

# **Denville Hall 2012**

## **FINANCIAL STATEMENTS**

**Year ended 31 March 2016**

**Registered Charity No. 1148968  
Registered Company No. 08174255**

# Denville Hall 2012

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

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### ADMINISTRATIVE DETAILS

#### 1. CONSTITUTION

Denville Hall is governed by a Scheme dated 17<sup>th</sup> March 1979 as amended by the Schemes dated 3 April 1992 and a resolution dated 28 September 2012. With effect from 1<sup>st</sup> October 2012 it is governed by the Articles of Association of Denville Hall 2012.

#### 2. CHARITABLE STATUS

Denville Hall 2012 was formed as a limited company, number 8174255 on 9<sup>th</sup> August 2012 and as a registered charity, number 1148968. On 1<sup>st</sup> October 2012 all the responsibilities, assets and liabilities were transferred to Denville Hall 2012 under a transfer agreement. The new charity and company continue to be known as Denville Hall.

#### 3. TRUSTEES

Lalla Ward (Chairman)  
Geraldine James OBE (Vice Chairman)  
Derek Lamden  
Louisa Rix  
Richard Berry  
Joanna David  
Hemlata Bountra (Treasurer - appointed 7<sup>th</sup> July 2015)  
Teresa Lynskey (resigned 2<sup>nd</sup> November 2015)

#### 4. COMMITTEES

##### House Committee

Lalla Ward (Chairman)  
Derek Lamden (Deputy Chairman)  
Abigail McKern  
Jane Maud  
Louisa Rix  
Michael Simkins  
Jamie Newall (resigned 14<sup>th</sup> June 2016)  
Trudie Goodwin (appointed October 8<sup>th</sup> 2016)

The remit of the house committee is to ascertain the eligibility of prospective beneficiaries. All trustees are welcome at any or all house committee meetings; Derek Lamden and Louisa Rix have elected to be regular members of this committee.

##### Finance and General Purpose Committee

Richard Berry (Chairman)

All Trustees are members of this committee, with the addition of Michael Simkins. The Finance and General Purpose Committee is responsible for the financing and operation of the charity.

#### 5. KEY MANAGEMENT PERSONNEL

Registered Manager	Merrilee Briggs
Interim Finance Officer	Nik Hingston

#### 6. ADDRESS

Denville Hall  
62, Ducks' Hill Road  
Northwood  
Middlesex,  
HA6 2SB

# Denville Hall 2012

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

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### 7. BANKERS

Barclays Bank plc  
1, Churchill Place  
London E14 5HP

### 8. SOLICITORS

Bircham Dyson Bell  
50 Broadway  
London SW1H 0BL

### 9. AUDITORS

RSM UK Audit LLP  
St Philips Point, Temple Row,  
Birmingham, West Midlands B2 5AF

### 10. INVESTMENT MANAGER

Sarasin & Partners LLP  
Juxon House  
100, St Paul's Churchyard  
London EC4M 8BU

## STRUCTURE, GOVERNANCE AND MANAGEMENT

The Trustees are responsible for governance, strategy and finance, for ensuring compliance with CQC criteria, and for business planning. The Finance and General Purpose Committee is responsible for monitoring income and expenditure and for recommending to the trustees budgets and necessary associated procedures. The House Committee is responsible for the support of the Registered Manager of Denville Hall, and for assessing the eligibility within our remit of those applying to us for care. The House Committee is dedicated to connecting the residents themselves to the world of theatre in which committee members still work, bringing into the house as they do vivid descriptions of the life and experiences they can share. Lalla Ward, the House Committee and Trustees' chairman, is the trust's designated representative, known as the Registered Individual with the Care Quality Commission (CQC). The Trustees of Denville Hall are, as stipulated by our Articles of Association, made up of a percentage of those from the theatrical profession, many of whom have had long association with the charity, and of others having been recruited for their financial expertise.

Since the last audit our Director of Nursing, Merrilee Briggs, has now become the Registered Manager and Nik Hingston joins us as interim finance officer.

Denville Hall was founded in 1926 by Alfred Denville, in memory of his son who was killed in the Great War. The home was registered with the Charity Commission on 31<sup>st</sup> October 1962, when Richard and Sheila Attenborough were asked by Prince and Norah Littler to take on Denville's administration following their successful work with Noel Coward for the Actors' Orphanage.

