



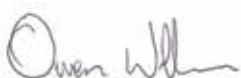
Accounts 2018/19

Calderdale & Huddersfield NHS Foundation Trust

Annual accounts for the year ended
31 March 2019

Foreword to the accounts
Calderdale & Huddersfield NHS Foundation Trust

These accounts, for the year ended 31 March 2019, have been prepared by Calderdale & Huddersfield NHS Foundation Trust in accordance with paragraphs 24 & 25 of Schedule 7 within the National Health Service Act 2006.



Owen Williams (Chief Executive)
Date: 24th May 2019


Statement of Comprehensive Income					
		Group		Trust	
		2018/19	2017/18	2018/19	2017/18
	Note	£000	£000	£000	£000
Operating income from patient care activities	3	328,604	321,058	328,652	321,058
*Other operating income	4	40,157	39,413	45,524	39,413
Operating expenses		(425,126)	(395,953)	(430,212)	(395,953)
Operating surplus/(deficit) from continuing operations		(56,365)	(35,482)	(56,036)	(35,482)
Finance income	12	95	43	2,392	43
Finance expenses	13	(13,720)	(12,584)	(16,509)	(12,584)
PDC dividends payable		-	(1,449)	-	(1,449)
Net finance costs		(13,625)	(13,990)	(14,117)	(13,990)
Share of profit / (losses) of associates / joint arrangements	21	405	868	405	868
Corporation tax expense		(30)	-	-	-
Surplus / (deficit) for the year from continuing operations		(69,614)	(48,604)	(69,748)	(48,604)
Surplus / (deficit) on discontinued operations and the gain / (loss) on disposal of discontinued operations	14	-	-	-	-
**Surplus / (deficit) for the year		(69,614)	(48,604)	(69,748)	(48,604)
Other comprehensive income					
Will not be reclassified to income and expenditure:					
Impairments	8	(36,491)	(7,658)	(36,491)	(7,658)
Revaluations	20	4,602	9,869	4,602	9,869
Share of comprehensive income from associates and joint ventures	21	-	-	-	-
Other reserve movements		-	-	-	-
***Capital Goods Scheme adjustment			1,476	-	1,476
Total comprehensive income / (expense) for the period		(101,504)	(44,917)	(101,638)	(44,917)
Surplus/ (deficit) for the period attributable to:					
Non-controlling interest, and		-	-	-	-
		(69,614)	(48,604)	(69,748)	(48,604)
TOTAL		(69,614)	(48,604)	(69,748)	(48,604)
Total comprehensive income/ (expense) for the period attributable to:					
Non-controlling interest, and		-	-	-	-
		(101,504)	(44,917)	(101,638)	(44,917)
TOTAL		(101,504)	(44,917)	(101,638)	(44,917)
Adjusted financial performance (control total basis):					
Surplus / (deficit) for the period		(69,614)	(48,604)	(69,748)	(48,604)
***Capital Goods Scheme adjustment			1,476	-	1,476
Remove net impairments not scoring to the Departmental expenditure limit		26,510	18,655	26,510	18,655
Remove (gains) / losses on transfers by absorption		-	-	-	-
Remove I&E impact of capital grants and donations		65	36	47	36
Adjusted financial performance surplus / (deficit)		(43,040)	(28,437)	(43,191)	(28,437)

* Other operating income for 17/18 includes £5.584m of Sustainability and Transformation Fund income, the Trust did not receive any in 18/19

** The surplus / (deficit) for 18/19 includes £26.510m impairments; for 17/18 this was £18.655m of impairment.

***Capital Goods Scheme adjustment made in 17/18 in relation to the set up of a wholly owned subsidiary company, see note 1.3, no further adjustments were made in 18/19.

The Group was established in 2018 with the commencement of the subsidiary company in September 2018. As such the prior year Group values are per the Trust values and are shown for ease of comparison.

Statement of Financial Position					
		Group		Trust	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Note	£000	£000	£000	£000
Non-current assets					
Intangible assets	16	8,124	7,410	8,124	7,410
Property, plant and equipment	18	160,007	219,734	159,738	219,734
Investments in associates and joint ventures	21	4,162	3,757	4,162	3,757
Loan to Subsidiary	22	-	-	3,500	-
Receivables	25	2,984	3,525	68,844	3,525
Other assets	26	-	-	-	-
Total non-current assets		175,276	234,426	244,367	234,426
Current assets					
Inventories	24	6,615	6,836	5,480	6,836
Receivables	25	18,945	23,052	26,141	23,052
Loan to Subsidiary	22	-	-	936	-
Other assets	26	-	-	-	-
Non-current assets held for sale and assets in disposal groups	27	1,798	1,798	1,798	1,798
Cash and cash equivalents	28	2,036	2,000	1,785	2,000
Total current assets		29,393	33,686	36,140	33,686
Current liabilities					
Trade and other payables	29	(38,778)	(41,066)	(41,403)	(41,066)
Borrowings	31	(44,461)	(17,266)	(48,324)	(17,266)
Provisions	33	(1,213)	(1,188)	(1,213)	(1,188)
Other liabilities	30	(2,040)	(1,296)	(1,992)	(1,296)
Liabilities in disposal groups	27	-	-	-	-
Total current liabilities		(86,493)	(60,816)	(92,933)	(60,816)
Total assets less current liabilities		118,177	207,295	187,575	207,295
Non-current liabilities					
Trade and other payables	29	(43)	(100)	(43)	(100)
Borrowings	31	(174,895)	(162,601)	(244,426)	(162,601)
Provisions	33	(1,622)	(2,014)	(1,622)	(2,014)
Other liabilities	30	(1,063)	(1,204)	(1,063)	(1,204)
Total non-current liabilities		(177,623)	(165,919)	(247,155)	(165,919)
Total assets employed		(59,446)	41,376	(59,580)	41,376
Financed by					
Public dividend capital		117,042	116,190	117,042	116,190
Revaluation reserve		7,243	39,310	7,243	39,310
Income and expenditure reserve		(183,732)	(114,124)	(183,866)	(114,124)
Total taxpayers' equity		(59,446)	41,376	(59,580)	41,376
The notes 1 to 41 on the following pages (page 205 -251) form part of these accounts.					
Owen Williams Chief Executive Date: 24 May 2019					

