

Charity Registration No. 210163

Company Registration No. 361505 (England and Wales)

PARKHAVEN TRUST

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

PARKHAVEN TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Clark C J Flynn A S Keith E R Kitt R McDonnell J S Parry J Williams	(Appointed 29 April 2019) (Appointed 3 May 2019)
Secretary	K Randall	
Charity number	210163	
Company number	361505	
Auditor	Mitchell Charlesworth LLP 3rd Floor 5 Temple Square Temple Street Liverpool Merseyside L2 5RH	
Bankers	Lloyds Bank plc Station House Mercury Court Tithebarn Street Liverpool Merseyside L2 2QP	
Solicitors	DLA Piper UK LLP Walker House Exchange Flags Liverpool Merseyside L2 3YL	

PARKHAVEN TRUST

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PARKHAVEN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2020

The trustees (who are also the directors for the purposes of company law) present their report and financial statements for the year ended 31 March 2020. 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 financial statements and comply with the charity's Articles of Association, 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

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.

Parkhaven Trust's mission statement is "to be a centre of excellence and leaders in dementia care".

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.

The services provided were:

Residential care

- Kyffin Taylor House provides residential care for up to 29 people with dementia. This service was closed on 2 November 2019.
- James Page Nursing Home provides nursing care for up to 36 older people.
- The Beeches provides residential care for up to 30 people with dementia and provides EMI nursing care for up to 15 people with dementia.

Support services

- The Willow day service provides a day service for up to 30 older people with 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 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.

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

PARKHAVEN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Achievements and performance

2019/20 was another important year in the life of the Trust. The focus continues to be on the improvement and development of existing services and support systems, and the development of a new service.

The Trust continues to engage an outside company to carry out the role of advisors to the Trust in their approach to Health and Safety. The company carries 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.

The Quality Strategy continued to improve quality across the Trust, including membership of the Sefton Care Home Innovation Programme, developing our end of life services and enhancing the skills of our staff. The Trust continues to be a member of the National Care Forum and a participant in the 'Qualify First' standard. All services were rated as "Good" by CQC during 2018/19. There were no CQC inspections undertaken during 2019/20.

The workforce development plan continues to enable the Trust to meet its strategic objectives and support the workforce to provide the highest standards of care to service users.

Our estate was upgraded, including internal and external decorations and improvements. During 2019/20 construction of the new 45 bedded EMI and EMI nursing service on the Liverpool Road South site was completed, this is called The Beeches. This service opened on the 3 November 2019. The Trust has used the latest technology at the Beeches to enhance service users' lives and allow them to live well with dementia. This includes acoustic monitoring and Circadian Lighting. In addition the Trust has implemented the use of mobile care planning which uses handsets to access all care plans. During the year mobile care planning was also implemented at Parkhaven Court.

The Trust endeavours to be excellent in all that it does and maintains the Investors in People Gold standard which it was 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 Trust's commitment to staff wellbeing.

Financial review

The Trust has been supported by generous gifts and legacies, for which the Trust is most grateful with £7,897 received in donations and fundraising during the year.

2019/20 has been another difficult year financially for the Trust. A small uplift of fees was awarded by the Local Authorities for residential care placements and by the CCG for the funded nursing care rate. The Trust is clear that full cost recovery must be achieved for all services, and it is working very hard towards this. Where services 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 14% 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.

During 2019/20 construction was completed on the new 45 bedded nursing home on the Liverpool Road South site. The new development was funded principally by the sale of the land at the same site in 2017/18, and a further sale in 2019/20.

Reserves policy

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 is reviewed annually and considered in conjunction with the risk register.

PARKHAVEN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Investment policy

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

Risk policy

At all times the charity 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.

Plans for future periods

Strategy 2019-23

The following goals were agreed in 2019:

Be a centre of excellence and leaders in dementia care services

- o Reconfigure our services to meet demand
- o Quality strategy
- o Robust governance

Operate with a surplus and be financially strong

- o To achieve longer term financial stability
- o To develop a diverse funding profile
- o Implement the Marketing strategy

Excellent reputation for diversity and innovation

- o Business development and partnerships
- o Use of technology and innovation

Attract and retain the best staff

- o How we lead and manage our people

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.