Denville Hall is a member of the Combined Theatrical Charities, known now as "Acting for Others", an umbrella organisation chaired by Sir Stephen Waley-Cohen, consisting of sister charities representing the performing arts including ballet and opera, actors' children, backstage staff, and performers in all parts of the world.

Trustees are appointed on the basis of the skills they bring to the board and their willingness to serve. At any one time there may be no less than three trustees and no more than 7, of which 2 should be members or former members of the acting profession.

The pay of the charity's key management personnel is reviewed annually and normally increased in accordance with average earnings. The remuneration is also bench-marked with Nursing Homes of a similar size and activity to ensure that the remuneration set is fair and not out of line with that generally paid for similar roles.

# Denville Hall 2012

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

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### STRATEGIC REPORT

#### OBJECTIVES, ACTIVITIES, ACHIEVEMENTS AND PERFORMANCE

The formal objective of the charity is to maintain and support Denville Hall as a residential, nursing and dementia care home for elderly actors and other members of the theatrical profession. Denville Hall offers, too, short stay respite and convalescent care and works closely, when required, with the palliative care team in our area.

Where an applicant does not meet our criteria we will always do our best to advise on alternative sources of help. The charity serves elderly members of a particular profession, one where financial security is, in many cases, far from being the norm. Financial support is given through a general subsidy of all our residents, and particular, often substantial, additional subsidy to those in greatest need. A potential beneficiary is never turned away for purely financial reasons – we deny access to services only when required to do so on medical and professional criteria agreed with the Care Quality Commission as part of the charity's registration, or when there is no available bed. The Trustees have had due regard to the guidance on public benefit published by the Charity Commission.

As ever, our aim at Denville Hall is to enable our highly individual residents to live with dignity and freedom of choice amid surroundings that are physically and mentally comfortable. Within the nursing and residential area of the home we aim to preserve maximum independence and will help each person to choose, as much as is possible, what level of care he or she needs, consulting with them directly. We respect their decisions and abide by them, intervening only where absolutely necessary in the interests of safety and guided by professional recommendations. We care for our dementia patients in Jeanne's Wing with dignity and respect, aiming to allow as much freedom as possible within safety constraints, and in an atmosphere which is relaxed, stimulating and supportive. Working closely with Dr David Sheard and his team at Dementia Care Matters, we are on our way to acquiring the Butterfly Care Home model accreditation. This has been a long and illuminating journey, aided earlier in 2016 by an eight-week hands-on three-day a week consultancy with a senior DCM team member, Gwen Coleman; with her help, care of our dementia residents has been transformed, and the Person-Centred care model embedded in our culture, with impact not just in Jeanne's Wing, but throughout the house. All those residents with dementia and who are deemed vulnerable are safeguarded within the Mental Capacity Act 2005, Deprivation of Liberty, in order to protect them from harm.

As always, we strive to provide a varied and fulfilling life for all our residents, continually endeavouring to improve care, entertainment, nourishment, rest, and spiritual and artistic satisfaction. We work with each individual to identify particular wishes and hope to create a supportive and stimulating environment. Live Streaming continues to be a source of great joy, bringing as it does the world of live theatre directly into Denville Hall. Our activities co-ordinator holds cookery classes in our dementia wing, organises outings, Scrabble games, polymer clay classes and much else. We have twice-weekly exercise classes, a weekly visit from hairdressers, and visits from a manicurist, physiotherapist, chiropodist and masseuse. Residents are benefitting from a volunteer who is teaching those interested how to use their iPads. Our small 'corner shop' within Denville Hall, known as "Prompt Corner", continues to be a much-used amenity. We have struck up an on-going relationship with an organisation called Live Music Now and benefit enormously from weekend concerts given by visiting musicians with programs as diverse as classical flute and guitar, modern jazz, folk, and other genres; students from RADA entertain the residents twice-yearly, the cast of Mamma Mia continue to come and entertain us at Christmas, local churches visit for carol services, and we have enjoyed visiting singers, and talks from Hugo Vickers and others.

Denville Hall has in the past been supported by generous individuals' legacies and larger benefactions from those with whom the trustees and committee members have personal contact, from members of the profession and the public generally. The importance we place on our residents' privacy makes it especially difficult for us to consider more public fundraising but More Partnership, led by Kate Wilson and with the continued support of Ian Edwards, are still working with us, in particular towards a celebration later in 2016 of our 90<sup>th</sup> Birthday.

