

Calderdale & Huddersfield NHS Foundation Trust


Annual accounts for the year ended 31 March 2020

## Foreword to the accounts

### Calderdale & Huddersfield NHS Foundation Trust

These accounts, for the year ended 31 March 2020, have been prepared by Calderdale & Huddersfield NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

**Signed**

A handwritten signature in blue ink, appearing to read "Owen Willimas", is written over a horizontal line.

**Owen Willimas (Chief Executive)**

**Date**

**16th June 2020**

## Consolidated Statement of Comprehensive Income

	Note	Group		Trust	
		2019/20	2018/19	2019/20	2018/19
		£000	£000	£000	£000
Operating income from patient care activities	3	352,102	328,604	351,852	328,652
*Other operating income	4	82,954	40,157	83,464	45,524
Operating expenses	7, 9	(421,219)	(425,126)	(421,262)	(430,212)
<b>Operating surplus/(deficit) from continuing operations</b>		<b>13,837</b>	<b>(56,365)</b>	<b>14,054</b>	<b>(56,036)</b>
Finance income	12	122	95	3,898	2,392
Finance expenses	13	(14,676)	(13,720)	(19,249)	(16,509)
PDC dividends payable		-	-	-	-
<b>Net finance costs</b>		<b>(14,554)</b>	<b>(13,625)</b>	<b>(15,350)</b>	<b>(14,117)</b>
Other gains / (losses)	14	488	(0)	488	(0)
Share of profit / (losses) of associates / joint arrangements	22	-	405	-	405
Corporation tax expense		(109)	(30)	-	-
<b>Surplus / (deficit) for the year from continuing operations</b>		<b>(338)</b>	<b>(69,614)</b>	<b>(808)</b>	<b>(69,748)</b>
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	15	-	-	-	-
<b>**Surplus / (deficit) for the year</b>		<b>(338)</b>	<b>(69,614)</b>	<b>(808)</b>	<b>(69,748)</b>
<b>Other comprehensive income</b>					
<b>Will not be reclassified to income and expenditure:</b>					
Impairments	8	(393)	(36,491)	(393)	(36,491)
Revaluations	21	-	4,602	-	4,602
Share of comprehensive income from associates and joint ventures	22	-	-	-	-
Fair value gains / (losses) on equity instruments designated at fair value through OCI	23	-	-	-	-
Other recognised gains and losses		-	-	-	-
Other reserve movements		-	-	-	-
<b>May be reclassified to income and expenditure when certain conditions are met:</b>					
Fair value gains/(losses) on financial assets mandated at fair value through OCI	23	-	-	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	14	-	-	-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-	-	-
<b>Total comprehensive income / (expense) for the period</b>		<b>(732)</b>	<b>(101,504)</b>	<b>(1,202)</b>	<b>(101,638)</b>
<b>Surplus/ (deficit) for the period attributable to:</b>					
Non-controlling interest, and Calderdale & Huddersfield NHS Foundation Trust		(338)	(69,614)	(808)	(69,748)
<b>TOTAL</b>		<b>(338)</b>	<b>(69,614)</b>	<b>(808)</b>	<b>(69,748)</b>
<b>Total comprehensive income/ (expense) for the period attributable to:</b>					
Non-controlling interest, and Calderdale & Huddersfield NHS Foundation Trust		(732)	(101,504)	(1,202)	(101,638)
<b>TOTAL</b>		<b>(732)</b>	<b>(101,504)</b>	<b>(1,202)</b>	<b>(101,638)</b>
<b>Adjusted financial performance (control total basis):</b>					
Surplus / (deficit) for the period		(338)	(69,614)	(808)	(69,748)
Remove impact of consolidating NHS charitable fund		0	-	808	69,748
Remove net impairments not scoring to the Departmental expenditure limit		453	26,510	453	26,510
Remove (gains) / losses on transfers by absorption		-	-	-	-
Remove I&E impact of capital grants and donations		(65)	65	(65)	65
Prior period adjustments		-	-	-	-
Remove non-cash element of on-SoFP pension costs		-	-	-	-
Remove 2018/19 post audit PSF reallocation (2019/20 only)		-	-	-	-
<b>Adjusted financial performance surplus / (deficit)</b>		<b>50</b>	<b>(43,040)</b>	<b>388</b>	<b>26,575</b>

\* Other operating income for 19/20 includes £38.322m of Sustainability and Transformation Fund income, the Trust did not receive any in 18/19

\*\* The surplus / (deficit) for 19/20 includes £0.453m impairments; for 18/19 this was £65.510m of impairments.

## Statements of Financial Position

	Note	Group		Trust	
		31 March	31 March	31 March	31 March
		2020	2019	2020	2019
		£000	£000	£000	£000
<b>Non-current assets</b>					
Intangible assets	17	8,526	8,124	8,526	8,124
Property, plant and equipment	19	162,001	160,007	161,711	159,738
Investments in associates and joint ventures	22	4,162	4,162	4,162	4,162
Other investments / financial assets	23	-	-	2,543	3,500
Receivables	26	4,045	2,984	66,462	68,844
Other assets	27	-	-	-	-
<b>Total non-current assets</b>		<b>178,733</b>	<b>175,276</b>	<b>243,404</b>	<b>244,367</b>
<b>Current assets</b>					
Inventories	25	6,509	6,615	4,832	5,480
Receivables	26	40,879	18,945	47,798	26,141
Other investments / financial assets	23	4,000	-	4,967	936
Other assets	27	-	-	-	-
Non-current assets held for sale	28	1,114	1,798	1,114	1,798
Cash and cash equivalents	29	9,289	2,036	7,655	1,785
<b>Total current assets</b>		<b>61,791</b>	<b>29,393</b>	<b>66,366</b>	<b>36,140</b>
<b>Current liabilities</b>					
Trade and other payables	30	(50,589)	(38,778)	(50,831)	(41,403)
Borrowings	32	(145,564)	(44,461)	(152,224)	(48,322)
Other financial liabilities	33	-	-	-	-
Provisions	35	(2,546)	(1,213)	(2,546)	(1,213)
Other liabilities	31	(3,304)	(2,040)	(3,304)	(1,992)
Liabilities in disposal groups	28	-	-	-	-
<b>Total current liabilities</b>		<b>(202,003)</b>	<b>(86,493)</b>	<b>(208,904)</b>	<b>(92,933)</b>
<b>Total assets less current liabilities</b>		<b>38,521</b>	<b>118,177</b>	<b>100,866</b>	<b>187,575</b>
<b>Non-current liabilities</b>					
Trade and other payables	30	(29)	(43)	(109)	(43)
Borrowings	32	(90,787)	(174,895)	(153,657)	(244,427)
Other financial liabilities	33	-	-	-	-
Provisions	35	(1,487)	(1,622)	(1,487)	(1,622)
Other liabilities	31	(1,027)	(1,063)	(1,027)	(1,063)
<b>Total non-current liabilities</b>		<b>(93,330)</b>	<b>(177,623)</b>	<b>(156,280)</b>	<b>(247,155)</b>
<b>Total assets employed</b>		<b>(54,809)</b>	<b>(59,446)</b>	<b>(55,414)</b>	<b>(59,580)</b>
<b>Financed by</b>					
Public dividend capital		122,410	117,042	122,410	117,042
Revaluation reserve		5,321	7,243	5,321	7,243
Financial assets reserve		-	-	-	-
Other reserves		-	-	-	-
Merger reserve		-	-	-	-
Income and expenditure reserve		(182,540)	(183,732)	(183,145)	(183,866)
Non-controlling Interest		-	-	-	-
<b>Total taxpayers' equity</b>		<b>(54,809)</b>	<b>(59,446)</b>	<b>(55,414)</b>	<b>(59,580)</b>

The notes 1- 42 on the following pages form part of these accounts.

Owen Williams  
Chief Executive  
Date



16th June 2020

## Consolidated Statement of Changes in Equity for the year ended 31 March 2020

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Non-controlling interest £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2019 - brought forward</b>	<b>117,042</b>	<b>7,243</b>	<b>(183,732)</b>	-	<b>(59,446)</b>
Surplus/(deficit) for the year	-	-	(338)	-	(338)
Other transfers between reserves	-	(186)	186	-	-
Impairments	-	(393)	-	-	(393)
Transfer to retained earnings on disposal of assets	-	(1,343)	1,343	-	-
Public dividend capital received	5,368	-	-	-	5,368
<b>Taxpayers' and others' equity at 31 March 2020</b>	<b>122,410</b>	<b>5,321</b>	<b>(182,540)</b>	-	<b>(54,809)</b>

## Consolidated Statement of Changes in Equity for the year ended 31 March 2019

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Non-controlling interest £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2018 - brought forward</b>	<b>116,190</b>	<b>39,310</b>	<b>(114,124)</b>	-	<b>41,376</b>
Impact of implementing IFRS 15 on 1 April 2018	-	-	(155)	-	(155)
Impact of implementing IFRS 9 on 1 April 2018	-	-	(15)	-	(15)
Surplus/(deficit) for the year	-	-	(69,614)	-	(69,614)
Other transfers between reserves	-	(177)	177	-	-
Impairments	-	(36,491)	-	-	(36,491)
Revaluations	-	4,602	-	-	4,602
Public dividend capital received	852	-	-	-	852
<b>Taxpayers' and others' equity at 31 March 2019</b>	<b>117,042</b>	<b>7,243</b>	<b>(183,732)</b>	-	<b>(59,446)</b>

## Statement of Changes in Equity for the year ended 31 March 2020

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2019 - brought forward</b>	<b>117,042</b>	<b>7,243</b>	<b>(183,866)</b>	<b>(59,580)</b>
Surplus/(deficit) for the year	-	-	(808)	(808)
Other transfers between reserves	-	(186)	186	-
Impairments	-	(393)	-	(393)
Transfer to retained earnings on disposal of assets	-	(1,343)	1,343	-
Public dividend capital received	5,368	-	-	5,368
<b>Taxpayers' and others' equity at 31 March 2020</b>	<b>122,410</b>	<b>5,321</b>	<b>(183,145)</b>	<b>(55,414)</b>

## Statement of Changes in Equity for the year ended 31 March 2019

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
<b>Taxpayers' and others' equity at 1 April 2018 - brought forward</b>	<b>116,190</b>	<b>39,310</b>	<b>(114,124)</b>	<b>41,376</b>
Impact of implementing IFRS 15 on 1 April 2018	-	-	(155)	(155)
Impact of implementing IFRS 9 on 1 April 2018	-	-	(15)	(15)
Surplus/(deficit) for the year	-	-	(69,748)	(69,748)
Other transfers between reserves	-	(177)	177	-
Impairments	-	(36,491)	-	(36,491)
Revaluations	-	4,602	-	4,602
Public dividend capital received	852	-	-	852
<b>Taxpayers' and others' equity at 31 March 2019</b>	<b>117,042</b>	<b>7,243</b>	<b>(183,866)</b>	<b>(59,580)</b>

## **Information on reserves**

### **Public dividend capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the trust, is payable to the Department of Health as the public dividend capital dividend.

### **Revaluation reserve**

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

### **Income and expenditure reserve**

The balance of this reserve is the accumulated surpluses and deficits of the trust.

## Statements of Cash Flows

	Note	Group		Trust	
		2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Cash flows from operating activities</b>					
Operating surplus / (deficit)		13,837	(56,365)	14,054	(56,036)
<b>Non-cash income and expense:</b>					
Depreciation and amortisation	7.1	10,103	8,861	10,058	8,835
Net impairments	8	453	26,510	453	26,510
Income recognised in respect of capital donations	4	(141)	(31)	(141)	(31)
Amortisation of PFI deferred credit		-	-	-	-
Non-cash movements in on-SoFP pension liability		-	-	-	-
(Increase) / decrease in receivables and other assets		(22,996)	4,503	(19,276)	(68,554)
(Increase) / decrease in inventories		106	221	648	1,356
Increase / (decrease) in payables and other liabilities		8,079	372	5,825	2,948
Increase / (decrease) in provisions		1,196	(367)	1,196	(367)
Movements in charitable fund working capital		-	-	-	-
Tax (paid) / received		(109)	(30)	-	-
Other movements in operating cash flows		-	-	(4)	-
<b>Net cash flows from / (used in) operating activities</b>		<b>10,528</b>	<b>(16,327)</b>	<b>12,813</b>	<b>(85,339)</b>
<b>Cash flows from investing activities</b>					
Interest received		122	95	3,901	2,392
Purchase and sale of financial assets / investments		-	-	924	-
Purchase of intangible assets		(1,568)	(1,714)	(1,568)	(1,714)
Sales of intangible assets		-	-	-	-
Purchase of PPE and investment property		(9,196)	(8,252)	(9,131)	(8,252)
Sales of PPE and investment property		3,537	-	3,537	296
Receipt of cash donations to purchase assets		141	31	141	31
<b>Net cash flows from / (used in) investing activities</b>		<b>(6,964)</b>	<b>(9,839)</b>	<b>(2,197)</b>	<b>(7,246)</b>
<b>Cash flows from financing activities</b>					
Public dividend capital received		5,368	852	5,368	852
Public dividend capital repaid		-	-	-	-
Movement on loans from DHSC		18,654	40,290	18,654	40,290
Movement on other loans		-	-	-	-
Other capital receipts		-	-	-	-
Capital element of finance lease rental payments		(8)	(1)	(3,871)	(2,132)
Capital element of PFI, LIFT and other service concession payments		(1,698)	(1,609)	(1,698)	(1,609)
Interest on loans		(3,086)	(2,067)	(3,086)	(2,067)
Other interest		(6)	(9)	(6)	(9)
Interest paid on finance lease liabilities		-	-	(4,573)	(2,790)
Interest paid on PFI, LIFT and other service concession obligations		(11,535)	(11,386)	(11,535)	(11,386)
PDC dividend (paid) / refunded		-	132	-	132
Cash flows from (used in) other financing activities		(4,000)	-	(4,000)	71,090
<b>Net cash flows from / (used in) financing activities</b>		<b>3,689</b>	<b>26,202</b>	<b>(4,747)</b>	<b>92,371</b>
<b>Increase / (decrease) in cash and cash equivalents</b>		<b>7,253</b>	<b>36</b>	<b>5,869</b>	<b>(215)</b>
<b>Cash and cash equivalents at 1 April - brought forward</b>		<b>2,036</b>	<b>2,000</b>	<b>1,785</b>	<b>2,000</b>
Prior period adjustments		-	-	-	-
<b>Cash and cash equivalents at 1 April - restated</b>		<b>2,036</b>	<b>2,000</b>	<b>1,785</b>	<b>2,000</b>
<b>Cash and cash equivalents at 31 March</b>	29	<b>9,289</b>	<b>2,036</b>	<b>7,655</b>	<b>1,785</b>



## **Notes to the Accounts**

### **Note 1 Accounting policies and other information**

#### **Note 1.1 Basis of preparation**

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts

#### **Accounting convention**

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

#### **Note 1.2 Going concern**

The accounting concept of Going Concern refers to the basis on which an organisation's assets and liabilities are recorded and included in the accounts. If an organisation is a going concern, it is expected to operate indefinitely and not go out of business or liquidate its assets in the foreseeable future.

