an induction pack and programme. The pack comprises the Memorandum & Articles of Association, Trustee job description and person specification, most recent annual accounts, most recent Trust Board papers, organisation chart, list of homes and managers, internal telephone list, delegated financial authority, Chief Executive's job description, Trustee contact details, Parkhaven literature and Trustee declaration. The induction programme includes a meeting with the CEO and visits to all the Trusts' services. All Trustees have an enhanced DBS check and an annual review with the Chair of the Trust.

The Trust Audit Schedule requires a Trustee to visit every service within the Trust twice per year. Reports on the visit are then completed and forwarded to the Trust Administrator who circulates them to the CEO and relevant managers to act as necessary.

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Report of the Trustees (continued)
For the year ended 31st March 2016

Trustees' responsibilities

The trustees (who are also directors of Parkhaven Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic 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 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 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 2015 (FRS 102);
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

Disclosure of information to the auditor

We, the directors of the company who held office until the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:-

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

In approving the trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Auditor

Mitchell Charlesworth LLP is willing to continue in office and a resolution for its reappointment will be proposed at the forthcoming Annual General Meeting.

By Order of the Board

K Randall
Secretary

25th July 2016

Liverpool Road South
Maghull
Merseyside
L31 8BR

Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

PARKHAVEN TRUST

Independent Auditor's Report to the Members of Parkhaven Trust

for the year ended 31st March 2016

We have audited the accounts of Parkhaven Trust for the year ended 31st March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. 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). (Including FRS102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland").

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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the Trustees and Auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 8, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:-

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2016, 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.

Mitchell Charlesworth LLP

Chartered Accountants
5 Temple Square Temple Street Liverpool L2 5RH

PARKHAVEN TRUST

**Independent Auditor's Report to the Members of
Parkhaven Trust**

for the year ended 31st March 2016 (continued)

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the accounts are prepared is consistent with the accounts.

Matters on which we are required to report by exception

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 accounts 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.

Philip L Griffiths BA FCA DChA
Senior Statutory Auditor

On behalf of Mitchell Charlesworth LLP
Statutory Auditor

29th July 2016

PARKHAVEN TRUST

Statement of Financial Activities (including Income and Expenditure Account) For the year ended 31st March 2016

	Notes	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Income from					
Donations and legacies	2	71,294	-	71,294	62,888
Charitable activities	4	3,968,675	-	3,968,675	4,063,921
Investment income	3	60,694	-	60,694	60,206
Other	5	-	-	-	3,923
Total income		4,100,663	-	4,100,663	4,190,938
Expenditure on					
Charitable activities	6	4,117,615	-	4,117,615	4,041,017
Total expenditure		4,117,615	-	4,117,615	4,041,017
Net income/(expenditure)	9	(16,952)	-	(16,952)	149,921
Other recognised gains and (losses):					
Re-measurements gain/(loss) on defined benefit pension scheme	19	9,706	-	9,706	(108,196)
Net movement in funds		(7,246)	-	(7,246)	41,725
Reconciliation of funds:					
Total funds brought forward		7,616,087	322,870	7,938,957	7,897,232
Total funds carried forward		7,608,841	322,870	7,931,711	7,938,957

All income and expenditure derives from continuing activities.

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

PARKHAVEN TRUST

Balance Sheet As at 31st March 2016

	Notes	2016		2015	
		£	£	£	£
Fixed assets					
Tangible assets	13		7,063,871		7,092,625
Investments	14		<u>2</u>		<u>2</u>
			7,063,873		7,092,627
Current assets					
Debtors	15	251,110		195,864	
Cash at bank and in hand		<u>958,940</u>		<u>1,115,656</u>	
		1,210,050		1,311,520	
Creditors: Amounts falling due within one year	16	<u>(307,136)</u>		<u>(385,021)</u>	
Net current assets			<u>902,914</u>		<u>926,499</u>
Total assets less current liabilities excluding pension liability			7,966,787		8,019,126
Defined benefit pension scheme liability	19		<u>(35,076)</u>		<u>(80,169)</u>
Net assets			<u>7,931,711</u>		<u>7,938,957</u>
Charity funds					
Restricted funds	17		322,870		322,870
Unrestricted funds			7,643,917		7,696,256
Pension reserve	17		<u>(35,076)</u>		<u>(80,169)</u>
Total charity funds	18		<u>7,931,711</u>		<u>7,938,957</u>

