

4. Annual Accounts 2020/21

Calderdale and Huddersfield NHS Foundation Trust

Annual accounts for the year ended 31 March 2021

Foreword to the accounts

Calderdale and Huddersfield NHS Foundation Trust

These accounts, for the year ended 31 March 2021, have been prepared by Calderdale and Huddersfield NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.

A handwritten signature in purple ink, appearing to read 'Owen Williams', is positioned above a dotted line.

Signed

Name	Dr Owen Williams, OBE
Job title	Chief Executive
Date	22.06.2021

Consolidated Statement of Comprehensive Income

		Group		Trust	
		2020/21	2019/20	2020/21	2019/20
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	401,083	352,102	400,499	351,852
Other operating income	4	90,132	82,954	90,201	83,464
Operating expenses	6, 8	(488,068)	(421,219)	(487,006)	(421,262)
Operating surplus/(deficit) from continuing operations		3,147	13,837	3,694	14,054
Finance income	11	41	122	3,604	3,898
Finance expenses	12	(12,221)	(14,676)	(16,512)	(19,249)
PDC dividends payable		(636)	-	(636)	-
Net finance costs		(12,817)	(14,554)	(13,543)	(15,350)
Other gains / (losses)	13	298	488	298	488
Share of profit / (losses) of associates / joint arrangements	21	-	-	-	-
Corporation tax expense		(27)	(109)	-	-
Surplus / (deficit) for the year from continuing operations		(9,399)	(338)	(9,551)	(808)
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	14	-	-	-	-
*Surplus / (deficit) for the year		(9,399)	(338)	(9,551)	(808)
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Impairments	7	(2,192)	(393)	(2,192)	(393)
Revaluations	20	-	-	-	-
Share of comprehensive income from associates and joint ventures	21	-	-	-	-
Fair value gains / (losses) on equity instruments designated at fair value through OCI	22	-	-	-	-
Other recognised gains and losses		-	-	-	-
Other reserve movements		-	-	-	-
May be reclassified to income and expenditure when certain conditions are met:					
Fair value gains/(losses) on financial assets mandated at fair value through OCI	22	-	-	-	-
Recycling gains/(losses) on disposal of financial assets mandated at fair value through OCI	13	-	-	-	-
Foreign exchange gains / (losses) recognised directly in OCI		-	-	-	-
Total comprehensive income / (expense) for the period		(11,591)	(732)	(11,743)	(1,202)
Surplus/ (deficit) for the period attributable to:					
Non-controlling interest, and		-	-	-	-
Calderdale and Huddersfield NHS Foundation Trust		(9,399)	(338)	(9,551)	(808)
TOTAL		(9,399)	(338)	(9,551)	(808)
Total comprehensive income/ (expense) for the period attributable to:					
Non-controlling interest, and		-	-	-	-
Calderdale and Huddersfield NHS Foundation Trust		(11,591)	(732)	(11,743)	(1,202)
TOTAL		(11,591)	(732)	(11,743)	(1,202)

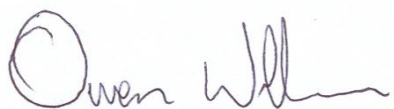
* The surplus / (deficit) for 20/21 includes £12.920m of impairments; for 19/20 this was £0.453m of impairments.

The Trust Adjusted financial performance Control total basis has been restated from £0.388m surplus to £0.420m deficit.

Statements of Financial Position

	Note	Group		Trust	
		31 March	31 March	31 March	31 March
		2021	2020	2021	2020
		£000	£000	£000	£000
Non-current assets					
Intangible assets	15, 16	8,156	8,526	8,156	8,526
Property, plant and equipment	17, 18	163,503	162,001	163,049	161,711
Investments in associates and joint ventures	21	3,912	4,162	3,912	4,162
Other investments / financial assets	22	-	-	1,553	2,543
Receivables	25	3,908	4,045	62,692	66,462
Other assets	26	-	-	-	-
Total non-current assets		179,479	178,733	239,362	243,404
Current assets					
Inventories	24	7,458	6,509	5,430	4,832
Receivables	25	20,731	40,879	25,727	47,798
Other investments / financial assets	22	4,000	4,000	4,997	4,967
Other assets	26	-	-	-	-
Non-current assets held for sale	27.1	275	1,114	275	1,114
Cash and cash equivalents	28	48,222	9,289	46,958	7,655
Total current assets		80,686	61,791	83,387	66,366
Current liabilities					
Trade and other payables	29	(63,731)	(50,589)	(61,685)	(50,831)
Borrowings	31	(5,410)	(145,564)	(9,858)	(152,224)
Other financial liabilities	32	-	-	-	-
Provisions	34	(6,426)	(2,546)	(6,426)	(2,546)
Other liabilities	30	(4,682)	(3,304)	(4,682)	(3,304)
Liabilities in disposal groups	27.2	-	-	-	-
Total current liabilities		(80,249)	(202,003)	(82,651)	(208,904)
Total assets less current liabilities		179,917	38,521	240,098	100,866
Non-current liabilities					
Trade and other payables	29	(97)	(29)	(97)	(109)
Borrowings	31	(85,548)	(90,787)	(146,485)	(153,657)
Other financial liabilities	32	-	-	-	-
Provisions	34	(1,185)	(1,487)	(1,185)	(1,487)
Other liabilities	30	(893)	(1,027)	(893)	(1,027)
Total non-current liabilities		(87,723)	(93,330)	(148,661)	(156,280)
Total assets employed		92,194	(54,809)	91,437	(55,414)
Financed by					
Public dividend capital		281,004	122,410	281,004	122,410
Revaluation reserve		2,724	5,321	2,724	5,321
Financial assets reserve		-	-	-	-
Other reserves		-	-	-	-
Merger reserve		-	-	-	-
Income and expenditure reserve		(191,534)	(182,540)	(192,291)	(183,145)
Non-controlling Interest		-	-	-	-
Total taxpayers' equity		92,194	(54,809)	91,437	(55,414)

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



Name
Position
Date

Dr Owen Williams, OBE
Chief Executive
22.06.2021

Consolidated Statement of Changes in Equity for the year ended 31 March 2021

Group	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	122,410	5,321	(182,540)	(54,809)
Surplus/(deficit) for the year	-	-	(9,399)	(9,399)
Other transfers between reserves	-	(165)	165	-
Impairments	-	(2,192)	-	(2,192)
Transfer to retained earnings on disposal of assets	-	(240)	240	-
Public dividend capital received	158,594	-	-	158,594
Taxpayers' and others' equity at 31 March 2021	281,004	2,724	(191,534)	92,194

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	Total £000
Taxpayers' and others' equity at 1 April 2019 - brought forward	117,042	7,243	(183,732)	(59,446)
Prior period adjustment	-	-	-	-
Taxpayers' and others' equity at 1 April 2019 - restated	117,042	7,243	(183,732)	(59,446)
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
Taxpayers' and others' equity at 31 March 2020	122,410	5,321	(182,540)	(54,809)

Statement of Changes in Equity for the year ended 31 March 2021

Trust	Public dividend capital £000	Revaluation reserve £000	Income and expenditure reserve £000	Total £000
Taxpayers' and others' equity at 1 April 2020 - brought forward	122,410	5,321	(183,145)	(55,414)
Surplus/(deficit) for the year	-	-	(9,551)	(9,551)
Other transfers between reserves	-	(165)	165	-
Impairments	-	(2,192)	-	(2,192)
Transfer to retained earnings on disposal of assets	-	(240)	240	-
Public dividend capital received	158,594	-	-	158,594
Taxpayers' and others' equity at 31 March 2021	281,004	2,724	(192,291)	91,437

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
Taxpayers' and others' equity at 1 April 2019 - brought forward	117,042	7,243	(183,866)	(59,580)
Prior period adjustment				-
Taxpayers' and others' equity at 1 April 2019 - restated	117,042	7,243	(183,866)	(59,580)
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
Taxpayers' and others' equity at 31 March 2020	122,410	5,321	(183,145)	(55,414)

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.

Financial assets reserve

This reserve comprises changes in the fair value of financial assets measured at fair value through other comprehensive income. When these instruments are derecognised, cumulative gains or losses previously recognised as other comprehensive income or expenditure are recycled to income or expenditure, unless the assets are equity instruments measured at fair value through other comprehensive income as a result of irrevocable election at recognition.