Under International Financial Reporting Standards, management are required to assess, as part of the accounts process, the NHS Foundation Trust's ability to continue as a going concern. The financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the NHS Foundation Trust without the transfer of services to another entity, or has no realistic alternative but to do so.

The Trust Board has assessed various sources of information in order to determine whether it is appropriate to prepare the accounts on a going concern basis. These include both internal and external reporting, the Trust's long term financial plan, audit reports and dialogue with NHS Improvement.

Given the underlying deficit position, the challenge within the financial plans for 2020/21 and the additional management and financial pressure of dealing with the Covid-19 situation, further areas require consideration to be able to demonstrate that the Trust is a going concern.

The following has been taken into account:

-The year-end financial position was in line with the year-end forecast agreed with the regulator. Whilst still representing a deficit position prior to non-recurrent central support through Provider Sustainability Funding (PSF) and Financial Recovery Funding (FRF); this secures a level of confidence from NHS Improvement in the Trust's financial management.

-The Trust is supported by loan funding from the Department of Health and Social Care with a balance totalling £163.601m at 31 March 2020.

-The Trust closed the year with £9.289m of cash and is planning for a breakeven position in 2020/21 with the support of FRF which relies in part upon delivery of financial expectations by the whole Integrated Care System (ICS).

-On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £141m are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

-The Clinical Commissioning Groups continue to buy services from the Trust and contracts with main commissioners were agreed in March 2019 for business as usual expectations. These have been overridden in the immediate term through the Covid-19 emergency period by fixed value payments from all commissioners, alongside nationally calculated top-up payments and funding of genuine and reasonable additional expenditure relating to Covid-19. This combined incoming cash along with the receipt of FRF will allow the Trust to meet all its obligations and liabilities.

-From Internal Audit reports completed in 2019/20 there have been no other indications of significant financial risk or weaknesses in financial risk management. Amended financial governance specifically linked to managing Covid-19 was approved by the Audit and Risk Committee in April 2020.

-In 2019/20 a Cost Improvement Programme (CIP) of £11m was delivered. A project management office is in place which ensures that the CIP plans are robust and oversees their delivery. The programme methodology is built around a gateway approach for project design, development and delivery that includes a rigorous quality and equality impact assessment review. Delivery of the business as usual 2020/21 financial plan requires an efficiency saving of a further £14m. The national emergency financial measures in place through the Covid-19 period will compensate for the Trust's inability to deliver the savings as planned.

There is a reasonable expectation that Calderdale and Huddersfield NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. As with any Trust placing reliance on the DHSC for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on these indications the directors believe that it remains appropriate to prepare the accounts on a going concern basis.

### **Note 1.3 Consolidation**

Subsidiary entities are those over which the trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

### **NHS Charitable Funds**

The trust is the corporate trustee to Calderdale and Huddersfield NHS Foundation Trust charitable fund. The trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The trust has assessed that the values involved are not of a material nature and the Board of Directors has approved and agreed not to consolidate the charitable funds.

### **Other subsidiaries**

The trust has a wholly owned subsidiary company, Calderdale and Huddersfield Solutions (CHS) Ltd. The function of the company is to provide a managed health care facility to the trust.

CHS Ltd. commenced trading on 1 September 2018. The year end for the company is 31 March to align with the Trust.

### **Joint ventures**

Joint ventures are arrangements in which the trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement. Joint ventures are accounted for using the equity method.

## **Note 1.4 Revenue from contracts with customers**

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

### **Revenue from NHS contracts**

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activity delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

Under the Payment by Results pricing system the Trust does not receive income where a patient is readmitted within 30 days of discharge from a previous planned stay. This is considered an additional performance obligation to be satisfied under the original transaction price.

The Trust receives income from commissioners under Commissioning for Quality and Innovation (CQUIN) schemes. The Trust agrees schemes with its commissioner but they affect how care is provided to patients. That is, the CQUIN payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the contract.

In 2019/20 the Trust agreed an Aligned Incentive Contract with its two main commissioners NHS Calderdale CCG and NHS Greater Huddersfield CCG. This contract is at a fixed value, including an agreed readmissions deduction and CQUIN value. The contract included agreed activity thresholds for review. In light of the fixed value nature of this contract agreement no adjustment has been made for incomplete spells for patients relating to these commissioners. In addition, based on national guidance, the Trust agreed fixed block values for the closure of the year end contracts for 2019/20 due to the Covid-19 situation. Again, based on these agreements no adjustments have been made for incomplete spells for other commissioners with whom the Trust holds contracts.

## **Revenue from research contracts**

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. Some research income alternatively falls within the provisions of IAS 20 for government grants.

## **NHS injury cost recovery scheme**

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations have been satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

## **Provider sustainability fund (PSF) and Financial recovery fund (FRF)**

The PSF and FRF enable providers to earn income linked to the achievement of financial controls and performance targets. Income earned from the funds is accounted for as variable consideration.

## **Note 1.5 Other forms of income**

### **Grants and donations**

Government grants are grants from government bodies other than income from commissioners or trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the consolidated statement of comprehensive income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

### **Apprenticeship service income**

The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

### **Other Income**

Other income for non patient care services is accounted for in the period in which the specific service is delivered. Where income is received for an activity to be delivered in a subsequent financial year that income is deferred.

Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

## **Note 1.6 Expenditure on employee benefits**

### **Short-term employee benefits**

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

## **Pension costs**

### *NHS Pension Schemes*

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the trust commits itself to the retirement, regardless of the method of payment.

### **Note 1.7 Expenditure on other goods and services**

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

### **Note 1.8 Discontinued operations**

Discontinued operations occur where activities either cease without transfer to another entity, or transfer to an entity outside of the boundary of Whole of Government Accounts, such as private or voluntary sectors. Such activities are accounted for in accordance with IFRS 5. Activities that are transferred to other bodies within the boundary of Whole of Government Accounts are 'machinery of government changes' and treated as continuing operations.

## **Note 1.9 Property, plant and equipment**

### **Recognition**

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, eg, plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

#### *Subsequent expenditure*

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance, is charged to the Statement of Comprehensive Income in the period in which it is incurred.

### **Measurement**

#### **Valuation**

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust and also for the HRI site as any construction would be completed by Calderdale and Huddersfield Solutions under a managed service contract making the cost also recoverable for VAT.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

A full on-site valuation was carried out as at 1st April 2018. A desktop revaluation was undertaken as at 31 March 2020. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

### ***Depreciation***

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Property, plant and equipment which has been reclassified as 'held for sale' ceases to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the trust, respectively.

### ***Revaluation gains and losses***

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

### ***Impairments***

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (i) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

### ***De-recognition***

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

### ***Donated and grant funded assets***

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment.

## Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

### Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	<b>Min life Years</b>	<b>Max life Years</b>
Land	-	-
Buildings, excluding dwellings	15	84
Dwellings	15	80
Plant & machinery	5	15
Transport equipment	7	7
Information technology	5	8
Furniture & fittings	5	10

Finance-leased assets (including land) are depreciated over the shorter of the useful life or the lease term, unless the trust expects to acquire the asset at the end of the lease term in which case the assets are depreciated in the same manner as owned assets above.

### Note 1.10 Intangible assets

#### Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the trust's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the trust and where the cost of the asset can be measured reliably.

#### *Internally generated intangible assets*

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised. Expenditure on development is capitalised where it meets the requirements set out in IAS 38.

#### **Software**

Software which is integral to the operation of hardware, eg an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

#### **Measurement**

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.



Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

**Amortisation**

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

**Useful lives of intangible assets**

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	<b>Min life Years</b>	<b>Max life Years</b>
Information technology	5	5
Development expenditure	-	-
Websites	-	-
Software licences	5	5
Licences & trademarks	-	-
Patents	-	-
Other (purchased)	-	-
Goodwill	-	-

### **Note 1.11 Inventories**

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method. The cost valuation is considered to be a reasonable approximation to a fair value due to the high turnover of stock.

### **Note 1.12 Cash and cash equivalents**

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

### **Note 1.13 Financial assets and financial liabilities**

#### **Recognition**

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by ONS.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, ie, when receipt or delivery of the goods or services is made.

#### **Classification and measurement**

Financial assets and financial liabilities are initially measured at fair value plus or minus directly attributable transaction costs except where the asset or liability is not measured at fair value through income and expenditure. Fair value is taken as the transaction price, or otherwise determined by reference to quoted market prices or valuation techniques.

Financial assets or financial liabilities in respect of assets acquired or disposed of through finance leases are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

#### **Financial assets and financial liabilities at amortised cost**

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income as a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

### **Impairment of financial assets**

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Expected credit losses are determined by using the aging of debt as a means of determining the likelihood of receipt of payment. All Non NHS receivables over 90 days are provided in full and specific high risk debt categories over 30 days are provided in full. Debt in relation to other NHS bodies is not recognised in expected credit losses.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

### **Derecognition**

Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired or the Trust has transferred substantially all the risks and rewards of ownership.

Financial liabilities are derecognised when the obligation is discharged, cancelled or expires.

## Note 1.14 Leases

### The trust as a lessee

#### *Finance leases*

Where substantially all risks and rewards of ownership of a leased asset are borne by the trust, the asset is recorded as property, plant and equipment and a corresponding liability is recorded. The value at which both are recognised is the lower of the fair value of the asset or the present value of the minimum lease payments, discounted using the interest rate implicit in the lease. The implicit interest rate is that which produces a constant periodic rate of interest on the outstanding liability.

The asset and liability are recognised at the commencement of the lease. Thereafter the asset is accounted for as item of property plant and equipment.

The annual rental charge is split between the repayment of the liability and a finance cost so as to achieve a constant rate of finance over the life of the lease. The annual finance cost is charged to finance costs in the Statement of Comprehensive Income.

#### *Operating leases*

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially in other liabilities on the statement of financial position and subsequently as a reduction of rentals on a straight-line basis over the lease term.

Contingent rentals are recognised as an expense in the period in which they are incurred.

#### *Leases of land and buildings*

Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately.

### The trust as a lessor

#### *Finance leases*

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the trust's net investment outstanding in respect of the leases.

#### *Operating leases*

Rental income from operating leases is recognised on a straight-line basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

## Note 1.15 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2020:

		<b>Nominal rate</b>
Short-term	Up to 5 years	0.51%
Medium-term	After 5 years up to 10 years	0.55%
Long-term	Exceeding 10 years	1.99%

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

#### **Inflation rate**

Year 1	1.90%
Year 2	2.00%
Into perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.5% in real terms.

### **Clinical negligence costs**

NHS Resolution operates a risk pooling scheme under which the trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the trust is disclosed at note 35.3 but is not recognised in the Trust's accounts.

### **Non-clinical risk pooling**

The trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

## **Note 1.16 Contingencies**

### **Note 1.17 Public dividend capital**

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the trust. PDC is recorded at the value received.

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for (i) donated and grant funded assets, (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility, and (iii) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the "pre-audit" version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

### **Note 1.18 Value added tax**

Most of the activities of the trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **Note 1.19 Corporation tax**

Calderdale and Huddersfield Solutions Ltd. Is a wholly owned subsidiary of Calderdale and Huddersfield NHS Foundation Trust and is subject to corporation tax on its profits.

**Note 1.20 Foreign exchange**

The functional and presentational currency of the trust is sterling.

A transaction which is denominated in a foreign currency is translated into the functional currency at the spot exchange rate on the date of the transaction.

Where the trust has assets or liabilities denominated in a foreign currency at the Statement of Financial Position date:

- monetary items are translated at the spot exchange rate on 31 March
- non-monetary assets and liabilities measured at historical cost are translated using the spot exchange rate at the date of the transaction and
- non-monetary assets and liabilities measured at fair value are translated using the spot exchange rate at the date the fair value was determined.

Exchange gains or losses on monetary items (arising on settlement of the transaction or on re-translation at the Statement of Financial Position date) are recognised in income or expense in the period in which they arise.

Exchange gains or losses on non-monetary assets and liabilities are recognised in the same manner as other gains and losses on these items.

**Note 1.21 Third party assets**

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's *FReM*.

**Note 1.22 Losses and special payments**

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

**Note 1.23 Gifts**

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

## **Note 1.24 Early adoption of standards, amendments and interpretations**

### **Note 1.25 Standards, amendments and interpretations in issue but not yet effective or adopted**

#### **IFRS 16 Leases**

IFRS 16 Leases will replace *IAS 17 Leases*, *IFRIC 4 Determining whether an arrangement contains a lease* and other interpretations and is applicable in the public sector for periods beginning 1 April 2021. The standard provides a single accounting model for lessees, recognising a right of use asset and obligation in the statement of financial position for most leases: some leases are exempt through application of practical expedients explained below. For those recognised in the statement of financial position the standard also requires the remeasurement of lease liabilities in specific circumstances after the commencement of the lease term. For lessors, the distinction between operating and finance leases will remain and the accounting will be largely unchanged.

IFRS 16 changes the definition of a lease compared to IAS 17 and IFRIC 4. The trust will apply this definition to new leases only and will grandfather its assessments made under the old standards of whether existing contracts contain a lease.