The financial statements were approved by the Board and authorised for issue on 25th July 2016 and signed on its behalf by:

C Flynn
Trustee

Company Registration Number: 361505

The notes on pages 14 to 26 form part of these financial statements

PARKHAVEN TRUST

Cash Flow Statement

For the year ended 31st March 2016

	Notes	2016 £	2015 £
Cash flow from operating activities	22	(192,078)	209,401
Cash flow from investing activities			
Payments to acquire tangible fixed assets		(25,332)	(78,377)
Interest received		397	60
Rents received from investment properties		60,297	60,146
Net cash flow from investing activities		35,362	(18,171)
Net (decrease)/increase in cash and cash equivalent in the year		(156,716)	191,230
Cash and cash equivalent at 1st April 2015		1,115,656	924,426
Cash and cash equivalents at 31st March 2016		958,940	1,115,656
Cash and cash equivalents consist of:-			
Cash at bank and in hand		958,940	1,115,656

The notes on pages 14 to 26 form part of these accounts

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

1. Summary of significant accounting policies

General information and basis of preparation

Parkhaven Trust is a charitable company limited by guarantee, registered in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are described in the Trustees' Report at pages 2 to 9.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with 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) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006, and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charity adopted SORP 2015 (FRS 102) in the current year and an explanation of how transition to SORP 2015 (FRS 102) has affected the reported financial position and performance is given in note 24.

Funds

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.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

1. Summary of significant accounting policies (continued)

Income recognition (continued)

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes interest and rent. Interest income is recognised using the effective interest method and rent income is recognised as the charity's right to receive payment is established.

Incoming resources

Voluntary income is only deferred when:

- the donor specifies that the grant or donation must only be used in future accounting years; or
- the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activity incorporating care fees is deferred until entitlement to the income has passed when received in advance.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes costs associated with the operation and management of residential accommodation and welfare support services.
- Other expenditure represents those items not falling into the categories above.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a pro-rata basis consistent with use of the resources.

The analysis of these costs is included in note 7.

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

1. Summary of significant accounting policies (continued)

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended. Individual assets are capitalised on the balance sheet where their cost exceeds £500.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Plant and equipment	10-33% per annum
Motor vehicles	20% per annum

Depreciation is not provided on freehold land and buildings as they are maintained to a high standard and have such a long expected useful life that any depreciation charge is not considered material.

Investments

Investments in subsidiaries are measured at cost less impairment.

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.

Provisions

Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

The charity operates a defined benefit plan for the benefit of its employees. A liability for the charity's obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using the projected unit method. Actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

1. Summary of significant accounting policies (continued)

Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

2. Donations and legacies	2016	2015
	£	£
Donations and gifts	18,713	7,888
Legacies	52,581	55,000
	<u>71,294</u>	<u>62,888</u>
	<u><u>71,294</u></u>	<u><u>62,888</u></u>
3. Investment income	2016	2015
	£	£
Bank interest receivable	397	60
Rents and income	60,297	60,146
	<u>60,694</u>	<u>60,206</u>
	<u><u>60,694</u></u>	<u><u>60,206</u></u>
4. Income from charitable activities	2016	2015
	£	£
Care fees		
Charged in the year	3,967,875	4,022,823
Opening deferred income	37,783	67,306
Closing deferred income	(32,552)	(37,783)
Opening accrued income	(25,204)	(13,629)
Closing accrued income	20,773	25,204
	<u>3,968,675</u>	<u>4,063,921</u>
	<u><u>3,968,675</u></u>	<u><u>4,063,921</u></u>