Statement of Changes in Equity for the year ended 21 March 2019

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

Statement of Changes in Equity for the year ended 21 March 2018

Group	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2017 - brought forward	116,190	37,464	(67,362)	86,292
Prior period adjustment	-	-	-	-
Taxpayers' and others' equity at 1 April 2017 - restated	116,190	37,464	(67,362)	86,292
At start of period for new FTs	-	-	-	-
Surplus/(deficit) for the year	-	-	(48,604)	(48,604)
Other transfers between reserves	-	(365)	365	-
Impairments	-	(7,658)	-	(7,658)
Revaluations	-	9,869	-	9,869
Capital Goods Scheme adjustment	-	-	1,476	1,476
Taxpayers' and others' equity at 31 March 2018	116,190	39,310	(114,124)	41,376

Statement of Changes in Equity for the year ended 21 March 2019				
Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2018 - brought forward	116,190	39,310	(114,124)	41,376
Impact of implementing IFRS 15 on 1 April 2018	-	-	(155)	(155)
Impact of implementing IFRS 9 on 1 April 2018	-	-	(15)	(15)
Surplus/(deficit) for the year	-	-	(69,748)	(69,748)
Other transfers between reserves	-	(177)	177	-
Impairments	-	(36,491)	-	(36,491)
Revaluations	-	4,602	-	4,602
Public dividend capital repaid	852	-	-	852
Taxpayers' and others' equity at 31 March 2019	117,042	7,243	(183,866)	(59,580)
Trust	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' and others' equity at 1 April 2017 - brought forward	116,190	37,464	(67,362)	86,292
Prior period adjustment	-	-	-	-
	116,190	37,464	(67,362)	86,292
Surplus/(deficit) for the year	-	-	(48,604)	(48,604)
Other transfers between reserves	-	(365)	365	-
Impairments	-	(7,658)	-	(7,658)
Revaluations	-	9,869	-	9,869
Capital Goods Scheme adjustment	-	-	1,476	1,476
Taxpayers' and others' equity at 1 April 2017 - restated	116,190	39,310	(114,124)	41,376

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. This charge is based upon a forecast in the final quarter of the financial year and where overestimated will give rise to PDC receivable in the following year.

Revaluation reserve

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

Income and expenditure reserve

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

Statement of Cash Flows					
	Note	Group		Trust	
		2018/19	2017/18	2018/19	2017/18
		£000	£000	£000	£000
Cash flows from operating activities					
Operating surplus / (deficit)		(56,365)	(35,482)	(56,036)	(35,482)
Non-cash income and expense:					
Depreciation and amortisation	7.1	8,861	10,584	8,835	10,584
Net impairments	8	26,510	18,655	26,510	18,655
Income recognised in respect of capital donations	4	(31)	(75)	(31)	(75)
Amortisation of PFI deferred credit		-	-	-	-
Non-cash movements in on-SoFP pension liability		-	-	-	-
(Increase) / decrease in receivables and other assets		4,503	(2,643)	(68,554)	(2,643)
(Increase) / decrease in inventories		221	(112)	1,356	(112)
Increase / (decrease) in payables and other liabilities		372	3,679	2,948	3,679
Increase / (decrease) in provisions		(367)	(984)	(367)	(984)
Movements in charitable fund working capital		-	-	-	-
Tax (paid) / received		(30)	-	-	-
Operating cash flows from discontinued operations		-	-	-	-
Other movements in operating cash flows		-	(14)	-	(14)
Net cash flows from / (used in) operating activities		(16,327)	(6,392)	(85,339)	(6,392)
Cash flows from investing activities					
Interest received		95	43	2,392	43
Purchase and sale of financial assets / investments		-	-	-	-
Purchase of intangible assets		(1,714)	(430)	(1,714)	(430)
Sales of intangible assets		-	-	-	-
Purchase of PPE and investment property		(8,252)	(20,021)	(8,252)	(20,021)
Sales of PPE and investment property		-	-	296	-
Receipt of cash donations to purchase assets		31	75	31	75
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		(9,839)	(20,333)	(7,247)	(20,333)
Cash flows from financing activities					
Public dividend capital received		852	-	852	-
Public dividend capital repaid		-	-	-	-
Movement on loans from DHSC		40,290	42,082	40,290	42,082
Movement on other loans		-	-	-	-
Other capital receipts		-	-	-	-
Capital element of finance lease rental payments		(1)	-	(2,132)	-
Capital element of PFI, LIFT and other service concession payments		(1,609)	(1,483)	(1,609)	(1,483)
Interest on loans		(2,067)	(1,245)	(2,067)	(1,245)
Other interest		(9)	-	(9)	-
Interest paid on finance lease liabilities		-	-	(2,790)	-
Interest paid on PFI, LIFT and other service concession obligations		(11,386)	(11,092)	(11,386)	(11,092)
PDC dividend (paid) / refunded		132	(1,479)	132	(1,479)
Financing cash flows of discontinued operations		-	-	-	-
Net cash flows from charitable fund financing activities		-	-	-	-
Cash flows from (used in) other financing activities		-	-	71,090	-
Net cash flows from / (used in) financing activities		26,202	26,783	92,371	26,783
Increase / (decrease) in cash and cash equivalents		36	59	(214)	59
Cash and cash equivalents at 1 April - brought forward		2,000	1,941	2,000	1,941
Prior period adjustments		-	-	-	-
Cash and cash equivalents at 1 April - restated		2,000	1,941	2,000	1,941
Cash and cash equivalents at 31 March	28.1	2,036	2,000	1,785	2,000