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	
		2020/21 £000	2019/20 £000	2020/21 £000	2019/20 £000
Cash flows from operating activities					
Operating surplus / (deficit)		3,147	13,837	3,694	14,054
Non-cash income and expense:					
Depreciation and amortisation	6.1	11,007	10,103	10,952	10,058
Net impairments	7	12,920	453	12,920	453
Income recognised in respect of capital donations	4	(2,463)	(141)	(2,463)	(141)
Amortisation of PFI deferred credit		-	-	-	-
Non-cash movements in on-SoFP pension liability		-	-	-	-
(Increase) / decrease in receivables and other assets		20,973	(22,996)	26,530	(19,276)
(Increase) / decrease in inventories		(949)	106	(598)	648
Increase / (decrease) in payables and other liabilities		9,721	8,079	7,353	5,825
Increase / (decrease) in provisions		3,579	1,196	3,579	1,196
Movements in charitable fund working capital		-	-	-	-
Tax (paid) / received		(27)	(109)	-	-
Operating cash flows from discontinued operations		-	-	-	-
Other movements in operating cash flows		-	-	3	(4)
Net cash flows from / (used in) operating activities		57,907	10,528	61,971	12,813
Cash flows from investing activities					
Interest received		41	122	3,607	3,901
Purchase and sale of financial assets / investments		-	-	956	924
Purchase of intangible assets		(863)	(1,568)	(863)	(1,568)
Sales of intangible assets		-	-	-	-
Purchase of PPE and investment property		(19,008)	(9,196)	(18,788)	(9,131)
Sales of PPE and investment property		1,144	3,537	1,144	3,537
Receipt of cash donations to purchase assets		59	141	59	141
Prepayment of PFI capital contributions		-	-	-	-
Net cash flows from charitable fund investing activities		-	-	-	-
Investing cash flows from discontinued operations		-	-	-	-
Cash from acquisitions / disposals of subsidiaries		-	-	-	-
Net cash flows from / (used in) investing activities		(18,627)	(6,964)	(13,886)	(2,197)
Cash flows from financing activities					
Public dividend capital received		158,594	5,368	158,594	5,368
Public dividend capital repaid		-	-	-	-
Movement on loans from DHSC		(142,926)	18,654	(142,926)	18,654
Movement on other loans		-	-	-	-
Other capital receipts		-	-	-	-
Capital element of finance lease rental payments		(8)	(8)	(4,153)	(3,871)
Capital element of PFI, LIFT and other service concession payments		(1,833)	(1,698)	(1,833)	(1,698)
Interest on loans		(1,115)	(3,086)	(1,115)	(3,086)
Other interest		(1)	(6)	(1)	(6)
Interest paid on finance lease liabilities		-	-	(4,290)	(4,573)
Interest paid on PFI, LIFT and other service concession obligations		(11,732)	(11,535)	(11,732)	(11,535)
PDC dividend (paid) / refunded		(1,325)	-	(1,325)	-
Financing cash flows of discontinued operations		-	-	-	-
Net cash flows from charitable fund financing activities		-	-	-	-
Cash flows from (used in) other financing activities		-	(4,000)	-	(4,000)
Net cash flows from / (used in) financing activities		(346)	3,689	(8,781)	(4,747)
Increase / (decrease) in cash and cash equivalents		38,934	7,253	39,304	5,869
Cash and cash equivalents at 1 April - brought forward		9,289	2,036	7,655	1,785
Prior period adjustments		-	-	-	-
Cash and cash equivalents at 1 April - restated		9,289	2,036	7,655	1,785
Unrealised gains / (losses) on foreign exchange		-	-	-	-
Cash and cash equivalents at 31 March	28.1	48,222	9,289	46,958	7,655

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 2020/21 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 and not go out of business or liquidate its assets in the foreseeable future.

For non-trading entities in the public sector, the anticipated continuation of the provision of a service in the future, as evidenced by inclusion of financial provision for that service in published documents, is evidence of going concern.

The Trust Board has assessed whether it is appropriate to prepare the accounts on a going concern basis in this context.

The following has been taken into account:

- The ongoing requirement for health services, such as those provided by the Trust, is set out in legislation including the Health Act and Health and Social Care Act
- The West Yorkshire Integrated Care System long-term plans incorporate the continued provision of the services provided by the Trust.
- The Trust has its own long-term plans, as outlined in the business case for reconfiguration of services which have the support of NHS England / Improvement.

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

Note 1.3 Consolidation

NHS Charitable Funds

The Trust is the corporate Trustee to Calderdale and Huddersfield Foundation Trust NHS 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

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

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 accounting policies for revenue recognition and the application of IFRS 15 are consistently applied. The contracting arrangements in the NHS changed between 2019/20 and 2020/21 affecting the application of the accounting policy under IFRS 15. This difference in application is explained below.

2020/21

The main source of income for the Trust is contracts with commissioners for health care services. In 2020/21, the majority of the trust's income from NHS commissioners was in the form of block contract arrangements. During the first half of the year the trust received block funding from its commissioners. For the second half of the year, block contract arrangements were agreed at an Integrated Care System level. The related performance obligation is the delivery of healthcare and related services during the period, with the trust's entitlement to consideration not varying based on the levels of activity performed.

The Trust has received additional income outside of the block and system envelopes to reimburse specific costs incurred and other income top-ups to support the delivery of services. Reimbursement and top-up income is accounted for as variable consideration.

Comparative period (2019/20)

In the comparative period (2019/20), the trust's contracts with NHS commissioners included those where the trust's entitlement to income varied according to services delivered. A performance obligation relating to delivery of a spell of health care was generally satisfied over time as healthcare was received and consumed simultaneously by the customer as the Trust performed it. The customer in such a contract was the commissioner, but the customer benefited as services were provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligned with paragraph 22(b) of the Standard entailing a delivery of a series of goods or services that were substantially the same and had a similar pattern of transfer. At the year end, the Trust accrued income relating to activity delivered in that year, where a patient care spell was incomplete. This accrual was disclosed as a contract receivable as entitlement to payment for work completed was usually only dependent on the passage of time.

In 2019/20, the Provider Sustainability Fund and Financial Recovery Fund enabled 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.

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 are 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.

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 Scheme

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.

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 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 (i.e. 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 at Calderdale Royal Hospital where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the Trust and also for the Huddersfield Royal Infirmary 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 interim revaluation was undertaken as at 31 March 2021. 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' cease 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 the criteria in IFRS 5 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 and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. 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.

In 2020/21 this includes assets donated to the Trust by the Department of Health and Social Care as part of the response to the coronavirus pandemic. As defined in the GAM, the Trust applies the principle of donated asset accounting to assets that the Trust controls and is obtaining economic benefits from at the year end.

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

PFI transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-Statement of Financial Position' by the Trust. In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Subsequently, the assets are accounted for as property, plant and equipment and/or intangible assets as appropriate.

The annual contract payments are apportioned between the repayment of the liability, a finance cost, the charges for services and lifecycle replacement of components of the asset. The element of the annual unitary payment increase due to cumulative indexation is treated as contingent rent and is expensed as incurred.

The service charge is recognised in operating expenses and the finance cost is charged to finance costs in the Statement of Comprehensive Income.

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:

	Min life Years	Max life Years
Land	-	-
Buildings, excluding dwellings	5	80
Dwellings	6	92
Plant & machinery	5	25
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, e.g. 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:

	Min life Years	Max life Years
Information technology	5	5
Development expenditure	-	-
Websites	-	-
Software licences	2	12
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.

In 2020/21, the Trust received inventories including personal protective equipment from the Department of Health and Social Care at nil cost. In line with the GAM and applying the principles of the IFRS Conceptual Framework, the Trust has accounted for the receipt of these inventories at a deemed cost, reflecting the best available approximation of an imputed market value for the transaction based on the cost of acquisition by the Department.

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 subsequently measured at amortised cost.

Financial liabilities are 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 and 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 measured at fair value through other comprehensive income, 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 de-recognised 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 de-recognised when the obligation is discharged, cancelled or expires.

Note 1.14 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating 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 an 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 2021:

		Nominal rate
Short-term	Up to 5 years	Minus 0.02%
Medium-term	After 5 years up to 10 years	0.18%
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 2021:

	Inflation rate
Year 1	1.20%
Year 2	1.60%
Into perpetuity	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.95% 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 34.3 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

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 35 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 35, unless the probability of a transfer of economic benefits is remote.

Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

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, with certain additions and deductions as defined by the Department of Health and Social Care.

This policy is available at <https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts>.

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 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.21 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 1.22 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 1.23 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 1.24 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 1.25 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2020/21.

Note 1.26 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 2022. 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 2022, 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 0.91% 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. For existing peppercorn leases not classified as finance leases, a right of use asset will be measured at current value in existing use or fair value. The difference between the asset value and the calculated lease liability will be recognised in the income and expenditure reserve on transition. No adjustments will be made on 1 April 2022 for existing finance leases.

For leases commencing in 2022/23, 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.

The implementation date for IFRS 16 in the NHS was revised to 1 April 2022 in November 2020. Due to the need to reassess lease calculations, together with uncertainty on expected leasing activity from April 2022 and beyond, a quantification of the expected impact of applying the standard in 2022/23 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 1.27 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

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 1.28 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in 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 17.1

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.

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.

	Group Healthcare			Trust Healthcare	
	2020/21 £000	2019/20 £000		2020/21 £000	2019/20 £000
Income	491,215	435,056	Income	490,700	435,316
Surplus / (Deficit)	(9,399)	(338)	Surplus / (Deficit)	(9,551)	(808)
Net Assets (Liabilities)	92,194	(54,809)	Net Assets (Liabilities)	91,437	(55,414)

Note 3 Operating income from patient care activities (Group)

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4

	Group		Trust	
	2020/21	Restated 2019/20	2020/21	Restated 2019/20
Note 3.1 Income from patient care activities (by nature)	£000	£000	£000	£000
Acute services				
Block contract / system envelope income*	322,813	283,789	322,813	283,789
High cost drugs income from commissioners (excluding pass-through costs)	25,477	23,511	25,477	23,511
***Other NHS clinical income	1,141	1,003	1,136	1,003
Community services				
Block contract / system envelope income*	27,592	26,687	27,592	26,687
****Income from other sources (e.g. local authorities)	320	493	320	493
All services				
Private patient income	327	924	327	924
Additional pension contribution central funding**	11,274	10,354	11,274	10,354
***Other clinical income	12,138	5,341	11,559	5,092
Total income from activities	401,083	352,101	400,499	351,852

*As part of the coronavirus pandemic response, transaction flows were simplified in the NHS and providers and their commissioners moved onto block contract payments at the start of 2020/21. In the second half of the year, a revised financial framework built on these arrangements but with a greater focus on system partnership and providers derived most of their income from these system envelopes. Comparatives in this note are presented to be comparable with the current year activity, £63.1m has been moved from Other NHS Clinical Income to Block contract/System envelope income. This does not reflect the contracting and payment mechanisms in place during the prior year.