The Trustees have, since the last audit, rejoiced in acquiring an overall "Good" in our CQC (Care Quality Commission) inspection, a distinction awarded to only 36% of care homes in the UK. We now work towards achieving "Outstanding" at our next inspection, an accolade received by a mere 1% of the sector. We had a successful Health and Safety audit in November 2015.

# Denville Hall 2012

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

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In a year that has seen significant challenges we have nonetheless managed to achieve much, above and beyond the greatly valued CQC report. We continue to be proud of the uniqueness of Denville Hall, and are eternally grateful for the support we get from our profession. Sir Richard Eyre and Geraldine James OBE hosted, alongside our investment managers, Sarasins, an event in September 2015 to introduce our new President, Simon Russell Beale CBE. Sir Ian McKellen came to cut Shakespeare's Birthday cake in 2015 at our annual celebration of this event. Our distinguished Ambassadors continue to help us in many ways. Alan Bennett took part in a question and answer session following a screening of "The Lady in the Van", a fund-raiser for Denville Hall.

We continue a program of training for staff, volunteers, committee members and trustees, in awareness of our legal requirements to protect and safeguard the vulnerable adults in our care. The Trustees acknowledge their responsibility to identify, assess and manage risks and have systems and processes set up to do so.

New trustees undergo an orientation day to brief them on: their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and inform them of the content of the Memorandum and Articles of Association, the committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

It is with sadness that we record the deaths in the year ending March 2016 of Miss Helen Landis, Mr Peter Howell, Mr Stuart Sherwin, Mr Rex Garner and Mr Raymond Hughes. We greatly mourn, too, the loss of our beloved Lady Attenborough, a resident for several years at Denville Hall but, far more significantly, a tireless supporter for over six decades, during many of those years as chairman of the House Committee. Sheila Attenborough has been as much responsible for everything to do with the home than perhaps anyone else, has led us all, with our much-missed president, Lord Attenborough, through thick and thin, and left an indelible legacy of energy and elegance. We mourn too the death of Jane Downs, Lady Attenborough's successor as House Committee chairman until the late 1990's.

### FINANCIAL REVIEW

Income from residents' fees for the 12 month period 2015/16 totalled £1,661,759 (2014/15: £1,610,377), with gross staffing costs for the period of £1,452,789 (2014/15: £1,353,795). The Net Movement in Funds was £(713,997) (2014/15: £493,335).

The income generating reserves of Denville Hall were £8.190 million at 31 March 2016 (£9.337 million at 31 March 2015) and represent the equivalent of more than four years' annual income.

General reserves are needed to bridge the gap between the spending and receiving of income and to cover unplanned emergency repairs and other expenditure. The trustees consider that the ideal level of general reserves as at 31 March 2016 would be £480,000.

During the year ended 31<sup>st</sup> March 2016, the portfolio of investments achieved a performance of -2.9% (2015 12.9%) against a benchmark of -0.7% (2015 13.3%)

The trustees aim to maintain the real value of the investment portfolio as measured against movements in the retail price index.

We acknowledge with immense gratitude the support of many generous donors, including Acting For Others (£25,000), The Sir Terence Rattigan Trust (£59,500), The J P Getty Jnr Trust (£10,000), Professor Richard Dawkins FRS (£2,000), M.Claude Le Sache (£10,000), Hugh Bonneville (£1,000).

### PLANS FOR THE FUTURE

We continue to strive to reach our Butterfly accreditation in Jeanne's Wing, awaiting an imminent unannounced inspection; this whole new way of caring for those with dementia is, we well understand, an on-going process, something which will continue to challenge and fascinate us in years to come – changing a culture of care training takes time and patience, but the rewards are manifold.

# Denville Hall 2012

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

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Many of our goals and ambitions have had to play second fiddle to the more immediate need to put in place the management of the business side of Denville Hall. We are confident that, under Merrilee Briggs, we have a strong clinical team working hard to develop a continued and enhanced excellence of care for our residents. We have an experienced and strong interim Finance Officer who has great knowledge of the care sector, and with whose help we will move to a firm financial basis. We continue to strive to create strong partnerships with those who can support us in our fundraising ambitions and, led by Kate Wilson at More Partnership, feel confident that these far-reaching plans will, with her guidance, bring about the kind of long-term security that is crucial to our future growth. The celebration of our 90<sup>th</sup> Birthday, planned for December 2016, will be just the beginning of collaborations that we foresee spanning the next decade and leading to our centenary in 2026.