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 2018/19 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.

Note 1.1.1 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

These accounts have been prepared on a going concern basis.

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

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

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

Given the ongoing deficit position, negative net assets and the challenge within the financial plans for 2019/20 further areas require consideration to be able to demonstrate that the Trust is a going concern.

The following has been taken into account when going concern is considered:

- The year-end financial position of £43.0m deficit (excluding impairments as described in note to the SOCI) was in line with the deficit plan agreed with the regulator. Whilst still a deficit position; this secures a level of confidence from NHS Improvement in the Trust's financial management.
- The Trust is supported by loan funding from the Department of Health and Social Care with a balance totalling £144.9m at 31 March 2019.
- The Trust closed the year with £2.0m of cash but cannot sustain the planned deficit position within 2019/20 without the requirements of external cash support. Loan agreements are in place with the Department of Health and Social Care and draw down will take place on a rolling monthly basis.
- The Commissioners continue to buy services from the Trust and contracts with commissioners have been agreed and were signed in April 2019. This leads to regular monthly transfers of fixed levels of cash based on contracted values for 2019/20. This incoming cash along with the loan facility will allow the Trust to meet all its obligations and liabilities.
- From Internal Audit reports completed in 2018/19 there have been no other indications of significant financial risk or weaknesses in financial risk management.
- In 2018/19 a cost improvement programme (CIP) of £18m was delivered. A project management office is in place which ensures that the CIP plans for 2019/20 are robust and oversees their delivery. The programme methodology is built around a gateway approach for project design, development and delivery that includes a rigorous quality and equality impact assessment review. Delivery of the 2019/20 planned deficit position requires an efficiency saving of a further £11m.
- The Trust is continuing to work upon a service transformation strategy working closely with local partners, aided by reconfiguration, to deliver a sustainable long term future. This strategy has been supported by regulators and the West Yorkshire and Harrogate Integrated Care System.
- In December 2018 the Department of Health and Social Care announced that 100% public capital funding of £197m had been earmarked to support implementation of the proposals described in the Trust's Strategic Outline Case for reconfiguration.

There is a reasonable expectation that Calderdale and Huddersfield NHS Foundation Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason we continue to adopt the going concern basis in preparing the accounts.

As with any Trust placing reliance on the DHSC for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Based on these indications the directors believe that it remains appropriate to prepare the accounts on a going concern basis. However, the matters referred to above represent a material uncertainty that may cast significant doubt on the Trust's ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Note 1.3 Critical judgements in applying accounting policies

The preparation of the financial information, in conformity with IFRS, requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of income and expenses and of assets and liabilities. The estimates and assumptions are based on historical experience and other factors that are believed to be reasonable under all the circumstances. Actual results may vary from these estimates. The estimates and assumptions are reviewed on an on-going basis. 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 1.4 Key Sources of estimation uncertainty

The following are the key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. It is impracticable to disclose the extent of the possible effects of an assumption or another source of estimation uncertainty at the end of the reporting period. On the basis of existing knowledge, outcomes within the next financial year that are different from the assumption around the valuation of our land, property, plant and equipment could require a material adjustment to the carrying amount of the asset or liability recorded in note 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 1.5 Consolidation

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

NHS Charitable Funds

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

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

Other subsidiaries

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

CHS Ltd. commenced trading on 1 September 2018. The year end for the company is 31 March to align with the Trust. As such the group results for the twelve months to 31 March 2019 include seven months of trading for the company.

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 1.6.1 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). As directed by the GAM, the transition to IFRS 15 in 2018/19 has been completed in accordance with paragraph C3 (b) of the Standard: applying the Standard retrospectively but recognising the cumulative effects at the date of initial application (1 April 2018).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's

entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised. Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is deferred and recognised as a contract liability.

Revenue from NHS contracts

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

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

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

In 2018/19 the Trust agreed an Aligned Incentive Contract with its two main commissioners NHS Calderdale CCG and NHS Greater Huddersfield CCG. This contract is at a fixed value, including an agreed readmissions deduction and CQUIN value. The contract included agreed activity thresholds for review. In light of the fixed value nature of this contract agreement no adjustment has been made for incomplete spells for patients relating to these commissioners.

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.

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 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 1.6.2 Revenue grants and other contributions to expenditure

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.

The value of the benefit received when accessing funds from the 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, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6.3 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 1.7 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 NHS Pension Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies, allowed under the direction of Secretary of State, 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.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

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

Note 1.8 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 1.9 Property, plant and equipment**Note 1.9.1 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.

Note 1.9.2 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.

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

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

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

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

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

A full on-site valuation was carried out as at a April 2018. A desktop revaluation was undertaken as at 31 March 2019. Valuations are carried out by professionally qualified valuers in accordance with the Royal Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual.