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

5. Other incoming resources				2016	2015
				£	£
Sundry income				-	3,923
6. Charitable expenditure	Staff costs	Other	Depreciation	2016	2015
	£	£	£	£	£
Residential and nursing accommodation and welfare	2,721,400	953,977	49,345	3,724,722	3,658,898
Support costs	302,667	85,485	4,741	392,893	382,119
	3,024,067	1,039,462	54,086	4,117,615	4,041,017
7. Allocation of support costs				2016	2015
				£	£
Governance (see note 8)				23,866	34,776
Staff costs				302,667	250,149
Depreciation				4,741	6,076
Office costs				9,450	9,416
Leasing				5,159	4,771
Legal and professional				12,619	64,972
Information technology				6,811	4,239
Advertising				2,485	4,407
Other				25,095	3,313
				392,893	382,119
8. Governance cost				2016	2015
				£	£
Audit and accountancy fees				6,101	6,485
Trustee's indemnity insurance				1,325	1,325
Pension scheme advisory				16,440	26,966
				23,866	34,776
9. Net income/(expenditure) for the year				2016	2015
				£	£
This is stated after charging:-					
Depreciation of tangible fixed assets				54,086	46,926
Auditors' remuneration - audit				6,101	6,215
- non audit				6,720	270
Operating lease rentals				6,138	3,014

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

10. Auditor's remuneration

The auditor's remuneration amounts to an audit fee of £6,101 (2015 - £6,215) and fees for payroll services of £6,720 (2015: £Nil). In 2015 there was a further fee of £270 for taxation support.

11. Trustees' and key management personnel remuneration and expenses

The trustees neither received nor waived any remuneration during the year (2015: £Nil).

The trustees did not have any expenses reimbursed during the year (2015 - £Nil).

The key management personnel of the Trust comprise the Chief Executive, Care Services Manager, Support Services Manager, Finance Manager, Human Resources Manager and Estates Manager. The total amount of employee benefits received by the key management personnel is £240,478 (2015: £236,338).

12. Staff costs and employee benefits

Number of employees

The average monthly number of employees and full time equivalent during the year was as follows:-

	2016 Number	2015 Number
Care services and ancillary services	192	194
Support staff	7	7
	<u>199</u>	<u>201</u>

Employment costs

	2016 £	2015 £
Wages and salaries	2,800,119	2,738,528
Social security costs	157,713	158,950
Defined contribution pension costs	62,853	64,442
Defined benefit pension operating costs	3,382	1,973
	<u>3,024,067</u>	<u>2,963,893</u>

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:-

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

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

13. Tangible fixed assets	Land and buildings £	Plant and equipment £	Motor Vehicles £	Total £
Cost				
At 1st April 2015	6,911,559	658,679	57,796	7,628,034
Additions	-	25,332	-	25,332
Disposals	-	-	-	-
At 31st March 2016	6,911,559	684,011	57,796	7,653,366
Depreciation				
At 1st April 2015	-	477,613	57,796	535,409
Charge for the year	-	54,086	-	54,086
Eliminated on disposals	-	-	-	-
At 31st March 2016	-	531,699	57,796	589,495
Net book value				
At 31st March 2016	6,911,559	152,312	-	7,063,871
At 31st March 2015	6,911,559	181,066	-	7,092,625

14. Fixed asset investments

Subsidiary undertaking

The company owns the whole of the issued ordinary share capital of The Maghull Homes Limited, a company incorporated in England and Wales. The company has not traded during the year and its share capital and reserves at 31st March 2016 amounted to £2.