**The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1 April 2019. Since 2019/20, NHS providers have 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.

***Other NHS Clinical Income includes Independent Sector Contract Funding and Provider to Provider income for services provided to other Trusts. Other income covers Local Authority funded services, Injury Cost Recovery income and non-NHS clinical income including from Primary Care Networks and Hospices.

****Community services - Income from other sources (e.g. local authorities) for 19/20 has been restated to £0.493m which as moved from Other clinical income.

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
Note 3.2 Income from patient care activities (by source)	£000	£000	£000	£000
Income from patient care activities received from:				
NHS England	47,986	42,516	47,986	42,516
Clinical commissioning groups	345,606	301,414	345,606	301,414
Department of Health and Social Care	-	-	-	-
Other NHS providers	878	1,085	873	1,085
NHS other	-	-	-	-
Local authorities	2,000	2,257	2,000	2,257
Non-NHS: private patients	327	924	327	924
Non-NHS: overseas patients (chargeable to patient)	91	133	91	133
Injury cost recovery scheme	1,069	1,732	1,069	1,732
Non NHS: other	3,126	2,041	2,547	1,791
Total income from activities	401,083	352,102	400,499	351,852
Of which:				
Related to continuing operations	401,083	352,102	400,499	351,852
Related to discontinued operations	-	-	-	-

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

	Group and Trust	
	Restated	
	2020/21	2019/20
	£000	£000
Income recognised this year	91	133
Cash payments received in-year	23	199
*Amounts added to provision for impairment of receivables	69	100
Amounts written off in-year	-	55

* The amount added to provisions for impairment in 19/20 has been restated to reflect the correct amount from £0.473m to £0.1m a reduction of £0.373m.

Note 4 Other operating income (Group)

	Group 2020/21			Group 2019/20 Restated			Trust 2020/21			Trust 2019/20		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total	Contract income	Non- contract income	Total	Contract income	Non- contract income	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Research and development	1,068	-	1,068	1,051	-	1,051	1,068	-	1,068	1,051	-	1,051
Education and training	13,806	587	14,393	12,260	490	12,750	13,806	587	14,393	12,263	490	12,753
Non-patient care services to other bodies	11,606		11,606	10,889		10,889	11,603		11,603	10,866		10,866
Provider sustainability fund (2019/20 only)			-	4,765		4,765			-	4,765		4,765
Financial recovery fund (2019/20 only)			-	27,410		27,410			-	27,410		27,410
Marginal rate emergency tariff funding (2019/20 only)			-	6,147		6,147			-	6,147		6,147
Reimbursement and top up funding	37,843		37,843			-	37,843		37,843			-
Income in respect of employee benefits accounted on a gross basis	-		-	-		-	-		-	-		-
Receipt of capital grants and donations		2,463	2,463		141	141		2,463	2,463		141	141
Charitable and other contributions to expenditure		5,111	5,111		282	282		5,111	5,111		282	282
Support from the Department of Health and Social Care for mergers		-	-		-	-		-	-		-	-
Rental revenue from finance leases		-	-		-	-		-	-		-	-
***Rental revenue from operating leases		239	239		251	251		128	128		66	66
Amortisation of PFI deferred income / credits		-	-		-	-		-	-		-	-
Charitable fund incoming resources		-	-		-	-		-	-		-	-
**Other income	17,409	-	17,409	19,269	-	19,269	17,591	-	17,591	19,983	-	19,983
Total other operating income	81,731	8,400	90,132	81,791	1,163	82,954	81,911	8,289	90,201	82,486	978	83,464
Of which:												
Related to continuing operations			90,132			82,954			90,201			83,464
Related to discontinued operations			-			-			-			-

* Non-patient care services to other bodies includes £7.8m income for The Health Informatics Service for IT services provided to other bodies and £3.612m income for Corporate Services for recharges to other bodies for use of buildings, including £3.371m to South West Yorkshire Partnerships Foundation Trust for use of the Dales unit.

** Group- Other contract income of £17.409m includes £15m sales of manufactured pharmaceutical products, £0.163m property rental income, £0.565m catering income, £0.03m car parking income (In 2019/20 the comparative figures were Group- Other contract income of £19.289m includes £14.8m sales of manufactured pharmaceutical products, £1.56m car parking income, £0.092m property rental income, £0.667m catering income)Trust - also includes income from the subsidiary.

***Rental revenue from operating leases has been restated from £0.394m to £0.251m a movement of £0.143m between rental revenue and Other income.

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

	2020/21 £000	2019/20 £000
Revenue recognised in the reporting period that was included in within contract liabilities at the previous period end	2,320	1,272
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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:				
within one year	4,682	3,305	4,682	3,305
after one year, not later than five years	410	447	410	447
after five years	483	579	483	579
Total revenue allocated to remaining performance obligations	5,575	4,331	5,575	4,331

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 and Trust)

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:

	2020/21 £000	2019/20 £000
Income from services designated as commissioner requested services	350,428	300,293
Income from services not designated as commissioner requested services	50,656	51,808
Total	401,084	352,102

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

The Trust disposed of Property and Equipment in 2020/21 with a profit of £299k (£488k 2019/20)

Note 5.5 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 6.1 Operating expenses (Group and Trust)

	Group		Trust	
	2020/21	2019/20	2020/21	Restated 2019/20
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	2,896	2,932	2,875	2,880
Purchase of healthcare from non-NHS and non-DHSC bodies	1,374	1,758	672	1,254
Purchase of social care	-	-	-	-
Staff and executive directors costs	301,480	271,488	290,718	261,695
Remuneration of non-executive directors	143	151	143	151
Supplies and services - clinical (excluding drugs costs)	33,218	28,037	6,849	3,621
Supplies and services - general	8,397	2,532	4,149	412
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	40,958	40,316	40,660	40,275
Inventories written down	66	-	66	-
Consultancy costs	867	514	252	333
Establishment	3,672	3,557	1,967	1,878
Premises	24,922	21,516	72,340	62,898
Transport (including patient travel)	996	429	205	180
Depreciation on property, plant and equipment	9,775	8,936	9,720	8,891
Amortisation on intangible assets	1,233	1,167	1,233	1,167
Net impairments	12,920	453	12,920	453
Movement in credit loss allowance: contract receivables / contract assets	655	856	655	856
Movement in credit loss allowance: all other receivables and investments	-	-	-	-
Increase/(decrease) in other provisions	3,914	767	3,914	767
Change in provisions discount rate(s)	43	84	43	84
Audit fees payable to the external auditor				
audit services- statutory audit	101	73	91	62
**other auditor remuneration (external auditor only)	-	2	-	2
*Internal audit costs	145	111	145	111
Clinical negligence	19,106	15,995	19,106	15,995
Legal fees	680	248	673	27
Insurance	-	-	-	-
Research and development	81	13	69	9
Education and training	1,258	951	749	674
Rentals under operating leases	3,378	3,583	3,079	3,308
Early retirements	-	-	-	-
Redundancy	-	-	-	-
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	13,425	13,168	13,425	13,168
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-	-	-
Car parking & security	-	-	-	-
Hospitality	-	-	-	-
Losses, ex gratia & special payments	-	-	-	-
Grossing up consortium arrangements	-	-	-	-
Other services, eg external payroll	-	-	-	-
Other NHS charitable fund resources expended	-	-	-	-
*Other	2,368	1,584	290	112
Total	488,068	421,219	487,006	421,262
Of which:				
Related to continuing operations	488,068	421,219	487,006	421,262
Related to discontinued operations	-	-	-	-

* Internal audit costs for Group and Trust for 19/20 has been restated to reflect the correct value of £0.111m, £0.022m has been reclassified from Other to Internal audit costs

**other auditor remuneration (external auditor only) for both Group and Trust have been Restated for 19/20 to £1.5k which has been moved from Other expenditure.

Note 6.2 Other auditor remuneration (Group and Trust)

	Group		Trust	
	Restated		Restated	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Other auditor remuneration paid to the external auditor:				
1. Audit of accounts of any associate of the Trust	-	-	-	-
2. Audit-related assurance services	-	-	-	-
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	-	2	-	2
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	-	-	-	-
Total	<u>-</u>	<u>2</u>	<u>-</u>	<u>2</u>

*6. All assurance services not falling within items 1 to 5 for both Group and Trust have been Restated for 19/20 to £1.5k .

Note 6.3 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 2020/21 or 2019/20.