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.

Depreciation

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

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

Revaluation gains and losses

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

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.

Note 1.9.3 De-recognition

Assets intended for disposal are reclassified as 'held for sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
 - the sale must be highly probable ie:
 - management are committed to a plan to sell the asset
 - an active programme has begun to find a buyer and complete the sale
 - the asset is being actively marketed at a reasonable price
 - the sale is expected to be completed within 12 months of the date of classification as 'held for sale' and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be abandoned or significant changes made to it.
- "Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

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

Note 1.9.4 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.

Note 1.9.5

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

PFI and LIFT 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 IAS 17, the underlying assets are recognised as property, plant and equipment, together with an equivalent finance lease 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.

Note 1.9.6

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

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

Note 1.10 Intangible assets**Note 1.10.1 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 only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the trust intends to complete the asset and sell or use it
- the trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, eg, the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the trust to complete the development and sell or use the asset and
- the trust can measure reliably the expenses attributable to the asset during development.

Software

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

Note 1.10.2 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 under IFRS 13, if it does not meet the requirements of IAS 40 of IFRS 5.

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.

Note 1.10.3 Useful economic life 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	Max life
	Years	Years
Information technology	5	5
Development expenditure	-	-
Websites	-	-
Software licences	5	5
Licences & trademarks	-	-
Patents	-	-
Other (purchased)	-	-
Goodwill	-	-

Note 1.11 Inventories

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

Note 1.12 Cash and cash equivalents

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

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

Note 1.13 Financial assets and financial liabilities**Note 1.13.1 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 to which, performance occurs, ie, when receipt or delivery of the goods or services is made.

Note 1.13.2 Classification and measurement

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

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

Financial assets are classified as subsequently measured at amortised cost.

Financial liabilities classified as subsequently measured at amortised cost.

Financial assets and financial liabilities at amortised cost

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

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

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

Impairment of financial assets

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

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

Expected credit losses are determined by using the aging of debt as a means of determining the likelihood of receipt of payment. All Non NHS receivables over 90 days are provided in full, 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.

Note 1.13.3 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.

Note 1.14.1 The trust as 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 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. The lease liability, is de-recognised when the liability is discharged, cancelled or expires.

Operating leases

Operating lease payments are recognised as an expense on a straight-line basis over the lease term. Lease incentives are recognised initially as a liability 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.

Note 1.14.2 The trust as 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 the discount rates published and mandated by HM Treasury.

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 33.2 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 39 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 34, 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.

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

A charge, reflecting the cost of capital utilised by the trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for

- (i) donated assets (including lottery funded assets),
- (ii) average daily cash balances held with the Government Banking Services (GBS) and National Loans Fund (NLF) deposits, excluding

cash balances held in GBS accounts that relate to a short-term working capital facility, and
(iii) any PDC dividend balance receivable or payable.

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

Note 1.18 Value added tax

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

Note 1.19 Corporation tax

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

Note 1.20 Foreign exchange

The functional and presentational currency of the trust is sterling.

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

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

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

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

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

Note 1.21 Third party assets

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

Note 1.22 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis, including losses which would have been made good through insurance cover had the trust not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure).

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

Note 1.23 Gifts

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

Note 1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2018/19.

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 41).

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			Trust	
	Healthcare			Healthcare	
	2018/19	2017/18		2018/19	2017/18
	£000	£000		£000	£000
Income	368,761	360,471	Income	374,176	360,471
Surplus / (Deficit)	(69,614)	(48,604)	Surplus / (Deficit)	(69,748)	(48,604)
Net Assets	(59,446)	41,376	Net Assets	(59,580)	41,376

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 1.6.1

	Group			Trust	
Note 3.1 Income from patient care activities (by nature)	2018/19	2017/18		2018/19	2017/18
	£000	£000		£000	£000
Acute services					
Elective income	42,309	42,071		42,309	42,071
Non elective income	102,450	100,284		102,450	100,284
First outpatient income	19,952	17,412		19,952	17,412
Follow up outpatient income	23,221	18,800		23,221	18,800
A & E income	19,138	17,020		19,138	17,020
High cost drugs income from commissioners (excluding pass-through costs)	65	73		65	73
*Other NHS clinical income	85,390	96,519		85,438	96,519
Community services				-	-
Community services income from CCGs and NHS England	24,827	23,285		24,827	23,285
Income from other sources (e.g. local authorities)	-	-		-	-
All services					
Private patient income	1,126	647		1,126	647
Agenda for Change pay award central funding	3,780	-		3,780	-
*Other clinical income	6,346	4,948		6,346	4,948
Total income from activities	328,604	321,058		328,652	321,058

* Other NHS Clinical Income and Other Clinical Income includes income for NHS Tariff income including income for: Direct access £6.2m and maternity pathways £10.3m. It also includes Non Tariff income including income for: block contracts of £25.3m for various services, income for critical care £7.1m, pass through cost for high cost drugs and devices £22.9m, rehabilitation £3.1m, diagnostic tests and imaging £7.9m, CQUIN £6.8m and other clinical income of £2.1m.

