



**REVITALISE RESPITE HOLIDAYS**

**Annual Report and Consolidated**

**Accounts for the year ended 31<sup>st</sup> January 2016**

**Company Number 2044219. Registered Charity Number 295072.**

## ***Who we are***

Revitalise is a national charity providing short breaks (respite care) for disabled people and carers. We also offer inspirational opportunities for volunteers through one of the largest, most diverse volunteer programmes in the UK.

## ***Our mission***

Our mission is to enable people with disabilities in the UK to access essential breaks with care, and provide inspirational volunteering opportunities.

## ***Our year***

- We provided 4,566 (2015 - 4,722) breaks to individuals, including carers, who are affected by serious disabilities or medical conditions, and desperately need respite care.
- Volunteers worked 3,467 (2015 – 3,946) weeks at our centres to ensure that all our guests had a break that offered fun, freedom and choice.
- Our 13 charity shops benefitted from 98 (2015 -74) volunteers working to raise funds to support our activities.
- We launched our Beyond Respite Capital Appeal at the House Of Lords on 16<sup>th</sup> June 2014, to raise the funds to build a new respite centre. To date we have raised approaching £1m in donations, with much interest for hearing about our plans when they become available.
- On 13<sup>th</sup> October 2015, our Patron, Samantha Cameron, hosted a reception at 10 Downing Street, where we launched our 2015 Impact Reports.
- Our residential centre at Ellerslie Court in Southport, provided a home for 13 adults with disabilities. In February 2013, we announced and commenced consultation on our intention to transfer Ellerslie Court, in line with the strategy set out in the Trustees' Report. On 29<sup>th</sup> April 2016, and subsequent to the date of these financial statements, we reached agreement to transfer the home to an established residential care home operator.

## *The team*

### **Trustees**

#### **Mindy Sawhney      Chairman**

Mindy joined the Revitalise Board of Trustees in 2003, becoming Chairman in September 2010. Mindy runs her own consulting practice, advising clients in the private, public and voluntary sector on strategy, change and organisation development, both in the UK and overseas.

#### **Linda Beaney      Vice Chairman**

Linda has been a trustee of Revitalise since 2009, when it took over London Care Connections, of which she had been a trustee for four years. Linda has recently retired as Chair of a firm of London residential estate agents which she started twenty years ago. Before that, she was the partner responsible for the London residential and development operation of Hamptons and for four years was Co-Chair of the Chelsea Harbour Residents Association. Additionally, Linda has for many years devoted part of her spare time to charitable causes and was formerly a director of the Hornchurch Theatre Trust and a member of the development council of Shakespeare's Globe. In 1984 she was made a Freeman of the City of London. Linda serves on the Income and Market Development Committee and on the board of Revitalise Enterprises Limited.

#### **Philip White      Vice Chairman**

Philip joined the Board in 2009 having previously served as a committee member. Philip is an accountant and has worked in the finance sector for 25 years across a wide range of disciplines, specialising in risk for the past 7 years.

#### **Gavin Wright      Vice Chairman**

Gavin joined the Revitalise Board in 2011. Gavin is the Director Of Human Resources at the University Of Brighton and has had a varied career in both the private and public sector specialising in HR and people development. He is a member of the Guest Experience Committee.

#### **Mike Ashton      Chair of Income & Market Development Committee**

Mike is the founder and current Managing Director of consulting and training business Ashton Brand Consulting Group (ABCG), which helps businesses to implement training solutions that transform their customer experience, manage change and enhance performance. In his varied career Mike has been a Strategic Brand Advisor to the Welsh Government.

#### **Simon Law      Chair of Finance, Audit & Risk Committee**

Simon is currently Head of Audit at Nationwide Building Society. Previously Simon has been Finance Business Partner to the Chief Operations Officer at Nationwide. Simon's background is in stakeholder management, financial controls, financial appraisals and internal and external audit. Simon has been at Nationwide for over 9 years joining from Volvo Financial Services after qualifying at KPMG in Birmingham in 2000 where he specialised in financial services. Simon was also trustee of Nationwide's charitable foundation for 5 years until 2013.

**Richard Poxton      Chair of Guest Experience Committee.**

Richard joined the Revitalise Board in 2010. He has worked on the policy and development side of social care for much of his working life, most recently on a self-employed basis. He has spent much of the past few years working on issues to improve outcomes for people with learning disabilities. He is also a committee member of Dimensions. Richard is a member of the Guest Experience Committee.

**David Robinson**

David is a chartered accountant and has worked in the public sector for 29 years. Currently the Director of Finance for Sense and Sense International, he is passionate about public service and is also a Director for Coventry Society for the Blind. David serves on the Finance, Audit and Risk Committee and on the board of Revitalise Enterprises Limited.

**Victoria Schneider      Appointed 24<sup>th</sup> March 2015**

Victoria is a solicitor with Bates Wells and Braithwaite, where she specialises in advising charities and social enterprises. Before this position Victoria worked as an in-house solicitor at the NSPCC. Victoria serves on the Guest Experience Committee.

**Fran Woodard      Resigned 4<sup>th</sup> April 2016****Patron**

Samantha Cameron

**Vice Presidents**

Dame Judi Dench CH DBE  
Hugh Kemsley OBE MA FRICS  
Tim Prideaux  
The Rt. Hon. The Lord Crawshaw  
Sir Andrew Buchanan Bt

Dame Esther Rantzen CBE  
Denis Green  
John Spence OBE  
Arthur Smith

**Paralympic Ambassadors****Dan Bentley**

Dan has been involved with the sport of Boccia for over 12 years, being a member of the Paralympics GB team in London in 2012, and winning a gold medal at the Paralympics in Beijing in 2008.

**David Smith**

David was first introduced to adaptive rowing in 2009 and was a member of the mixed Cox Four that won a gold medal at the Paralympics in London in 2012.

## Senior Management Team

None of the following are directors within the meaning of the Companies Act.

Chris Simmonds	Chief Executive.
Darren Holloran	Director of Operations. Appointed 1 <sup>st</sup> July 2015.
John Parker	Finance Director and Company Secretary.
Jan Webber	Director of Fundraising. Appointed 1 <sup>st</sup> June 2016.
Merrilee Harbinson	Director of Care and Quality. Resigned 18 <sup>th</sup> December 2015.
Jonathan Pelluet	Director of Fundraising. Resigned 3 <sup>rd</sup> July 2015.
Jennifer Ukaegbu	Director of Sales and Marketing. Resigned 23 <sup>rd</sup> February 2016.

## ***Our advisers***

### **Solicitors**

Bond Dickinson  
1 Whitehall Riverside  
Leeds  
LS1 4BN

### **Bankers**

Barclays Bank  
1 Churchill Place  
London  
E14 5HP

### **Statutory Auditors**

haysmacintyre  
26 Red Lion Square  
London  
WC2R 4AG

## ***Our centres***

### **Revitalise Jubilee Lodge**

Grange Farm  
High Road  
Chigwell  
Essex  
IG7 6DP

### **Revitalise Netley Waterside**

Abbey Hill  
Netley Abbey  
Southampton  
Hampshire  
SO31 5FA

### **Revitalise Sandpipers**

Fairway  
Southport  
Merseyside  
PR9 0LA

### **Revitalise Ellerslie Court**

38 Westcliffe Road  
Southport  
Merseyside  
PR8 2BT

## ***Our administration and registered office***

212 Business Design Centre  
52 Upper Street  
London  
N1 0QH



## ***Thank you to all our supporters***

Revitalise would like to thank the following trusts, foundations, grant making bodies and companies for their generous support during the 2015/16 financial year:

1989 Willan Charitable Trust	Loppylugs and Barbara Morrison Charitable Trust
ABF The Soldiers' Charity	Mid Sussex District Council
Awards for All – Big Lottery	Millichope Foundation
Bradley Stoke Town Council	Newcastle-under-Lyme Borough Council
Bruce Wake Charitable Trust	Newlands Fund
Childwick Trust	Peacock Charitable Trust
City Bridge Trust	PJK Charitable Trust
Corsham Town Council	Portishead Town Council
Derby and Derbyshire Disabled Soldiers' Settlement	Queen Mary's Roehampton Trust
Didcot Town Council	RAF Benevolent Fund
Donald Forrester Trust	Richard Lawes Foundation
Dunhill Medical Trust	Royal Borough of Windsor and Maidenhead
East Staffordshire Borough Council	Royal Naval Benevolent Trust
Epping Forest District Council	Scouloudi Foundation
Eveson Charitable Trust	Seafarers UK
Gerald Palmer Eling Trust	Southampton City Council
Greenham Common Trust	Spelthorne Borough Council
Gwendoline and Margaret Davies Charity	Stony Stratford Town Council
Helen Roll Charity	Stotfold Town Council
Inchrye Trust	Tadley Town Council
John Ellerman Foundation	The Jessie Spencer Trust
John James Bristol Foundation	Valentine Charitable Trust
Liz and Terry Bramall Foundation	Westminster Amalgamated Charity
	Witham Town Council

Our warmest thanks also go out to the many individuals who have made generous donations to Revitalise during the year. Every donation helps more disabled people and carers to get the break they deserve and need.