PARKHAVEN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Covid 19

So far 2020/21 has been a challenging time for everyone associated with Parkhaven Trust, our service users and their families, our staff and their families, our commissioners and our suppliers. Every aspect of what we do has been impacted in some way by the pandemic. Trustees are immensely proud of the way that staff have adapted to a new "normal", in how they care for service users and each other in very challenging times and for the support they have given to families. The Trust has seen an increase in financial pressures from the increase in usage and costs of PPE and the increased Infection Control measures. This includes adapting our Information Technology to allow service users and their families to remain in contact throughout the pandemic as well as the Trust keeping in regular contact with clinicians, commissioners, Public Health and other outside agencies. The Trust continues to follow government guidance to ensure all of our service users and staff remain safe during this time.

Structure, governance and management

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.

Trustees

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

J Clark	(Appointed 29 April 2019)
C J Flynn	
A S Keith	(Appointed 3 May 2019)
E R Kitt	
R McDonnell	
J S Parry	
J Williams	
K Fairclough	(Resigned 27 January 2020)

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 a comprehensive induction pack and programme. 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 visits are then completed and forwarded to the Trust Administrator who circulates them to the CEO and relevant managers.

PARKHAVEN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Organisation

The charity is administered by a Board of Trustees. The Board of Trustees met four times during the twelve month period April 2019 to March 2020. The purpose of the Board is to ensure a clear strategic direction and to hold the organisation 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 twice during the year.
- The Remuneration Committee sets the pay and conditions of the Chief Executive and Senior Management Team. This Committee met once during the year.
- The Development Committee which is responsible for agreeing the development strategy of the Trust. This Committee met four times during the year as part of the full Board meeting due to the extent of the development within the year.

The Senior Management Team

Day to day management of the Trust is delegated to the senior managers. The senior management team for 2019/20 was:

Mrs K Crowe	Chief Executive
Mrs M O'Reilly	Operations Manager
Mr M Worden	Human Resources Manager
Mrs K Randall	Finance Manager
Mr J McGee	Estates Manager

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.

PARKHAVEN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

Statement of trustees' responsibilities

The trustees, who are also the directors of Parkhaven Trust for the purpose of company law, are responsible for preparing the Trustees' 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

In accordance with the company's articles, a resolution proposing that Mitchell Charlesworth LLP 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 trustees' report was approved by the Board of Trustees.



K Randall

Company Secretary

Dated: 26 October 2020

PARKHAVEN TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PARKHAVEN TRUST

Opinion

We have audited the financial statements of Parkhaven Trust (the 'charity') for the year ended 31 March 2020 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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, 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 2020 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

PARKHAVEN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PARKHAVEN TRUST

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

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 trustees' 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 trustees' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PARKHAVEN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PARKHAVEN TRUST

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.

Mitchell Charlesworth

Philip Griffiths (Senior Statutory Auditor)
for and on behalf of Mitchell Charlesworth LLP

30 October 2020

Chartered Accountants
Statutory Auditor

3rd Floor
5 Temple Square
Temple Street
Liverpool
Merseyside
L2 5RH

PARKHAVEN TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Current financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Total 2019 £
	Notes				
<u>Income and endowments from:</u>					
Donations and legacies	3	7,897	100,000	107,897	15,076
Charitable activities	4	3,642,273	-	3,642,273	3,453,753
Investments	5	2,767	-	2,767	2,856
Other income	6	1,046,809	-	1,046,809	135,000
Total income		4,699,746	100,000	4,799,746	3,606,685
<u>Expenditure on:</u>					
Charitable activities	7	4,182,671	-	4,182,671	3,959,433
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources		517,075	100,000	617,075	(352,748)
Other recognised gains and losses					
Actuarial gain/(loss) on defined benefit pension schemes		1,806	-	1,806	(38,496)
Net movement in funds		518,881	100,000	618,881	(391,244)
Fund balances at 1 April 2019		10,776,112	322,870	11,098,982	11,490,225
Fund balances at 31 March 2020		11,294,993	422,870	11,717,863	11,098,981

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.