It continues to be a challenging time for Denville Hall however, we remain undimmed in our enthusiasm for the challenge and are delighted to feel confident in the elevation of Merrilee Briggs from Director of Nursing to Registered Manager. Our interim Finance Officer gives us the necessary time in which to reconsider the business side of the organisation and to recast that role permanently when we find the right candidate.

We are all united in our ambition to see Denville Hall's CQC rating reach the coveted "Outstanding" level, and feel confident that this can be achieved with the hard work and dedication that we have in our team.

### RISKS

The Trustees have undertaken risk assessments with the General Manager of Denville Hall as necessary, and to meet the requirements of the Care Quality Commission, including recognition that specific safeguards are needed with regard to the vulnerability of our beneficiaries. We have an on-going program of training for staff, volunteers, committee members and trustees, in awareness of our legal requirements to protect and safeguard the vulnerable adults in our care. The Trustees acknowledge their responsibility to identify, assess and manage risks and have systems and processes set up to do so. The principal risks and uncertainties identified by the trustees are:

- Ensuring continual operation efficiency is obviously paramount; the taking on of an HR consultant and subsequent restructuring of staff, new contracts for all new employees, changes in how we manage many aspects of employment including sick pay that has long been abused by many, has resulted in a streamlining of the business that is already seeing greatly enhanced efficiency and savings.
- CQC requirements and our compliance with them are vital to the care and safety of our residents themselves and to the running of the business. Staff issues in the last two years, experienced not just by us but throughout the industry, have challenged everyone including us; the use of agency staff is never ideal and has been the cause of difficulties in keeping up the high standards that we aspire to. We work closely with CQC and have forged a strong relationship with our new and supportive inspector. Work is ongoing to improve and go above and beyond expectations, including our espousal of the Butterfly Programme of care in our dementia wing which will raise standards way beyond those required by CQC and with which they are in wholehearted support.
- Uncertainty surrounding public funding of residents necessitates a focused approach to ensuring sufficient funds from other quarters. We work closely with our sister charities, with individual supporters and indeed with local authorities where help is available.
- Investment returns are of course always subject to market fluctuations. We are confident, given our long association with them and overall impressive track record, of the experience and expertise of our investment managers at Sarasin and Partners. Denville Hall's participation in their Alpha Investment scheme ensures a far wider spread of our investments than we could ever manage as an individual charity, and has proven itself a good decision that has buffered us against some of the inevitable ups and downs of the world of finance.
- One of the many avenues in our exploration of potential income with More Partnership will shortly take us to the setting up of an active management of potential legacies and donations.

# Denville Hall 2012

## TRUSTEES' REPORT (INCORPORATING STRATEGIC REPORT)

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### GOING CONCERN

The Trustees have considered the twelve months from signing the financial statements and are satisfied that the charity can meet its commitments as they fall due, based on the ability to draw down on the investment portfolio as required. On this basis the trustees have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

### AUDITORS

The auditors, RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), have signified their willingness to continue in office.

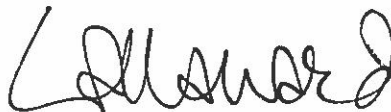
### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Trustees who were in office on the date of the approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. The Trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that this has been communicated to the auditor.

Approved by the Trustees on:

8.xii.12

And signed on their behalf by:



Lalla Ward, Chairman and Registered Individual of Denville Hall



# Denville Hall 2012

## STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE PREPARATION OF FINANCIAL STATEMENTS

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The Trustees (who are also directors of Denville Hall 2012 for the purposes of company law) are responsible for preparing the 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping proper 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.



# Denville Hall 2012

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DENVILLE HALL 2012

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We have audited the financial statements of Denville Hall 2012 for the year ended 31 March 2016 on pages 9 to 20. 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 FRS 102 "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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 7 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 financial statements

A description of the scope of an audit of financial statements is provided on the financial reporting council's website at <http://www.frc.org.uk/auditscopeukprivate>.

### Opinion on financial statements

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 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 Companies Act 2006.

### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

### 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:

- the charitable company has not kept adequate accounting records, 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.