We also thank the many hundreds of volunteers who gave their time and energy, fun and compassion, through their work at all the Revitalise centres and the Revitalise Shops: you are at the heart of the Revitalise magic.

In order to make a donation and find out more about the inspirational volunteering opportunities we offer, please log on to [www.revitalise.org.uk](http://www.revitalise.org.uk) or telephone 0303 303 0147.





## ***Contents***

	<b>Page</b>
Chairman's Review	10
Chief Executive's Review	11
Trustees' Report	12
Objects and public benefit	12
Strategic Report	15
Review of activities for 2015/16	15
Future plans	16
Financial review	16
Structure, governance and management	18
Risk management and internal control	20
Staff and volunteers	21
Statement of Trustees' responsibilities	21
Auditors	22
Independent Auditors' Report to the Members of Revitalise	23
Consolidated Statement of Financial Activities	25
Balance Sheets	26
Consolidated Cash Flow Statement	27
Notes to the Accounts	28 to 37

## ***Chairman's Review***

2015 has proved another inspiring year in which relationships between disabled guests, carers, volunteers and staff have been kindled and rekindled as we work to provide happy, memorable respite holidays for those who need 24 hour support and care.

Revitalise's three current centres are near to capacity, providing approaching 5,000 breaks a year thus making the charity the largest provider of holidays with nursing care in the UK. We are proud of the practical and imaginative contribution to increasing choice and freedom for disabled people and carers that our service makes. And yet, independent research tells us that there are today at least 550,000 people who urgently need a break and who would benefit from Revitalise's specialist provision. We are full yet we are meeting less than 1% of this tremendous – and growing – need.

In response to these findings, we committed ourselves to the long-term goal of placing a Revitalise centre within a two-hour drive distance of every disabled person in the UK. This will eventually mean a national network of up to nine centres. It will take time and great determination for us to make this goal a reality, but every day we see evidence that the Revitalise service makes a life-changing difference.

On pages 17 and 18 of this annual report you will read a summary of the five year plan that we set for Revitalise back in 2010, and the strategy that we set for ourselves. As we reach the end of that five year period, I am delighted to report that in a challenging environment we have achieved all of the objectives that we set ourselves, apart from developing a range of non-centre breaks, for which we found little demand.

My thanks to all of our guests, volunteers, staff and supporters, who share their stories and gifts and in so doing make Revitalise a magical part of so many lives. I very much look forward to working together to make that magic available to many more people.

Mindy Sawhney  
Chairman

## ***Chief Executive's Review***

It has been another exciting year at Revitalise as we continued our essential work to provide much-needed respite holidays for our guests and their carers.

We continually strive to strike a balance between wonderful hospitality and 24-hour care, so during January 2016 we refurbished all the guest bedrooms in each of our centres, at a cost of £153,000. We used our fresh new colour palette, which was specially created to enrich and enhance our guests' experience.

This work was originally scheduled for the 2016/17 financial year, but with guest bookings looking strong we decided to undertake the work during our traditional January shutdown period, rather than disrupt our guests' holidays.

For the year ending 31 January 2016 we provided 4,566 breaks and our centres were on average 79% full, with Sandpipers again near capacity at 89%. We are very pleased to be able to announce that we achieved an operating surplus of £136,000, in contrast to the deficit of £138,000 we incurred last year.

It was always our intention to arrive at the position where the price of a break reflects the cost and efforts of our fundraising, which is focussed on those most in need of our support. This approach replaces our previous method of subsidising the cost for all guests, regardless of their financial circumstances.

In December 2015, after much thought and effort, we finally achieved this and at the same time boosted our support funds with the launch of the Revitalise Support Fund (RSF). This new fund is specifically designed to support guests who need a break, but who are not in a position to be able to afford one.

The total value of the available hardship support funds, obtained both from donors and the use of our own funds, is about 15% of budgeted revenues. We now feel confident that our breaks are available to all, regardless of their ability to pay. So far, this new approach to pricing and funding appears to have been well received.

On 13 October 2015, our Patron, Samantha Cameron, generously hosted a wonderful reception for many of our supporters at 10 Downing Street. We used this glittering event to launch our 2015 Impact Reports, demonstrating what Revitalise holidays mean for guests, carers and volunteers alike.

Although it has been another busy and challenging year for all of us at Revitalise, we have not neglected the challenge of building support for a new Revitalise centre. I am confident that the progress we have made this year with our current centres will provide a solid base for our expansion plans.

Chris Simmonds  
Chief Executive

## ***Trustees' Report***

### ***Objects and public benefit***

**Our objects** are to promote the welfare and rehabilitation of physically disabled persons and promote other charitable purposes.

**Our vision** is a society in which choice and opportunity are available to all.

**Our mission** is to enable people with disabilities in the UK to access essential breaks with care, and to provide inspirational volunteering opportunities.

**Our services** are the provision of short breaks for people with disabilities and carers at our accessible centres, offering on-call 24-hour care, personal support and a choice of activities and excursions. Short breaks are run from Revitalise Jubilee Lodge in Essex, Revitalise Netley Waterside House in Southampton, and Revitalise Sandpipers in Southport.

**Our partnerships** enable us to work with others to achieve our aims, as this contributes both to service relevance and to the cost effective realisation of our purpose. We have active working relationships with a number of organisations, including the Multiple Sclerosis Society, Newlands Fund, simplyhealth, the Stroke Association and Dementia Action Alliance, all of which are designed to make our services more accessible to the people who will most benefit from them.

**Our public benefit** can be measured by first, the number of people with disabilities to whom Revitalise provides essential services, together with their carers; second, the inspirational opportunities we offer to volunteers; and third the financial assistance we provide to help those in financial need.

In 2015, we provided 4,566 (2014 - 4,722) breaks to guests who might otherwise not have been able to take a break. According to our guest survey, 96% of guests would recommend a Revitalise break. Our average guest survey score is 1.6, where 1 is excellent and 2 is good.



Revitalise benefits people like Steve, Henry and Katie :



### *Steve's story*

"I've been with Karen for 35 years. My condition got worse six years ago and because of strokes my short-term memory has been affected. It's been hard for her.

I miss my work as a bus driver and being at work generally, just feeling useful. I miss having people around me. I'm a very positive person, but I get very lonely when Karen's out at work.

Revitalise gives me a great sense of life. I get to see so many things and I love meeting people. I really care about people. I meet an incredible mix of volunteers. We're together like a family.

Karen can catch up with things and go places with our daughter Natalie while I'm away. I love that they can do what they want to do. When I come back I feel much more alive. There's always loads to talk about."







### *Henry & Katie's story*

"Volunteering with Revitalise has made the most fundamental impact on my life. I first visited when I was 17 for the residential part of my Duke of Edinburgh Gold Award.

My mum Katie was so impressed with the impression it made on me that she immediately wanted to volunteer herself.

It's a very humbling experience. I love the ethos of Revitalise and the interaction with guests most of all. I've also grown in confidence. I needed to take a guest across London to the theatre by myself, and it was something I would never have tried before.

There's a purpose we both feel too. It's important to be committed and reliable because guests are counting on you. It's a rewarding feeling now when guests ask for me by name and want to know if I'll be there for a certain week.