PARKHAVEN TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2020

Comparative information at 31 March 2019

		Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
	Notes			
Income and endowments from:				
Donations and legacies	3	15,076	-	15,076
Charitable activities	4	3,453,753	-	3,453,753
Investments	5	2,856	-	2,856
Other income	6	135,000	-	135,000
Total income		3,606,685	-	3,606,685
Expenditure on:				
Charitable activities	7	3,959,433	-	3,959,433
Net income/(expenditure) for the year/ Net incoming/(outgoing) resources				
		(352,748)	-	(352,748)
Other recognised gains and losses				
Actuarial gain/(loss) on defined benefit pension schemes		(38,496)	-	(38,496)
Net movement in funds		(391,244)	-	(391,244)
Fund balances at 1 April 2018		11,538,282	322,870	11,490,225
Fund balances at 31 March 2019		10,776,111	322,870	11,098,981

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.

PARKHAVEN TRUST

BALANCE SHEET

AS AT 31 MARCH 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	11	11,494,961		8,927,866	
Investments	12		2		2
			<hr/>		<hr/>
		11,494,963		8,927,868	
Current assets					
Debtors	14	587,788		336,672	
Cash at bank and in hand		245,550		2,160,904	
			<hr/>		<hr/>
		833,338		2,497,576	
Creditors: amounts falling due within one year	15	(610,438)		(326,463)	
			<hr/>		<hr/>
Net current assets		222,900		2,171,113	
			<hr/>		<hr/>
Total assets less current liabilities		11,717,863		11,098,981	
			<hr/> <hr/>		<hr/> <hr/>
Income funds					
Restricted funds	18	422,870		322,870	
<u>Unrestricted funds</u>					
Designated funds	19	577,265		1,778,384	
General unrestricted funds		10,717,728		8,997,727	
			<hr/>		<hr/>
		11,294,993		10,776,111	
			<hr/>		<hr/>
		11,717,863		11,098,981	
			<hr/> <hr/>		<hr/> <hr/>

The financial statements were approved by the Trustees on 26 October 2020

Charles Flynn

C J Flynn
Trustee

Company Registration No. 361505

PARKHAVEN TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2020

	Notes	2020 £	£	2019 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(356,422)		(682,203)
Investing activities					
Purchase of tangible fixed assets		(2,620,444)		(2,170,283)	
Proceeds on disposal of tangible fixed assets		1,058,745		1,885,000	
Investment income received		2,767		2,856	
Net cash used in investing activities			(1,558,932)		(282,427)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(1,915,354)		(964,630)
Cash and cash equivalents at beginning of year			2,160,904		3,125,534
Cash and cash equivalents at end of year			245,550		2,160,904

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

Charity information

Parkhaven Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is . The nature of the charity's operations and principal activities are described in the Trustees' Report on pages 2 and 3.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, 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)". 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. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties, including those arising from Covid-19, 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.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity where they 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.

1.4 Income

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.

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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 but 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.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, can be measured reliably and the charity has control over the items. 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.

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

The charity receives grants in respect of staff training. Income from government and other grants is recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If the charity does not have entitlement the amounts are deferred.

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.

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.

Other income includes gains on disposals of tangible fixed assets.

1.5 Expenditure

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.

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and 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.

1.6 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:

Freehold land and buildings	Not depreciated
Fixtures and fittings	20% 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.

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 net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Investments in subsidiaries are measured at cost less impairment.

1.8 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).

1.9 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.

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

1.10 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.

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.

Impairment of financial assets

Financial assets, other than those held at fair value through income and expenditure, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected.

If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in net income/(expenditure) for the year.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in net income/(expenditure) for the year.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

1 Accounting policies

(Continued)

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.

1.11 Taxation

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 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes.

1.12 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.

1.13 Retirement benefits

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

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.