Note 3.2 Income from patient care activities (by source)	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
Income from patient care activities received from:	£000	£000	£000	£000
NHS England	28,571	27,821	28,571	27,821
Clinical commissioning groups	287,617	285,079	287,617	285,079
Department of Health and Social Care	3,780	-	3,780	-
Other NHS providers	665	809	665	809
NHS other	-	-	-	-
Local authorities	2,614	3,086	2,614	3,086
Non-NHS: private patients	1,126	647	1,126	647
Non-NHS: overseas patients (chargeable to patient)	270	100	270	100
Injury cost recover scheme	1,945	1,789	1,945	1,789
Non NHS: other	2,016	1,727	2,064	1,727
Total income from activities	328,604	321,058	328,652	321,058
Of which:				
Related to continuing operations	328,604	321,058	328,652	321,058
Related to discontinued operations	-	-	-	-

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)		
	Group and Trust	
	2018/19	2017/18
	£000	£000
Income recognised this year	270	100
Cash payments received in-year	20	28
Amounts added to provision for impairment of receivables	229	53
Amounts written off in-year	-	-

Note 4 Other operating income (Group)	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Other operating income from contracts with customers:				
Research and development (contract)	1,354	979	1,354	979
Education and training (excluding notional apprenticeship levy income)	10,889	9,028	10,889	9,028
*Non-patient care services to other bodies	10,427	9,412	10,416	9,412
Provider sustainability / sustainability and transformation fund income (PSF / STF)	-	5,584	-	5,584
Income in respect of employee benefits accounted on a gross basis	-	-	-	-
**Other contract income	16,118	13,842	21,653	13,842
Other non-contract operating income:				
Research and development (non-contract)	-	-	-	-
Education and training - notional income from apprenticeship fund	305	48	305	48
Receipt of capital grants and donations	31	75	31	75
Charitable and other contributions to expenditure	388	387	388	387
Support from the Department of Health and Social Care for mergers	-	-	-	-
Rental revenue from finance leases	-	-	-	-
Rental revenue from operating leases	442	58	285	58
Amortisation of PFI deferred income / credits	-	-	-	-
Charitable fund incoming resources	-	-	-	-
Other non-contract income	203	-	203	-
Total other operating income	40,157	39,413	45,524	39,413
Of which:				
Related to continuing operations	40,157	39,413	45,524	39,413
Related to discontinued operations	-	-	-	-
<p>* - Group -Non-patient care services to other bodies includes £5.9m income for The Health Informatics Service, for IT services provided to other bodies and £3.474m income for Corporate Services for recharges to other bodies for use of buildings, including £3.1m to SWYPFT for use of the Dales unit.</p> <p>** Group- Other contract income of £16.118m includes £11.9m sales of manufactured pharmaceutical products, £1.4m car parking income, £0.228m property rental income, £0.4m catering income (In 2017/18 the comparative figures were £9.5m for sale of manufactured in pharmaceutical products, £1.9m car parking income, £0.4m property rental income, £0.6m catering income). Trust - also includes income from the subsidiary.</p>				

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

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

Note 5.2 Transaction price allocated to remaining performance obligations	Group	Trust
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:	31 March 2019	31 March 2019
	£000	£000
within one year	2,040	1,992
after one year, not later than five years	386	386
after five years	677	677
Total revenue allocated to remaining performance obligations	3,103	3,055

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:

	2018/19	2017/18
	£000	£000
Income from services designated as commissioner requested services	316,896	313,130
Income from services not designated as commissioner requested services	11,708	7,928
Total	328,604	321,058

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

The Trust disposed of Equipment in 18/19 with a loss of £331 (Nil 17/18)

Note 6.1 Fees and charges - (Group and Trust)

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

Note 7.1 Operating expenses (Group)	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,819	2,491	3,839	2,491
Purchase of healthcare from non-NHS and non-DHSC bodies	1,311	1,477	1,217	1,477
Purchase of social care	-	-	-	-
Staff and executive directors costs	253,343	244,943	247,666	244,943
Remuneration of non-executive directors	158	163	158	163
Supplies and services - clinical (excluding drugs costs)	28,933	26,448	21,497	26,448
Supplies and services - general	2,555	2,618	1,372	2,618
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	36,736	35,132	36,723	35,132
Inventories written down	-	-	-	-
Consultancy costs	206	145	132	145
Establishment	3,623	4,292	3,251	4,292
Premises	20,343	16,751	41,746	16,751
Transport (including patient travel)	481	436	373	436
Depreciation on property, plant and equipment	7,861	10,157	7,835	10,157
Amortisation on intangible assets	1,000	427	1,000	427
Net impairments	26,510	18,655	26,510	18,655
Movement in credit loss allowance: contract receivables / contract assets	716	-	716	-
Movement in credit loss allowance: all other receivables and investments	-	(21)	-	(21)
Increase/(decrease) in other provisions	98	(565)	98	(565)
Change in provisions discount rate(s)	(25)	(1)	(25)	(1)
Audit fees payable to the external auditor				
audit services- statutory audit	65	55	55	55
other auditor remuneration (external auditor only)	12	12	12	12
Internal audit costs	137	139	137	139
Clinical negligence	16,130	17,042	16,130	17,042
Legal fees	779	126	774	126
Insurance	-	-	-	-
Research and development	16	8	14	8
Education and training	1,162	757	995	757
Rentals under operating leases	4,202	4,032	4,047	4,032
Early retirements	-	-	-	-
Redundancy	-	28	-	28
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	12,836	8,210	12,836	8,210
Charges to operating expenditure for off-SoFP PFI / LIFT schemes	-	-	-	-
Car parking & security	-	-	-	-
Hospitality	15	29	15	29
Losses, ex gratia & special payments	-	-	-	-
Grossing up consortium arrangements	-	-	-	-
Other services, eg external payroll	-	-	-	-
Other NHS charitable fund resources expended	-	-	-	-
Other	2,105	1,967	1,088	1,967
Total	425,126	395,953	430,212	395,953
Of which:				
Related to continuing operations	425,126	395,953	430,212	395,953
Related to discontinued operations	-	-	-	-