We can honestly say it's been life-changing. There's a different kind of satisfaction you find through selflessness, that you can't get in other ways."



We provided 1,460 (2015 – 1,477) volunteers with the opportunity to work with us in providing a memorable experience for guests, as well as obtaining a valuable and rewarding experience themselves. 86% of our volunteers are aged between 17 and 25. Our average volunteer score rating their satisfaction with their Revitalise volunteering experience, is 1.1, where again 1 is excellent and 2 is good.

Our fundraising enabled us to subsidise every break by £236 (2015 - £244) and to provide additional assistance to those facing particular financial hardship. We do this through a special fund established in honour of our founder, Mrs Joan Brander. This year the Joan Brander Memorial Fund aided 278 (2015 – 281) individuals and families who have been prevented from taking a

break for as many as 10 years due to financial hardship. We also gave financial assistance for a break to a further 129 (2015 – 60) people as a result of a generous donation from simplyhealth, the health insurance provider.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning its future activities. In particular, the Trustees consider that the new planned activities will contribute to the aims and objectives that have been set.

## ***Strategic Report***

### ***Review of activities for 2015/16***

In the years up to 2009, Revitalise followed a strategy of diversification and acquired a number of other services, some in areas in which we are not significant providers. The environment in which we operate is not an easy one and has become increasingly challenging, with significant competition for fundraising income and changes to government and local authority funding. The demands of our guests are also changing along with their expectations of the services we provide. In early 2010, the Board of Trustees undertook a major review of the Charity's position. We reviewed our mission and vision and reviewed the services we provided against that benchmark. As a result of that review, the Board agreed upon a strategy for the next five years, namely:

- Focus on the core service of providing essential breaks with care for people with disabilities and their carers, providing superb nursing and social care, together with memorable experiences
- Transfer responsibility for services not core to our mission to other providers
- Strengthen service sustainability through reducing costs and increasing fees to cover the costs of service delivery
- Emphasise our commitment to providing inspirational volunteering opportunities
- Increase reserve fundraising income to invest in:
  - The guest experience and service quality
  - Financial subsidies for guests in greatest need
- Reach out to greater numbers of disabled people and carers
- Strengthen the trustee and executive team.

In the past year we have successfully maintained the high number of guests benefitting from services provided by the Charity, and we have continued to seek opportunities to grow our core service of providing essential breaks with care.

This has meant that during this period we have:

- Continued to seek to transfer Ellerslie Court, our residential care centre in Southport, to an established care home operator. Agreement was reached on a transfer to an established residential care home operator on 29<sup>th</sup> April 2016, subsequent to the date of these financial statements.
- Continued discussions to secure a site in Worcestershire on which to build our fourth centre
- Continued to promote our Beyond Respite Capital Campaign to help fund the new centres
- Strengthened the Board with the addition of Victoria Schneider as a Trustee, who is a solicitor specialising in charities and social enterprises



## ***Future plans***

We are now entering a period where we need to add capacity in order to allow us to provide more essential breaks and increase our social impact.

In particular, in the next year we intend to:

- Offer more memorable, inspirational breaks, tailored to individual guests.
- Finalise plans for our new centre in Worcestershire.
- Further develop our volunteering programme to enhance the experience of both the guest and of the volunteer, and to inspire a new generation of people.
- Establish our new approach to pricing through charging breaks at the level they cost to provide, whilst dedicating significant funds to support those in financial need..
- Successfully and seamlessly transfer Ellerslie Court to its new operator.

## ***Financial review***

### *New Statement of Recommended Practice and Change in Accounting Policy*

The Charity is required to adopt the new Statement of Recommended Practice "Accounting And Reporting By Charities" (SORP FRS102) in these financial statements. This has resulted in a number of changes being made to the disclosures contained within the Trustees' Report, Consolidated Statement of Financial activities, Balance Sheets and Consolidated Cash Flow Statement.

The new SORP has also required a change in accounting policy for the payments being made to a pension plan under a deficit funding agreement. Previously these payments were accounted for as a cost in the year when paid. The new SORP requires the charity to recognise the net present value of all of the deficit reduction contributions payable in future years under the arrangement in its balance sheet, and then to recognise the payment of each year's contribution, together with other changes affecting the liability, within the Consolidated Statement of Financial Activities for the year.

This change in accounting policy has been accounted for in line with transitional arrangements, whereby the accounts for the previous financial year have been restated as if the new accounting policy has existed for both of the financial years covered by these financial statements.

### *Financial performance*

We increased our break base prices by the smallest amount possible for the 2015/16 financial year, and by holding a tight rein on our operating costs, aimed to achieve a reasonable operating surplus, which we achieved.

We budgeted to complete the updating of our centres by refurbishing the guest bedrooms at the start of the 2016/17 financial year, but with early bookings strong for 2016, decided to take advantage of our maintenance and staff training shutdown week in January 2016, to complete this exercise without disrupting the holidays of our guests. We therefore invested the sum of £153,000

## REVITALISE

in guest bedroom refurbishment in the last month of the 2015/16 financial year, that had been planned for the first month of the 2016/17 financial year.

Thus we continued to manage our finances to an appropriate operating surplus, whilst benefitting as many guests as possible and also continuing to invest regular sensible amounts of money in our facilities and services.

### *Movement in Funds*

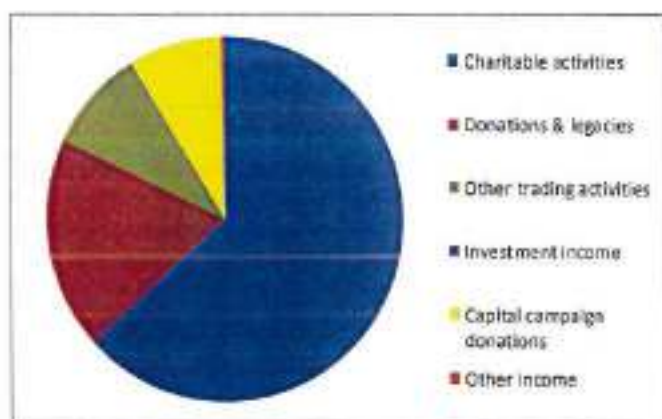
The net movement in funds for the year was:

	2016 £000	2015 £000
Operational activities surplus/(deficit)	289	(138)
Exceptional expenditure on refurbishment of guest bedrooms	(153)	-
<b>Operating surplus/(deficit)</b>	<b>136</b>	<b>(138)</b>
Capital campaign donations	732	155
<b>Net movement in funds</b>	<b>868</b>	<b>17</b>

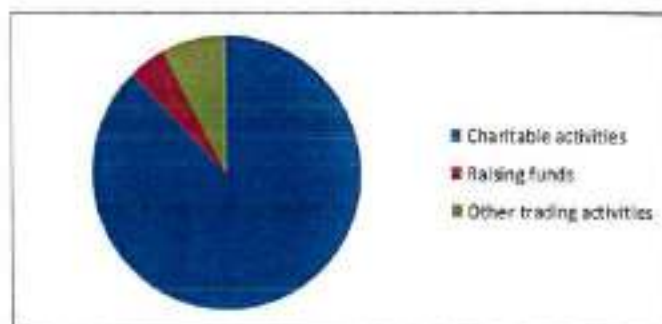
### *Sources of Revenues and Use of Expenditure*

Our sources of revenues and use of expenditure are as follows:

Income	
Charitable activities	5,465
Donations & legacies	1,625
Other trading activities	775
Investment income	10
Capital campaign donations	732
Other income	27
<b>Total</b>	<b>8,634</b>



Expenditure	
Charitable activities	6,819
Raising funds	350
Other trading activities	597
<b>Total</b>	<b>7,766</b>



## *Reserves Policy*

The Charity needs reserves so that it can continue its operations in the event of an unforeseen shortfall in income, or increase in costs. This is important in order that we can continue to support our guests and their carers, whilst also moving forward our long term project to add additional Revitalise centres.

During the year the Charity reviewed its reserves policy and decided that it required updating. The previous policy contained components for managing operating risks, property maintenance requirements, and growth opportunities..