MICHAEL HUGGINS (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly BAKER TILLY UK AUDIT LLP), Statutory Auditor  
Chartered Accountants  
St Philips Point  
Temple Row  
Birmingham  
B2 5AF

Date 8 December 2016

**Denville Hall 2012**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**for the year ended 31 March 2016**

	Notes	Unrestricted General Fund Year ended 31 March 2016 £	Unrestricted Income Fund Year ended 31 March 2016 £	Unrestricted Capital Fund Year ended 31 March 2016 £	Total Funds Year ended 31 March 2016 £	Total Funds Year ended 31 March 2015 £
<b>Income and Endowments from</b>						
Donations and Legacies	1	472,640	-	-	472,640	168,884
Charitable activities		1,661,759	-	-	1,661,759	1,610,377
Investment income	2	1,267	299,219	-	300,486	315,895
<b>Total Income</b>		<b>2,135,666</b>	<b>299,219</b>	<b>-</b>	<b>2,434,885</b>	<b>2,095,156</b>
<b>Expenditure On</b>						
Raising funds		145,458	-	-	145,458	21,803
Charitable activities	4	2,473,817	-	121,585	2,595,402	2,476,505
<b>Total Expenditure</b>	6	<b>2,619,275</b>	<b>-</b>	<b>121,585</b>	<b>2,740,860</b>	<b>2,498,308</b>
(Losses)/gains on investment assets		-	(565,822)	157,800	(408,022)	896,487
<b>Net (expenditure)/income</b>		<b>(483,609)</b>	<b>(266,603)</b>	<b>36,215</b>	<b>(713,997)</b>	<b>493,335</b>
Transfers between funds	14	880,010	(880,010)	-	-	-
<b>Net income/(expenditure) for the year</b>		<b>396,401</b>	<b>(1,146,613)</b>	<b>36,215</b>	<b>(713,997)</b>	<b>493,335</b>
Funds brought forward		185,460	9,336,920	6,095,723	15,618,103	15,124,768
<b>Funds carried forward at 31 March</b>		<b>581,861</b>	<b>8,190,307</b>	<b>6,131,938</b>	<b>14,904,106</b>	<b>15,618,103</b>

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

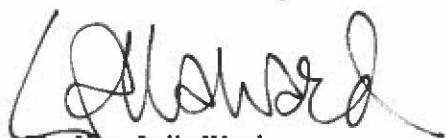
# Denville Hall 2012

## BALANCE SHEET

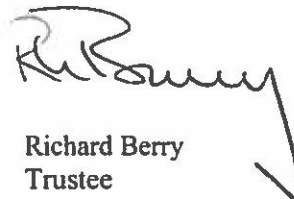
As at 31 March 2016

	<i>Notes</i>	31 March 2016 £	31 March 2015 £
<b>FIXED ASSETS</b>			
Tangible assets	7	4,826,664	4,909,516
Investment property	8	1,485,000	1,327,200
Investments	9	8,190,307	9,336,920
		<u>14,501,971</u>	<u>15,573,636</u>
<b>CURRENT ASSETS</b>			
Debtors	10	286,455	140,438
Cash at bank and in hand		416,100	152,936
		<u>702,555</u>	<u>293,374</u>
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>(300,420)</u>	<u>(248,907)</u>
<b>NET CURRENT ASSETS</b>		<u>402,135</u>	<u>44,467</u>
<b>NET ASSETS</b>		<u>14,904,106</u>	<u>15,618,103</u>
<b>RESERVES</b>			
Unrestricted General Fund	12	581,861	185,460
Unrestricted Income Fund	12	8,190,307	9,336,920
Unrestricted Capital Fund	12	6,131,938	6,095,723
		<u>14,904,106</u>	<u>15,618,103</u>

The financial statements on pages 9 to 20 were approved by the Trustees and authorised for issue on 8<sup>th</sup> December 2016 and signed on their behalf by:



The Hon. Lalla Ward  
Chairman and Registered Individual of Denville Hall.



Richard Berry  
Trustee

**Denville Hall 2012**  
**STATEMENT OF CASHFLOWS**  
**For the year ended 31 March 2016**

	Notes	2016 £	2015 £
<b>Net cash (used in) operating activities</b>		(542,339)	(534,166)
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		300,486	315,895
Purchase of fixed assets		(75,774)	(49,476)
Proceeds from sale of investments		540,679	169,743
<b>Net cash provided by investing activities</b>		765,391	436,162
Change in cash and cash equivalents in the reporting period		223,052	(98,004)
Cash and cash equivalents at the beginning of the reporting period		233,106	331,110
Cash and cash equivalents at the end of the reporting period		<u>456,158</u>	<u>233,106</u>