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

3 Donations and legacies

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £
Donations and gifts	7,897	-	7,897	9,818
Legacies receivable	-	-	-	5,258
Grants receivable	-	100,000	100,000	-
	<u>7,897</u>	<u>100,000</u>	<u>107,897</u>	<u>15,076</u>

4 Charitable activities

	Care and support services 2020 £	Care and support services 2019 £
Care fees	<u>3,642,273</u>	<u>3,453,753</u>

5 Investments

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Rental income	-	1,389
Interest receivable	2,767	1,467
	<u>2,767</u>	<u>2,856</u>

6 Other income

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Net gain on disposal of tangible fixed assets	<u>1,046,809</u>	<u>135,000</u>

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

7 Charitable activities

	Care and support services 2020 £	Care and support services 2019 £
Staff costs	2,601,826	2,452,700
Depreciation and impairment	34,075	39,206
Agency costs	352,396	262,735
Other staff costs	112,640	92,703
Rent, rates and water	176,062	191,765
Heat, light and power	121,389	133,313
Cleaning, maintenance and medical supplies	121,730	134,905
Catering	82,556	98,385
Activity costs	22,715	18,371
Travel	6,727	1,389
Equipment costs	13,063	11,810
Insurance	53,463	53,558
Telephone and communications	14,860	12,394
Bad and doubtful debts	19,205	-
Fees and licences	20,541	16,446
Loss on disposal of tangible fixed assets	9,936	-
	<hr/>	<hr/>
	3,763,184	3,519,680
Share of support costs (see note 8)	398,367	404,773
Share of governance costs (see note 8)	21,120	34,980
	<hr/>	<hr/>
	4,182,671	3,959,433
	<hr/> <hr/>	<hr/> <hr/>

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

8 Support costs

	Support costs	Governance costs	2020 Support costs	Governance costs	2019
	£	£	£	£	£
Staff costs	314,127	-	314,127	321,827	321,827
Depreciation	7,337	-	7,337	4,507	4,507
Operating lease charges	14,002	-	14,002	7,209	7,209
Office costs	7,836	-	7,836	6,629	6,629
Legal and professional	26,164	-	26,164	24,315	24,315
Information technology	15,989	-	15,989	14,226	14,226
Advertising and marketing	12,912	-	12,912	3,994	3,994
Other	-	-	-	22,066	22,066
Audit fees	-	6,500	6,500	-	7,000
Trustees' indemnity insurance	-	1,400	1,400	-	1,300
Pension scheme advisory	-	13,220	13,220	-	26,680
	<u>398,367</u>	<u>21,120</u>	<u>419,487</u>	<u>404,773</u>	<u>439,753</u>
Analysed between					
Charitable activities	<u>398,367</u>	<u>21,120</u>	<u>419,487</u>	<u>404,773</u>	<u>439,753</u>

9 Trustees

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

The trustees did not have any expenses reimbursed during the current or preceding year.

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2020	2019
	Number	Number
Care and ancillary services	181	178
Support	9	7
	<hr/>	<hr/>
	190	185
	<hr/> <hr/>	<hr/> <hr/>

Employment costs

	2020	2019
	£	£
Wages and salaries	2,687,883	2,565,523
Social security costs	175,927	165,986
Other pension costs	52,143	43,018
	<hr/>	<hr/>
	2,915,953	2,774,527
	<hr/> <hr/>	<hr/> <hr/>

The average number of full time equivalents was 149 (2019 150).

The number of employees whose annual remuneration was £60,000 or more were:

	2020	2019
	Number	Number
£70,001 - £80,000	1	1
	<hr/> <hr/>	<hr/> <hr/>

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

12 Fixed asset investments (Continued)

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 31 March 2020 amounted to £2.