Therefore, the Charity requires reserves in order to cover the potential timing differences between the receipt of its revenues and its expenditure, which is largely fixed in nature.

Looking at the historical and budgeted cash flow trends, the Charity considers that a reserves policy comprising its expenditure for a period of 3 months would be appropriate, which is £2,000,000.

Working capital funds at 31<sup>st</sup> January 2016 were £1,163,000 (2015 - £1,109,000), being £837,000 (2015 - £891,000) below target. The Trustees will continue to monitor both the reserves target and actual reserves level, with the aim to reach the target as soon as possible.

## *Investment Policy*

The Charity has placed no cash into investments since 2010 and all funds are held as cash in current or deposit accounts.

## **Structure, governance and management**

The Charity is governed by its Memorandum and Articles of Association, which were last amended in 2014.

### *Board of Trustees*

The Board of Trustees ("the Board") is responsible for the overall governance of the Charity. Trustees are elected and although the number of trustees is currently limited to 20, it is within the power of the Board to amend this figure if appropriate. Trustees serve for a term of three years and at the end of that period are eligible to offer themselves for re-election.

Board meetings take place 4 times a year. The Board normally meets with the Charity's Senior Management Team, but it also has closed sessions. It is the responsibility of the Board to develop organisational strategies in partnership with the Senior Management Team and to review operational performance, to set budgets and approve operating plans. New trustees who join the Board receive an induction to help them understand the work of the Charity and the environment in which it operates. This aids effective and informed decision-making.

In the periods between Board meetings, Senior Officers meetings take place, at which the Chairman, Vice Chairmen, and Chairs of the committees described below, meet with the Chief Executive to review current performance and issues arising.

The Board delegates the exercise of certain powers in connection with the management and administration of the Charity as set out below. This is controlled through regular reporting back to

the Board so that the Trustees can oversee all decisions made under delegated powers. The committees and individuals to which the delegation takes place are shown below.

The Board delegates powers to the following committees and individuals.

### *Finance, Audit & Risk Committee*

The Finance, Audit and Risk Committee comprises at least three trustees, together with two expert friends, and is attended by the Chief Executive, the Finance Director and the Company Secretary, along with other staff members as necessary. Its role is to provide the Board with impartial advice on the effectiveness of the Charity's financial performance, risk and control arrangements. It provides scrutiny of the Charity's systems and processes, ensuring that these are robust and fit for purpose and ensures that risks are catalogued, along with their control systems, investigating on behalf of the Board, anything that threatens or adversely affects the accomplishment of the charity's aims and objectives.

### *Income & Market Development Committee*

The Income and Market Development Committee comprises at least three trustees, together with an expert friend, and is attended by the Chief Executive, the Finance Director, the Director of Fundraising and the Head of Sales and Marketing.. Its role is to review fundraising, communications and marketing plans, to support the Senior Management Team in developing new marketing and fundraising initiatives and to monitor subsequent performance. It also liaises with Revitalise Enterprises Limited, the trading arm of the organisation.

### *Guest Experience Committee*

The Guest Experience Committee comprises at least two trustees, together with an expert friend and a regular guest at our centres, and is attended by the Chief Executive, the Director of Operations and the Head of Care and Quality. Its role is to ensure Revitalise puts the guest experience, which is a combination of high quality and safe care and excellent hospitality, at the heart of the service we offer, to assure the Board that the organisation is compliant with all regulatory and legal matters in relation to guest experience, and to ensure that the Charity has all the necessary systems and processes in place to effectively deliver an excellent guest experience.

### *Portfolios*

There are two agreed portfolios whereby individual trustees act as a gateway for Revitalise expertise on key areas. These are Property and Remuneration. The portfolio holders are able to convene working groups, when needed, in consultation with the Chairman.

### *Remuneration policy*

The Remuneration Committee comprises at least two trustees. It sets the pay and remuneration for the key staff, and the strategy for pay reviews for the remainder of the employees.

The key staff comprise the Senior Management Team and the General Managers of the centres.

In setting pay the Remuneration Committee takes into account available market information, the performance of the Charity in achieving its financial objectives, and statutory obligations such as the new Living Wage.



## *Chief Executive*

The Chief Executive is responsible for the day-to-day management of the Charity's affairs and for implementing policies agreed by the Board. The Chief Executive is assisted by a team of Senior Managers and other staff.

## *Group structure*

The Charity has one wholly owned trading subsidiary, Revitalise Enterprises Limited, and one wholly owned non-trading subsidiary, Vitalise Limited.

Revitalise Enterprises Limited carries out non-charitable trading activities to raise funds, donated under Gift Aid, to the Charity. During the year it donated £177,541 (2015 - £142,971). After taking account of this donation there was a surplus of £Nil for the year (2015 - £Nil).

## ***Risk management and internal control***

Revitalise maintains a comprehensive Risk and Issues Register. This register is the principal tool for the management of risk and the Finance, Audit and Risk Committee monitors the key risks identified.

The principal risks facing the charity are:

- **Reputational** – Revitalise draws a large proportion of its income from members of the public through donations and the use of its charitable services. Because of this it takes every step to communicate regularly with stakeholders. It also seeks to portray a positive image in the media through regular events, press releases and promotional materials.
- **Operational** – The Charity works with a wide range of different client groups in a variety of settings, involving many staff and volunteers. This provides the organisation with a large number of potentially serious risks to manage including health and safety and the welfare of all involved. These are managed through an active programme of audits, regular site visits and reviews by senior staff, along with induction training for all staff and volunteers, pre-admission review of guests' needs and the maintenance of high standards through adherence to clear and robust policies. Our Clinical Governance programme, established in 2009 has continued to bring significant improvements.
- **Financial** – While the Charity operates with a robust set of financial controls and strong balance sheets, it continues to operate in cyclical and potentially vulnerable markets. The Charity remains committed to developing its reserves and reviewing financial plans and budgets to ensure that financial risks are minimised. The Charity uses a three year plan, annual detailed budget, monthly accounts and reforecasts, cash flow forecasts and other regular reports, to help mitigate these financial risks.

As part of this risk management process, the Trustees acknowledge their responsibility for the charity's system of internal controls and for reviewing its effectiveness. Their response to these risks is stated in the Reserves Policy above.

## ***Staff and volunteers***

### *Staff*

Revitalise is working towards being an employer of choice for its staff. As a service provider, our employees are the heart of what we do. We expect from them commitment to our charitable mission and high levels of performance. In order to achieve this we try to ensure that employees are kept informed about the Charity's strategy and objectives, as well as day-to-day news and events. We do this through many channels, including a staff newsletter, and twice-yearly "roadshows", where the Chief Executive and Chairman meet with staff teams in each of the centres to engage them in the Charity's mission, values, current performance, and future plans. We hold an annual leadership conference, bringing together senior and middle managers, and Trustees, to create future plans.

Revitalise strives for equal opportunities and has policies and procedures in place to ensure that recruitment and promotion are on the basis of aptitude and ability without discrimination. The Charity is also dedicated to the continued employment and retraining of employees who become disabled whilst employed by the organisation. The Charity is committed to the training and career development of all employees. An individual's personal and professional development is assisted through annual appraisal and supervision. Training programmes are provided to meet on-going needs, with the aim of developing employees for both their current and future roles. Staff are rewarded for gaining relevant qualifications.

### *Volunteers*

Volunteers continue to play a critically important role at Revitalise. Volunteers operate at all levels of the organisation and make so much of what we offer unique. Guests in our centres tell us that volunteers add a significant additional element to all of their breaks and help to make a Revitalise break feel like a real break. Volunteers also work in our charity shops, in shops within the centres, on fundraising events and in countless other ways. It is not possible to monetise the contribution of volunteers – but to our guests, it is priceless.

## ***Subsequent event***

On 29<sup>th</sup> April 2016, subsequent to the date of these financial statements, we reached agreement to transfer Ellerslie Court to an established residential care home operator. The agreement is for the new operator to purchase the care home and to rent the property within which it operates, from the charity. The new operator will also have the exclusive option to purchase the property within a period of two years. The charity expects this transfer to yield cash proceeds, net of transaction costs, not less than the book value of £551,000 as at 31<sup>st</sup> January 2016.