15. Debtors	2016 £	2015 £
Trade debtors	145,834	85,537
Prepayments and accrued income	101,499	106,355
Other debtors	3,777	3,972
	251,110	195,864

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Notes to the Accounts

For the year ended 31st March 2016

16. Creditors: Amounts falling due within one year	2016 £	2015 £
Trade creditors	76,644	124,549
Payments on account	38,621	59,032
Other taxes and social security	35,820	39,244
Accruals and deferred income	130,228	142,735
Other creditors	25,823	19,461
	<u>307,136</u>	<u>385,021</u>

17. Fund reconciliation

Unrestricted funds

	Balance at 1st April 2015 £	Incoming £	Resources expended £	Transfer between funds £	Balance at 31st March 2016 £
Unrestricted funds	7,541,256	4,100,663	(4,153,002)	-	7,488,917
Designated funds	155,000	-	-	-	155,000
Pension reserve	(80,169)	9,706	35,387	-	(35,076)
	<u>7,616,087</u>	<u>4,110,369</u>	<u>(4,117,615)</u>	<u>-</u>	<u>7,608,841</u>

The Designated fund represents a legacy from Mrs E French which will be used for the development of Harrison House.

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:-

	Balance at 1st April 2015 £	Incoming resources £	Resources expended £	Transfer between funds £	Balance at 31st March 2016 £
Big Lottery Fund Grant	7,870	-	-	-	7,870
Sefton Social Services	140,000	-	-	-	140,000
Garfield Weston	50,000	-	-	-	50,000
Dunhill Medical Centre	85,000	-	-	-	85,000
Clothworkers Foundation	40,000	-	-	-	40,000
	<u>322,870</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>322,870</u>

Big Lottery Fund provided a grant as a contribution towards a new Cricket Pavilion.

All of the remainder have provided grants to support the cost of building the new Dementia Centre.

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

18. Analysis of net assets between funds	Unrestricted funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31st March 2016 are represented by:				
Tangible fixed assets	6,741,001	-	322,870	7,063,871
Investments	2	-	-	2
Net current assets	747,914	155,000	-	902,914
Pension liability	(35,076)	-	-	(35,076)
	7,453,841	155,000	322,870	7,931,711

19. Pensions and other post-retirement benefits

a) Defined contribution pension plans

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £52,797 (2015 - £53,726).

The defined contribution liability is allocated to unrestricted funds.

b) Defined benefit pension plans

The charity operates a defined benefit pension plan for qualifying employees providing benefits based upon final pensionable pay. The pension plan is funded by the payment of contributions in accordance with the advice of the scheme actuary and assets of the plan are held in a separately administered fund.

The most recent comprehensive actuarial valuation of pension plan assets and the present value of the defined benefit obligation was carried out at 31st March 2015.

The total cost recognised in the period was as follows:-

	2016 £	2015 £
Administrative expenses	(1,475)	(1,973)
Net interest expense	(1,907)	-
Recognised in net income/(expenditure)	(3,382)	(1,973)
Recognised in other gains/(losses)	9,706	(108,196)
Total cost recognised	6,324	(110,169)

Amounts recognised in the balance sheet were as follows:-

	2016 £	2015 £
Present value of funded obligations	(3,274,391)	(3,420,297)
Fair value of plan assets	3,239,315	3,340,128
	(35,076)	(80,169)

PARKHAVEN TRUST

Notes to the Accounts
For the year ended 31st March 2016

19. Pensions and other post-retirement benefits (continued)

b) Defined benefit pension plans (continued)

Changes in the present value of the defined benefit obligations were as follows:-

	2016 £
Opening defined benefit obligation	(3,420,297)
Interest expense	(104,042)
Actuarial gains / (losses)	121,723
Benefits paid	<u>128,225</u>
Closing defined benefit obligation	<u><u>(3,274,391)</u></u>

Changes in the fair value of the pension plan assets were as follows:-

	2016 £
Opening plan assets	3,340,128
Interest income	102,135
Contributions by charity	38,769
Benefits paid	(128,225)
Administrative expenses	(1,475)
Remeasurement gain / (loss)	<u>(112,017)</u>
Closing plan assets	<u><u>3,239,315</u></u>

The amount that each major class of pension plan assets constitutes of the fair value of the total plan assets was as follows:-

	2016 £	2015 £
Equities and property	1,059,997	1,104,696
Debt instruments (bonds)	1,153,036	1,176,669
Annuities	230,703	213,225
Other assets	<u>795,579</u>	<u>845,538</u>
	<u><u>3,239,315</u></u>	<u><u>3,340,128</u></u>