**Reconciliation of net expenditure to net cash flow from operating activities**

	2016 £	2015 £
Net (expenditure)/income	(713,997)	493,335
Depreciation of tangible fixed assets	158,626	181,521
(Increase) in debtors	(146,017)	(81,213)
Increase in creditors	51,513	84,573
Income from investments	(300,486)	(315,895)
Losses/(gains) on investment assets	408,022	(896,487)
<b>Net cash (used in) operating activities</b>	<u>(542,339)</u>	<u>(534,166)</u>

**Analysis of cash and cash equivalents**

	2015 £	Cash flow £	2016 £
Cash at bank and in hand	152,936	263,164	416,100
Cash held on investment	80,170	(40,112)	40,058
	<u>233,106</u>	<u>223,052</u>	<u>456,158</u>

# Denville Hall 2012

## ACCOUNTING POLICIES

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### General Information

The formal objective of the charity is to maintain and support Denville Hall as a residential, nursing and dementia care home for elderly actors and other members of the theatrical profession.

### Scope of the financial statements

The financial statements present the Statement of Financial Activities (SOFA), the Balance Sheet and Statement of Cash Flows for the Charity.

### BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with United Kingdom Accounting Standards, in particular 'FRS 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102).

Denville Hall is a registered charity and has therefore prepared its financial statements in accordance with 'The Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with FRS 102' (The Charities SORP (FRS 102)).

Denville Hall meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Charity has adopted FRS 102 for the first time when preparing these financial statements. The transition date to FRS 102 was 1 April 2014 and the last financial statements prepared under the previous financial reporting framework were prepared for the year ended 31 March 2015. In accordance with the requirements of FRS102 a reconciliation of net (expenditure) under previous GAAP adjusted for the presentation of investment gains as component of reported income.

Reconciliation of Reported Net Income	£
Net expenditure as previously stated	(398,858)
Adjustment for unrealised gain on investments	892,193
2015 Net income as restated	<u>493,335</u>

### GOING CONCERN

The Trustees have considered the twelve months from signing the financial statements and are satisfied that the charity can meet its commitments as they fall due, based on the ability to draw down on the investment portfolio as required. On this basis the trustees have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis.

### TANGIBLE FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows:-

Equipment, furniture and fittings	-	10% per annum based on cost
Freehold property	-	2% per annum based on cost

### INVESTMENTS

Investments are stated at fair value being the latest price as advised by the fund manager. Any gain or loss on revaluation is taken to the Statement of Financial Activities. Gains and losses on investments are calculated as the difference between the disposal proceeds and the amount at which the investment was valued at the beginning of the year, or cost if purchased during the year. Income from listed investments is accounted for on a receivable basis.

# Denville Hall 2012

## ACCOUNTING POLICIES

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Investment properties are held at Trustees estimate of fair value as at the year end and no depreciation is charged. This is contrary to the Companies Act which states that, subject to any provision for depreciation or diminution in value, fixed assets are normally to be stated at purchase price or production cost. Current cost accounting or the revaluation of specific assets to market value, as determined at the date of their last valuation, is also permitted. The treatment of investment properties under the Companies Act does not give a true and fair view as these assets are not held for consumption in the business but as investments, the disposal of which would not materially affect any operations of the entity. In such a case it is the current value of these investments, and changes in that current value, which are of prime importance. Consequently, for the proper appreciation of the financial position, the accounting treatment to hold a market value is considered appropriate for investment properties.

### FUND ACCOUNTING

General funds are unrestricted funds which 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.

### INCOME RECOGNITION

All income is recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost.

No amounts are included in the financial statements for services donated by volunteers.

### EXPENDITURE

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to the expenditure.

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Premises overheads have been allocated on a floor area basis and other overheads have been allocated on the basis of the head count.

Support costs include those costs associated with meeting the constitutional and statutory requirements of the charity and comprise professional services.

### TERMINATION BENEFITS

The best estimate of the expenditure required to settle an obligation for termination benefits is recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits

### LEASED ASSETS AND OBLIGATIONS

Where assets are financed by leasing agreements that give rights approximating to ownership ("finance leases"), the assets are treated as if they had been purchased outright. The amount capitalised is the present value of the minimum lease payments payable during the lease term. The corresponding leasing commitments are shown as obligations to the lessor. Lease payments are treated as consisting of capital and interest elements, and the interest is charged to the Statement of Financial Activities in proportion to the remaining balance outstanding.

All other leases are "operating leases" and the annual rentals are charged to profit and loss on a straight line basis over the lease term.