## ***Statement of Trustees' responsibilities***

The Trustees (who are also directors of Revitalise Respite Holidays for the purposes of company law) are responsible for preparing the trustees' report, 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the

charitable company/group 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 operation.

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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

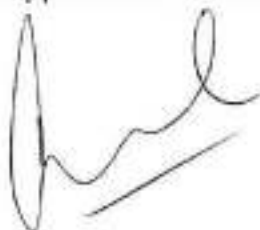
- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31<sup>st</sup> January 2016 was 10 (2015: 9). The Trustees are Members of the Charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the group or the Charity.

### **Auditors**

haysmacintyre are the Charity's auditors and a proposal will be made at the Annual General Meeting to re-appoint them for the 2016/17 financial year.



By order of the Board of Trustees

John Parker, Company Secretary  
12th July 2016



## ***Independent Auditors' Report to the Members of Revitalise Respite Holidays***

We have audited the financial statements of Revitalise Respite Holidays Limited for the year ended 31 January 2016 which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the 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 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 22, 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 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 [www.frc.org.uk/auditscopeukprivate](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 company's affairs as at 31 January 2016 and of its result 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.

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

In our opinion the information given in the Report of the Directors (including the 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:

- 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit



Bernie Watson  
Senior Statutory Auditor  
for and on behalf of haysmacintyre  
Statutory Auditors  
12<sup>th</sup> July 2016

26 Red Lion Square  
London  
WC1R 4AG

# REVITALISE RESPITE HOLIDAYS

## Consolidated Statement of Financial Activities (SOFA) Incorporating Income and Expenditure Account for the Year to 31st January 2016

Notes	Unrestricted funds	Restricted funds	Total year ended 31st Jan 2016	Unrestricted funds	Restricted funds	Total year ended 31st Jan 2015
	(Note 18) £'000	(Note 19) £'000	£'000	(Note 18) £'000	(Note 19) £'000	£'000
<i>As Reported (Note 17)</i>						
<b>Income and endowments from:</b>						
2 Donations & legacies	810	815	1,625	436	826	1,262
1f Charitable activities	5,465	-	5,465	5,522	-	5,522
9 Other trading activities	775	-	775	804	-	804
3 Investment income	5	5	10	8	2	10
Other income	27	-	27	42	-	42
<b>Total operational incoming resources</b>	<b>7,082</b>	<b>820</b>	<b>7,902</b>	<b>6,812</b>	<b>828</b>	<b>7,640</b>
Capital Campaign Donations	-	732	732	-	155	155
<b>Total</b>	<b>7,082</b>	<b>1,552</b>	<b>8,634</b>	<b>6,812</b>	<b>983</b>	<b>7,795</b>
<b>Expenditure on:</b>						
Raising funds	359	-	359	375	-	375
Charitable activities	6,043	776	6,819	5,931	813	6,742
9 Other trading activities	597	-	597	651	-	651
6,8 Total	<b>6,999</b>	<b>776</b>	<b>7,766</b>	<b>6,967</b>	<b>813</b>	<b>7,778</b>
<b>Net income/(expenditure)</b>	<b>92</b>	<b>776</b>	<b>868</b>	<b>(155)</b>	<b>172</b>	<b>17</b>
Transfers between funds	-	-	-	-	-	-
<b>Net movement in funds</b>	<b>92</b>	<b>776</b>	<b>868</b>	<b>(155)</b>	<b>172</b>	<b>17</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	4,636	1,048	5,684	4,791	876	5,667
16,18,20 Total funds carried forward	<b>4,728</b>	<b>1,824</b>	<b>6,552</b>	<b>4,636</b>	<b>1,048</b>	<b>5,684</b>

There were no other recognised gains or losses, other than the above.

All current year activities are continuing. See subsequent event note 25 - Ollerslie Court.

The accompanying notes are an integral part of this statement of group financial activities.

# REVITALISE RESPITE HOLIDAYS

Company No. 2044219

## Balance Sheets

as at 31st January 2016

Notes		Consolidated		Charity	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
		<i>As Restated (Note 17)</i>		<i>As Restated (Note 17)</i>	
	<b>Fixed assets</b>				
10	Tangible assets	4,054	4,309	4,043	4,300
11	Investments	45	45	45	45
		<b>4,099</b>	<b>4,354</b>	<b>4,088</b>	<b>4,345</b>
	<b>Current assets</b>				
12	Stocks	30	21	7	9
13	Debtors	507	865	827	1,229
14	Bank deposits and cash	3,371	1,637	3,044	1,261
		<b>3,908</b>	<b>2,523</b>	<b>3,878</b>	<b>2,499</b>
	<b>Liabilities</b>				
15	Creditors - amounts falling due within one year	(1,103)	(792)	(1,066)	(763)
	<b>Net current assets</b>	<b>2,805</b>	<b>1,731</b>	<b>2,812</b>	<b>1,736</b>
	<b>Total assets less current liabilities</b>	<b>6,904</b>	<b>6,085</b>	<b>6,900</b>	<b>6,081</b>
15	Creditors - amounts falling due after more than one year	(352)	(401)	(352)	(401)
	<b>Total net assets</b>	<b>6,552</b>	<b>5,684</b>	<b>6,548</b>	<b>5,680</b>
	<b>The funds of the charity:</b>				
16	Restricted income funds	1,824	1,048	1,824	1,048
18	Unrestricted funds - designated	4,724	4,632	4,724	4,632
18	Unrestricted funds - non-charitable trading funds	4	4	-	-
	<b>Total charity funds</b>	<b>6,552</b>	<b>5,684</b>	<b>6,548</b>	<b>5,680</b>

Approved by the Board of Trustees on 12th July 2016 and signed on its behalf by:



Mindy Sawhney  
Chairman

# REVITALISE RESPITE HOLIDAYS

## Consolidated Cash Flow Statement for the Year Ended 31st January 2016

	2016 £'000	2015 £'000
Cash flows from operating activities:		
Net Cash Provided / (Utilised)	1,621	(187)
Cash flows from investing activities:		
Dividends, interest and rent from investments	10	8
Purchase of plant, plant and equipment	(48)	(52)
Net cash used in investing activities	(38)	(51)
Cash flows from financing activities:		
Repayment of borrowings	(49)	(25)
Net cash provided by / (used in) financing activities	(49)	(25)
Change in cash and cash equivalents in the reporting period	1,734	(265)
Cash and cash equivalents at the beginning of the reporting period	1,637	1,603
Cash and cash equivalents at the end of the reporting period	<u>3,371</u>	<u>1,337</u>

### Reconciliation of net income to net cash flow from operating activities

	2016 £'000	2015 £'000
Net income for the reporting period as per the statement of financial activities	888	17
Adjusted for:		
Depreciation charge	303	340
Dividends, interest and rent from investments	(10)	(8)
Increase in investments	-	(3)
(Increase) / decrease in stocks	(9)	0
Decrease / (increase) in debtors	258	(112)
Increase / (decrease) in creditors	311	(414)
Decrease in defined benefit pension scheme liability	-	(15)
Net cash provided / (utilised) by operating activities	<u>1,821</u>	<u>(187)</u>

## REVITALISE RESPITE HOLIDAYS

### Notes to the Accounts for the Year Ended 31st January 2016

#### 1. Accounting policies

The material change in the adoption of the Charities SORP (FRS 102) 2015 from the previous Charities SORP 2005 is the accounting for the past deficit payment on the pension plan. This required change in accounting policy has been accounted for in line with transitional arrangements as explained in note 17.

#### a. Basis of accounting

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of fixed assets, and in accordance with applicable accounting standards and the Companies Act 2005. They comply with the recommendations in the Statement of Recommended Practice 'Accounting and Reporting by Charities' (the Charities SORP FRS 102) which became effective from 31st January 2015.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiaries, Revitalise Enterprises Ltd and Wilkie Limited, on a line by line basis. Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Differences between the companies are disclosed in the notes to the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemption afforded by section 406 of the Companies Act 2005 and SORP 2015.

#### b. Voluntary income

Voluntary income received by way of donations and gifts is included in full in the statement of financial activities when received.

#### c. Grants

Revenues grants are credited to the statement of financial activities when received or receivable whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the incoming resource is deferred.