On transition to IFRS 16 on 1 April 2021, the trust will apply the standard retrospectively with the cumulative effect of initially applying the standard recognised in the income and expenditure reserve at that date. For existing operating leases with a remaining lease term of more than 12 months and an underlying asset value of at least £5,000, a lease liability will be recognised equal to the value of remaining lease payments discounted on transition at the trust's incremental borrowing rate. The trust's incremental borrowing rate will be defined by HM Treasury. Currently this rate is 1.27% but this may change between now and adoption of the standard. The related right of use asset will be measured equal to the lease liability adjusted for any prepaid or accrued lease payments. No adjustments will be made on 1 April 2021 for existing finance leases.

For leases commencing in 2021/22, the trust will not recognise a right of use asset or lease liability for short term leases (less than or equal to 12 months) or for leases of low value assets (less than £5,000). Right of use assets will be subsequently measured on a basis consistent with owned assets and depreciated over the length of the lease term.

HM Treasury revised the implementation date for IFRS 16 in the UK public sector to 1 April 2021 on 19 March 2020. Due to the need to reassess lease calculations, together with uncertainty around expected leasing activity from April 2021 and beyond, a quantification of the expected impact of applying the standard in 2021/22 is currently impracticable. However, the trust does expect this standard to have a material impact on non-current assets, liabilities and depreciation.

#### **Other standards, amendments and interpretations**

As required by IAS 8, the Trust declares the following other standards, amendments and interpretations have been issued but are not yet effective or adopted for the public sector. IFRS 14: Applies to first time adoptors of IFRS after 1 January 2016, therefore not applicable to the Trust. IFRS17 Insurance Contracts: Application required for accounting periods beginning on or after 1 January 2023 but not yet adopted by the FReM, early adoption is not therefore permitted.

### **Note 1.26 Critical judgements in applying accounting policies**

The preparation of the financial information, in conformity with IFRS, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of income and expenses and of assets and liabilities. The estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under all the circumstances. Actual results may vary from these estimates. The estimates and assumptions are reviewed on an on-going bases. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision only affects that period, or in the period of the revision of future periods, if the revision affects both the current and future periods.



**Note 1.27 Sources of estimation uncertainty**

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 18.1

The revaluation of the hospital has been carried out by Cushman Wakefield, who have applied the modern equivalent asset valuation. This approach assumes that the asset would be replaced with a modern equivalent, not a building of identical design. The modern equivalent may well be smaller than the existing asset, for example due to technological advances in plant and machinery or reduced operational use.

The valuation exercise was carried out in March 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 ('Red Book'), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The valuer states 'As at the valuation date, we consider that we can attach less weight to previous market evidence and published build cost information for comparison purposes, to inform opinions of value. Indeed, the current response to COVID 19 means that we are faced with an unprecedented set of circumstances on which to base a judgement.'

The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

## Note 2 Operating Segments

The Foundation Trust's core activities fall under the remit of the Chief Operating Decision Maker ("CODM") as defined by IFRS 8 'Operating Segments', which has been determined to be the Foundation Trust Board which includes senior professional non-executive directors. These core activities are primarily the provision of specialist NHS healthcare, the income for which is received through contracts with commissioners. The planned level of activity is agreed with our main commissioners for the year, and are listed in the related party disclosures (see Note 42).

### Healthcare

The large majority of the Foundation Trust's income originates with the UK Whole of Government Accounting (WGA) bodies. The majority of expenses incurred are payroll expenditure on staff involved in the production or support of healthcare activities generally across the Trust together with the related supplies and overheads needed to establish this production. The business activities which earn revenue and incur expenses are therefore of one broad combined nature and therefore a segment of 'Healthcare' is deemed appropriate.

The operating results of the Foundation Trust are reviewed monthly or more frequently by the Trust's chief operating decision maker which is the overall Foundation Trust Board. The Trust Board reviews the financial position of the Trust as a whole in their decision making process, rather than individual components included in the totals, in terms of allocating resources. This process again implies a distinct operating segment under IFRS8.

The finance report considered monthly by the Trust Board contains summary figures for the whole Trust together with graphical line and bar charts relating to different total income activity levels, and directorate expense budgets with their cost improvement positions. Similarly only total balance sheet positions and cash flow forecasts are considered for the whole Foundation Trust. The Board as chief operating decision maker therefore only considers this segment of healthcare in its decision-making process.

	<b>Group Healthcare</b>			<b>Trust Healthcare</b>	
	<b>2019/20 £000</b>	<b>2018/19 £000</b>		<b>2019/20 £000</b>	<b>2018/19 £000</b>
Income	<b>435,056</b>	<b>368,761</b>	Income	<b>435,316</b>	<b>374,176</b>
Surplus / (Deficit)	<b>(338)</b>	<b>(69,614)</b>	Surplus / (Deficit)	<b>(808)</b>	<b>(69,748)</b>
Net Liabilities	<b>(54,809)</b>	<b>(59,446)</b>	Net Liabilities	<b>(55,414)</b>	<b>(59,580)</b>

### Note 3 Operating income from patient care activities (Group)

Note 3.1 Income from patient care activities (by nature)	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Acute services</b>				
Elective income	44,969	42,309	44,969	42,309
Non elective income	109,335	102,450	109,335	102,450
First outpatient income	19,719	19,952	19,719	19,952
Follow up outpatient income	24,125	23,221	24,125	23,221
A & E income	22,458	19,138	22,458	19,138
*High cost drugs income from commissioners	23,511	21,179	23,511	21,179
**Other NHS clinical income	64,186	64,276	64,186	64,324
<b>Community services</b>				
Community services income from CCGs and NHS England	26,687	24,827	26,687	24,827
Income from other sources (e.g. local authorities)	-	-	-	-
<b>All services</b>				
Private patient income	924	1,126	924	1,126
***Agenda for Change pay award central funding	-	3,780	-	3,780
****Additional pension contribution central funding	10,354	-	10,354	-
**Other clinical income	5,834	6,346	5,584	6,346
<b>Total income from activities</b>	<b>352,102</b>	<b>328,604</b>	<b>351,852</b>	<b>328,652</b>

\* Due to a change in reporting guidance in 2019/20 High cost drugs income from commissioners the 2018/19 numbers have been restated for comparability purposes. £21.114m has been reclassified from Other NHS clinical income to High Cost drugs income from commissioners.

\*\*Other NHS Clinical Income and Other Clinical Income includes income for services with a National Tariff including: Direct access and outpatient diagnostic imaging £6m, maternity pathways £10.4m and Chemotherapy £2m. It also includes income for service without a National Tariff including: critical care £7.8m, rehabilitation £3m, direct access pathology tests £8m, rehabilitation £3.1m, block funding covering a range of services £19m and CQUIN £3.6m. Other income covers Local Authority funded services £2.2m, provision of services to Independent Sector and Hospices £2.2m, provider to provider services £1m and Injury Cost Recovery income £1.7m.

\*\*\*Additional costs of the Agenda for Change pay reform in 2018/19 received central funding. From 2019/20 this funding is incorporated into tariff for individual services.

\*\*\*\*The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. For 2019/20, NHS providers continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

### Note 3.2 Income from patient care activities (by source)

Note 3.2 Income from patient care activities received from:	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
NHS England	42,516	28,571	42,516	28,571
Clinical commissioning groups	301,414	287,617	301,414	287,617
Department of Health and Social Care	-	3,780	-	3,780
Other NHS providers	1,085	665	1,085	665
NHS other	-	-	-	-
Local authorities	2,257	2,614	2,257	2,614
Non-NHS: private patients	924	1,126	924	1,126
Non-NHS: overseas patients (chargeable to patient)	133	270	133	270
Injury cost recovery scheme	1,732	1,945	1,732	1,945
Non NHS: other	2,041	2,016	1,791	2,064
<b>Total income from activities</b>	<b>352,102</b>	<b>328,604</b>	<b>351,852</b>	<b>328,652</b>
<b>Of which:</b>				
Related to continuing operations	352,102	328,604	351,852	328,652
Related to discontinued operations	-	-	-	-

**Note 3.3 Overseas visitors (relating to patients charged directly by the provider)**

	Group and Trust	
	2019/20	2018/19
	£000	£000
Income recognised this year	133	270
Cash payments received in-year	199	20
Amounts added to provision for impairment of receivables	473	229
Amounts written off in-year	55	-

**Note 4 Other operating income (Group)**

	Group 2019/20			Group 2018/19			Trust 2019/20			Trust 2018/19		
	Contract income £000	Non-contract income £000	Total £000	Contract income £000	Non-contract income £000	Total £000	Contract income £000	Non- contract income £000	Total £000	Contract income £000	Non- contract income £000	Total £000
Research and development	1,051	-	1,051	1,354	-	1,354	1,051	-	1,051	1,354	-	1,354
Education and training	12,260	490	12,750	10,889	305	11,195	12,263	490	12,753	10,889	305	11,195
*Non-patient care services to other bodies	10,889	-	10,889	10,427	-	10,427	10,866	-	10,866	10,416	-	10,416
Provider sustainability fund (PSF)	4,765	-	4,765	-	-	-	4,765	-	4,765	-	-	-
Financial recovery fund (FRF)	27,410	-	27,410	-	-	-	27,410	-	27,410	-	-	-
Marginal rate emergency tariff funding (MRET)	6,147	-	6,147	-	-	-	6,147	-	6,147	-	-	-
Income in respect of employee benefits accounted on a gross basis	-	-	-	-	-	-	-	-	-	-	-	-
Receipt of capital grants and donations	-	141	141	-	31	31	-	141	141	-	31	31
Charitable and other contributions to expenditure	-	282	282	-	388	388	282	282	282	388	388	388
Support from the Department of Health and Social Care for mergers	-	-	-	-	-	-	-	-	-	-	-	-
Rental revenue from finance leases	-	-	-	-	-	-	-	-	-	-	-	-
Rental revenue from operating leases	-	395	395	-	442	442	66	66	66	285	285	285
Amortisation of PFI deferred income / credits	-	-	-	-	-	-	-	-	-	-	-	-
Charitable fund incoming resources	-	-	-	-	-	-	-	-	-	-	-	-
**Other income	19,125	-	19,125	16,118	203	16,320	19,983	-	19,983	21,653	203	21,855
<b>Total other operating income</b>	<b>81,647</b>	<b>1,307</b>	<b>82,954</b>	<b>38,788</b>	<b>1,369</b>	<b>40,157</b>	<b>82,486</b>	<b>978</b>	<b>83,464</b>	<b>44,312</b>	<b>1,212</b>	<b>45,524</b>
<b>Of which:</b>												
Related to continuing operations			82,954			40,157			83,464			45,524
Related to discontinued operations			-			-			-			-

\* Non-patient care services to other bodies includes £7.3m income for The Health Informatics Service, for IT services provided to other bodies and £3.414m income for Corporate Services for recharges to other bodies for use of buildings, including £3.25m to SWYPFT for use of the Dales unit.

\*\* Group- Other contract income of £19.125m includes £14.8m sales of manufactured pharmaceutical products, £1.56m car parking income, £0.092m property rental income, £0.667m catering income (In 2018/19 the comparative figures were £11.9m for sale of manufactured in pharmaceutical products, £1.4m car parking income, £0.228m property rental income, £0.4m catering income). Trust - also includes income from the subsidiary.

**Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period - (Group and Trust)**

	2019/20	2018/19
	£000	£000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	1,272	392
Revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods	-	-

**Note 5.2 Transaction price allocated to remaining performance obligations**

	Group		Trust	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£000	£000	£000	£000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:				
within one year	3,305	2,040	3,305	2,040
after one year, not later than five years	447	386	447	386
after five years	579	677	579	677
<b>Total revenue allocated to remaining performance obligations</b>	<b>4,331</b>	<b>3,103</b>	<b>4,331</b>	<b>3,103</b>

The Trust has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the trust recognises revenue directly corresponding to work done to date is not disclosed.

**Note 5.3 Income from activities arising from commissioner requested services -(Group )**

Under the terms of its provider licence, the trust is required to analyse the level of income from activities that has arisen from commissioner requested and non-commissioner requested services. Commissioner requested services are defined in the provider licence and are services that commissioners believe would need to be protected in the event of provider failure. This information is provided in the table below:

	2019/20	2018/19
	£000	£000
Income from services designated as commissioner requested services	300,293	284,195
Income from services not designated as commissioner requested services	51,808	44,408
<b>Total</b>	<b>352,102</b>	<b>328,604</b>

Following a review of commissioner requested services, the 2018/19 numbers have been restated, designated 2018/19 was £316,895, now £284,195 and not designated was £11,798 now £44,408.

**Note 5.4 Profits and losses on disposal of property, plant and equipment- (Group and Trust )**

The Trust disposed of Property and Equipment in 2019/20 with a profit of £488k (£311k 2018/19)

**Note 6.1 Fees and charges (Group and Trust)**

The Trust does not have Income from fees and charges levied by the trust where the full cost exceeds £1 million.

**Note 7.1 Operating expenses (Group and Trust)**

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,932	3,819	2,880	3,839
Purchase of healthcare from non-NHS and non-DHSC bodies	1,758	1,311	1,254	1,217
Purchase of social care	-	-	-	-
Staff and executive directors costs	271,488	253,343	261,695	247,667
Remuneration of non-executive directors	151	158	151	158
Supplies and services - clinical (excluding drugs costs)	28,037	28,933	3,621	21,497
Supplies and services - general	2,532	2,555	412	1,372
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	40,316	36,736	40,275	36,723
Inventories written down	-	-	-	-
Consultancy costs	514	206	333	132
Establishment	3,557	3,623	1,878	3,251
Premises	21,516	20,343	62,898	41,746
Transport (including patient travel)	429	481	180	373
Depreciation on property, plant and equipment	8,936	7,861	8,891	7,835
Amortisation on intangible assets	1,167	1,000	1,167	1,000
Net impairments	453	26,510	453	26,510
Movement in credit loss allowance: contract receivables / contract assets	856	716	856	716
Movement in credit loss allowance: all other receivables and investments	-	-	-	-
Increase/(decrease) in other provisions	767	98	767	98
Change in provisions discount rate(s)	84	(25)	84	(25)
Audit fees payable to the external auditor				
audit services- statutory audit	73	65	62	55
other auditor remuneration (external auditor only)	-	12	-	12
Internal audit costs	89	137	89	137
Clinical negligence	15,995	16,130	15,995	16,130
Legal fees	248	779	27	774
Insurance	-	-	-	-
Research and development	13	16	9	14
Education and training	951	1,162	674	994
Rentals under operating leases	3,583	4,202	3,308	4,047
Early retirements	-	-	-	-
Redundancy	-	-	-	-
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	13,168	12,836	13,168	12,836
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-	-	-
Car parking & security	-	-	-	-
Hospitality	-	15	-	15
Losses, ex gratia & special payments	-	-	-	-
Grossing up consortium arrangements	-	-	-	-
Other services, eg external payroll	-	-	-	-
Other NHS charitable fund resources expended	-	-	-	-
Other	1,607	2,105	136	1,089
<b>Total</b>	<b>421,219</b>	<b>425,126</b>	<b>421,262</b>	<b>430,212</b>
<b>Of which:</b>				
Related to continuing operations	421,219	425,126	421,262	430,212
Related to discontinued operations	-	-	-	-

**Note 7.2 Other auditor remuneration (Group and Trust)**

	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Other auditor remuneration paid to the external auditor:</b>				
1. Audit of accounts of any associate of the trust	-	-	-	-
2. Audit-related assurance services	-	12	-	12
3. Taxation compliance services	-	-	-	-
4. All taxation advisory services not falling within item 3 above	-	-	-	-
5. Internal audit services	-	-	-	-
6. All assurance services not falling within items 1 to 5	-	-	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-	-	-
<b>Total</b>	<b>-</b>	<b>12</b>	<b>-</b>	<b>12</b>

**Note 7.3 Limitation on auditor's liability (Group and Trust)**

There is no limitation on auditor's liability for external audit work carried out for the financial years 2019/20 or 2018/19.