13 Financial instruments

	2020	2019
	£	£

Carrying amount of financial assets

Debt instruments measured at amortised cost	750,937	2,474,733
---	---------	-----------

Carrying amount of financial liabilities

Measured at amortised cost	355,730	176,513
----------------------------	---------	---------

14 Debtors

	2020	2019
	£	£

Amounts falling due within one year:

Trade debtors	409,806	246,972
Other debtors	4,200	3,693
Prepayments and accrued income	173,782	86,007
	<u>587,788</u>	<u>336,672</u>

15 Creditors: amounts falling due within one year

	2020	2019
	£	£
Other taxation and social security	36,392	31,220
Deferred income	1,634	14,384
Payments received on account	216,682	104,345
Trade creditors	249,892	99,518
Other creditors	26,846	29,172
Accruals and deferred income	78,992	47,824
	<u>610,438</u>	<u>326,463</u>

16 Deferred income

	2020	2019
	£	£
Other deferred income	1,634	14,384

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Retirement benefit schemes

Defined contribution schemes

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.

The charge to profit or loss in respect of defined contribution schemes was £50,337 (2019 - £43,018).

Defined benefit schemes

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 2017.

Key assumptions

	2020	2019
	%	%
Discount rate	2.31	2.36
Expected rate of inflation	2.75	3.29
Pension increases (RPI max 5.0%)	2.73	3.21
Pension increases (RPI max 5.0%, min 3.0%)	3.42	3.65
	=====	=====

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2020	2019
	Years	Years
Retiring today		
- Males	21.7	21.6
- Females	24	23.9
	=====	=====
Retiring in 20 years		
- Males	22.7	22.6
- Females	25.2	25.0
	=====	=====

Amounts recognised in the profit and loss account:

	2020	2019
	£	£
Other costs and income	1,806	1,504
	=====	=====

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Retirement benefit schemes

(Continued)

Amounts taken to other comprehensive income:

	2020	2019
	£	£
Actual return on scheme assets	234,161	(148,827)
Less: calculated interest element	77,577	82,001
	<hr/>	<hr/>
Return on scheme assets excluding interest income	311,738	(66,826)
Actuarial changes related to obligations	(385,675)	179,184
Effects of changes in the amount of surplus that is not recoverable	72,131	(73,862)
	<hr/>	<hr/>
Total costs/(income)	(1,806)	38,496
	<hr/> <hr/>	<hr/> <hr/>

The amounts included in the balance sheet arising from the charity's obligations in respect of defined benefit plans are as follows:

	2020	2019
	£	£
Present value of defined benefit obligations	2,886,271	3,379,911
Fair value of plan assets	(3,103,507)	(3,525,016)
	<hr/>	<hr/>
Surplus in scheme	(217,236)	(145,105)
	<hr/>	<hr/>
Restriction on scheme assets	217,236	145,105
	<hr/>	<hr/>
Total liability recognised	-	-
	<hr/> <hr/>	<hr/> <hr/>

Movements in the present value of defined benefit obligations:

	2020
	£
Liabilities at 1 April 2019	3,379,911
Benefits paid	(185,542)
Actuarial gains and losses	(385,675)
Interest cost	77,577
	<hr/>
At 31 March 2020	2,886,271
	<hr/> <hr/>

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

17 Retirement benefit schemes

(Continued)

The defined benefit obligations arise from plans funded as follows:

	2020
	£
Wholly unfunded obligations	-
Wholly or partly funded obligations	2,886,271
	<u>2,886,271</u>

Movements in the fair value of plan assets:

	2020
	£
Fair value of assets at 1 April 2019	3,525,016
Interest income	77,577
Return on plan assets (excluding amounts included in net interest)	(311,738)
Benefits paid	(185,542)
Other	(1,806)
	<u>3,103,507</u>

The fair value of plan assets at the reporting period end was as follows:

	2020	2019
	£	£
Equities and property	1,143,990	1,275,249
Fixed interest bonds	1,182,259	1,409,349
Cash and other	291,667	230,293
Annuities	485,591	610,125
	<u>3,103,507</u>	<u>3,525,016</u>

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

18 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		Balance at 31 March 2020 £
	Balance at 1 April 2018	Income	Balance at 1 April 2019	Income	
	£	£	£	£	
Big Lottery Grant Fund	7,870	-	7,870	-	7,870
Sefton Social Services	140,000	-	140,000	-	140,000
Garfield Weston	50,000	-	50,000	-	50,000
Dunhill Medical Centre	85,000	-	85,000	-	85,000
Clothworkers Foundation	40,000	-	40,000	-	40,000
The Wolfson Foundation	-	-	-	100,000	100,000
	<u>322,870</u>	<u>-</u>	<u>322,870</u>	<u>100,000</u>	<u>422,870</u>

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

The Wolfson Foundation has provided a grant of £100,000 to support the cost of The Beeches.