#### d. Legacies

Income from legacies is accounted for on a receivable basis, and is recognised in full in the financial statements in the period in which probate is granted, and when there is certainty of entitlement and the sum to be received.

#### e. Investments

The investments comprise a property held at market value at the date of transfer. The Trustees have considered the valuation at the balance sheet date and do not consider there to be any impairment of this value, due to a sitting tenant with a life interest in this property.

#### f. Incoming resources from charitable activities

Fees from meals, holidays, day care and day services are recognised in the financial statements in the year in which the break or holiday occurs or the service is provided.

#### g. Trading subsidiary income

Income from the sales of goods and services is derived from ordinary activities and is stated net of VAT.

#### h. Gifts in kind

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount the charity would otherwise have paid for the assets. Donated goods for resale through charity shops are not recognised in the financial statements as gifts in kind.

#### i. Resources expended

Resources expended are included in the statement of financial activities on an accruals basis and, because the charity is unable to recover any UK Value Added Tax paid, inclusive of that irrecoverable VAT. Resources expended are allocated to the particular activity where the cost relates directly to that activity. Overhead and other costs not directly attributable to particular functional activity categories are apportioned over the relevant categories on the basis of the activities given below.

#### Costs from

Office and HQ costs  
Operational management  
Information technology  
Volunteer recruitment  
Banking services  
Marketing

#### Areas of allocation

Space and facilities used  
Activity numbers in Care (e.g. guest weeks)  
Resources supported per department  
Volunteer numbers supplied  
Numbers of guests booked  
Proportion of resources used

The costs shown under charitable activities by objective are the gross costs of running services. Staff are not allowed to carry forward holidays and therefore no provision is required.

#### j. Fundraising costs

Fundraising costs consist of the payroll costs of fundraisers together with their office costs and specific fundraising expenditure. Also included are associated IT and premises costs as well as an element of common central costs as above.

#### k. Governance costs

These are the costs associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to costs associated with fundraising or charitable activities. The costs will normally include external audit, legal advice for trustees and costs associated with constitutional and statutory requirements such as the cost of trustee meetings.

## REVITALISE RESPITE HOLIDAYS

### Notes to the Accounts

#### i. Operating leases

Rentals payable under operating leases are charged to the Statement of Financial Activities over the period of the lease on a straight line basis.

#### ii. Pension costs

The charitable company operates two defined contribution pension schemes with First and the Furness Trust. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. There were no outstanding or prepaid contributions at the balance sheet date. See also note 28.

#### iii. Capitalisation policy and depreciation

Fixed assets, being assets with a useful life greater than one year, are stated at cost. Items purchased with a value greater than £500 are capitalised.

Depreciation is provided on fixed assets capitalised in the financial statements in order to write off the cost of each asset over its expected useful life on a straight line basis, as follows:

Cars	3-5 years
Buses	3-5 years
Building equipment	5 years
Freehold and leasehold buildings	
Freehold buildings	50 years
Freehold improvements	10 years
Leasehold buildings	length of lease
Leasehold improvements	length of lease - 30 years
Office equipment	5 years
IT systems	5 years
Operating equipment	5 years

Leasehold properties are amortised on a straight line basis over the period of the leases.

#### iv. Value of land and buildings

The charitable company's interests in freehold and leasehold property are stated in the balance sheet at their current market valuations.

#### v. Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. No value has been placed on donated goods for resale.

#### vi. Deferred income

Income relating to future financial periods has been deferred and is shown in note 15 below. Income is deferred if the activity that it relates to takes place in a future period.

#### vii. Restricted funds

Such funds are subject to specific restrictions imposed by donors. The purposes and uses of such funds are set out in note 16 to the accounts.

#### viii. Unrestricted funds

Such funds are general funds or have been set aside at the discretion of the trustees for specific purposes as set out in note 18 to the accounts. The Fund Asset Fund represents the net book value of tangible fixed assets after the deduction of depreciation, and taking into account any additions and disposals in the year.

#### ix. Foreign currencies

Transactions in foreign currencies are recorded at the rate prevailing at the date of the transaction. Monetary assets and liabilities are re-translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the Statement of Financial Activities.

#### x. Transfers between funds

Transfers are made from or between restricted funds when this is allowed by the terms of the donation or where permission has been obtained from the donor. Transfers are made from or between unrestricted funds following approval by the trustees.

#### xi. Debtors / Creditors Policy

Receivable transactions are measured at transaction price, less any impairment. Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

#### xii. Significant judgements Policy Statement

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies.

#### xiii. Financial Instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade debtors and other accounts receivable and payable, and loans from banks and other third parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.



## REVITALISE RESPITE HOLIDAYS

## Notes to the Accounts

## 2 Voluntary income

	Unrestricted £'000	Restricted £'000	2016 £'000	2015 £'000
Donations, Grants and Gifts	317	815	1,132	1,096
Legacies	493	-	493	166
<b>Total</b>	<b>810</b>	<b>815</b>	<b>1,625</b>	<b>1,262</b>

The total value of unrestricted donations received from the Trustees during the year:

	2016 £'000	2015 £'000
	1	1

## 3 Investment income

	Unrestricted £'000	Restricted £'000	2016 £'000	2015 £'000
Interest received	5	5	10	10
	5	5	10	10

## 4 Total resources expended

This is stated after charging:

		2016 £'000	2015 £'000
Audit fees		23	21
Other fees to auditors		-	-
Depreciation		383	340
Operating rentals	- equipment	67	58
	- London Office rental	55	55
	- other assets	336	152
		<b>581</b>	<b>526</b>

During the year 8 trustees (2015: 7) received reimbursement of all costs including those paid direct by the charity totalling £2,140 (2015: £4,288) but no emoluments. During the year, trustees' indemnity insurance was provided at a cost of £2,854 (2015: £2,814).

## 5 Support costs directly attributed to services and fundraising activities

	Central admin. £'000	Reservations £'000	Volunteers department £'000	IT £'000	Marketing £'000	Total £'000
Fundraising costs	46	-	-	13	31	91
Respite for disabled people and carers	445	263	4	93	451	1,367
Continuing & long-term care	87	-	-	4	-	91
<b>Total group</b>	<b>718</b>	<b>263</b>	<b>4</b>	<b>97</b>	<b>482</b>	<b>1,519</b>

For details on appropriate fund use see note 31 above.

## REVITALISE RESPITE HOLIDAYS

## Notes to the Accounts

## 6. Analysis of total resources expended

	Direct staff costs £'000	Overheads and support costs £'000	Other £'000	2018 Total £'000	2015 Total £'000
Cost of generating funds:					
Fundraising costs					
Investment for future fundraising	-	-	18	18	28
Management	278	93	-	371	304
Legacies	-	-	3	3	3
Trusts	-	-	29	29	15
Corporate and Events	-	-	21	21	29
Costs of trading subsidiary - charity shops	275	-	205	480	502
Costs of trading subsidiary - other activities	-	-	117	117	159
	<u>453</u>	<u>93</u>	<u>205</u>	<u>847</u>	<u>1,035</u>

The 'Overheads and support costs' shown above include the full costs of providing accommodation and management support for the fundraising department, along with the costs of providing marketing, public relations and communications for the department.

	Direct staff costs £'000	Overheads and support costs £'000	Other £'000	Direct depreciation £'000	2018 Total £'000	2015 Total £'000
Charitable expenditure on activities in furtherance of the charity's objectives						
Breaks for disabled people people and cars	3,081	1,367	1,090	248	6,386	6,397
Continuing and longer term care	519	51	83	15	513	514
Governance costs	-	-	23	-	23	21
	<u>3,600</u>	<u>1,418</u>	<u>1,196</u>	<u>263</u>	<u>6,477</u>	<u>6,932</u>
Cost of generating funds	453	93	401	-	947	1,035
Total resources expended	<u>4,053</u>	<u>1,511</u>	<u>2,201</u>	<u>263</u>	<u>7,766</u>	<u>7,967</u>

The total direct staff costs and the direct depreciation costs shown above include only those costs which can be directly attributed to an activity. The total staffing costs for the organisation are shown in note 7 below which incorporates the costs of both direct and indirect staffing. Governance costs comprise audit costs as per note 4.