**Note 8 Impairment of assets (Group and Trust)**

	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Net impairments charged to operating surplus / deficit resulting from:</b>				
Loss or damage from normal operations	-	-	-	-
Over specification of assets	-	-	-	-
Abandonment of assets in course of construction	-	-	-	-
Unforeseen obsolescence	-	-	-	-
Loss as a result of catastrophe	-	-	-	-
Changes in market price	453	26,510	453	26,510
Impairments of charitable fund assets	-	-	-	-
Other	-	-	-	-
<b>Total net impairments charged to operating surplus / deficit</b>	<b>453</b>	<b>26,510</b>	<b>453</b>	<b>26,510</b>
Impairments charged to the revaluation reserve	393	36,491	393	36,491
<b>Total net impairments</b>	<b>846</b>	<b>63,001</b>	<b>846</b>	<b>63,001</b>

The impairments and reversal of impairments charged to operating costs and the revaluation reserve are due to changes in market values and all relates to Land Buildings and Dwellings.

**Note 9 Employee benefits (Group and Trust)**

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	Total	Total	Total	Total
	£000	£000	£000	£000
Salaries and wages	209,180	198,250	200,953	193,542
Social security costs	19,393	18,288	18,796	17,938
Apprenticeship levy	490	946	464	938
Employer's contributions to NHS pensions	35,521	23,729	34,590	23,148
*Pension cost - other	75	39	62	39
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Temporary staff (including agency)	7,096	12,489	7,096	12,459
NHS charitable funds staff	-	-	-	-
<b>Total gross staff costs</b>	<b>271,754</b>	<b>253,740</b>	<b>261,962</b>	<b>248,063</b>
Recoveries in respect of seconded staff	-	-	-	-
<b>Total staff costs</b>	<b>271,754</b>	<b>253,740</b>	<b>261,962</b>	<b>248,063</b>
<b>Of which</b>				
Costs capitalised as part of assets	267	397	267	397

\* The 2018/19 numbers for Group and Trust have been restated was £4k is now £39k this was a movement between Pension Cost other Salaries and Wages of £35k.

**Note 9.1 Retirements due to ill-health (Group)**

During 2019/20 there were 2 early retirements from the trust agreed on the grounds of ill-health (5 in the year ended 31 March 2019). The estimated additional pension liabilities of these ill-health retirements is £124k (£401k in 2018/19).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.



## **Note 10 Pension costs**

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”. An outline of these follows:

### **a) Accounting valuation**

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

### **b) Full actuarial (funding) valuation**

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 at 20.6%, and the Scheme Regulations were amended accordingly.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgment from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process.

### **Other Pension costs**

The Foundation Trust Group offers an additional defined contribution workplace pension scheme, the National Employment Savings Scheme (NEST) for those staff ineligible to contribute to the NHS Pension.

The cost to the Foundation Trust of participating in the scheme is taken as equal to the contributions payable to that scheme for the accounting period.

**Note 11 Operating leases (Group)****Note 11.1 Calderdale & Huddersfield NHS Foundation Trust as a lessor**

This note discloses income generated in operating lease agreements where Calderdale & Huddersfield NHS Foundation Trust is the lessor.

The lease revenue is for property leased to other organisations

	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Operating lease revenue</b>				
Minimum lease receipts	394	434	65	277
Contingent rent	1	8	1	8
Other	-	-	-	-
<b>Total</b>	<b>395</b>	<b>442</b>	<b>66</b>	<b>285</b>
	<b>31 March 2020 £000</b>	<b>31 March 2019 £000</b>	<b>31 March 2020 £000</b>	<b>31 March 2019 £000</b>
<b>Future minimum lease receipts due:</b>				
- not later than one year;	389	350	389	81
- later than one year and not later than five years;	794	979	794	286
- later than five years.	1,076	1,382	1,076	133
<b>Total</b>	<b>2,259</b>	<b>2,711</b>	<b>2,259</b>	<b>500</b>

**Note 11.2 Calderdale & Huddersfield NHS Foundation Trust as a lessee**

This note discloses costs and commitments incurred in operating lease arrangements where Calderdale & Huddersfield NHS Foundation Trust is the lessee.

	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>Operating lease expense</b>				
Minimum lease payments	3,589	4,212	3,314	4,057
Contingent rents	-	-	-	-
Less sublease payments received	(6)	(10)	(6)	(10)
<b>Total</b>	<b>3,583</b>	<b>4,202</b>	<b>3,308</b>	<b>4,047</b>
	<b>31 March 2020 £000</b>	<b>31 March 2019 £000</b>	<b>31 March 2020 £000</b>	<b>31 March 2019 £000</b>
<b>Future minimum lease payments due:</b>				
- not later than one year;	3,041	2,959	3,041	2,870
- later than one year and not later than five years;	8,039	7,500	8,039	7,465
- later than five years.	15,442	15,049	15,442	15,041
<b>Total</b>	<b>26,522</b>	<b>25,508</b>	<b>26,522</b>	<b>25,375</b>
Future minimum sublease payments to be received	(27)	(40)	(27)	(40)

Of the operating lease expenditure £1.9m is for the leasing of buildings (£1.9m 2018/19), £1.7m is for the leasing of plant and machinery (£2.2m 2018/19).

**Note 12 Finance income (Group)**

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Interest on bank accounts	122	95	122	95
Interest income on finance leases	-	-	3,776	2,297
Interest on other investments / financial assets	-	-	-	-
NHS charitable fund investment income	-	-	-	-
Other finance income	-	-	-	-
<b>Total finance income</b>	<b>122</b>	<b>95</b>	<b>3,898</b>	<b>2,392</b>

**Note 13.1 Finance expenditure (Group)**

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
<b>Interest expense:</b>				
Loans from the Department of Health and Social Care	3,134	2,324	3,134	2,324
Other loans	-	-	-	-
Overdrafts	-	-	-	-
Finance leases	-	-	4,573	2,790
Interest on late payment of commercial debt	6	9	6	9
Main finance costs on PFI and LIFT schemes obligations	6,333	6,470	6,333	6,470
Contingent finance costs on PFI and LIFT scheme obligations	5,202	4,916	5,202	4,916
<b>Total interest expense</b>	<b>14,674</b>	<b>13,719</b>	<b>19,247</b>	<b>16,509</b>
Unwinding of discount on provisions	1	1	1	1
Other finance costs	-	-	-	-
<b>Total finance costs</b>	<b>14,676</b>	<b>13,720</b>	<b>19,249</b>	<b>16,509</b>

**Note 13.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)**

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Total liability accruing in year under this legislation as a result of late payments	-	-	-	-
Amounts included within interest payable arising from claims made under this legislation	6	9	6	9
Compensation paid to cover debt recovery costs under this legislation	-	-	-	-

**Note 14 Other gains / (losses) (Group)**

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
Gains on disposal of assets	488	-	488	-
Losses on disposal of assets	-	(0)	-	(0)
Gains / losses on disposal of charitable fund assets	-	-	-	-
<b>Total gains / (losses) on disposal of assets</b>	<b>488</b>	<b>(0)</b>	<b>488</b>	<b>(0)</b>
Gains / (losses) on foreign exchange	-	-	-	-
Fair value gains / (losses) on investment properties	-	-	-	-
Fair value gains / (losses) on financial assets / investments	-	-	-	-
Fair value gains / (losses) on charitable fund investments & investment properties	-	-	-	-
Fair value gains / (losses) on financial liabilities	-	-	-	-
Recycling gains / (losses) on disposal of financial assets mandated as fair value through OCI	-	-	-	-
Other gains / (losses)	-	-	-	-
<b>Total other gains / (losses)</b>	<b>488</b>	<b>(0)</b>	<b>488</b>	<b>(0)</b>

The Trust had no discontinued operations to disclose in 2019/20 or 2018/19.

**Note 16.1 Intangible assets - 2019/20**

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Other (purchased) £000	Charitable fund intangible assets £000	Total £000
<b>Valuation / gross cost at 1 April 2019 - brought forward</b>	<b>709</b>	<b>10,419</b>	<b>300</b>	-	-	<b>11,428</b>
Transfers by absorption	-	-	-	-	-	-
Additions	-	428	1,140	-	-	<b>1,568</b>
Impairments	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-
Disposals / derecognition	(455)	(610)	-	-	-	<b>(1,065)</b>
<b>Valuation / gross cost at 31 March 2020</b>	<b>254</b>	<b>10,237</b>	<b>1,440</b>	-	-	<b>11,930</b>
<b>Amortisation at 1 April 2019 - brought forward</b>	<b>649</b>	<b>2,655</b>	-	-	-	<b>3,304</b>
Transfers by absorption	-	-	-	-	-	-
Provided during the year	15	1,152	-	-	-	<b>1,167</b>
Impairments	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-
Disposals / derecognition	(455)	(610)	-	-	-	<b>(1,065)</b>
<b>Amortisation at 31 March 2020</b>	<b>208</b>	<b>3,197</b>	-	-	-	<b>3,405</b>
<b>Net book value at 31 March 2020</b>	<b>46</b>	<b>7,040</b>	<b>1,440</b>	-	-	<b>8,526</b>
<b>Net book value at 1 April 2019</b>	<b>60</b>	<b>7,764</b>	<b>300</b>	-	-	<b>8,124</b>

**Note 16.2 Intangible assets - 2018/19**

<b>Group</b>	<b>Software licences £000</b>	<b>Internally generated information technology £000</b>	<b>Intangible assets under construction £000</b>	<b>Other (purchased) £000</b>	<b>Charitable fund intangible assets £000</b>	<b>Total £000</b>
<b>Valuation / gross cost at 1 April 2018 - as previously stated</b>	<b>709</b>	<b>9,005</b>	-	-	-	<b>9,714</b>
Transfers by absorption	-	-	-	-	-	-
Additions	-	1,414	300	-	-	<b>1,714</b>
Impairments	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-
<b>Valuation / gross cost at 31 March 2019</b>	<b>709</b>	<b>10,419</b>	<b>300</b>	-	-	<b>11,428</b>
<b>Amortisation at 1 April 2018 - as previously stated</b>	<b>634</b>	<b>1,670</b>	-	-	-	<b>2,304</b>
Transfers by absorption	-	-	-	-	-	-
Provided during the year	15	985	-	-	-	<b>1,000</b>
Impairments	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-
<b>Amortisation at 31 March 2019</b>	<b>649</b>	<b>2,655</b>	-	-	-	<b>3,304</b>
<b>Net book value at 31 March 2019</b>	<b>60</b>	<b>7,764</b>	<b>300</b>	-	-	<b>8,124</b>
<b>Net book value at 1 April 2018</b>	<b>75</b>	<b>7,335</b>	-	-	-	<b>7,410</b>

**Note 17.1 Intangible assets - 2019/20**

	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
<b>Valuation / gross cost at 1 April 2019 - brought forward</b>	<b>709</b>	<b>10,419</b>	<b>300</b>	<b>11,428</b>
Transfers by absorption	-	-	-	-
Additions	-	428	1,140	1,568
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	(455)	(610)	-	(1,065)
<b>Valuation / gross cost at 31 March 2020</b>	<b>254</b>	<b>10,237</b>	<b>1,440</b>	<b>11,930</b>
<b>Amortisation at 1 April 2019 - brought forward</b>	<b>649</b>	<b>2,655</b>	<b>-</b>	<b>3,304</b>
Transfers by absorption	-	-	-	-
Provided during the year	15	1,152	-	1,167
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	(455)	(610)	-	(1,065)
<b>Amortisation at 31 March 2020</b>	<b>208</b>	<b>3,197</b>	<b>-</b>	<b>3,405</b>
<b>Net book value at 31 March 2020</b>	<b>46</b>	<b>7,040</b>	<b>1,440</b>	<b>8,526</b>
<b>Net book value at 1 April 2019</b>	<b>60</b>	<b>7,764</b>	<b>300</b>	<b>8,124</b>

**Note 17.2 Intangible assets - 2018/19**

<b>Trust</b>	<b>Software licences £000</b>	<b>Internally generated information technology £000</b>	<b>Intangible assets under construction £000</b>	<b>Total £000</b>
<b>Valuation / gross cost at 1 April 2018 - as previously stated</b>	<b>709</b>	<b>9,005</b>	<b>-</b>	<b>9,714</b>
Transfers by absorption	-	-	-	-
Additions	-	1,414	300	<b>1,714</b>
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
<b>Valuation / gross cost at 31 March 2019</b>	<b>709</b>	<b>10,419</b>	<b>300</b>	<b>11,428</b>
<b>Amortisation at 1 April 2018 - as previously stated</b>	<b>634</b>	<b>1,670</b>	<b>-</b>	<b>2,304</b>
Transfers by absorption	-	-	-	-
Provided during the year	15	985	-	<b>1,000</b>
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
<b>Amortisation at 31 March 2019</b>	<b>649</b>	<b>2,655</b>	<b>-</b>	<b>3,304</b>
<b>Net book value at 31 March 2019</b>	<b>60</b>	<b>7,764</b>	<b>300</b>	<b>8,124</b>
<b>Net book value at 1 April 2018</b>	<b>75</b>	<b>7,335</b>	<b>-</b>	<b>7,410</b>