Note 7 Impairment of assets (Group and Trust)

	Group		Trust	
	Restated		Restated	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Net impairments charged to operating surplus / deficit resulting from:				
Loss or damage from normal operations	250	-	250	-
Over specification of assets	-	-	-	-
Abandonment of assets in course of construction	-	-	-	-
Unforeseen obsolescence	-	-	-	-
Loss as a result of catastrophe	-	-	-	-
Changes in market price	12,670	453	12,670	453
Impairments of charitable fund assets	-	-	-	-
Other	-	-	-	-
Total net impairments charged to operating surplus / deficit	<u>12,920</u>	<u>453</u>	<u>12,920</u>	<u>453</u>
Impairments charged to the revaluation reserve	2,192	393	2,192	393
Total net impairments	<u>15,112</u>	<u>846</u>	<u>15,112</u>	<u>846</u>

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 8 Employee benefits (Group and Trust)

	Group		Trust	
	Restated		Restated	
	2020/21	2019/20	2020/21	2019/20
	Total	Total	Total	Total
	£000	£000	£000	£000
Salaries and wages	239,922	208,674	230,751	200,447
Social security costs	20,148	19,393	19,512	18,796
*Apprenticeship levy	1,008	996	979	970
Employer's contributions to NHS pensions	36,176	35,521	35,275	34,590
Pension cost - other	106	75	81	62
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Temporary staff (including agency)	4,529	7,096	4,529	7,096
NHS charitable funds staff	-	-	-	-
Total gross staff costs	301,889	271,754	291,127	261,962
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	301,889	271,754	291,127	261,962
Of which				
Costs capitalised as part of assets	409	267	409	267

*The 19/20 Apprenticeship levy for Group and Trust has been adjusted to reflect the correct value, £0.506m has been reclassified from Salaries and wages to Apprenticeship levy.

Note 8.1 Retirements due to ill-health (Group)

During 2020/21 there were 4 early retirements from the trust agreed on the grounds of ill-health (2 in the year ended 31 March 2020). The estimated additional pension liabilities of these ill-health retirements is £108k (£124k in 2019/20).

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

Note 9 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. 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:

Employer's contributions to NHS Pensions Group 20/21 £36.176m (19/20 £35.520m) Trust - 20/21 £35.275m (19/20 £34.590m)

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 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 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 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

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.

Employer's contributions to NEST - Group 20/21 £0.106m (19/20 £0.075m) Trust - 20/21 £0.080 (19/20 £0.062m)

Note 10 Operating leases (Group and Trust)

Note 10.1 Calderdale and Huddersfield NHS Foundation Trust as a lessor

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

The lease revenue is for property leased to other organisations.

	Group		Trust	
	Restated		Restated	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Operating lease revenue				
*Minimum lease receipts	239	250	128	65
Contingent rent	0	1	0	1
Other	-	-	-	-
Total	239	251	128	66
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
**Future minimum lease receipts due:				
- not later than one year;	59	227	48	47
- later than one year and not later than five years;	101	147	56	102
- later than five years.	59	70	-	-
Total	218	444	103	149

*Minimum lease receipts for the Group has been restated from £0.394m to £0.251m a movement of £0.143m.

**Future minimum lease receipts have been restated for both Group and Trust from £2.259m to £0.444m Group and £0.149m Trust

Note 10.2 Calderdale and Huddersfield NHS Foundation Trust as a lessee

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

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Operating lease expense				
Minimum lease payments	3,383	3,589	3,084	3,314
Contingent rents	-	-	-	-
Less sublease payments received	(5)	(6)	(5)	(6)
Total	3,378	3,583	3,079	3,308
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	*Restated £000
Future minimum lease payments due:				
- not later than one year;	2,915	3,041	2,663	2,840
- later than one year and not later than five years;	7,684	8,039	6,901	7,351
- later than five years.	14,063	15,442	12,821	14,051
Total	24,662	26,522	22,384	24,242
Future minimum sublease payments to be received	(21)	(27)	(21)	(27)

Of the operating lease expenditure £1.9m is for the leasing of buildings (£1.9m 2019/20), £1.5m is for the leasing of plant and machinery (£1.7m 2019/20).

* The Future minimum lease payments for the Trust for 19/20 have been restated, removing £2.280m, which had been incorrectly included.

Note 11 Finance income (Group and Trust)

Finance income represents interest received on assets and investments in the period.

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Interest on bank accounts	6	122	6	122
Interest income on finance leases	-	-	3,563	3,776
Interest on other investments / financial assets	35	-	35	-
NHS charitable fund investment income	-	-	-	-
Other finance income	-	-	-	-
Total finance income	41	122	3,604	3,898

Note 12.1 Finance expenditure (Group and Trust)

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

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Interest expense:				
Loans from the Department of Health and Social Care	488	3,134	488	3,134
Other loans	-	-	-	-
Overdrafts	-	-	-	-
Finance leases	-	-	4,290	4,573
Interest on late payment of commercial debt	1	6	1	6
Main finance costs on PFI and LIFT schemes obligations	6,188	6,333	6,188	6,333
Contingent finance costs on PFI and LIFT scheme obligations	5,544	5,202	5,544	5,202
Total interest expense	12,221	14,674	16,512	19,247
Unwinding of discount on provisions	-	1	-	1
Other finance costs	-	-	-	-
Total finance costs	12,221	14,676	16,512	19,249

Note 12.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group and Trust)

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£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	1	6	1	6
Compensation paid to cover debt recovery costs under this legislation	-	-	-	-

Note 13 Other gains / (losses) (Group)

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Gains on disposal of assets	304	488	304	488
Losses on disposal of assets	(6)	-	(6)	-
Gains / losses on disposal of charitable fund assets	-	-	-	-
Total gains / (losses) on disposal of assets	298	488	298	488
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)	-	-	-	-
Total other gains / (losses)	298	488	298	488

Note 14 Discontinued operations (Group and Trust)

The Trust had no discontinued operations to disclose in 2020/21 or 2019/20.

Note 15.1 Intangible assets - 2020/21

Group	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2020 - brought forward	254	10,237	1,440	11,930
Transfers by absorption	-	-	-	-
Additions	-	863	-	863
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	1,440	(1,440)	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Valuation / gross cost at 31 March 2021	254	12,540	(0)	12,794
Amortisation at 1 April 2020 - brought forward	208	3,197	-	3,405
Transfers by absorption	-	-	-	-
Provided during the year	15	1,218	-	1,233
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Amortisation at 31 March 2021	222	4,415	-	4,637
Net book value at 31 March 2021	31	8,125	(0)	8,156
Net book value at 1 April 2020	46	7,040	1,440	8,526

Note 15.2 Intangible assets - 2019/20

Group	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2019 - as previously stated	709	10,419	300	11,428
Prior period adjustments	-	-	-	-
Valuation / gross cost at 1 April 2019 - restated	709	10,419	300	11,428
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)
Valuation / gross cost at 31 March 2020	254	10,237	1,440	11,930
Amortisation at 1 April 2019 - as previously stated	649	2,655	-	3,304
Prior period adjustments	-	-	-	-
Amortisation at 1 April 2019 - restated	649	2,655	-	3,304
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)
Amortisation at 31 March 2020	208	3,197	-	3,405
Net book value at 31 March 2020	46	7,040	1,440	8,526
Net book value at 1 April 2019	60	7,764	300	8,124

Note 16.1 Intangible assets - 2020/21

Trust	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2020 - brought forward	254	10,237	1,440	11,930
Transfers by absorption	-	-	-	-
Additions	-	863	-	863
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	1,440	(1,440)	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Valuation / gross cost at 31 March 2021	254	12,540	(0)	12,794
Amortisation at 1 April 2020 - brought forward	208	3,197	-	3,405
Transfers by absorption	-	-	-	-
Provided during the year	15	1,218	-	1,233
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Amortisation at 31 March 2021	222	4,415	-	4,637
Net book value at 31 March 2021	31	8,125	(0)	8,156
Net book value at 1 April 2020	46	7,040	1,440	8,526

Note 16.2 Intangible assets - 2019/20

Trust	Software licences £000	Internally generated information technology £000	Intangible assets under construction £000	Total £000
Valuation / gross cost at 1 April 2019 - as previously stated	709	10,419	300	11,428
Prior period adjustments				-
Valuation / gross cost at 1 April 2019 - restated	709	10,419	300	11,428
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)
Valuation / gross cost at 31 March 2020	254	10,237	1,440	11,930
Amortisation at 1 April 2019 - as previously stated	649	2,655	-	3,304
Prior period adjustments				-
Amortisation at 1 April 2019 - restated	649	2,655	-	3,304
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)
Amortisation at 31 March 2020	208	3,197	-	3,405
Net book value at 31 March 2020	46	7,040	1,440	8,526
Net book value at 1 April 2019	60	7,764	300	8,124

Note 17.1 Property, plant and equipment - 2020/21

Group	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
Valuation/gross cost at 1 April 2020 - brought forward	9,400	122,880	574	3,439	36,823	85	31,978	2,293	-	207,472
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	-	10,909	-	5,239	6,197	-	3,757	41	-	26,144
Impairments	-	(15,152)	(557)	-	-	-	-	-	-	(15,710)
Reversals of impairments	760	88	-	-	-	-	-	-	-	848
Revaluations	-	(3,916)	(17)	-	-	-	-	-	-	(3,933)
Reclassifications	-	349	-	(349)	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(13)	-	-	-	-	(13)
Valuation/gross cost at 31 March 2021	10,160	115,158	(0)	8,329	43,008	85	35,734	2,335	-	214,808
Accumulated depreciation at 1 April 2020 - brought forward	-	0	(0)	-	24,797	59	18,919	1,696	-	45,471
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	-	3,916	17	-	2,426	8	3,328	80	-	9,775
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	(3,916)	(17)	-	-	-	-	-	-	(3,933)
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(7)	-	-	-	-	(7)
Accumulated depreciation at 31 March 2021	-	0	(0)	-	27,216	67	22,247	1,775	-	51,306
Net book value at 31 March 2021	10,160	115,158	(0)	8,329	15,791	18	13,487	559	-	163,503
Net book value at 1 April 2020	9,400	122,880	574	3,439	12,026	26	13,058	598	-	162,001