## 7. Staff costs

Staff costs and numbers were as follows:

	2018 £'000	2015 £'000
Salaries	1,882	4,087
Social security costs	273	297
Other pension costs	87	80
Redundancy / Termination Costs	0	4
	<u>2,242</u>	<u>4,468</u>
Total emoluments paid to staff	<u>2,242</u>	<u>4,471</u>

During the year the charity also spent £318,004 (2015: £368,185) on agency staffing.

The number of employees whose emoluments amounted to more than £60,000 in the year was as follows:

	2018 No.	2015 No.
£36,000 - £60,000	1	1
£60,000 - £90,000	1	1
£90,000 - £150,000	0	0

Total pension contributions for these employees were £5,398 (2015: £5,350).

## REVITALISE RESPITE HOLIDAYS

## Notes to the Accounts

Total remuneration paid to key management in the year  
Key management are as described in the Trustees Report

2016 £'000	2015 £'000
437	518

The average number of employees (full-time equivalents)

Breaks for disabled people and carers  
Continuing and longer-term care  
Fundraising  
Support services  
Employed by Revitalise Enterprises Ltd

2016 No.	2015 No.
132	135
17	17
5	7
20	22
17	17
191	198

## 8 Major component parts of expenditure

Cost of sales  
Staffing, agency, training and uniform costs  
Rents  
Property maintenance and cleaning  
Telephones and postage  
Water and energy costs  
Event costs  
Food costs  
Medical supplies  
Volunteer fares  
Insurance  
Vehicle running costs  
Stationery and printing  
Tour operating and courier costs  
Professional fees  
Depreciation  
Marketing  
Other

2016 £'000	2015 £'000
28	24
4,876	4,679
240	245
479	348
80	78
249	249
183	171
279	304
18	19
74	68
238	190
92	107
122	138
1	1
180	149
383	340
285	254
278	222
7,788	7,776

## 9 Net income from activities and assets, liabilities and funds of trading subsidiaries

The charity's wholly owned trading subsidiaries, Revitalise Enterprises Ltd and Vitalise Limited, are incorporated in the UK. Revitalise Respite Holidays owns all four ordinary £1 shares issued in Revitalise Enterprises Limited and the one ordinary £1 share issued in Vitalise Limited. The major sources of income for Revitalise Enterprises Ltd are shown below. Vitalise Limited is a non-trading company. A summary of the trading results for the year to 31st January 2016 is shown below.

	Revitalise Enterprises Limited		Vitalise Limited	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
<b>Income</b>				
Sale of donated goods through charity shops	717	736	-	-
Sales from licensed bars within Centres	18	50	-	-
Sales from kiosks in Centres	8	9	-	-
<b>Total income</b>	<b>743</b>	<b>805</b>	<b>0</b>	<b>0</b>
<b>Expenditure</b>				
Sale of donated goods through charity shops	489	592	-	-
Sales from licensed bars within Centres	30	37	-	-
Sales from kiosks in Centres	9	9	-	-
Sales from Holidays for visually impaired people	0	4	-	-
Overheads and other expenditure	78	152	-	-
<b>Total expenditure</b>	<b>596</b>	<b>804</b>	<b>-</b>	<b>-</b>
<b>Net profit after tax and before gift aided payments</b>	<b>178</b>	<b>143</b>	<b>-</b>	<b>-</b>
Amount gift aided to the parent charity	(128)	(161)	-	-
<b>Profit / (loss) for the year</b>	<b>50</b>	<b>(18)</b>	<b>-</b>	<b>-</b>

The aggregate of assets, liabilities and funds was:

	2016 £'000	2015 £'000	2016 £'000	2015 £'000
<b>Assets</b>	<b>583</b>	<b>589</b>	<b>-</b>	<b>-</b>
<b>Liabilities</b>	<b>(565)</b>	<b>(560)</b>	<b>-</b>	<b>-</b>
<b>Funds</b>	<b>18</b>	<b>29</b>	<b>-</b>	<b>0</b>

The above figure includes £3,092 of Governance costs (2015: £3,008)

## REVITALISE RESPITE HOLIDAYS

## Notes to the Accounts

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Revitalise Enterprises Ltd gifts available profits to the charity. No charge to corporation tax for the year was:

	2016 £'000	2015 £'000
UK Corporation Tax at 20% (2015: 20%)	-	-

## 10. Consolidated tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Furniture and equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost or book value</b>					
At 1st February 2015 brought forward	6,976	1,903	1,778	406	11,063
Additions	-	-	-	48	48
<b>Depreciation</b>					
At 1st February 2015 brought forward	1,885	1,078	1,589	200	4,752
Charge for the year	135	4	89	75	303
<b>Net book value</b>					
At 31st January 2016	5,091	24	1,189	206	6,510
At 1st February 2015	5,091	24	1,189	206	6,510

The above figures include the assets of the subsidiary company, comprising furniture and equipment, leasehold improvements and a motor vehicle with a cost of £104,790 and aggregate depreciation of £81,813.

The value of land within land and buildings that is not depreciated amounted to £885,330.

The net book value of assets held under finance lease is £75,870 (2015: £111,825).

Details of subsequent events concerning the charity's interests in land and buildings are contained within note 25 to the accounts.

## 11. Investments

Investment movements during the year are as follows:

	2016 £'000	2015 £'000
Market value as at 1st February 2015	40	45
Market value as at 31st January 2016	45	45

## 12. Stocks

	Consolidated 2016 £'000	2015 £'000	Charity 2016 £'000	2015 £'000
Goods for resale	23	12	-	-
Food stocks	7	9	7	9
	30	21	7	9

## REVITALISE RESPITE HOLIDAYS

## Notes to the Accounts

## 13 Debtors

	Consolidated		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Trade debtors	362	595	362	595
Amounts due from subsidiaries	-	-	345	395
Other debtors	16	54	30	49
Prepayments	55	94	75	79
Accrued income	54	121	54	120
	<u>587</u>	<u>964</u>	<u>827</u>	<u>1,239</u>

## 14 Bank deposits and cash

	Consolidated		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Deposits held by the charity	2,579	1,250	2,579	1,250
Current accounts	390	385	84	10
Cash holdings	2	2	1	1
	<u>3,271</u>	<u>1,637</u>	<u>3,664</u>	<u>1,261</u>

Assets controlled by the charity are held in bank accounts that are accessible at any point in time.

## 15 Creditors

	Consolidated		Charity	
	2016	2015	2016	2015
	£'000	£'000	£'000	£'000
Amounts falling due within one year				
Trade creditors	254	186	274	170
Other creditors	54	-	95	-
Accruals	212	88	199	76
Taxation and social security	77	86	74	85
Deferred income	397	368	397	368
Secured loans	27	27	27	27
Defined benefit pension scheme liability	40	39	40	39
	<u>1,303</u>	<u>794</u>	<u>1,066</u>	<u>763</u>
Amounts falling due after one year				
Secured loans	79	106	79	106
Defined benefit pension scheme liability	273	295	273	295
	<u>352</u>	<u>401</u>	<u>352</u>	<u>401</u>

The movement in deferred income is analysed as follows:

	£'000
Opening balance as at 1st February 2015	344
Transferred to the income and expenditure account in 2015/16	(104)
Income received in 2015/16 relating to 2016/17	<u>397</u>
	<u>397</u>

## REVITALISE RESPITE HOLIDAYS

## Notes to the Accounts

## 16. Restricted Funds

The following funds are derived from donations given for particular purposes:

	Balance As At 31/12/2014 £'000	Income Resources £'000	Outgoing Resources £'000	Net Income / (Outgoing) Resources £'000	Net Movement In Funds £'000	Balance As at 31/12/2015 £'000
Ellen's Court	551	-	(14)	(14)	(14)	537
Joan Brander	108	134	(124)	30	30	218
Alzheimer's week	-	44	(44)	-	-	-
Simplex Health	138	196	(140)	24	24	190
John Lyon's Charity	26	-	(1)	(1)	(1)	25
Relocation of centres	-	51	(51)	-	-	-
RAF - The Soldiers' Charity	-	45	(45)	-	-	-
Royal Air Force Benevolent Fund	-	18	(18)	-	-	-
The Royal Navy Benevolent Trust	-	18	(18)	-	-	-
Capital Campaign	155	732	-	732	732	887
Interest	3	5	-	5	5	8
Other	-	321	(321)	-	-	-
	<b>1,048</b>	<b>1,552</b>	<b>(776)</b>	<b>776</b>	<b>776</b>	<b>1,824</b>

The categories of fundation are defined as follows:

Ellen's Court	These funds were received through the transfer of assets from the Southport & District Central Baby Association (SDCPA). The expenditure represents the depreciation charge on the Ellen's Court property and assets, formerly owned by that Society.
Other Revenue funds	These funds are predominantly held for supporting guests with financial needs or for those from specific geographical areas in taking a break at a Revitalize Centre. The largest such fund is the Joan Brander Memorial Fund. Other revenue funds held are generated from restricted donations to support the work of Revitalize in other ways.
Capital Campaign	These funds have been received in response to the charity's capital campaign for the construction of its fourth respite centre in Warrumbah.