Note 7.2 Other auditor remuneration (Group)	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£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	12	12	12	12
3. Taxation compliance services	-	-	-	-
4. All taxation advisory services not falling within item 3 above	-	-	-	-
5. Internal audit services	-	-	-	-
6. All assurance services not falling within items 1 to 5	-	-	-	-
7. Corporate finance transaction services not falling within items 1 to 6 above	-	-	-	-
8. Other non-audit services not falling within items 2 to 7 above	-	-	-	-
Total	12	12	12	12

Note 7.3 Limitation on auditor's liability (Group)

There is no limitation on auditor's liability for external audit work carried out for the financial years 2018/19 or 2017/18.

Note 8 Impairment of assets (Group)

	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Net impairments charged to operating surplus / deficit resulting from:				
Loss or damage from normal operations	-	-	-	-
Over specification of assets	-	-	-	-
Abandonment of assets in course of construction	-	-	-	-
Unforeseen obsolescence	-	-	-	-
Loss as a result of catastrophe	-	-	-	-
Changes in market price	26,510	18,655	26,510	18,655
Impairments of charitable fund assets	-	-	-	-
Other	-	-	-	-
Total net impairments charged to operating surplus / deficit	26,510	18,655	26,510	18,655
Impairments charged to the revaluation reserve	36,491	7,658	36,491	7,658
Total net impairments	63,001	26,313	63,001	26,313

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

Note 9 Employee benefits (Group)	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	Total	Total	Total	Total
	£000	£000	£000	£000
Salaries and wages	198,285	189,114	193,577	189,114
Social security costs	18,288	17,515	17,938	17,515
Apprenticeship levy	946	915	938	915
Employer's contributions to NHS pensions	23,729	22,893	23,148	22,893
Pension cost - other	4	16	4	16
Other post employment benefits	-	-	-	-
Other employment benefits	-	-	-	-
Termination benefits	-	-	-	-
Temporary staff (including agency)	12,489	17,005	12,459	17,005
NHS charitable funds staff	-	-	-	-
Total gross staff costs	253,740	247,458	248,063	247,458
Recoveries in respect of seconded staff	-	-	-	-
Total staff costs	253,740	247,458	248,063	247,458
Of which				
Costs capitalised as part of assets	397	2,515	397	2,515

Note 9.1 Retirements due to ill-health (Group)

During 2018/19 there were 5 early retirements from the trust agreed on the grounds of ill-health (3 in the year ended 31 March 2018). The estimated additional pension liabilities of these ill-health retirements is £401k (£178k in 2017/18).

The cost of these ill-health retirements will be borne by the NHS Business Services Authority - Pensions Division.

Note 10 Pension costs

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2019, is based on valuation data as 31 March 2018, updated to 31 March 2019 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. The Department of Health and Social Care have recently laid Scheme Regulations confirming that the employer contribution rate will increase to 20.6% of pensionable pay from this date.

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

Note 10.1 Other Pension costs

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

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

Note 11 Operating leases (Group)

Note 11.1 Calderdale & Huddersfield NHS Foundation Trust as a lessor

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

The lease revenue is for property leased to other organisations

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Operating lease revenue				
Minimum lease receipts	434	53	277	53
Contingent rent	8	5	8	5
Other	-	-	-	-
Total	442	58	285	58
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Future minimum lease receipts due:				
- not later than one year;	350	48	81	48
- later than one year and not later than five years;	979	34	286	34
- later than five years.	1,382	10	133	10
Total	2,711	92	500	92

Note 11.2 Calderdale & Huddersfield NHS Foundation Trust as a lessee

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

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Operating lease expense				
Minimum lease payments	4,212	4,041	4,057	4,041
Contingent rents	-	-	-	-
Less sublease payments received	(10)	(9)	(10)	(9)
Total	4,202	4,032	4,047	4,032
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Future minimum lease payments due:				
- not later than one year;	2,959	3,268	2,870	3,268
- later than one year and not later than five years;	7,500	8,781	7,464	8,781
- later than five years.	15,049	18,182	15,041	18,182
Total	25,508	30,231	25,375	30,231
Future minimum sublease payments to be received	(40)	(44)	(40)	(44)

Of the operating lease expenditure £1.9m is for the leasing of buildings (£1.9m 17/18), £2.2m is for the leasing of plant and machinery (£2.1m 17/18).

Note 12 Finance income (Group)					
Finance income represents interest received on assets and investments in the period.					
Group					
Trust					
	2018/19		2017/18		2018/19
	£000		£000		£000
Interest on bank accounts	95		43		95
Interest income on finance leases	-		-		2,297
Interest on other investments / financial assets	-		-		-
NHS charitable fund investment income	-		-		-
Other finance income	-		-		-
Total finance income	95		43		2,392

Note 13.1 Finance expenditure (Group)					
Finance expenditure represents interest and other charges involved in the borrowing of money.					
	Group			Trust	
	2018/19		2017/18	2018/19	2017/18
	£000		£000	£000	£000
Interest expense:					
Loans from the Department of Health and Social Care	2,324		1,480	2,324	1,480
Other loans	-		-	-	-
Overdrafts	-		-	-	-
Finance leases	-		-	2,790	-
Interest on late payment of commercial debt	9		10	9	10
Main finance costs on PFI and LIFT schemes obligations	6,470		6,596	6,470	6,596
Contingent finance costs on PFI and LIFT scheme obligations	4,916		4,496	4,916	4,496
Total interest expense	13,719		12,582	16,509	12,582
Unwinding of discount on provisions	1		2	1	2
Other finance costs	-		-	-	-
Total finance costs	13,720		12,584	16,509	12,584

Note 13.2 The late payment of commercial debts (interest) Act 1998 / Public Contract Regulations 2015 (Group)					
	Group		Trust		
	2018/19	2017/18	2018/19	2017/18	
	£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	9	10	9	10	
Compensation paid to cover debt recovery costs under this legislation	-	-	-	-	-

Note 14 Discontinued operations (Group)

The Trust had no discontinued operations to disclose in 2018/19 or 2017/18.