Note 17.2 Property, plant and equipment - 2019/20

Group	Land £000	Buildings excluding dwellings (Restated) £000	Dwellings (Restated) £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Charitable fund PPE assets £000	Total £000
Valuation / gross cost at 1 April 2019 - as previously stated	10,077	124,936	1,000	1,219	32,543	70	38,691	1,924	-	210,458
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2019 - restated	10,077	124,936	1,000	1,219	32,543	70	38,691	1,924	-	210,458
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	53	3,890	-	3,309	3,284	15	3,220	369	-	14,140
Impairments	(49)	(2,557)	(110)	-	-	-	-	-	-	(2,715)
Reversals of impairments	-	958	11	-	-	-	-	-	-	969
Revaluations	-	(3,869)	(21)	-	-	-	-	-	-	(3,890)
Reclassifications	-	-	-	(1,089)	1,089	-	-	-	-	-
Transfers to / from assets held for sale	(681)	(477)	(306)	-	-	-	-	-	-	(1,464)
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	-	(10,026)
Valuation/gross cost at 31 March 2020	9,400	122,880	574	3,439	36,823	85	31,978	2,293	-	207,472
Accumulated depreciation at 1 April 2019 - as previously stated	-	0	(0)	-	23,024	54	25,721	1,653	-	50,451
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2019 - restated	-	0	(0)	-	23,024	54	25,721	1,653	-	50,451
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	-	3,869	21	-	1,865	6	3,132	43	-	8,936
Impairments	-	(0)	-	-	-	-	-	-	-	(0)
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	(3,869)	(21)	-	-	-	-	-	-	(3,890)
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	-	(10,026)
Accumulated depreciation at 31 March 2020	-	0	(0)	-	24,797	59	18,919	1,696	-	45,471
Net book value at 31 March 2020	9,400	122,880	574	3,439	12,026	26	13,058	598	-	162,001
Net book value at 1 April 2019	10,077	124,935	1,000	1,219	9,518	16	12,970	272	-	160,007

* The note has been restated to remove the accumulated deprecation for Buildings Excl Dwellings and Dwellings which hadn't been taken through the impairment in 2019/20, £3.869m on Buildings excl Dwellings and £0.021m on Dwellings was taken out of accumulated deprecation on the revaluation line and taken out of the revaluation line on the Gross book value section of the table, these is a presentational and had not impact on Net book values at 31 AMrch 2020.

Note 17.3 Property, plant and equipment financing - 2020/21

Group	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
Net book value at 31 March 2021										
Owned - purchased	10,160	52,572	(0)	8,329	13,377	18	13,479	559	-	98,494
Finance leased	-	-	-	-	36	-	-	-	-	36
On-SoFP PFI contracts and other service concession arrangements	-	61,708	-	-	-	-	-	-	-	61,708
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-	-
Owned - donated/granted	-	878	-	-	2,379	-	8	-	-	3,265
NBV total at 31 March 2021	10,160	115,158	(0)	8,329	15,791	18	13,487	559	-	163,503

Note 17.4 Property, plant and equipment financing - 2019/20

Group	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
Net book value at 31 March 2020										
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 - donated/granted	-	906	-	-	222	-	16	-	-	1,144
NBV total at 31 March 2020	9,400	122,880	574	3,439	12,026	26	13,058	598	-	162,001

Note 18.1 Property, plant and equipment - 2020/21

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
Valuation/gross cost at 1 April 2020 - brought forward	9,400	122,880	574	3,439	36,463	31	31,918	2,286	206,990
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	10,909	-	5,239	5,978	-	3,757	41	25,925
Impairments	-	(15,152)	(557)	-	-	-	-	-	(15,710)
Reversals of impairments	760	88	-	-	-	-	-	-	848
Revaluations	-	(3,916)	(17)	-	-	-	-	-	(3,933)
Reclassifications	-	349	-	(349)	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(13)	-	-	-	(13)
Valuation/gross cost at 31 March 2021	10,160	115,158	(0)	8,329	42,428	31	35,674	2,328	214,107
Accumulated depreciation at 1 April 2020 - brought forward	-	0	(0)	-	24,669	31	18,883	1,695	45,279
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	3,916	17	-	2,391	-	3,316	80	9,720
Impairments	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	(3,916)	(17)	-	-	-	-	-	(3,933)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(7)	-	-	-	(7)
Accumulated depreciation at 31 March 2021	-	0	(0)	-	27,054	31	22,199	1,775	51,058
Net book value at 31 March 2021	10,160	115,158	(0)	8,329	15,374	0	13,475	553	163,049
Net book value at 1 April 2020	9,400	122,880	574	3,439	11,793	0	13,034	591	161,711

Note 18.2 Property, plant and equipment - 2019/20

Trust	Land £000	Buildings excluding dwellings (Restated) £000	Dwellings (Restated) £000	Assets under construction £000	Plant & machinery £000	Transport equipment £000	Information technology £000	Furniture & fittings £000	Total £000
Valuation / gross cost at 1 April 2019 - as previously stated	10,077	124,936	1,000	1,219	32,232	31	38,631	1,917	210,042
Prior period adjustments	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2019 - restated	10,077	124,936	1,000	1,219	32,232	31	38,631	1,917	210,042
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	-	(3,869)	(21)	-	-	-	-	-	(3,890)
Reclassifications	-	-	-	(1,089)	1,089	-	-	-	-
Transfers to / from assets held for sale	(681)	(477)	(306)	-	-	-	-	-	(1,464)
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	(10,026)
Valuation/gross cost at 31 March 2020	9,400	122,880	574	3,439	36,463	31	31,918	2,286	206,990
Accumulated depreciation at 1 April 2019 - as previously stated	-	0	(0)	-	22,924	31	25,697	1,652	50,303
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2019 - restated	-	0	(0)	-	22,924	31	25,697	1,652	50,303
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	3,869	21	-	1,838	-	3,120	43	8,891
Impairments	-	(0)	-	-	-	-	-	-	(0)
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	(3,869)	(21)	-	-	-	-	-	(3,890)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	(93)	-	(9,933)	-	(10,026)
Accumulated depreciation at 31 March 2020	-	0	(0)	-	24,669	31	18,883	1,695	45,279
Net book value at 31 March 2020	9,400	122,880	574	3,439	11,793	0	13,034	591	161,711
Net book value at 1 April 2019	10,077	124,935	1,000	1,219	9,308	0	12,934	265	159,738

* The note has been restated to remove the accumulated deprecation for Buildings Excl Dwellings and Dwellings which hadn't been taken through the impairment in 2019/20, £3.869m on Buildings excl Dwellings and £0.021m on Dwellings was taken out of accumulated deprecation on the revaluation line and taken out of the revaluation line on the Gross book value section of the table, these is a presentational and had not impact on Net book values at 31 AMrch 2020.

Note 18.3 Property, plant and equipment financing - 2020/21

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
Net book value at 31 March 2021									
Owned - purchased	10,160	52,572	(0)	8,329	12,959	0	13,467	553	98,040
Finance leased	-	-	-	-	36	-	-	-	36
On-SoFP PFI contracts and other service concession arrangements	-	61,708	-	-	-	-	-	-	61,708
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned - donated / granted	-	878	-	-	2,379	-	8	-	3,265
NBV total at 31 March 2021	10,160	115,158	(0)	8,329	15,374	0	13,475	553	163,049

Note 18.4 Property, plant and equipment financing - 2019/20

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
Net book value at 31 March 2020									
Owned - purchased	9,400	56,195	574	3,439	11,524	0	13,018	591	94,741
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	-	906	-	-	222	-	16	-	1,144
Owned - donated / granted	-	-	-	-	-	-	-	-	-
NBV total at 31 March 2020	9,400	122,880	574	3,439	11,793	0	13,034	591	161,711

Note 19 Donations of property, plant and equipment

During 2020/21 the Trust received cash from Calderdale and Huddersfield Charitable Funds of £59k (£141k 2019/20) for items of equipment to be purchased which included: an additional Slit lamp and Scalp Cooler. Donations totalling £2.403m of property, plant and equipment assets were received from DHSC as part of the Coronavirus pandemic response in 2020/21, which included Mobile Xray equipment, Covid testing equipment, Ventilators, Patient Monitors, Blood Gas Analyser and suction pumps.