# Denville Hall 2012

## ACCOUNTING POLICIES

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### FINANCIAL INSTRUMENTS

Denville Hall only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### CRITICAL AREAS OF JUDGEMENT AND ESTIMATION

In the application of the Group's accounting policies, which are described in note 1, the trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

#### Critical areas of judgement

The investment properties are held at fair value as at 31 March 2016 on an existing use fair value basis using valuations provided by 3 independent estate agents.



# Denville Hall 2012

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

1 DONATIONS & LEGACIES		2016	2015
		£	£
Donations		144,313	145,808
Legacies		328,327	23,076
		<u>472,640</u>	<u>168,884</u>
2 INVESTMENT INCOME		2016	2015
		£	£
Unrestricted funds			
Equity dividends and income from fixed interest stocks		276,249	288,842
Interest on cash in investment portfolio		248	131
Investment fee rebates		22,722	21,904
Rent receivable		1,267	5,018
		<u>300,486</u>	<u>315,895</u>
3 STAFF COSTS		2016	2015
		£	£
Salaries and wages		1,333,710	1,246,266
Social security costs		108,480	102,493
Defined contribution pension costs		10,599	5,036
Termination benefits		30,000	-
		<u>1,482,789</u>	<u>1,353,795</u>
Number of full-time-equivalent staff at 31 March:			
Care		48	40
Administration		18	18
		<u>66</u>	<u>58</u>

The termination benefit was a one off payment to an ex-member of staff.

There was no employee with remuneration in excess of £60,000. (2015: £110,000-£120,000 one). The remuneration of Key Management Personnel including employer pension costs and social security costs was £143,326 (2015 - £160,711).

Trustees' indemnity insurance was acquired at a cost of £898 (2015: £898).

**Denville Hall 2012**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2016**

**4 CHARITABLE EXPENDITURE**

	Unrestricted General Fund 2016 £	Unrestricted Income Fund 2016 £	Unrestricted Capital Fund 2016 £	Total Funds Year ended 31 March 2016 £	Total Funds Year ended 31 March 2015 £
Salaries and agency staff	1,615,643	-	-	1,615,643	1,462,179
Other direct costs	843,616	-	121,585	965,201	974,536
Support costs	14,558	-	-	14,558	39,790
	<u>2,473,817</u>	<u>-</u>	<u>121,585</u>	<u>2,595,402</u>	<u>2,476,505</u>

**5 SUPPORT COSTS**

Governance costs	14,558	-	-	14,558	39,790
	<u>14,558</u>	<u>-</u>	<u>-</u>	<u>14,558</u>	<u>39,790</u>

**6 EXPENDITURE**

Salaries and agency staff	1,615,643	-	-	1,615,643	1,462,179
Catering	82,908	-	-	82,908	177,091
Repairs and maintenance	179,476	-	-	179,476	175,239
Utilities	79,081	-	-	79,081	107,559
Household expenses	55,179	-	-	55,179	33,613
Rates and insurance	39,505	-	-	39,505	39,707
Medical expenses	30,665	-	-	30,665	32,473
Printing, stationery and phone	28,050	-	-	28,050	26,572
Gardening	21,156	-	-	21,156	23,509
Travel expenses	21,056	-	-	21,056	12,954
Staff training and uniforms	57,724	-	-	57,724	56,395
Legal and professional fees	135,838	-	-	135,838	66,572
Audit fee – current year	14,558	-	-	14,558	13,340
Registration fees	13,953	-	-	13,953	9,931
Residents' amenities	46,226	-	-	46,226	50,956
Other expenses	15,758	-	-	15,758	6,894
Depreciation	37,041	-	121,585	158,626	181,521
Fundraising activities	145,458	-	-	145,458	21,803
	<u>2,619,275</u>	<u>-</u>	<u>121,585</u>	<u>2,740,860</u>	<u>2,498,308</u>

Costs in relation to operating leases were £31,235 during the year ended 31 March 2016 (2015: £30,463).

**Denville Hall 2012**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2016

7 TANGIBLE FIXED ASSETS	<i>Freehold property</i> £	<i>Equipment, furniture and finishings</i> £	<i>Total</i> £
Cost:			
1 April 2015	6,079,273	627,851	6,707,124
Additions	-	75,774	75,774
	-----	-----	-----
31 March 2016	6,079,273	703,625	6,782,898
Depreciation:			
1 April 2015	1,310,750	486,858	1,797,608
Charged in the period	121,585	37,041	158,626
	-----	-----	-----
31 March 2016	1,432,335	523,899	1,956,234
Net book value:			
31 March 2016	4,646,938	179,726	4,826,664
	=====	=====	=====
31 March 2015	4,768,523	140,993	4,909,516
	=====	=====	=====

All tangible fixed assets are used for direct charitable purposes.