**Note 18.1 Property, plant and equipment - 2019/20**

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Charitable fund PPE assets £000	Total £000
<b>Valuation/gross cost at 1 April 2019 - brought forward</b>	<b>10,077</b>	<b>124,936</b>	<b>1,000</b>	<b>1,219</b>	<b>32,543</b>	<b>70</b>	<b>38,691</b>	<b>1,924</b>	-	<b>210,458</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	53	3,890	-	3,309	3,284	15	3,220	369	-	<b>14,140</b>
Impairments	(49)	(2,557)	(110)	-	-	-	-	-	-	<b>(2,715)</b>
Reversals of impairments	-	958	11	-	-	-	-	-	-	<b>969</b>
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	(1,089)	1,089	-	-	-	-	-
Transfers to / from assets held for sale	(681)	(477)	(306)	-	-	-	-	-	-	<b>(1,464)</b>
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	-	<b>(10,026)</b>
<b>Valuation/gross cost at 31 March 2020</b>	<b>9,400</b>	<b>126,750</b>	<b>595</b>	<b>3,439</b>	<b>36,823</b>	<b>85</b>	<b>31,978</b>	<b>2,293</b>	-	<b>211,362</b>
<b>Accumulated depreciation at 1 April 2019 - brought forward</b>	-	<b>0</b>	<b>(0)</b>	-	<b>23,024</b>	<b>54</b>	<b>25,721</b>	<b>1,653</b>	-	<b>50,451</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	-	3,869	21	-	1,865	6	3,132	43	-	<b>8,936</b>
Impairments	-	(0)	-	-	-	-	-	-	-	<b>(0)</b>
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	-	<b>(10,026)</b>
<b>Accumulated depreciation at 31 March 2020</b>	-	<b>3,870</b>	<b>20</b>	-	<b>24,797</b>	<b>59</b>	<b>18,919</b>	<b>1,696</b>	-	<b>49,361</b>
<b>Net book value at 31 March 2020</b>	<b>9,400</b>	<b>122,880</b>	<b>574</b>	<b>3,439</b>	<b>12,026</b>	<b>26</b>	<b>13,058</b>	<b>598</b>	-	<b>162,001</b>
<b>Net book value at 1 April 2019</b>	<b>10,077</b>	<b>124,935</b>	<b>1,000</b>	<b>1,219</b>	<b>9,518</b>	<b>16</b>	<b>12,970</b>	<b>272</b>	-	<b>160,007</b>

**Note 18.2 Property, plant and equipment - 2018/19**

<b>Group</b>	<b>Land £000</b>	<b>Buildings excluding dwellings £000</b>	<b>Dwellings £000</b>	<b>Assets under construction £000</b>	<b>Plant &amp; machinery £000</b>	<b>Transport equipment £000</b>	<b>Information technology £000</b>	<b>Furniture &amp; fittings £000</b>	<b>Charitable fund PPE assets £000</b>	<b>Total £000</b>
<b>Valuation / gross cost at 1 April 2018 - as previously stated</b>	<b>31,991</b>	<b>159,322</b>	<b>1,815</b>	<b>439</b>	<b>31,903</b>	<b>70</b>	<b>38,418</b>	<b>1,924</b>	<b>-</b>	<b>265,882</b>
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
<b>Valuation / gross cost at 1 April 2018 - restated</b>	<b>31,991</b>	<b>159,322</b>	<b>1,815</b>	<b>439</b>	<b>31,903</b>	<b>70</b>	<b>38,418</b>	<b>1,924</b>	<b>-</b>	<b>265,882</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	-	4,021	-	780	1,461	-	273	-	-	6,534
Impairments	(22,014)	(43,850)	(884)	-	-	-	-	-	-	(66,748)
Reversals of impairments	100	3,647	-	-	-	-	-	-	-	3,747
Revaluations	-	1,795	69	-	-	-	-	-	-	1,864
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(821)	-	-	-	-	(821)
<b>Valuation/gross cost at 31 March 2019</b>	<b>10,077</b>	<b>124,936</b>	<b>1,000</b>	<b>1,219</b>	<b>32,543</b>	<b>70</b>	<b>38,691</b>	<b>1,924</b>	<b>-</b>	<b>210,458</b>
<b>Accumulated depreciation at 1 April 2018 - as previously stated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,102</b>	<b>48</b>	<b>22,396</b>	<b>1,602</b>	<b>-</b>	<b>46,148</b>
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
<b>Accumulated depreciation at 1 April 2018 - restated</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,102</b>	<b>48</b>	<b>22,396</b>	<b>1,602</b>	<b>-</b>	<b>46,148</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	-	2,714	24	-	1,743	6	3,325	51	-	7,861
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	(2,714)	(24)	-	-	-	-	-	-	(2,738)
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(820)	-	-	-	-	(820)
<b>Accumulated depreciation at 31 March 2019</b>	<b>-</b>	<b>0</b>	<b>(0)</b>	<b>-</b>	<b>23,024</b>	<b>54</b>	<b>25,721</b>	<b>1,653</b>	<b>-</b>	<b>50,451</b>
<b>Net book value at 31 March 2019</b>	<b>10,077</b>	<b>124,935</b>	<b>1,000</b>	<b>1,219</b>	<b>9,518</b>	<b>16</b>	<b>12,970</b>	<b>272</b>	<b>-</b>	<b>160,007</b>
<b>Net book value at 1 April 2018</b>	<b>31,991</b>	<b>159,322</b>	<b>1,815</b>	<b>439</b>	<b>9,801</b>	<b>22</b>	<b>16,022</b>	<b>322</b>	<b>-</b>	<b>219,734</b>

**Note 18.3 Property, plant and equipment financing - 2019/20**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net book value at 31 March 2020</b>										
Owned - purchased	9,400	56,195	574	3,439	11,757	26	13,042	598	-	95,031
Finance leased	-	-	-	-	48	-	-	-	-	48
On-SoFP PFI contracts and other service concession arrangements	-	65,779	-	-	-	-	-	-	-	65,779
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-	-
Owned - donated	-	906	-	-	222	-	16	-	-	1,144
<b>NBV total at 31 March 2020</b>	<b>9,400</b>	<b>122,880</b>	<b>574</b>	<b>3,439</b>	<b>12,026</b>	<b>26</b>	<b>13,058</b>	<b>598</b>	<b>-</b>	<b>162,001</b>

**Note 18.4 Property, plant and equipment financing - 2018/19**

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net book value at 31 March 2019</b>										
Owned - purchased	9,731	57,583	1,000	1,219	9,318	16	12,944	272	-	92,082
Finance leased	346	-	-	-	59	-	-	-	-	405
On-SoFP PFI contracts and other service concession arrangements	-	66,442	-	-	-	-	-	-	-	66,442
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-	-
Owned - donated	-	911	-	-	141	-	26	-	-	1,078
<b>NBV total at 31 March 2019</b>	<b>10,077</b>	<b>124,935</b>	<b>1,000</b>	<b>1,219</b>	<b>9,518</b>	<b>16</b>	<b>12,970</b>	<b>272</b>	<b>-</b>	<b>160,007</b>

**Note 19.1 Property, plant and equipment - 2019/20**

	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Valuation/gross cost at 1 April 2019 - brought forward</b>	<b>10,077</b>	<b>124,936</b>	<b>1,000</b>	<b>1,219</b>	<b>32,232</b>	<b>31</b>	<b>38,631</b>	<b>1,917</b>	<b>210,042</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	53	3,890	-	3,309	3,234	-	3,220	369	14,075
Impairments	(49)	(2,557)	(110)	-	-	-	-	-	(2,715)
Reversals of impairments	-	958	11	-	-	-	-	-	969
Revaluations	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	(1,089)	1,089	-	-	-	-
Transfers to / from assets held for sale	(681)	(477)	(306)	-	-	-	-	-	(1,464)
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	(10,026)
<b>Valuation/gross cost at 31 March 2020</b>	<b>9,400</b>	<b>126,750</b>	<b>595</b>	<b>3,439</b>	<b>36,463</b>	<b>31</b>	<b>31,918</b>	<b>2,286</b>	<b>210,880</b>
<b>Accumulated depreciation at 1 April 2019 - brought forward</b>	-	<b>0</b>	<b>(0)</b>	-	<b>22,924</b>	<b>31</b>	<b>25,697</b>	<b>1,652</b>	<b>50,304</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	3,869	21	-	1,838	-	3,120	43	8,891
Impairments	-	(0)	-	-	-	-	-	-	(0)
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	-	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	(10,026)
<b>Accumulated depreciation at 31 March 2020</b>	-	<b>3,870</b>	<b>20</b>	-	<b>24,669</b>	<b>31</b>	<b>18,883</b>	<b>1,695</b>	<b>49,169</b>
<b>Net book value at 31 March 2020</b>	<b>9,400</b>	<b>122,880</b>	<b>574</b>	<b>3,439</b>	<b>11,793</b>	<b>0</b>	<b>13,034</b>	<b>591</b>	<b>161,711</b>
<b>Net book value at 1 April 2019</b>	<b>10,077</b>	<b>124,935</b>	<b>1,000</b>	<b>1,219</b>	<b>9,308</b>	<b>0</b>	<b>12,934</b>	<b>265</b>	<b>159,738</b>

**Note 19.2 Property, plant and equipment - 2018/19**

Trust	Land £000	Buildings excluding dwellings £000	Dwellings £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
<b>Valuation / gross cost at 1 April 2018 - as previously stated</b>	<b>31,991</b>	<b>159,322</b>	<b>1,815</b>	<b>439</b>	<b>31,903</b>	<b>70</b>	<b>38,418</b>	<b>1,924</b>	<b>265,882</b>
Prior period adjustments	-	-	-	-	-	-	-	-	-
<b>Valuation / gross cost at 1 April 2018 - restated</b>	<b>31,991</b>	<b>159,322</b>	<b>1,815</b>	<b>439</b>	<b>31,903</b>	<b>70</b>	<b>38,418</b>	<b>1,924</b>	<b>265,882</b>
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	4,021	-	780	1,461	-	273	-	6,534
Impairments	(22,014)	(43,850)	(884)	-	-	-	-	-	(66,748)
Reversals of impairments	100	3,647	-	-	-	-	-	-	3,747
Revaluations	-	1,795	69	-	-	-	-	-	1,864
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(1,131)	(39)	(60)	(7)	(1,237)
<b>Valuation/gross cost at 31 March 2019</b>	<b>10,077</b>	<b>124,936</b>	<b>1,000</b>	<b>1,219</b>	<b>32,232</b>	<b>31</b>	<b>38,631</b>	<b>1,917</b>	<b>210,042</b>
<b>Accumulated depreciation at 1 April 2018 - as previously stated</b>	-	-	-	-	22,102	48	22,396	1,602	46,148
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	2,714	24	-	1,727	2	3,318	50	7,835
Impairments	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	(2,714)	(24)	-	-	-	-	-	(2,738)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(905)	(20)	(17)	(0)	(942)
<b>Accumulated depreciation at 31 March 2019</b>	-	<b>0</b>	<b>(0)</b>	-	<b>22,924</b>	<b>31</b>	<b>25,697</b>	<b>1,652</b>	<b>50,304</b>
<b>Net book value at 31 March 2019</b>	<b>10,077</b>	<b>124,935</b>	<b>1,000</b>	<b>1,219</b>	<b>9,308</b>	<b>0</b>	<b>12,934</b>	<b>265</b>	<b>159,738</b>
<b>Net book value at 1 April 2018</b>	<b>31,991</b>	<b>159,322</b>	<b>1,815</b>	<b>439</b>	<b>9,801</b>	<b>22</b>	<b>16,022</b>	<b>322</b>	<b>219,734</b>

**Note 19.3 Property, plant and equipment financing - 2019/20**

	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net book value at 31 March 2020</b>									
Owned - purchased	9,400	56,195	574	3,439	11,524	0	13,018	591	<b>94,741</b>
Finance leased	-	-	-	-	48	-	-	-	<b>48</b>
On-SoFP PFI contracts and other service concession arrangements	-	65,779	-	-	-	-	-	-	<b>65,779</b>
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-
Owned - donated	-	906	-	-	222	-	16	-	<b>1,144</b>
<b>NBV total at 31 March 2020</b>	<b>9,400</b>	<b>122,880</b>	<b>574</b>	<b>3,439</b>	<b>11,793</b>	<b>0</b>	<b>13,034</b>	<b>591</b>	<b>161,711</b>

**Note 19.4 Property, plant and equipment financing - 2018/19**

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Net book value at 31 March 2019</b>									
Owned - purchased	9,731	3,531	420	1,219	5,114	0	12,908	265	<b>33,187</b>
Finance leased	346	54,645	580	-	4,106	-	-	-	<b>59,677</b>
On-SoFP PFI contracts and other service concession arrangements	-	66,442	-	-	-	-	-	-	<b>66,442</b>
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-
Owned - donated	-	318	-	-	88	-	26	-	<b>432</b>
<b>NBV total at 31 March 2019</b>	<b>10,077</b>	<b>124,935</b>	<b>1,000</b>	<b>1,219</b>	<b>9,308</b>	<b>0</b>	<b>12,934</b>	<b>265</b>	<b>159,738</b>

## **Note 20 Donations of property, plant and equipment**

## **Note 21 Revaluations of property, plant and equipment**

### ***Valuation***

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

All assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

A full on-site valuation was carried out as at 1st April 2018. A desktop revaluation was undertaken as at 31 March 2020. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

**Note 22 Investments in associates and joint ventures**

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
<b>Carrying value at 1 April - brought forward</b>	<b>4,162</b>	<b>3,757</b>	<b>4,162</b>	<b>3,757</b>
Transfers by absorption	-	-	-	-
Acquisitions in year	-	-	-	-
Share of profit / (loss)	-	405	-	405
Net impairments	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disbursements / dividends received	-	-	-	-
Disposals	-	-	-	-
Share of Other Comprehensive Income	-	-	-	-
Other equity movements	-	-	-	-
<b>Carrying value at 31 March</b>	<b>4,162</b>	<b>4,162</b>	<b>4,162</b>	<b>4,162</b>

**Note 23 Other investments / financial assets (non-current)**

	Group		Trust	
	2019/20	2018/19	2019/20	2018/19
	£000	£000	£000	£000
<b>Carrying value at 1 April - brought forward</b>	-	-	<b>3,500</b>	-
Impact of implementing IFRS 9 on 1 April 2018	-	-	-	-
Transfers by absorption	-	-	-	-
Acquisitions in year	-	-	-	3,500
Movement in fair value through income and expenditure	-	-	-	-
Movement in fair value through OCI	-	-	-	-
Net impairments	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Amortisation at the effective interest rate	-	-	-	-
Current portion of loans receivable transferred to current financial assets	-	-	(957)	-
Disposals	-	-	-	-
<b>Carrying value at 31 March</b>	<b>-</b>	<b>-</b>	<b>2,543</b>	<b>3,500</b>

**Note 23.1 Other investments / financial assets (current)**

	Group		Trust	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£000	£000	£000	£000
Loans receivable within 12 months transferred from non-current financial assets	-	-	957	-
Deposits with the National Loans Fund	-	-	-	-
Other current financial assets	4,000	-	4,010	936
<b>Total current investments / financial assets</b>	<b>4,000</b>	<b>-</b>	<b>4,967</b>	<b>936</b>



## Note 24 Disclosure of interests in other entities

The Trust entered into a joint venture with Henry Boot Development Ltd on 24th March 2011. This partnership is the Pennine Property Partnership LLP (PPP LLP) and is owned 50/50 by the Trust and Henry Boot Development Ltd.