Note 20 Revaluations of property, plant and equipment

Valuation

All assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. 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. An desktop interim revaluation was undertaken as at 31 March 2021. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

Note 21 Investments in associates and joint ventures

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	4,162	4,162	4,162	4,162
Prior period adjustments	-	-	-	-
Carrying value at 1 April - restated	4,162	4,162	4,162	4,162
Transfers by absorption	-	-	-	-
Acquisitions in year	-	-	-	-
Share of profit / (loss)	-	-	-	-
Net impairments	(250)	-	(250)	-
Transfers to / from assets held for sale	-	-	-	-
Disbursements / dividends received	-	-	-	-
Disposals	-	-	-	-
Share of Other Comprehensive Income	-	-	-	-
Other equity movements	-	-	-	-
Carrying value at 31 March	3,912	4,162	3,912	4,162

Note 22 Other investments / financial assets (non-current)

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	-	-	2,543	3,500
Prior period adjustments	-	-	-	-
Carrying value at 1 April - restated	-	-	2,543	3,500
Transfers by absorption	-	-	-	-
Acquisitions in year	-	-	-	-
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	-	-	(990)	(957)
Disposals	-	-	-	-
Carrying value at 31 March	-	-	1,553	2,543

Note 22.1 Other investments / financial assets (current)

	Group		Trust	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
Loans receivable within 12 months transferred from non-current financial assets	-	-	990	957
Deposits with the National Loans Fund	-	-	-	-
Other current financial assets	4,000	4,000	4,007	4,010
Total current investments / financial assets	4,000	4,000	4,997	4,967

Note 23 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

	2020/21	2019/20
	£000	£000
Non current assets	15,186	14,843
Current assets	1,634	7,757
Total assets	16,820	22,600
Current liabilities	(6,424)	(7,733)
Non current liabilities	(2,573)	(6,545)
Total liabilities	(8,997)	(14,278)
Net Assets Attributable to members	7,823	8,322
Operating income	736	6,690
Operating expenses	(168)	(7,198)
Fair Value revaluation Gain	207	608
Surplus /(deficit) for the year	775	100

The change in operating performance of PPP LLP from 19/20 to 2021 is due to the Sale of the St Lukes site during 19/20.

Note 24 Inventories

	Group		Trust	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Drugs	2,298	2,292	1,756	1,750
Work In progress	336	344	336	344
Consumables	4,824	3,873	3,338	2,738
Energy	-	-	-	-
Other	-	-	-	-
Charitable fund inventory	-	-	-	-
Total inventories	7,458	6,509	5,430	4,832
of which:				
Held at fair value less costs to sell	-	-	-	-

Inventories recognised in expenses for the year were £67,256k (2019/20: £69,818k). Write-down of inventories recognised as expenses for the year were £66k (2019/20: £0k).

In response to the COVID 19 pandemic, the Department of Health and Social Care centrally procured personal protective equipment and passed these to NHS providers free of charge. During 2020/21 the Trust received £4,691k of items purchased by DHSC. These inventories were recognised as additions to inventory at deemed cost with the corresponding benefit recognised in income. The utilisation of these items is included in the expenses disclosed above.

Note 25.1 Receivables

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Contract receivables	15,009	34,271	18,482	38,845
Contract assets	-	-	-	-
Capital receivables	79	79	79	79
Allowance for impaired contract receivables / assets	(1,956)	(1,713)	(1,956)	(1,713)
Allowance for other impaired receivables	-	-	-	-
Deposits and advances	-	-	-	-
Prepayments (non-PFI)	4,210	3,310	2,796	2,124
PFI prepayments - capital contributions	-	-	-	-
PFI lifecycle prepayments	-	-	-	-
Interest receivable	-	-	-	-
Finance lease receivables	-	-	3,633	3,443
PDC dividend receivable	689	-	689	-
VAT receivable	2,700	4,931	2,004	5,020
Corporation and other taxes receivable	-	-	-	-
Other receivables	-	-	-	-
NHS charitable funds receivables	-	-	-	-
Total current receivables	20,731	40,879	25,727	47,798
Non-current				
Contract receivables	3,371	3,334	3,371	3,334
Contract assets	-	-	-	-
Capital receivables	1,358	1,437	-	1,437
Allowance for impaired contract receivables / assets	(821)	(726)	1,358	(726)
Allowance for other impaired receivables	-	-	(821)	-
Deposits and advances	-	-	-	-
Prepayments (non-PFI)	-	-	-	-
PFI prepayments - capital contributions	-	-	-	-
PFI lifecycle prepayments	-	-	-	-
Interest receivable	-	-	-	-
Finance lease receivables	-	-	58,784	62,417
VAT receivable	-	-	-	-
Corporation and other taxes receivable	-	-	-	-
Other receivables	-	-	-	-
NHS charitable funds receivables	-	-	-	-
Total non-current receivables	3,908	4,045	62,692	66,462
Of which receivable from NHS and DHSC group bodies:				
Current	8,564	27,763	8,564	27,763
Non-current	-	-	-	-

Within receivables £4.995m is due to the Trust from the subsidiary CHS.

Note 25.2 Allowances for credit losses - 2020/21

	Group		Trust	
	Contract receivables and contract assets	All other receivables	Contract receivables and contract assets	All other receivables
	£000	£000	£000	£000
Allowances as at 1 Apr 2020 - brought forward	2,439	-	2,439	-
Transfers by absorption	-	-	-	-
New allowances arising	655	-	655	-
Changes in existing allowances	-	-	-	-
Reversals of allowances	-	-	-	-
Utilisation of allowances (write offs)	(316)	-	(316)	-
Changes arising following modification of contractual cash flows	-	-	-	-
Foreign exchange and other changes	-	-	-	-
Allowances as at 31 Mar 2021	2,777	-	2,777	-

Note 25.3 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
Allowances as at 1 Apr 2019 - as previously stated	1,934	-	1,934	-
Prior period adjustments	-	-	-	-
Allowances as at 1 Apr 2019 - restated	1,934	-	1,934	-
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	-	-	-	-
Allowances as at 31 Mar 2020	2,439	-	2,439	-

Note 26 Other assets

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Other assets	-	-	-	-
Total other current assets	-	-	-	-
Non-current				
Net defined benefit pension scheme asset	-	-	-	-
Other assets	-	-	-	-
Total other non-current assets	-	-	-	-

Note 27.1 Non-current assets held for sale and assets in disposal groups

	Group		Trust	
	2020/21 £000	2019/20 £000	2020/21 £000	2019/20 £000
NBV of non-current assets for sale and assets in disposal groups at 1 April	1,114	1,798	1,114	1,798
Prior period adjustment	-	-	-	-
NBV of non-current assets for sale and assets in disposal groups at 1 April - restated	1,114	1,798	1,114	1,798
Transfers by absorption	-	-	-	-
Assets classified as available for sale in the year	-	1,464	-	1,464
Assets sold in year	(839)	(3,048)	(839)	(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	-	-	-	-
NBV of non-current assets for sale and assets in disposal groups at 31 March	275	1,114	275	1,114

The assets classified as held for sale as at 31 March 2021 was one asset of land and buildings namely: 62 Acre Street (GP Surgery).

In year the Trust sold the The Poplars (nursery facility) on 9th April 2020, and Acre House (office building) on 30th September 2020.

Note 27.2 Liabilities in disposal groups

	Group		Trust	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
Categorised as:				
Provisions	-	-	-	-
Trade and other payables	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

Note 28.1 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	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
At 1 April	9,289	2,036	7,655	1,785
Prior period adjustments	-	-	-	-
At 1 April (restated)	9,289	2,036	7,655	1,785
Transfers by absorption	-	-	-	-
Net change in year	38,933	7,253	39,304	5,870
At 31 March	48,222	9,289	46,958	7,655
Broken down into:				
Cash at commercial banks and in hand	1,327	1,694	64	60
Cash with the Government Banking Service	46,895	7,595	46,895	7,595
Deposits with the National Loan Fund	-	-	-	-
Other current investments	-	-	-	-
Total cash and cash equivalents as in SoFP	48,222	9,289	46,958	7,655
Bank overdrafts (GBS and commercial banks)	-	-	-	-
Drawdown in committed facility	-	-	-	-
Total cash and cash equivalents as in SoCF	48,222	9,289	46,958	7,655

Note 28.2 Third party assets held by the Trust

Calderdale and 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	31 March
	2021	2020
	£000	£000
Bank balances	-	0
Monies on deposit	8	8
Total third party assets	8	8

Note 29.1 Trade and other payables

	Group		Trust	
	Restated		Restated	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	£000	£000	£000	£000
Current				
Trade payables	10,464	17,046	6,972	11,896
Capital payables	12,678	7,945	12,678	7,945
Accruals	28,872	16,658	35,290	25,717
Receipts in advance and payments on account	530	-	530	-
PFI lifecycle replacement received in advance	-	-	-	-
*Social security costs	6,040	5,410	5,889	5,264
VAT payables	-	109	-	-
*Other taxes payable	-	-	-	-
PDC dividend payable	1	1	1	1
Other payables	5,146	3,420	326	8
NHS charitable funds: trade and other payables	-	-	-	-
Total current trade and other payables	63,731	50,589	61,685	50,831
Non-current				
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	97	29	97	109
NHS charitable funds: trade and other payables	-	-	-	-
Total non-current trade and other payables	97	29	97	109
Of which payables from NHS and DHSC group bodies:				
Current	2,930	5,605	2,930	5,605
Non-current	-	-	-	-

* The March 2020 values have been restated moving £5.410m - Group and £5.264m - Trust to Social Security costs, from Other taxes payable.

Within payables £2.045m is owed to the subsidiary CHS from the Trust.