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

In each case the funds are represented by tangible fixed assets.

19 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds			Movement in funds			Balance at 31 March 2020 £
	Balance at 1 April 2018	New Utilised/released designations		Balance at 1 April 2019	New Utilised/released designations		
	£	£	£	£	£	£	
Buildings development fund	4,183,494	135,000	(2,540,110)	1,778,384	1,046,809	(2,247,928)	577,265
	<u>4,183,494</u>	<u>135,000</u>	<u>(2,540,110)</u>	<u>1,778,384</u>	<u>1,046,809</u>	<u>(2,247,928)</u>	<u>577,265</u>

The trustees have set aside the proceeds from the sales of Westover Close and land at Liverpool Road as a buildings development fund.

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

20 Analysis of net assets between funds

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £	Unrestricted funds 2019 £	Restricted funds 2019 £	Total 2019 £
Fund balances at 31 March 2020 are represented by:						
Tangible assets	11,072,091	422,870	11,494,961	8,604,996	322,870	8,927,866
Investments	2	-	2	2	-	2
Current assets/(liabilities)	222,900	-	222,900	2,171,113	-	2,171,113
	<u>11,294,993</u>	<u>422,870</u>	<u>11,717,863</u>	<u>10,776,111</u>	<u>322,870</u>	<u>11,098,981</u>

21 Operating lease commitments

Lessee

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

	2020 £	2019 £
Within one year	5,370	1,823
Between two and five years	18,796	966
	<u>24,166</u>	<u>2,789</u>

22 Capital commitments

There were no capital commitments at 31st March 2020 (2019 £2,692,985).

PARKHAVEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2020

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020	2019
	£	£
Aggregate compensation	217,225	208,882

The key management personnel of the Trust comprise the Chief Executive, Operations Manager, Finance Manager, Human Resources Manager and Estates Manager.

Mr R McDonnell, a trustee of the charity, is also a director and shareholder of Cavalry Healthcare Ltd. During the year staff agency fees totaling £157,162 were paid to Cavalry Healthcare Ltd. In the opinion of the trustees there is no ultimate controlling party.

24 Cash generated from operations

	2020	2019
	£	£
Surplus/(deficit) for the year	617,075	(352,748)
Adjustments for:		
Investment income recognised in statement of financial activities	(2,767)	(2,856)
Gain on disposal of tangible fixed assets	(1,046,809)	(135,000)
Depreciation and impairment of tangible fixed assets	41,412	43,713
Other recognised gain(loss) on pension scheme	1,806	(38,496)
Movements in working capital:		
(Increase) in debtors	(251,116)	(71,019)
Increase/(decrease) in creditors	296,727	(98,401)
(Decrease) in deferred income	(12,750)	(27,396)
Cash absorbed by operations	(356,422)	(682,203)

25 Analysis of changes in net funds

The charity had no debt during the year.



Parkhaven Trust

Established 1888

Mitchell Charlesworth LLP
5 Temple Square
Temple Street
Liverpool
L2 5RH

26 October 2020

Dear Sirs

This letter is provided in connection with your audit of the accounts of Parkhaven Trust for the year ended 31 March 2020 for the purpose of expressing an opinion as to whether the accounts give a true and fair view of the results and financial position of the charitable company and have been prepared in accordance with the Companies Act 2006 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

We confirm that the following representations are made to the best of our knowledge and belief, having made such inquiries of management and staff as we considered necessary to satisfy ourselves that each of the following representations can properly be made.