Note 15.1 Intangible assets - 2018/19

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

Note 15.2 Intangible assets - 2017/18

Group	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	636	3,107	-	3,743
Prior period adjustments	-	-	-	-
Valuation / gross cost at 1 April 2017 - restated	636	3,107	-	3,743
Transfers by absorption	-	-	-	-
Additions	73	357	-	430
Impairments	-	(14,400)	-	(14,400)
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	19,941	-	19,941
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Valuation / gross cost at 31 March 2018	709	9,005	-	9,714
Amortisation at 1 April 2017 - as previously stated	632	1,245	-	1,877
Prior period adjustments	-	-	-	-
Amortisation at 1 April 2017 - restated	632	1,245	-	1,877
Transfers by absorption	-	-	-	-
Provided during the year	2	425	-	427
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Amortisation at 31 March 2018	634	1,670	-	2,304
Net book value at 31 March 2018	75	7,335	-	7,410
Net book value at 1 April 2017	4	1,862	-	1,866

Note 16.1 Intangible assets - 2018/19

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

Note 16.2 Intangible assets - 2017/18

Trust	Software licences	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	636	3,107	-	3,743
Prior period adjustments				-
Valuation / gross cost at 1 April 2017 - restated	636	3,107	-	3,743
Transfers by absorption	-	-	-	-
Additions	73	357	-	430
Impairments	-	(14,400)	-	(14,400)
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	19,941	-	19,941
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Valuation / gross cost at 31 March 2018	709	9,005	-	9,714
Amortisation at 1 April 2017 - as previously stated	632	1,245	-	1,877
Prior period adjustments	-	-	-	-
Amortisation at 1 April 2017 - restated	632	1,245	-	1,877
Transfers by absorption	-	-	-	-
Provided during the year	2	425	-	427
Impairments	-	-	-	-
Reversals of impairments	-	-	-	-
Revaluations	-	-	-	-
Reclassifications	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disposals / derecognition	-	-	-	-
Amortisation at 31 March 2018	634	1,670	-	2,304
Net book value at 31 March 2018	75	7,335	-	7,410
Net book value at 1 April 2017	4	1,862	-	1,866

Note 17.1 Property, plant and equipment - 2018/19

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

Note 17.2 Property, plant and equipment - 2017/18

Group	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	32,766	157,761	1,914	14,988	28,927	70	37,050	1,924	-	275,400
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2017 - restated	32,766	157,761	1,914	14,988	28,927	70	37,050	1,924	-	275,400
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Additions	-	5,451	-	5,392	2,976	-	1,368	-	-	15,187
Impairments	(775)	(14,534)	(177)	-	-	-	-	-	-	(15,486)
Reversals of impairments	-	5,990	-	-	-	-	-	-	-	5,990
Revaluations	-	4,654	78	-	-	-	-	-	-	4,732
Reclassifications	-	-	-	(19,941)	-	-	-	-	-	(19,941)
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-	-	-	-
Valuation/gross cost at 31 March 2018	31,991	159,322	1,815	439	31,903	70	38,418	1,924	-	265,882
Accumulated depreciation at 1 April 2017 - as previously stated	-	-	-	-	20,610	42	18,925	1,551	-	41,128
Prior period adjustments	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2017 - restated	-	-	-	-	20,610	42	18,925	1,551	-	41,128
Transfers by absorption	-	-	-	-	-	-	-	-	-	-
Provided during the year	-	5,102	35	-	1,492	6	3,471	51	-	10,157
Impairments	-	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-	-
Revaluations	-	(5,102)	(35)	-	-	-	-	-	-	(5,137)
Reclassifications	-	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 31 March 2018	-	-	-	-	22,102	48	22,396	1,602	-	46,148
Net book value at 31 March 2018	31,991	159,322	1,815	439	9,801	22	16,022	322	-	219,734
Net book value at 1 April 2017	32,766	157,761	1,914	14,988	8,317	28	18,125	373	-	234,272

Note 17.3 Property, plant and equipment financing - 2018/19

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

Note 17.4 Property, plant and equipment financing - 2017/18

Group	Land	Buildings excluding dwellings	Dwellings	Assets under	Plant & machinery	Transport equipment		Furniture & fittings	Charitable fund PPE assets	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018										
Owned - purchased	31,485	79,558	1,815	439	9,630	22	15,980	322	-	139,251
Finance leased	506	-	-	-	-	-	-	-	-	506
On-SoFP PFI contracts and other service concession arrangements	-	79,443	-	-	-	-	-	-	-	79,443
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-	-
Owned - donated	-	321	-	-	171	-	42	-	-	534
NBV total at 31 March 2018	31,991	159,322	1,815	439	9,801	22	16,022	322	-	219,734