Note 29.2 Early retirements in NHS payables above

The payables note above includes amounts in relation to early retirements as set out below:	31 March	31 March	31 March	31 March
	2021	2021	2020	2020
Group and Trust	£000	Number	£000	Number
- to buy out the liability for early retirements over 5 years	-		-	
- number of cases involved		-		-

Note 30 Other liabilities

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Deferred income: contract liabilities	4,682	3,304	4,682	3,304
Deferred grants	-	-	-	-
Deferred PFI credits / income	-	-	-	-
Lease incentives	-	-	-	-
Other deferred income	-	-	-	-
NHS charitable funds: other liabilities	-	-	-	-
Total other current liabilities	4,682	3,304	4,682	3,304
Non-current				
Deferred income: contract liabilities	893	1,027	893	1,027
Deferred grants	-	-	-	-
Deferred PFI credits / income	-	-	-	-
Lease incentives	-	-	-	-
Other deferred income	-	-	-	-
NHS charitable funds: other liabilities	-	-	-	-
Net pension scheme liability	-	-	-	-
Total other non-current liabilities	893	1,027	893	1,027

Note 31 Borrowings

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Bank overdrafts	-	-	-	-
Drawdown in committed facility	-	-	-	-
Loans from DHSC	2,378	143,723	2,378	143,723
Other loans	-	-	-	-
Obligations under finance leases	8	8	4,457	6,668
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	3,023	1,833	3,023	1,833
NHS charitable funds: other current borrowings	-	-	-	-
Total current borrowings	5,410	145,564	9,858	152,224
Non-current				
Loans from DHSC	17,670	19,878	17,670	19,878
Other loans	-	-	-	-
Obligations under finance leases	33	41	60,970	62,911
Obligations under PFI, LIFT or other service concession contracts	67,845	70,868	67,845	70,868
NHS charitable funds: other current borrowings	-	-	-	-
Total non-current borrowings	85,548	90,787	146,485	153,657

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 were extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £141m were classified as current liabilities within the 2019/20 financial statements. Normal course of business capital loans still stand as per the original terms.

Note 31.1 Reconciliation of liabilities arising from financing activities (Group)

Group - 2020/21	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2020	163,601	-	49	72,701	236,351
Cash movements:					
Financing cash flows - payments and receipts of principal	(142,926)	-	(8)	(1,833)	(144,767)
Financing cash flows - payments of interest	(1,115)	-	-	(6,188)	(7,303)
Non-cash movements:					
Transfers by absorption	-	-	-	-	-
Additions	-	-	-	-	-
Application of effective interest rate	488	-	-	6,188	6,676
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
Carrying value at 31 March 2021	20,048.46	-	40.68	70,867.53	90,956.67

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

Note 31.2 Reconciliation of liabilities arising from financing activities

Trust - 2020/21	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2020	163,601	-	69,578	72,701	305,880
Cash movements:					
Financing cash flows - payments and receipts of principal	(142,926)	-	(4,153)	(1,833)	(148,912)
Financing cash flows - payments of interest	(1,115)	-	(4,288)	(6,188)	(11,591)
Non-cash movements:					
Transfers by absorption	-	-	-	-	-
Additions	-	-	-	-	-
Application of effective interest rate	488	-	4,290	6,188	10,966
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
Carrying value at 31 March 2021	20,048	-	65,427	70,868	156,343

Trust - 2019/20	Loans from DHSC £000	Other loans £000	Finance leases £000	PFI and LIFT schemes £000	Total £000
Carrying value at 1 April 2019	144,900	-	73,453	74,398	292,750
Cash movements:					
Financing cash flows - payments and receipts of principal	18,654	-	(3,871)	(1,698)	13,085
Financing cash flows - payments of interest	(3,086)	-	(4,753)	(6,332)	(14,171)
Non-cash movements:					
Transfers by absorption	-	-	-	-	-
Additions	-	-	-	-	-
Application of effective interest rate	3,134	-	4,750	6,333	14,216
Change in effective interest rate	-	-	-	-	-
Changes in fair value	-	-	-	-	-
Early terminations	-	-	-	-	-
Other changes	-	-	-	-	-
Carrying value at 31 March 2020	163,601	-	69,578	72,701	305,880

Note 32 Other financial liabilities

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Current				
Derivatives held at fair value through income and expenditure	-	-	-	-
Other financial liabilities	-	-	-	-
Total current other financial liabilities	-	-	-	-
Non-current				
Derivatives held at fair value through income and expenditure	-	-	-	-
Other financial liabilities	-	-	-	-
Total non-current other financial liabilities	-	-	-	-

Note 33 Finance leases

Note 33.1 Calderdale and 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 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Gross lease receivables	-	-	85,701	92,603
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.	-	-	51,191	58,093
Unearned interest income	-	-	(23,285)	(26,743)
Allowance for uncollectable lease payments	-	-	-	-
Net lease receivables	-	-	62,417	65,860
of which those receivable:				
- not later than one year;	-	-	3,633	3,443
- later than one year and not later than five years;	-	-	16,649	15,779
- later than five years.	-	-	42,135	46,638
The unguaranteed residual value accruing to the lessor	-	-	-	-
Contingent rents recognised as income in the period	-	-	-	-

Note 33.2 Calderdale and Huddersfield NHS Foundation Trust as a lessee

Obligations under finance leases where the trust is the lessee.

	Group		Trust	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	£000	£000	£000	£000
Gross lease liabilities	41	49	92,896	101,338
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;	33	41	30,703	31,900
- later than five years.	-	-	53,750	60,996
Finance charges allocated to future periods	-	-	(27,470)	(31,760)
Net lease liabilities	41	49	65,427	69,578
of which payable:				
- not later than one year;	9	8	4,457	6,668
- later than one year and not later than five years;	33	41	17,876	15,363
- later than five years.	-	-	43,094	47,548
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 34.1 Provisions for liabilities and charges analysis (Group)

Group	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	Charitable fund provisions £000	Total £000
At 1 April 2020	676	1,138	101	550	-	-	1,567	-	4,033
Transfers by absorption	-	-	-	-	-	-	-	-	-
Change in the discount rate	15	27	-	-	-	-	-	-	43
Arising during the year	142	12	82	263	-	-	3,670	-	4,169
Utilised during the year	(232)	(99)	(47)	-	-	-	-	-	(378)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-	-
Reversed unused	(27)	(142)	(44)	-	-	-	(41)	-	(255)
Unwinding of discount	-	-	-	-	-	-	-	-	-
Movement in charitable fund provisions	-	-	-	-	-	-	-	-	-
At 31 March 2021	574	937	91	813	-	-	5,196	-	7,612
Expected timing of cash flows:									
- not later than one year;	235	91	91	813	-	-	5,196	-	6,426
- later than one year and not later than five years;	263	341	-	-	-	-	-	-	604
- later than five years.	76	504	0	(0)	-	-	0	-	581
Total	574	937	91	813	-	-	5,196	-	7,612

* Other Provisions includes £1.728m for Working Time Directive claims, £1.549m Legal Fees, £0.789m Clinicians Pension tax reimbursement provions and £0.718m NHS Pensions Final Salary Pay Controls.

Note 34.2 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
At 1 April 2020	676	1,138	101	550	-	-	1,567	-
Transfers by absorption	-	-	-	-	-	-	-	-
Change in the discount rate	15	27	-	-	-	-	-	43
Arising during the year	142	12	82	263	-	-	3,670	4,169
Utilised during the year	(232)	(99)	(47)	-	-	-	-	(378)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-	-	-
Reversed unused	(27)	(142)	(44)	-	-	-	-	(214)
Unwinding of discount	-	-	-	-	-	-	(41)	(41)
At 31 March 2021	574	937	91	813	-	-	5,196	3,579
Expected timing of cash flows:								
- not later than one year;	235	91	91	813	-	-	5,196	6,426
- later than one year and not later than five years;	263	341	-	-	-	-	-	604
- later than five years.	76	504	0	(0)	-	-	0	581
Total	574	937	91	813	-	-	5,196	7,612

Note 34.3 Clinical negligence liabilities

At 31 March 2021, £207,981k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Calderdale and Huddersfield NHS Foundation Trust (31 March 2020: £194,199k).

Note 35 Contingent assets and liabilities

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Value of contingent liabilities				
NHS Resolution legal claims	-	-		
Employment tribunal and other employee related litigation	-	-		
Redundancy	-	-		
Other	-	-		
Gross value of contingent liabilities	-	-	-	-
Amounts recoverable against liabilities	-	-		
Net value of contingent liabilities	-	-	-	-
Net value of contingent assets	-	-		

Note 36 Contractual capital commitments

	Group		Trust	
	31 March 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Property, plant and equipment	1,841	1,704	1,841	1,704
Intangible assets	-	-	-	-
Total	1,841	1,704	1,841	1,704

Note 37 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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
not later than 1 year	3,022	3,021	3,022	3,021
after 1 year and not later than 5 years	9,067	12,089	9,067	12,089
paid thereafter	-	-	-	-
Total	12,089	15,110	12,089	15,110

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 38 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 38.1 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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Gross PFI, LIFT or other service concession liabilities	226,670	232,611	226,670	232,611
Of which liabilities are due				
- not later than one year;	15,686	13,482	15,686	13,482
- later than one year and not later than five years;	68,171	65,073	68,171	65,073
- later than five years.	142,813	154,056	142,813	154,056
Finance charges allocated to future periods	(155,802)	(159,910)	(155,802)	(159,910)
Net PFI, LIFT or other service concession arrangement obligation	70,868	72,701	70,868	72,701
- not later than one year;	3,023	1,833	3,023	1,833
- later than one year and not later than five years;	15,818	14,389	15,818	14,389
- later than five years.	52,027	56,479	52,027	56,479

Note 38.2 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 2021 £000	31 March 2020 £000	31 March 2021 £000	31 March 2020 £000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	378,372	394,810	378,372	394,810
Of which payments are due:				
- not later than one year;	29,467	28,589	29,467	28,589
- later than one year and not later than five years;	125,237	120,189	125,237	120,189
- later than five years.	223,668	246,033	223,668	246,033

Note 38.3 Analysis of amounts payable to service concession operator

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

	Group		Trust	
	2020/21	2019/20	2020/21	2019/20
	£000	£000	£000	£000
Unitary payment payable to service concession operator	28,734	28,087	28,734	28,087
Consisting of:				
- Interest charge	6,188	6,333	6,188	6,333
- Repayment of balance sheet obligation	1,833	1,698	1,833	1,698
- Service element and other charges to operating expenditure	12,676	12,441	12,676	12,441
- Capital lifecycle maintenance	1,744	1,686	1,744	1,686
- Revenue lifecycle maintenance	749	727	749	727
- Contingent rent	5,544	5,202	5,544	5,202
- 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	-	-	-	-
Total amount paid to service concession operator	28,734	28,087	28,734	28,087

Note 39 Financial instruments

Note 39.1 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. Additional government funding to support the necessary actions to deal with the Covid-19 pandemic was also made available to the Trust in 2020/21. This will continue into the first half of 2021/22.