It developed a new 56,000 sq. ft. healthcare facility following the exchange of a pre-let agreement with the Trust to operate the building.

The development involved the substantial reconstruction and refurbishment of an existing derelict stone mill, known as Acre Mill, and now provides a range of modern outpatient facilities. The facility has been in use since the end of January 2015.

The Pennine Property Partnership LLP's principal place of business is within the UK.

The Trust has used the equity accounting method.

There are no contingent liabilities of the JV for which the Trust is jointly and contingently liable.

The JV has no capital commitments.

### Disclosure of aggregate amounts for assets and liabilities of jointly controlled operations

	2019/20	2018/19
	£000	£000
Non current assets	14,843	14,243
Current assets	7,757	1,127
<b>Total assets</b>	<b>22,600</b>	<b>15,370</b>
Current liabilities	(7,733)	(194)
Non current liabilities	(6,545)	(6,600)
<b>Total liabilities</b>	<b>(14,278)</b>	<b>(6,794)</b>
<b>Net Assets Attributable to members</b>	<b>8,322</b>	<b>8,576</b>
Operating income	6,690	674
Operating expenses	(7,198)	(228)
Fair Value revaluation Gain	608	364
<b>Surplus /(deficit) for the year</b>	<b>100</b>	<b>810</b>

## Note 25 Inventories

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Drugs	2,292	2,558	1,750	2,558
Work In progress	344	309	344	309
Consumables	3,873	3,748	2,738	2,613
Energy	-	-	-	-
Other	-	-	-	-
Charitable fund inventory	-	-	-	-
<b>Total inventories</b>	<b>6,509</b>	<b>6,615</b>	<b>4,832</b>	<b>5,480</b>
<b>of which:</b>				
Held at fair value less costs to sell	-	-	-	-

Inventories recognised in expenses for the year were £69,818k (2018/19: £65,678k). Write-down of inventories recognised as expenses for the year were £0k (2018/19: £0k).

## Note 26.1 Receivables

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Current</b>				
Contract receivables	34,271	15,093	38,845	18,941
Contract assets	-	-	-	-
Capital receivables	79	79	79	79
Allowance for impaired contract receivables / assets	(1,713)	(1,304)	(1,713)	(1,304)
Allowance for other impaired receivables	-	-	-	-
Deposits and advances	-	-	-	-
Prepayments (non-PFI)	3,310	1,669	2,124	1,345
PFI prepayments - capital contributions	-	-	-	-
PFI lifecycle prepayments	-	-	-	-
Interest receivable	-	-	-	-
Finance lease receivables	-	-	3,443	3,263
PDC dividend receivable	-	-	-	-
VAT receivable	4,931	3,407	5,020	3,817
Corporation and other taxes receivable	-	-	-	-
Other receivables	-	-	-	-
NHS charitable funds receivables	-	-	-	-
<b>Total current receivables</b>	<b>40,879</b>	<b>18,945</b>	<b>47,798</b>	<b>26,141</b>
<b>Non-current</b>				
Contract receivables	3,334	2,098	3,334	2,098
Contract assets	-	-	-	-
Capital receivables	1,437	1,516	1,437	1,516
Allowance for impaired contract receivables / assets	(726)	(630)	(726)	(630)
Allowance for other impaired receivables	-	-	-	-
Deposits and advances	-	-	-	-
Prepayments (non-PFI)	-	-	-	-
PFI prepayments - capital contributions	-	-	-	-
PFI lifecycle prepayments	-	-	-	-
Interest receivable	-	-	-	-
Finance lease receivables	-	-	62,417	65,860
VAT receivable	-	-	-	-
Corporation and other taxes receivable	-	-	-	-
Other receivables	-	-	-	-
NHS charitable funds receivables	-	-	-	-
<b>Total non-current receivables</b>	<b>4,045</b>	<b>2,984</b>	<b>66,462</b>	<b>68,844</b>
<b>Of which receivable from NHS and DHSC group bodies:</b>				
Current	27,763	8,915	27,763	8,915
Non-current	-	-	-	-

**Note 26.2 Allowances for credit losses - 2019/20**

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
<b>Allowances as at 1 Apr 2019 - brought forward</b>	<b>1,934</b>	-	<b>1,934</b>	-
Transfers by absorption	-	-	-	-
New allowances arising	856	-	856	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	(351)	-	(351)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
<b>Allowances as at 31 Mar 2020</b>	<b>2,439</b>	-	<b>2,439</b>	-

**Note 26.3 Allowances for credit losses - 2018/19**

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
<b>Allowances as at 1 Apr 2018 - as previously stated</b>	-	<b>999</b>	-	<b>999</b>
Prior period adjustments	-	-	-	-
<b>Allowances as at 1 Apr 2018 - restated</b>	-	<b>999</b>	-	<b>999</b>
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018	1,578	(999)	1,578	(999)
Transfers by absorption	-	-	-	-
New allowances arising	716	-	716	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	(360)	-	(360)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
<b>Allowances as at 31 Mar 2019</b>	<b>1,934</b>	-	<b>1,934</b>	-

**Note 27 Other assets**

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Current</b>				
EU emissions trading scheme allowance	-	-	-	-
Other assets	-	-	-	-
<b>Total other current assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Non-current</b>				
Net defined benefit pension scheme asset	-	-	-	-
Other assets	-	-	-	-
<b>Total other non-current assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Note 28 Non-current assets held for sale and assets in disposal groups**

	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>NBV of non-current assets for sale and assets in disposal groups at 1 April</b>	<b>1,798</b>	<b>1,798</b>	<b>1,798</b>	<b>1,798</b>
Prior period adjustment	-	-	-	-
<b>NBV of non-current assets for sale and assets in disposal groups at 1 April - restated</b>	<b>1,798</b>	<b>1,798</b>	<b>1,798</b>	<b>1,798</b>
Transfers by absorption	-	-	-	-
Assets classified as available for sale in the year	1,464	-	1,464	-
Assets sold in year	(3,048)	-	(3,048)	-
Impairment of assets held for sale	-	-	-	-
Reversal of impairment of assets held for sale	900	-	900	-
Assets no longer classified as held for sale, for reasons other than disposal by sale	-	-	-	-
<b>NBV of non-current assets for sale and assets in disposal groups at 31 March</b>	<b>1,114</b>	<b>1,798</b>	<b>1,114</b>	<b>1,798</b>

The assets classified as held for sale as at 31 March 2020 were three assets of land and buildings namely: Acre House, The Poplars nursery building and 62 Acre Street (GP Surgery).

The Poplars sale had been agreed with the current occupants of the building and the sale completed on 9th April 2020.

At the Board of Directors meeting in January 2016 it was agreed to transfer the St Luke's Hospital (SLH) site to the Pennine Property Partnership (PPP) in line with the agreement in place on the establishment of the PPP 24th March 2011. This transfer happened on 22nd Oct 2019. Also in 19/20 the Trust sold Acre House Avenue on 21st Nov 2019 and Glen Acre House on 31st March 2020 .

## Note 28.1 Liabilities in disposal groups

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Categorised as:</b>				
Provisions	-	-	-	-
Trade and other payables	-	-	-	-
Other	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note 29.1 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
<b>At 1 April</b>	<b>2,036</b>	<b>2,000</b>	<b>1,785</b>	<b>2,000</b>
Prior period adjustments	-	-	-	-
<b>At 1 April (restated)</b>	<b>2,036</b>	<b>2,000</b>	<b>1,785</b>	<b>2,000</b>
Transfers by absorption	-	-	-	-
Net change in year	7,253	36	5,870	(215)
<b>At 31 March</b>	<b>9,289</b>	<b>2,036</b>	<b>7,655</b>	<b>1,785</b>
<b>Broken down into:</b>				
Cash at commercial banks and in hand	60	56	60	56
Cash with the Government Banking Service	9,229	1,980	7,595	1,729
Deposits with the National Loan Fund	-	-	-	-
Other current investments	-	-	-	-
<b>Total cash and cash equivalents as in SoFP</b>	<b>9,289</b>	<b>2,036</b>	<b>7,655</b>	<b>1,785</b>
Bank overdrafts (GBS and commercial banks)	-	-	-	-
Drawdown in committed facility	-	-	-	-
<b>Total cash and cash equivalents as in SoCF</b>	<b>9,289</b>	<b>2,036</b>	<b>7,655</b>	<b>1,785</b>

## Note 29.2 Third party assets held by the trust

Calderdale & Huddersfield NHS Foundation Trust held cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties. This has been excluded from the cash and cash equivalents figure reported in the accounts.

	Group and Trust	
	31 March 2020 £000	31 March 2019 £000
Bank balances	0	3
Monies on deposit	8	7
<b>Total third party assets</b>	<b>8</b>	<b>10</b>

### Note 30.1 Trade and other payables

	Group		Trust	
	31 March	31 March	31 March	31 March
	2020	2019	2020	2019
	£000	£000	£000	£000
<b>Current</b>				
Trade payables	17,046	11,013	11,896	9,024
Capital payables	7,945	3,000	7,945	3,000
Accruals	16,658	14,903	25,717	21,891
Receipts in advance and payments on account	-	-	-	-
PFI lifecycle replacement received in advance	-	-	-	-
Social security costs	-	-	-	-
VAT payables	109	30	-	-
Other taxes payable	5,410	5,061	5,264	4,919
PDC dividend payable	1	1	1	1
Other payables	3,420	4,770	8	2,569
NHS charitable funds: trade and other payables	-	-	-	-
<b>Total current trade and other payables</b>	<b>50,589</b>	<b>38,778</b>	<b>50,831</b>	<b>41,403</b>
<b>Non-current</b>				
Trade payables	-	-	-	-
Capital payables	-	-	-	-
Accruals	-	-	-	-
Receipts in advance and payments on account	-	-	-	-
PFI lifecycle replacement received in advance	-	-	-	-
VAT payables	-	-	-	-
Other taxes payable	-	-	-	-
Other payables	29	43	109	43
NHS charitable funds: trade and other payables	-	-	-	-
<b>Total non-current trade and other payables</b>	<b>29</b>	<b>43</b>	<b>109</b>	<b>43</b>
<b>Of which payables from NHS and DHSC group bodies:</b>				
Current	5,605	3,852	5,605	3,852
Non-current	-	-	-	-

### Note 30.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:

Group and Trust	31 March	31 March	31 March	31 March
	2020	2020	2019	2019
	£000	Number	£000	Number
- to buy out the liability for early retirements over 5 years	-	-	-	-
- number of cases involved	-	-	-	-

### Note 31 Other liabilities

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Current</b>				
Deferred income: contract liabilities	3,304	2,040	3,304	1,992
Deferred grants	-	-	-	-
Deferred PFI credits / income	-	-	-	-
Lease incentives	-	-	-	-
Other deferred income	-	-	-	-
NHS charitable funds: other liabilities	-	-	-	-
<b>Total other current liabilities</b>	<b>3,304</b>	<b>2,040</b>	<b>3,304</b>	<b>1,992</b>
<b>Non-current</b>				
Deferred income: contract liabilities	1,027	1,063	1,027	1,063
Deferred grants	-	-	-	-
Deferred PFI credits / income	-	-	-	-
Lease incentives	-	-	-	-
Other deferred income	-	-	-	-
NHS charitable funds: other liabilities	-	-	-	-
Net pension scheme liability	-	-	-	-
<b>Total other non-current liabilities</b>	<b>1,027</b>	<b>1,063</b>	<b>1,027</b>	<b>1,063</b>

### Note 32 Borrowings

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Current</b>				
Bank overdrafts	-	-	-	-
Drawdown in committed facility	-	-	-	-
Loans from DHSC	143,723	42,756	143,723	42,756
Other loans	-	-	-	-
Obligations under finance leases	8	8	6,668	3,870
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	1,833	1,697	1,833	1,697
NHS charitable funds: other current borrowings	-	-	-	-
<b>Total current borrowings</b>	<b>145,564</b>	<b>44,461</b>	<b>152,224</b>	<b>48,323</b>
<b>Non-current</b>				
Loans from DHSC	19,878	102,144	19,878	102,144
Other loans	-	-	-	-
Obligations under finance leases	41	50	62,911	69,583
Obligations under PFI, LIFT or other service concession contracts	70,868	72,701	70,868	72,701
NHS charitable funds: other current borrowings	-	-	-	-
<b>Total non-current borrowings</b>	<b>90,787</b>	<b>174,895</b>	<b>153,657</b>	<b>244,427</b>

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £141m are classified as current liabilities within these financial statements. Normal course of business capital loans still stand as per the original terms.

In 2018/19 the equivalent interim revenue and capital loan funding was split between current and non-current borrowings based upon the repayment profile at that time.