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Notes to the Accounts

For the year ended 31st March 2016

19. Pensions and other post-retirement benefits (continued)

b) Defined benefit pension plans (continued)

The return on plan assets was as follows:-

	2016 £	2015 £
Interest income	102,135	123,719
Total return on plan assets	102,135	123,719

The principal actuarial assumptions used were as follows:-

	2016 £	2015 £
Discount rate	3.36%	3.10%
Expected rates of salary increases	0%	0%
Expected rate of inflation	2.96%	2.92%
Pension increases (RPI max 5.0%)	2.92%	2.77%
Pension increases (RPI max 5.0%, min 3.0%)	3.50%	3.66%

The mortality assumptions used for longevity (in years) on retirement at age 65 are:-

Retiring at the balance sheet date		
- Males	87.1	87.1
- Females	89.2	89.1
Retiring in 20 years		
- Males	88.5	88.4
- Females	90.7	90.6

20. Commitments under operating leases

The total future minimum lease payments under non-cancellable operating losses are as follows:-

	2016 £	2015 £
Within 1 year	1,248	379
Within 2 to 5 years	4,368	2,635
Later than 5 years	-	-

21. Financial commitments

The company had no capital commitments at 31st March 2016 (2015 £Nil).

PARKHAVEN TRUST

Notes to the Accounts

For the year ended 31st March 2016

22. Reconciliation of net movement in funds to net cash flow from operating activities

	2016	2015
	£	£
Net income/(expenditure) for year	(7,246)	41,725
Rents received from investment properties	(60,297)	(60,146)
Interest receivable	(397)	(60)
Depreciation of tangible fixed assets	54,086	46,926
(Increase)/Decrease) in debtors	(55,246)	121,216
Increase/(Decrease) in creditors	(77,885)	(20,429)
Change to pension scheme liability	(45,093)	80,169
	<u> </u>	<u> </u>
Net cash flow from operating activities	(192,078)	209,401
	<u> </u>	<u> </u>

23. Related party transactions

There were no transactions with related parties requiring disclosure. In the opinion of the trustees there is no ultimate controlling party.

24. First-time adoption of SORP 2015 (FRS 102)

The charity has adopted the SORP 2015 (FRS 102) for the first time in the year ended 31 March 2016.

The effect of transition from SORP (2005) to SORP 2015 (FRS 102) is outlined below:-

a) Changes in accounting policies

Consequential changes in accounting policies resulting from adoption of SORP 2015 (FRS 102) were as follows:-

Expenditure recognition

Under the new reporting framework, when an employee has rendered service to the Trust during the reporting period, the Trust must measure the amounts at the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service. This has implications for annual leave not yet taken, which must be accrued at the year end.

PARKHAVEN TRUST

Notes to the Accounts
For the year ended 31st March 2016

24. First-time adoption of SORP 2015 (FRS 102) (continued)

b) Reconciliation of total charity funds

Adjustments to previously reported total charity funds at the date of transition to SORP 2015 (FRS 102) were as follows:-

	£
Total charity funds at 1 April 2014 under SORP (2005)	7,930,495
Short-term compensated absences	<u>(33,263)</u>
Total charity funds at 1 April 2014 under SORP 2015 (FRS 102)	<u><u>7,897,232</u></u>

Adjustments to previously reported total charity funds at the end of the comparative period were as follows:-

	£
Total charity funds at 31 March 2015 under SORP (2005)	7,973,613
Short-term compensated absences	<u>(34,656)</u>
Total charity funds at 31 March 2015 under SORP 2015 (FRS 102)	<u><u>7,938,957</u></u>

c) Reconciliation of comparative period net income

Adjustments to previously reported net income in the comparative period were as follows:-

	£
Net income for the period ended 31 March 2015 under SORP (2005)	43,118
Short-term compensated absences – reversal of opening provision	33,263
Short-term compensated absences – closing provision	<u>(34,656)</u>
Net income for the period ended 31 March 2015 under SORP 2015 (FRS 102)	<u><u>41,725</u></u>