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 (now NHS Improvement) '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 auditors.

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. In 2020/21 the normal contracts were replaced by fixed block value funding received monthly, guaranteeing a level of cashflow to the Trust.

In 2020/21 the Trust has financed its capital expenditure from internally generated funds generated through depreciation charges supplemented by Public Dividend Capital received.

A change to the NHS financial architecture in 2020/21 saw the conversion of all historic revenue support borrowing and elements of historic capital loans to non repayable Public Dividend Capital (PDC). In addition, the future 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 39.2 Carrying values of financial assets (Group)

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2021				
Trade and other receivables excluding non financial assets	17,040	-	-	17,040
Other investments / financial assets	4,000	-	-	4,000
Cash and cash equivalents	48,222	-	-	48,222
Consolidated NHS Charitable fund financial assets	-	-	-	-
Total at 31 March 2021	69,262	-	-	69,262

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2020				
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	-	-	-	-
Total at 31 March 2020	49,972	-	-	49,972

Note 39.3 Carrying values of financial assets (Trust)

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2021				
Trade and other receivables excluding non financial assets	82,930	-	-	82,930
Other investments / financial assets	6,550	-	-	6,550
Cash and cash equivalents	46,958	-	-	46,958
Total at 31 March 2021	136,438	-	-	136,438

	Held at amortised cost £000	Held at fair value through I&E £000	Held at fair value through OCI £000	Total book value £000
Carrying values of financial assets as at 31 March 2020				
Trade and other receivables excluding non financial assets	107,115	-	-	107,115
Other investments / financial assets	7,510	-	-	7,510
Cash and cash equivalents	7,655	-	-	7,655
Total at 31 March 2020	122,279	-	-	122,279

Note 39.4 Carrying values of financial liabilities (Group)

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2021			
Loans from the Department of Health and Social Care	20,048	-	20,048
Obligations under finance leases	41	-	41
Obligations under PFI, LIFT and other service concessions	70,868	-	70,868
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	57,257	-	57,257
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Consolidated NHS charitable fund financial liabilities	-	-	-
Total at 31 March 2021	148,214	-	148,214

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2020			
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	-	-	-
Total at 31 March 2020	281,449	-	281,449

Note 39.5 Carrying values of financial liabilities (Trust)

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2021			
Loans from the Department of Health and Social Care	20,048	-	20,048
Obligations under finance leases	65,427	-	65,427
Obligations under PFI, LIFT and other service concessions	70,868	-	70,868
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	55,363	-	55,363
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2021	211,706	-	211,706

	Held at amortised cost £000	Held at fair value through I&E £000	Total book value £000
Carrying values of financial liabilities as at 31 March 2020			
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	-	-	-
Total at 31 March 2020	351,555	-	351,555

Note 39.6 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 39.7 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	Group		Trust	
	31 March 2021 £000	31 March 2020 restated* £000	31 March 2021 £000	31 March 2020 restated* £000
In one year or less	76,156	202,282	84,590	211,322
In more than one year but not more than five years	78,362	75,401	109,033	107,260
In more than five years	152,189	165,897	205,939	226,893
Total	306,706	443,580	399,562	545,475

* This disclosure has previously been prepared using discounted cash flows. The comparatives have therefore been restated on an undiscounted basis.

Note 40 Losses and special payments

Group and Trust	2020/21		2019/20	
	Total number of cases Number	Total value of cases £000	Total number of cases Number	Total value of cases £000
Losses				
Cash losses	-	-	-	-
Fruitless payments and constructive losses	-	-	-	-
Bad debts and claims abandoned	-	-	18	59
Stores losses and damage to property	1	173	1	149
Total losses	1	173	19	208
Special payments				
Compensation under court order or legally binding arbitration award	19	47	11	74
Extra-contractual payments	-	-	-	-
Ex-gratia payments	26	28	14	12
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	45	75	25	85
Total losses and special payments	46	248	44	293
Compensation payments received		-		-

Note 41 Gifts

Group and Trust	2020/21		2019/20	
	Total number Number	Total value £000	Total number Number	Total value £000
Gifts made	-	-	-	-

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.

Related party transactions - WGA organisations	2020/21 £000	2019/20 £000
Income - NHS Calderdale CCG	153,928	150,255
Income - NHS Greater Huddersfield CCG	137,514	133,443
Income - NHS North Kirklees CCG	8,301	8,109
Income - NHS Bradford Districts CCG	9,348	7,441
Income - NHS Wakefield CCG	37,287	4,014
Income - Leeds Teaching Hospitals NHS Trust	1,439	1,470
Income - South West Yorkshire Partnership NHS Foundation Trust	4,372	4,526
Income - Health Education England	13,798	11,854
Income- NHS Eng- Central Specialised Commissioning Hub	72,149	20,878
Income- North East & Yorkshire Regional Office was (Yorkshire and the Humber Local Office)	-	5,744
Income - Other WGA	17,118	46,325
Income - Total with WGA organisations	455,254	394,059
Charitable Funds	827	436
Income - Total	456,081	394,495
Expenditure - Bradford Teaching Hospitals NHS Foundation Trust	520	504
Expenditure - Leeds Teaching Hospitals NHS Trust	4,271	4,240
Expenditure - NHS Pension Scheme	35,899	24,766
Expenditure - NHS Resolution	19,389	16,205
Expenditure - HMRC	21,121	19,883
Expenditure - Other WGA	6,427	16,048
Expenditure - Total with WGA organisations	87,626	81,646
Joint Ventures	1,476	1,424
Expenditure - Total	89,102	83,070
Related party balances - WGA organisations	2020/21 £000	2019/20 £000
Receivables - NHS Calderdale CCG	30	1,818
Receivables - NHS Greater Huddersfield CCG	8	1,969
Receivables - NHS England	4,456	8,659
Receivables - HM Revenue & Customs - VAT	2,700	4,931
Receivables - Other WGA	3,786	4,891
Charitable Funds	289	187
Receivables - Total with WGA organisations	11,269	22,455
Payables - NHS Pension Scheme	3,780	-
Payables - HMRC	6,040	5,410
Payables - Other WGA	3,593	5,936
Payables - Total with WGA organisations	13,413	11,346

Income -Yorkshire & Humber Commissioning Hub & North East Yorkshire regional office are now part of NHS Eng Central Commissioning Hub

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 - Not a Director of any other company. WYAAT member, member of the partnership Transformation Board, Pennine GP & CHFT board to board member.

O Williams ~ Chief Executive - Not a Director of any other company. WYAAT member, Chair West Yorkshire & Harrogate Capital & Estates Board. Vice Chair NHS Confederation. Chair of the local school committee for Beckfoot Thornton School.

G Boothby ~ Director of Finance - Is a Director of Pennine Property Partnership LLP. WYAAT member. Integrated care systems member, member of the partnership Transformation Board.

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

D Birkenhead ~ Medical Director - Director of a company that does not deal with public sector organisations. WYAAT member. Medical Director local workforce action board representative. Advice to BMI Huddersfield.

H Barker~ Chief Operating Officer - Not a Director of any other company.

R Hopkin ~ Non Executive Director - Directorship of Capri Finance Ltd- own consultancy company. (Hon) Treasurer Community Foundation for Calderdale, Finance Consultant Age UK Calderdale & Kirklees, Wakefield district.

K Heaton ~ Non Executive Director - Not a Director of any other company. University of Manchester Director of Human Resources. Member of Confederation of British Industry employment & skills board.

A Nelson~ Non Exec Director - Not a Director of any other company. NED & Strategic Advisor to the board of the Law Society.

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

E Armisted~ Exec Director of Nursing - Not a Director of any other company. WYAAT member.

D Sterling~ Non Exec Director - Not a Director of any other company. Trustee board of Bradford Diocesan Academies Trust

R P Wilkinson ~ Non Exec Director - Director of a company that does not deal with public sector organisations

In 20/21 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 20/21 of £1,476,418 in 19/ 20 of £1,423,581. Age UK Calderdale & Kirklees 20/21 £25,716 in 19/20 £25,716.