**Note 32.1 Reconciliation of liabilities arising from financing activities (Group)**

<b>Group - 2019/20</b>	<b>Loans from DHSC £000</b>	<b>Other loans £000</b>	<b>Finance leases £000</b>	<b>PFI and LIFT schemes £000</b>	<b>Total £000</b>
<b>Carrying value at 1 April 2019</b>	<b>144,900</b>	<b>-</b>	<b>58</b>	<b>74,398</b>	<b>219,355</b>
<b>Cash movements:</b>					
Financing cash flows - payments and receipts of principal	18,654	-	(8)	(1,698)	<b>16,948</b>
Financing cash flows - payments of interest	(3,086)	-	-	(6,332)	<b>(9,418)</b>
<b>Non-cash movements:</b>					
Transfers by absorption	-	-	-	-	-
Additions	-	-	-	-	-
Application of effective interest rate	3,134	-	-	6,333	<b>9,466</b>
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
<b>Carrying value at 31 March 2020</b>	<b>163,601</b>	<b>-</b>	<b>49</b>	<b>72,701</b>	<b>236,351</b>

<b>Group - 2018/19</b>	<b>Loans from DHSC £000</b>	<b>Other loans £000</b>	<b>Finance leases £000</b>	<b>PFI and LIFT schemes £000</b>	<b>Total £000</b>
<b>Carrying value at 1 April 2018</b>	<b>103,860</b>	<b>-</b>	<b>-</b>	<b>76,007</b>	<b>179,867</b>
<b>Cash movements:</b>					
Financing cash flows - payments and receipts of principal	40,290	-	(1)	(1,609)	<b>38,680</b>
Financing cash flows - payments of interest	(2,067)	-	-	(6,470)	<b>(8,537)</b>
<b>Non-cash movements:</b>					
Impact of implementing IFRS 9 on 1 April 2018	492	-	-	-	<b>492</b>
Transfers by absorption	-	-	-	-	-
Additions	-	-	59	-	<b>59</b>
Application of effective interest rate	2,324	-	-	6,470	<b>8,794</b>
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
<b>Carrying value at 31 March 2019</b>	<b>144,900</b>	<b>-</b>	<b>58</b>	<b>74,398</b>	<b>219,355</b>

### Note 32.2 Reconciliation of liabilities arising from financing activities

	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
<b>Carrying value at 1 April 2019</b>	<b>144,900</b>	-	<b>73,453</b>	<b>74,398</b>	<b>292,750</b>
<b>Cash movements:</b>					
Financing cash flows - payments and receipts of principal	18,654	-	(3,871)	(1,698)	<b>13,085</b>
Financing cash flows - payments of interest	(3,086)	-	(4,753)	(6,332)	<b>(14,171)</b>
<b>Non-cash movements:</b>					
Transfers by absorption	-	-	-	-	-
Additions	-	-	-	-	-
Application of effective interest rate	3,134	-	4,750	6,333	<b>14,216</b>
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
<b>Carrying value at 31 March 2020</b>	<b>163,601</b>	-	<b>69,578</b>	<b>72,701</b>	<b>305,880</b>

Trust	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
<b>Carrying value at 1 April 2018</b>	<b>103,860</b>	-	-	<b>76,007</b>	<b>179,867</b>
Prior period adjustment	-	-	-	-	-
<b>Carrying value at 1 April 2018 - restated</b>	<b>103,860</b>	-	-	<b>76,007</b>	<b>179,867</b>
<b>Cash movements:</b>					
Financing cash flows - payments and receipts of principal	40,290	-	(2,132)	(1,609)	<b>36,549</b>
Financing cash flows - payments of interest	(2,067)	-	(2,790)	(6,470)	<b>(11,327)</b>
<b>Non-cash movements:</b>					
Impact of implementing IFRS 9 on 1 April 2018	492	-	-	-	<b>492</b>
Transfers by absorption	-	-	-	-	-
Additions	-	-	-	-	-
Application of effective interest rate	-	-	75,585	6,470	<b>82,055</b>
Change in effective interest rate	-	-	-	-	-
Changes in fair value	2,324	-	2,790	-	<b>5,114</b>
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
<b>Carrying value at 31 March 2019</b>	<b>144,900</b>	-	<b>73,453</b>	<b>74,398</b>	<b>292,750</b>

### Note 33 Other financial liabilities

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Current</b>				
Derivatives held at fair value through income and expenditure	-	-	-	-
Other financial liabilities	-	-	-	-
<b>Total current other financial liabilities</b>	-	-	-	-
<b>Non-current</b>				
Derivatives held at fair value through income and expenditure	-	-	-	-
Other financial liabilities	-	-	-	-
<b>Total non-current other financial liabilities</b>	-	-	-	-

## Note 34 Finance leases

### Note 34.1 Calderdale & Huddersfield NHS Foundation Trust as a lessor

Future lease receipts due under finance lease agreements where the trust is the lessor:

This is for Building leases with the Subsidiary

	Group		Trust	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£000	£000	£000	£000
<b>Gross lease receivables</b>	-	-	<b>92,603</b>	<b>99,506</b>
*of which those receivable:				
- not later than one year;	-	-	6,902	6,902
- later than one year and not later than five years;	-	-	27,608	27,608
- later than five years.	-	-	58,093	64,995
Unearned interest income	-	-	(26,743)	(30,382)
Allowance for uncollectable lease payments	-	-	-	-
<b>Net lease receivables</b>	<b>-</b>	<b>-</b>	<b>65,860</b>	<b>69,123</b>
**of which those receivable:				
- not later than one year;	-	-	3,443	3,263
- later than one year and not later than five years;	-	-	15,779	14,954
- later than five years.	-	-	46,638	50,906
The unguaranteed residual value accruing to the lessor	-	-	-	-
Contingent rents recognised as income in the period	-	-	-	-

\* The 31st March 2019 numbers have been restated. Later than one year and not later than five years was £34,511k now £27,608k and later than five years, £58,092k now £64,995k.

\*\*The 31st March 2019 numbers have been restated. Later than one year and not later than five years was £19,222k, now £14,954k and later than five years, £46,638k now £50,906k.

### Note 34.2 Calderdale & Huddersfield NHS Foundation Trust as a lessee

Obligations under finance leases where the trust is the lessee.

	Group		Trust	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£000	£000	£000	£000
<b>Gross lease liabilities</b>	<b>49</b>	<b>58</b>	<b>101,338</b>	<b>109,785</b>
of which liabilities are due:				
- not later than one year;	8	8	8,443	8,443
- later than one year and not later than five years;	41	34	31,900	33,082
- later than five years.	-	16	60,996	68,261
Finance charges allocated to future periods	-	-	(31,760)	(36,332)
<b>Net lease liabilities</b>	<b>49</b>	<b>58</b>	<b>69,578</b>	<b>73,453</b>
of which payable:				
- not later than one year;	8	8	6,668	3,870
- later than one year and not later than five years;	41	34	15,363	17,830
- later than five years.	-	16	47,548	51,753
Total of future minimum sublease payments to be received at the reporting date	-	-	-	-
Contingent rent recognised as expense in the period	-	-	-	-

The Trust lease payable is for building leases with the Subsidiary.

**Note 35.1 Provisions for liabilities and charges analysis (Group)**

<b>Group</b>	<b>Pensions: early departure costs £000</b>	<b>Pensions: injury benefits £000</b>	<b>Legal claims £000</b>	<b>Re-structuring £000</b>	<b>Equal Pay (including Agenda for Change) £000</b>	<b>Redundancy £000</b>	<b>Other £000</b>	<b>Total £000</b>
<b>At 1 April 2019</b>	<b>769</b>	<b>1,148</b>	<b>102</b>	<b>0</b>	-	-	<b>815</b>	<b>2,835</b>
Transfers by absorption	-	-	-	-	-	-	-	-
Change in the discount rate	20	64	-	-	-	-	-	<b>84</b>
Arising during the year	146	29	141	550	-	-	1,639	<b>2,505</b>
Utilised during the year	(248)	(104)	(72)	-	-	-	(20)	<b>(444)</b>
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-
Reversed unused	(12)	-	(70)	-	-	-	(867)	<b>(949)</b>
Unwinding of discount	1	1	-	-	-	-	-	<b>1</b>
Movement in charitable fund provisions	-	-	-	-	-	-	-	-
<b>At 31 March 2020</b>	<b>676</b>	<b>1,138</b>	<b>101</b>	<b>550</b>	-	-	<b>1,567</b>	<b>4,033</b>
<b>Expected timing of cash flows:</b>								
- not later than one year;	247	104	101	550	-	-	<b>1,544</b>	<b>2,546</b>
- later than one year and not later than five years;	309	351	-	-	-	-	<b>24</b>	<b>685</b>
- later than five years.	120	682	0	0	-	-	<b>(0)</b>	<b>803</b>
<b>Total</b>	<b>676</b>	<b>1,138</b>	<b>101</b>	<b>550</b>	-	-	<b>1,567</b>	<b>4,033</b>

**Note 35.2 Provisions for liabilities and charges analysis (Trust)**

Trust	Pensions: early departure costs £000	Pensions: injury benefits £000	Legal claims £000	Re-structuring £000	Equal Pay (including Agenda for Change) £000	Redundancy £000	Other £000	Total £000
<b>At 1 April 2019</b>	<b>769</b>	<b>1,148</b>	<b>102</b>	<b>0</b>	-	-	<b>815</b>	<b>2,835</b>
Transfers by absorption	-	-	-	-	-	-	-	-
Change in the discount rate	20	64	-	-	-	-	-	<b>84</b>
Arising during the year	146	29	141	550	-	-	1,639	<b>2,505</b>
Utilised during the year	(248)	(104)	(72)	-	-	-	(20)	<b>(444)</b>
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-
Reversed unused	(12)	-	(70)	-	-	-	(867)	<b>(949)</b>
Unwinding of discount	1	1	-	-	-	-	-	<b>1</b>
<b>At 31 March 2020</b>	<b>676</b>	<b>1,138</b>	<b>101</b>	<b>550</b>	-	-	<b>1,567</b>	<b>4,033</b>
<b>Expected timing of cash flows:</b>								
- not later than one year;	247	104	101	550	-	-	<b>1,544</b>	<b>2,546</b>
- later than one year and not later than five years;	309	351	-	-	-	-	<b>24</b>	<b>685</b>
- later than five years.	120	682	0	0	-	-	<b>(0)</b>	<b>803</b>
<b>Total</b>	<b>676</b>	<b>1,138</b>	<b>101</b>	<b>550</b>	-	-	<b>1,567</b>	<b>4,033</b>

### Note 35.3 Clinical negligence liabilities

At 31 March 2020, £194,199k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Calderdale & Huddersfield NHS Foundation Trust (31 March 2019: £181,724k).

### Note 36 Contingent assets and liabilities

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Value of contingent liabilities</b>				
NHS Resolution legal claims	-	-	-	-
Employment tribunal and other employee related litigation	-	-	-	-
Redundancy	-	-	-	-
Other	-	-	-	-
<b>Gross value of contingent liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amounts recoverable against liabilities	-	-	-	-
<b>Net value of contingent liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net value of contingent assets</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

### Note 37 Contractual capital commitments

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Property, plant and equipment	1,704	612	1,704	612
Intangible assets	-	-	-	-
<b>Total</b>	<u>1,704</u>	<u>612</u>	<u>1,704</u>	<u>612</u>

### Note 38 Other financial commitments

The group / trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
not later than 1 year	3,021	2,495	3,021	2,495
after 1 year and not later than 5 years	12,089	7,485	12,089	7,485
paid thereafter	-	4,832	-	4,832
<b>Total</b>	<u>15,110</u>	<u>14,812</u>	<u>15,110</u>	<u>14,812</u>

This commitment relates to a contract with Cerner Ltd to deliver an Electronic Patient Record system and includes costs relating to Bradford Teaching Hospital NHS Foundation Trust. The contractual commitment remains with Calderdale and Huddersfield NHS Foundation Trust as the contract signatory.

Calderdale and Huddersfield NHS Foundation Trust has a back to back legal agreement with Bradford Teaching Hospital NHS Foundation Trust to indemnify Calderdale and Huddersfield NHS Foundation Trust against any associated risk.

### Note 39 On-SoFP PFI, LIFT or other service concession arrangements

The Trust has a PFI scheme for Calderdale Royal Hospital. The PFI contractor is Calderdale Hospitals SPC Ltd (formerly Catalyst Healthcare Ltd). The Trust is responsible for the provision of all clinical services, Calderdale Hospitals SPC Ltd provide fully serviced hospital accommodation.

#### Note 39.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Gross PFI, LIFT or other service concession liabilities</b>	<b>232,611</b>	<b>244,788</b>	<b>232,611</b>	<b>244,788</b>
<b>Of which liabilities are due</b>				
- not later than one year;	13,482	13,176	13,482	13,176
- later than one year and not later than five years;	65,073	61,445	65,073	61,445
- later than five years.	154,056	170,167	154,056	170,167
Finance charges allocated to future periods	(159,910)	(170,390)	(159,910)	(170,390)
<b>Net PFI, LIFT or other service concession arrangement obligation</b>	<b>72,701</b>	<b>74,398</b>	<b>72,701</b>	<b>74,398</b>
- not later than one year;	1,833	1,697	1,833	1,697
- later than one year and not later than five years;	14,389	12,120	14,389	12,120
- later than five years.	56,479	60,581	56,479	60,581

#### Note 39.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
<b>Total future payments committed in respect of the PFI, LIFT or other service concession arrangements</b>	<b>394,810</b>	<b>420,855</b>	<b>394,810</b>	<b>420,855</b>
<b>Of which payments are due:</b>				
- not later than one year;	28,589	27,896	28,589	27,896
- later than one year and not later than five years;	120,189	117,274	120,189	117,274
- later than five years.	246,033	275,685	246,033	275,685

**Note 39.3 Analysis of amounts payable to service concession operator**

This note provides an analysis of the unitary payments made to the service concession operator:

	<b>Group</b>		<b>Trust</b>	
	<b>2019/20</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>£000</b>
<b>Unitary payment payable to service concession operator</b>	<b>28,087</b>	<b>27,412</b>	<b>28,087</b>	<b>27,412</b>
<b>Consisting of:</b>				
- Interest charge	6,333	6,470	6,333	6,470
- Repayment of balance sheet obligation	1,698	1,609	1,698	1,609
- Service element and other charges to operating expenditure	12,441	12,137	12,441	12,137
- Capital lifecycle maintenance	1,686	1,581	1,686	1,581
- Revenue lifecycle maintenance	727	699	727	699
- Contingent rent	5,202	4,916	5,202	4,916
- Addition to lifecycle prepayment	-	-	-	-
Other amounts paid to operator due to a commitment under the service concession contract but not part of the unitary payment	-	-	-	-
<b>Total amount paid to service concession operator</b>	<b>28,087</b>	<b>27,412</b>	<b>28,087</b>	<b>27,412</b>



## **Note 40 Financial instruments**

### **Note 40.1 Financial risk management**

Because of the continuing service provider relationship that the NHS Foundation Trust has with local Clinical Commissioning Groups and the way those Clinical Commissioning Groups are financed, the NHS Foundation Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies. The Trust neither buys or sells financial instruments. The NHS Foundation Trust has limited powers to invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Foundation Trust in undertaking its activities.