8 INVESTMENT PROPERTY	2016 £	2015 £
Valuation at start of year	1,327,200	1,185,000
Revaluation gains in the year	157,800	142,200
	-----	-----
Valuation at end of year	1,485,000	1,327,200
	=====	=====

The investment properties are held at fair value as at 31 March 2016 on an existing use fair value basis using valuations provided by 3 independent estate agents. On an historical cost basis these properties would have been included at £550,000.

**Denville Hall 2012**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2016**

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**9 INVESTMENTS - QUOTED**

	2016 £	2015 £
Valuation at 1 April	9,336,920	8,751,756
Amounts withdrawn	(880,010)	(480,000)
Investment income	276,497	288,972
Management fee rebate	22,722	21,904
(Losses)/gains on investment assets	(565,822)	754,288
	<hr/>	<hr/>
Investments at 31 March	<u>8,190,307</u>	<u>9,336,920</u>

All of the above quoted investments are held in the UK.

	2016 £	2015 £
Cost of listed investments	6,820,846	7,289,663
Market value of material investments: Alpha CIF for Endowments	<u>8,190,307</u>	<u>9,336,920</u>
	<hr/>	<hr/>
<b>10 DEBTORS</b>	<b>2016 £</b>	<b>2015 £</b>
Other debtors	66,337	99,367
Prepayments and accrued income	220,118	41,071
	<hr/>	<hr/>
	<u>286,455</u>	<u>140,438</u>
	<hr/>	<hr/>
<b>11 CREDITORS: Amounts falling due within one year</b>	<b>2016 £</b>	<b>2015 £</b>
Trade creditors	162,968	185,361
Other creditors	60,649	31,913
Accruals	76,803	31,633
	<hr/>	<hr/>
	<u>300,420</u>	<u>248,907</u>
	<hr/>	<hr/>

# Denville Hall 2012

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

12	ANALYSIS OF NET ASSETS BETWEEN FUNDS	<i>Tangible fixed assets</i> £	<i>Investments</i> £	<i>Net current assets</i> £	<i>Total</i> £
	Unrestricted General Fund	179,726	-	402,135	581,861
	Unrestricted Income Fund	-	8,190,307	-	8,190,307
	Unrestricted Capital Fund	4,646,938	1,485,000	-	6,131,938
		<u>4,826,664</u>	<u>9,675,307</u>	<u>402,135</u>	<u>14,904,106</u>

### 13 CONNECTED CHARITIES

Denville Hall 2012 is a member of the Combined Theatrical Charities Appeals Council, an umbrella group, and the Trustees and staff of Denville Hall 2012 are extremely grateful to the kindred charities for their kind assistance during the period.

### 14 FUNDS

Unrestricted Funds comprise those funds which the Trustees are free to use in accordance with the charitable objects.

The Unrestricted General Fund comprises the operation of Denville Hall 2012, the care home.

The Unrestricted Income Fund holds the investments which are managed by Sarasin & Partners LLP, from which funds are transferred to the General Fund (shown as 'Amounts withdrawn' in note 9), to support the charity's activities.

The Unrestricted Capital Fund contains the property of Denville Hall 2012 and the two investment properties.

### 15 CAPITAL COMMITMENTS

Capital expenditure contracted for but not provided in the financial statements amounts to £Nil (2015: £12,433).

### 16 OPERATING LEASE COMMITMENTS

At 31 March 2016 the charity had total future commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Falling due in:		
Less than one year	24,766	8,988
Between one and two years	24,766	8,988
Between two and five years	52,959	24,728
Over five years	22,781	-
	<u>125,272</u>	<u>42,724</u>

# Denville Hall 2012

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2016

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### 17 RELATED PARTY TRANSACTIONS

During the year Lynskeys Care Services Consultancy Limited charged the company £65,831 for professional services (2015 - £Nil). Lynskeys Care Services Consultancy Limited is controlled by Teresa Lynskey, who served as a Trustee during the year. No trustee received any remuneration as a trustee or any reimbursed expenses.

Donations received without conditions from related parties totalled £2,000 (2015 - £30,000).