General

We have fulfilled our responsibilities as trustees, as set out in the terms of your engagement letter dated 9 May 2017 under the Companies Act 2006, for the preparation of the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), for being satisfied that they give a true and fair view and for making accurate representations to you.

All accounting records and relevant information have been made available to you for the purpose of your audit and all transactions undertaken by the charitable company have been properly recorded in the accounting records and reflected in the accounts.

All other records and related information, including minutes of all management and member meetings, have been made available to you. We have provided unrestricted access to persons within the entity from whom you have deemed it necessary to request information.

We confirm that the accounts are free of material misstatements, including omissions.

We believe that those uncorrected misstatements identified during the audit are immaterial both individually and in aggregate to the accounts as a whole.

www.parkhaven.org.uk

Registered Office: Liverpool Road South, Maghull, Liverpool L31 8BS
Tel: 0151 526 4133 • Email: care@parkhaven.org.uk • Fax: 0151 526 3207

Company No: 361505 • Registered Charity No: 210163

Internal Control and Fraud

We acknowledge our responsibility for the design, implementation and maintenance of internal control systems to prevent and detect fraud. We have disclosed to you the results of our assessment of the risk that the accounts may be materially misstated as a result of fraud.

We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of affecting the entity involving management or employees who have a significant role in internal control or others where fraud could have a material effect on the accounts.

We have also disclosed to you all information in relation to allegations of fraud, or suspected fraud affecting the entity's accounts communicated by current or former employees, analysts, regulators or others.

Laws and Regulations

We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the charitable company conducts its business and which could affect the accounts.

The charitable company has complied with all aspects of its contractual agreements that could have a material effect on the accounts in the event of non-compliance.

Accounting Estimates

Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.

Assets and Liabilities

The charitable company has satisfactory title to all assets, and there are no liens or encumbrances on the charitable company's assets except as disclosed in the accounts.

We have recorded or disclosed, as appropriate, all liabilities both actual and contingent, and have disclosed in the notes to the accounts all guarantees given to third parties.

The carrying value and where relevant the fair value measurements and classification of assets and liabilities are properly reflected in the accounts and there are no plans or intentions that may materially alter this.

In particular, no impairment is required in respect of the value at which the freehold properties are recorded in the accounts.

Loans and Arrangements

The charitable company 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.

Legal Claims

We have disclosed all known actual or possible litigation and claims that have been, or are expected to be received and such matters, as appropriate, have been properly accounted for and disclosed in the accounts.

Related Parties

Related party relationships and transactions have been appropriately accounted for and disclosed in the accounts. We have disclosed to you all relevant information concerning such relationships and transactions and are not aware of any other matters that require disclosure in order to comply with the requirements of company law or accounting standards.

Subsequent Events

All events since the balance sheet date which require disclosure, or which would materially affect the amounts in the accounts have been adjusted or included in the accounts.

Going Concern

We believe that the charitable company's accounts should be prepared on a going concern basis on the grounds that the current and future sources of funding or support will be more than adequate for the charitable company's needs. We have considered a period of twelve months from the date of approval of the accounts.

We believe that no further disclosures relating to the charitable company's ability to continue as a going concern, in particular arising from covid-19 need to be made in the accounts.

Grants and donations

All grants, donations and other income, the receipt of which being subject to specific terms or conditions, have been notified to you. There have been no breaches of terms or conditions in the application of such income.

Regulatory matters

We are not aware of any matters of material significance that should be reported to the Charity Commission.

There have been no other communications with the Charity Commission or other regulatory bodies during the year or subsequently concerning matters of non-compliance with any legal duty.

We acknowledge our legal responsibilities regarding disclosure of information to you as auditors and confirm that so far as we are aware, there is no relevant audit information needed by you in connection with preparing your audit report of which you are unaware.

Each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make him or herself aware of any relevant audit information and to establish that you are aware of that information.

Yours faithfully

Signed on behalf of the board of trustees by:

Charles Flynn

.....
Mr C Flynn
Trustee