## 17. Conversion to FRS 102

Under the previous SORP 2005, the Charity's payments to the deficit funding agreement put into place by The Pensions Trust Growth Plan were accounted for as expenditure in the year when paid.

Under the new SORP (FRS102), introduced from 1st January 2015, the Charity is required to recognise the net present value of all the deficit reduction contributions payable in future years under the arrangement, in its balance sheet, and then to recognise any changes affecting the calculation of the liability within the Consolidated Statement of Financial Activities for the year. This change in accounting policy has been accounted for in line with the transitional arrangements, summarised as follows:

## Restated Consolidated Statement of Financial Activities

	Unrestricted £'000	Restricted £'000	Total £'000
Net movement in funds for the year ended 31st January 2015, as previously reported	(179)	172	7
Adjusted for items related to newly created pension for defined benefits pension scheme liability			
Deficit contribution paid previously from reserves, now paid from pension	38		38
Unwinding of the discount factor (interest expense)	(9)		(9)
Impact of changes in assumptions upon calculation of liability	(24)		(24)
	35	0	35
Net movement in funds for the year ended 31st January 2015, as restated	<b>(155)</b>	<b>172</b>	<b>17</b>

## Restated Balance Sheet

	Consolidated Defined Benefits Pension Scheme Liability		Charity Defined Benefits Pension Scheme Liability	
	Unrestricted Funds - Designated £'000	£'000	Unrestricted Funds - Designated £'000	£'000
Balance as at 1st February 2014, as previously reported	5,140		5,138	
Creation of provision for defined benefits pension scheme liability	(248)	(248)	(248)	(248)
Balance as at 1st February 2014, as restated	<b>4,892</b>	<b>(248)</b>	<b>4,767</b>	<b>(248)</b>
Movement in the year ended 31st January 2015, as previously stated	(170)		(170)	
Movement in the year ended 31st January 2015, with the newly created pension for defined benefits pension scheme liability	35	35	35	35
Movement in the year ended 31st January 2015, as restated	<b>(135)</b>	<b>35</b>	<b>(135)</b>	<b>35</b>
Balance as at 31st January 2015, as previously reported	4,722	-	4,597	-
Balance as at 31st January 2015, as restated	<b>4,687</b>	<b>(254)</b>	<b>4,632</b>	<b>(254)</b>

## REVITALISE RESPITE HOLIDAYS

## Notes to the Accounts

## 18. Unrestricted funds

	Balance At At 31/03/2015 £'000	Incoming Resources £'000	Outgoing Resources £'000	Net Incoming / (Outgoing) Resources £'000	Transfers £'000	Net Movement in Funds £'000	Balance At At 31/03/2016 £'000
Tangible Fixed Asset Fund	3,802	48	(289)	(241)	-	(241)	3,561
Working Capital Fund	859	241	-	241	92	333	1,163
Net Movement in Funds	0	7,932	(9,993)	92	(92)	0	-
Trading Company Funds	4	-	-	-	-	-	4
Other Designated Funds	-	-	-	0	-	0	-
	<b>4,635</b>	<b>7,971</b>	<b>(7,279)</b>	<b>92</b>	<b>-</b>	<b>92</b>	<b>4,728</b>

## Tangible fixed Asset Fund

The Tangible Fixed Asset Fund incorporates the value of fixed assets held by the charity and used in the provision and administration of services. Any assets purchased by the charity are paid for by the Working Capital Fund and the value of these is then transferred to the Fixed Asset Fund. Conversely the value of depreciation charged on fixed assets for the year and impairment are passed back from the Fixed Asset Fund to the Working Capital Fund.

During the year £17,560 was involved in capital expenditure.

## Working Capital Fund

See reserves policy on page 18 of the Trustees' report.

## Trading company funds

See note 9 above.

## 19. Share capital

The charity is a company limited by guarantee and has no share capital.

## 20. Assets and liabilities representing funds

	Fixed Asset Fund £'000	Working Capital Fund £'000	Other unrestricted funds £'000	Trading company funds £'000	Restricted funds £'000	Total £'000
Represented by						
Fixed assets	3,561	-	-	1	517	4,079
Net current assets	-	1,515	-	9	1,267	2,801
Creditors - due after 1 year	-	(352)	-	-	-	(352)
	<b>3,561</b>	<b>1,163</b>	<b>-</b>	<b>10</b>	<b>1,824</b>	<b>6,558</b>

## 21. Lease commitments

The group had total commitments under non-cancellable operating leases as follows:

Expiry date	2016 Land and buildings £'000	Other £'000	2015 Land and buildings £'000	Other £'000
within one year	9	1	11	1
between two and five years	234	263	217	177
over five years	395	906	86	132
	<b>638</b>	<b>1,170</b>	<b>314</b>	<b>310</b>



## REVITALISE RESPITE HOLIDAYS

### Notes to the Accounts

#### 22 Results for the financial year

As permitted by section 408(5) of the Companies Act 2006, the statement of financial activities of the parent charity by itself is not presented as part of these accounts. The parent company's income for the financial year, including gift aided donations from its subsidiary, amounted to £8,857,800 (2015: £6,528,600) and it had a surplus for the year of £917,600 (2015: Deficit of £162,000).

#### 23 Capital Commitments

As at 31st January 2016 the charity had capital commitments totalling £0 (2015: £0).

#### 24 Pension Schemes

The charity's current employees are members of two defined contribution schemes, with West and Series 4 of the Pensions Trust multi-employer scheme. In previous years the charity had employees in Series 1, 2 and 3 of the Pensions Trust multi-employer scheme. These series of the scheme are defined benefit schemes in the UK.

It is not possible for the company to separately identify its assets and liabilities to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme under FRS 17.

The company is required to pay additional recovery plan contributions in line with the estimated share of the Series 1 and Series 2 scheme liabilities.

During the year the contributions totalled £29,060 (2015: £38,006).

The contributions increase annually by 3% for the period of the recovery plan.

The recovery plan will be reviewed at each triennial valuation (2014, 2017, 2020), which could result in a change in the contribution value.

On transition to FRS 17 there is a requirement to provide in the accounts for the deficit contributions to be made under the recovery plan. It is a transitional adjustment and it is explained in note 17.

The amount shown in Note 17 to create the provision for the defined pension scheme liability has been discounted by 2.24% as of 31 January 2016 (31 January 2015: 1.62%).

As a result, the movement in the liability during the year, as shown in Note 17, comprises the payment of the deficit contributions, the unwinding of the discount factor, and any changes in assumptions for the calculation of the liability.

The potential deficit on withdrawal for the charity as at 30th September 2014 (the date of the last calculation) is £753,687 (2015: £850,942).

As Revitalise has no intention of withdrawing from the plan in the foreseeable future the likelihood of the debt crystallising is remote, and it has therefore not been included in the balance sheet.

#### 25 Subsequent Events

On 25th April 2016 and subsequent to the year end, the company agreed to transfer to an established care home operator, its Revitalise Florida Court residential home. This divestment involves a sale of the property and the rental of the Florida Court property, with an option to purchase. When this option is exercised, the total value obtained for the home net of disposal costs, will approximate its current net value of £351,000.