#### **Investment risk**

The Board of Directors has approved a Treasury Management policy which sets out the parameters for investing any surplus operating cash in short-term deposits. This includes the restriction of any such investment to permitted institutions with appropriate credit ratings; these ratings are in line with the guidance issued by Monitor 'Managing Operating Cash in NHS Foundation Trusts'. In addition the policy sets out the maximum limits for any such investments and the Trust's approach to borrowing. The policy, and its implementation, are reviewed by the Audit & Risk Committee and the Board of Directors. The Trust's treasury management activity is subject to review by the Trust's internal auditor's.

#### **Interest rate risk**

All of the Trust's currently held financial liabilities carry nil or fixed rates of interest. The Trust therefore currently has low exposure to interest rate fluctuations.

#### **Liquidity risk**

The Trust's operating costs are largely incurred under contracts with local Clinical Commissioning Groups, which are financed from resources voted annually by Parliament. The Trust receives cash each month based on an annually agreed level of contract activity with regular in-year reconciliations to monitor actual levels of performance as contractually required.

To finance the Trust's deficit position the Trust required loan funding in 2019/20 as was the case in prior years. The drawdown of revenue borrowing totalled £22.2m in 2019/20 and was secured from Department of Health in the form of an Interim Revenue Support Facility at an interest of 1.5%.

In 2019/20 the Trust has financed its capital expenditure from internally generated funds generated through depreciation charges supplemented by capital loans from DHSC and Public Dividend Capital received.

The Trust's 2020/21 plan recognises a change to the NHS financial architecture that will see the conversion of all historic revenue support borrowing and elements of historic capital loans to non repayable Public Dividend Capital (PDC). In addition, the plans assume that following receipt of Financial Recovery Funding a breakeven position will be achieved thus not extending the need for operational cash support. The Trust is therefore, not exposed to significant liquidity risk.

#### **Currency risk**

The Trust is principally a domestic organisation with negligible transactions, assets and liabilities in foreign currencies. The Trust has no overseas operations. The Trust therefore has low exposure to currency rate fluctuations.

**Note 40.2 Carrying values of financial assets (Group)**

Carrying values of financial assets as at 31 March 2020	Held at	Held at fair	Held at fair	Total book value
	amortised cost	value through I&E	value through OCI	
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	36,683	-	-	36,683
Other investments / financial assets	4,000	-	-	4,000
Cash and cash equivalents	9,289	-	-	9,289
Consolidated NHS Charitable fund financial assets	-	-	-	-
<b>Total at 31 March 2020</b>	<b>49,972</b>	<b>-</b>	<b>-</b>	<b>49,972</b>

Carrying values of financial assets as at 31 March 2019	Held at	Held at fair	Held at fair	Total book value
	amortised cost	value through I&E	value through OCI	
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	15,243	-	-	15,243
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	2,036	-	-	2,036
Consolidated NHS Charitable fund financial assets	-	-	-	-
<b>Total at 31 March 2019</b>	<b>17,279</b>	<b>-</b>	<b>-</b>	<b>17,279</b>

**Note 40.3 Carrying values of financial assets (Trust)**

Carrying values of financial assets as at 31 March 2020	Held at	Held at fair	Held at fair	Total book value
	amortised cost	value through I&E	value through OCI	
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	107,116	-	-	107,116
Other investments / financial assets	7,510	-	-	7,510
Cash and cash equivalents	7,655	-	-	7,655
<b>Total at 31 March 2020</b>	<b>122,281</b>	<b>-</b>	<b>-</b>	<b>122,281</b>

Carrying values of financial assets as at 31 March 2019	Held at	Held at fair	Held at fair	Total book value
	amortised cost	value through I&E	value through OCI	
	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	88,306	-	-	88,306
Other investments / financial assets	4,436	-	-	4,436
Cash and cash equivalents	1,785	-	-	1,785
<b>Total at 31 March 2019</b>	<b>94,527</b>	<b>-</b>	<b>-</b>	<b>94,527</b>

**Note 40.4 Carrying values of financial liabilities (Group)**

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	163,601	-	163,601
Obligations under finance leases	49	-	49
Obligations under PFI, LIFT and other service concessions	72,701	-	72,701
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	45,098	-	45,098
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Consolidated NHS charitable fund financial liabilities	-	-	-
<b>Total at 31 March 2020</b>	<b>281,449</b>	<b>-</b>	<b>281,449</b>

**Carrying values of financial liabilities as at 31 March 2019**

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	144,900	-	144,900
Obligations under finance leases	58	-	58
Obligations under PFI, LIFT and other service concessions	74,398	-	74,398
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	33,711	-	33,711
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Consolidated NHS charitable fund financial liabilities	-	-	-
<b>Total at 31 March 2019</b>	<b>253,067</b>	<b>-</b>	<b>253,067</b>

**Note 40.5 Carrying values of financial liabilities (Trust)****Carrying values of financial liabilities as at 31 March 2020**

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	163,601	-	163,601
Obligations under finance leases	69,578	-	69,578
Obligations under PFI, LIFT and other service concessions	72,701	-	72,701
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	45,674	-	45,674
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
<b>Total at 31 March 2020</b>	<b>351,555</b>	<b>-</b>	<b>351,555</b>

**Carrying values of financial liabilities as at 31 March 2019**

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Loans from the Department of Health and Social Care	144,900	-	144,900
Obligations under finance leases	73,453	-	73,453
Obligations under PFI, LIFT and other service concessions	74,398	-	74,398
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	36,526	-	36,526
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
<b>Total at 31 March 2019</b>	<b>329,277</b>	<b>-</b>	<b>329,277</b>

**Note 40.6 Fair values of financial assets and liabilities**

The book value (carrying value of financial assets and liabilities) is a reasonable approximation of fair value.

**Note 40.7 Maturity of financial liabilities**

	Group		Trust	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
In one year or less	188,661	78,173	193,379	84,850
In more than one year but not more than two years	5,239	37,999	9,688	42,144
In more than two years but not more than five years	18,022	63,042	31,412	76,693
In more than five years	69,528	73,853	117,076	125,590
<b>Total</b>	<b>281,449</b>	<b>253,067</b>	<b>351,555</b>	<b>329,277</b>

**Note 41 Losses and special payments**

Group and Trust	2019/20		2018/19	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
<b>Losses</b>				
Cash losses	-	-	-	-
Fruitless payments	-	-	-	-
Bad debts and claims abandoned	18	59	-	-
Stores losses and damage to property	1	149	3	65
<b>Total losses</b>	<b>19</b>	<b>208</b>	<b>3</b>	<b>65</b>
<b>Special payments</b>				
Compensation under court order or legally binding arbitration award	11	74	12	51
Extra-contractual payments	-	-	-	-
Ex-gratia payments	14	12	19	10
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
<b>Total special payments</b>	<b>25</b>	<b>85</b>	<b>31</b>	<b>61</b>
<b>Total losses and special payments</b>	<b>44</b>	<b>293</b>	<b>34</b>	<b>126</b>
Compensation payments received		(0)		-

## Note 42 Related parties

The Trust has established which entities and individuals are its related parties, in accordance with International Accounting Standard 24.

The Department of Health and Social Care are the parent department and all bodies within the scope of 'Whole of Government Accounts' (WGA) are related parties. Accordingly, the table below details material transactions.

<b>Related party transactions - WGA organisations</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
Income - NHS Calderdale CCG	150,255	142,557
Income - NHS Greater Huddersfield CCG	133,443	126,688
Income - NHS North Kirklees CCG	8,109	8,198
Income - NHS Bradford Districts CCG	7,441	7,316
Income - NHS Wakefield CCG	4,014	3,737
Income - Leeds Teaching Hospitals NHS Trust	1,470	1,157
Income - South West Yorkshire Partnership NHS Foundation Trust	4,526	3,860
Income - Health Education England	11,854	11,189
Income- Yorkshire and the Humber Commissioning Hub	20,878	20,804
Income- North East & Yorkshire Regional Office was (Yorkshire and the Humber Local Office)	5,744	5,792
Income - Other WGA	46,325	21,169
<b>Income - Total with WGA organisations</b>	<b>394,059</b>	<b>352,467</b>
Charitable Funds	436	558
<b>Income - Total</b>	<b>394,495</b>	<b>353,025</b>
Expenditure - Bradford Teaching Hospitals NHS Foundation Trust	504	1,022
Expenditure - Leeds Teaching Hospitals NHS Trust	4,240	3,737
Expenditure - NHS Pension Scheme	35,521	23,729
Expenditure - NHS Resolution	16,205	16,388
Expenditure - HMRC	19,883	19,234
Expenditure - Other WGA	16,048	3,650
<b>Expenditure - Total with WGA organisations</b>	<b>92,401</b>	<b>67,760</b>
Joint Ventures	1,424	1,308
<b>Expenditure - Total</b>	<b>93,825</b>	<b>69,068</b>
<b>Related party balances - WGA organisations</b>	<b>2019/20</b>	<b>2018/19</b>
	<b>£000</b>	<b>£000</b>
Receivables - NHS Calderdale CCG	1,818	2,446
Receivables - NHS Greater Huddersfield CCG	1,969	1,902
Receivables - NHS England	8,659	556
Receivables - HMRC	4,931	3,407
Receivables - Other WGA	4,891	4,489
Charitable Funds	187	209
<b>Receivables - Total with WGA organisations</b>	<b>22,455</b>	<b>13,009</b>
Payables - NHS Pension Scheme	-	3,307
Payables - HMRC	5,410	5,061
Payables - Other WGA	5,936	3,850
<b>Payables - Total with WGA organisations</b>	<b>11,346</b>	<b>12,218</b>

During the year, the following Board Members or members of the key management staff have declared the following interest or parties related to them.

**P Lewer** ~ Chair - Member of: West Yorkshire Association of Acute Trusts (WYAAT) – Committee in Common / West Yorkshire NHS Chairs meeting / Pennine GP and CHFT Board to Board meetings / Partnership Transformation Board

**O Williams** ~ Chief Executive - Member of West Yorkshire Association of Acute Trusts – Committee in Common / Chair of the West Yorkshire and Harrogate Capital & Estates Board / Vice Chair of NHS Confederation / Chair of the Local School Committee for Beckfoot Thornton School, Leventhorpe Lane, Bradford, BD13 3BH

**G Boothby** ~ Director of Finance - is a Director of Pennine Property Partnership LLP / Member of the West Yorkshire Association of Acute Trusts Finance Group / Member of Integrated Care System Directors of Finance Forum / Member of the Partnership Transformation Board

**S Dunkley** ~ Exec Director of Workforce & OD - Not a Director of any other company.

**L Patterson** ~ Non Executive Director - is a Director of Dr Linda Patterson Ltd. Left 30-12-19

**P Oldfield** ~ Non Executive Director - Director of Company with no business with the public sector. Left 22-12-19

**K Archer** ~ Acting Director of Finance - Acting Director of Pennine Property Partnership LLP

**L Hill** ~ Director of Calderdale & Huddersfield Solutions. Left 31-07-19

**D Birkenhead** ~ Medical Director - Is Chair / Partner of Woodlands Meltham PLC & Benson Medical Services. Vice-Chair of the WYAAT Pathology Network / Member of the WYAAT Medical Directors Group / Chair of the WYAAT LIMS Procurement Group / Medical Director Local Workforce Action Board Representative / Infection control advice to the BMI Huddersfield. Wife - Partner at Benson Medical Services.

**H Barker** ~ Chief Operating Officer - Company Secretary and Shareholder of Expert Lighting Direct Ltd which makes sales to NHS.

**R Hopkin** ~ Non Executive Director - Directorship of Capri Finance Ltd- own consultancy company / Treasurer (Hon) Community Foundation for Calderdale / Finance Consultant Age UK Calderdale & Kirklees , Age UK Wakefield District and the The OnSide Foundation / Other project work through consultancy company Capri Finance Limited

**K Heaton** ~ Non Executive Director - University of Manchester – Director of Human Resources / Member of Confederation of British Industry (Employment & Skills Board) From 09/19

**A Nelson** ~ Non Exec Director- Non-Executive Director & Strategic Advisor to the Board of The Law Society / 1 or 2 lectures per year for Lancaster University

**A Graham** ~ Non Exec Director- is a Director of Calderdale & Huddersfield Solutions Ltd.

**J Murphy** ~ Chief Nurse- Not a Director of any other company. Left 19-07-19

**E Armisted** ~ Exec Director of Nursing- Member of WYATT Chief Nurse group

**D Sterling** ~ Non Exec Director- Non paid Trustee, Board of Bradford Diocesan Academies Trust

**R P Wilkinson** ~ Non Exec Director- Leeds Grand Theatre and Opera House Ltd – independent member of the Board and Trustee. Non-Executive Director Decipher Consulting UK Ltd. Consultancy business based in Manchester/MacclesfieldEW Advisory Ltd – own consultancy company based in Holmfirth

In 2019/20 there were transactions between Calderdale & Huddersfield NHS Foundation Trust and related parties, additional to those declared under the scope of Whole of Government accounts.

The Foundation Trust had expenditure with Pennine Property Partnership LLP in 2019/20 of £1,423,581 (2018/19 £1,307,516)

The expenditure between the Trust and NHS Confederation in 2019/20 was £6,245 (2018/19 £6,245) .