Note 18.1 Property, plant and equipment - 2018/19

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

Note 18.2 Property, plant and equipment - 2017/18

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2017 - as previously stated	32,766	157,761	1,914	14,988	28,927	70	37,050	1,924	275,400
Prior period adjustments	-	-	-	-	-	-	-	-	-
Valuation / gross cost at 1 April 2017 - restated	32,766	157,761	1,914	14,988	28,927	70	37,050	1,924	275,400
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	5,451	-	5,392	2,976	-	1,368	-	15,187
Impairments	(775)	(14,534)	(177)	-	-	-	-	-	(15,486)
Reversals of impairments	-	5,990	-	-	-	-	-	-	5,990
Revaluations	-	4,654	78	-	-	-	-	-	4,732
Reclassifications	-	-	-	(19,941)	-	-	-	-	(19,941)
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-	-	-
Valuation/ gross cost at 31 March 2018	31,991	159,322	1,815	439	31,903	70	38,418	1,924	265,882
Accumulated depreciation at 1 April 2017 - as previously stated	-	-	-	-	20,610	42	18,925	1,551	41,128
Prior period adjustments	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 1 April 2017 - restated	-	-	-	-	20,610	42	18,925	1,551	41,128
Transfers by absorption	-	-	-	-	-	-	-	-	-
Provided during the year	-	5,102	35	-	1,492	6	3,471	51	10,157
Impairments	-	-	-	-	-	-	-	-	-
Reversals of impairments	-	-	-	-	-	-	-	-	-
Revaluations	-	(5,102)	(35)	-	-	-	-	-	(5,137)
Reclassifications	-	-	-	-	-	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-	-	-	-	-	-
Disposals / derecognition	-	-	-	-	-	-	-	-	-
Accumulated depreciation at 31 March 2018	-	-	-	-	22,102	48	22,396	1,602	46,148
Net book value at 31 March 2018	31,991	159,322	1,815	439	9,801	22	16,022	322	219,734
Net book value at 1 April 2017	32,766	157,761	1,914	14,988	8,317	28	18,125	373	234,272

Note 18.3 Property, plant and equipment financing - 2018/19

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

Note 18.4 Property, plant and equipment financing - 2017/18

Trust	Land	Buildings excluding dwellings	Dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Net book value at 31 March 2018									
Owned - purchased	31,485	79,558	1,815	439	9,630	22	15,980	322	139,251
Finance leased	506	-	-	-	-	-	-	-	506
On-SoFP PFI contracts and other service concession arrangements	-	79,443	-	-	-	-	-	-	79,443
Off-SoFP PFI residual interests	-	-	-	-	-	-	-	-	-
Owned - government granted	-	-	-	-	-	-	-	-	-
Owned - donated	-	321	-	-	171	-	42	-	534
NBV total at 31 March 2018	31,991	159,322	1,815	439	9,801	22	16,022	322	219,734

Note 19 Donations of property, plant and equipment

During 18/19 the Trust received cash from Calderdale & Huddersfield Charitable Funds of £31k (£75k 17/18), for items of equipment to be purchased which included: an additional Microscope, Bladder Scanners, a Lymphodema Bariatric Plinth and a Resuscitaire.

Note 20 Revaluations of property, plant and equipment**Valuation**

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

All assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (ie operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that

were most recently held for their service potential but are surplus with no plan to bring them back into use are measured at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

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

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

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

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

A full on-site valuation was carried out as at April 2018. A desktop revaluation was undertaken as at 31 March 2019. 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	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	3,757	2,889	3,757	2,889
Prior period adjustments		-		
Carrying value at 1 April - restated	3,757	2,889	3,757	2,889
Transfers by absorption	-	-	-	-
Acquisitions in year	-	-	-	-
Share of profit / (loss)	405	868	405	868
Net impairments	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Disbursements / dividends received	-	-	-	-
Disposals	-	-	-	-
Share of Other Comprehensive Income	-	-	-	-
Other equity movements	-	-	-	-
Carrying value at 31 March	4,162	3,757	4,162	3,757

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

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Carrying value at 1 April - brought forward	-	-	-	-
Prior period adjustments		-		-
Carrying value at 1 April - restated	-	-	-	-
Impact of implementing IFRS 9 on 1 April 2018	-			
Transfers by absorption	-	-	-	-
* Acquisitions in year	-	-	3,500	-
Movement in fair value through income and expenditure	-	-	-	-
Movement in fair value through OCI	-	-	-	-
Net impairments	-	-	-	-
Transfers to / from assets held for sale	-	-	-	-
Amortisation at the effective interest rate	-	-	-	-
Current portion of loans receivable transferred to current financial assets	-	-	-	-
Disposals	-	-	-	-
Carrying value at 31 March	-	-	3,500	-

Note 22.1 Other investments / financial assets (current)

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Loans receivable within 12 months transferred from non-current financial assets	-	-	-	-
Deposits with the National Loans Fund	-	-	-	-
* Other current financial assets	-	-	936	-
Total current investments / financial assets	-	-	936	

* Loan to Subsidiary company, term is 5 years at interest rate of 3.5%.

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 has 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 has 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	2018/19	2017/18
	£000	£000
Non current assets	14,243	13,879
Current assets	1,127	607
Total assets	15,370	14,486
Current liabilities	(194)	(223)
Non current liabilities	(6,600)	(6,600)
Total liabilities	(6,794)	(6,823)
Net Assets Attributable to members	8,576	7,663
Operating income	674	666
Operating expenses	(228)	(312)
Fair Value revaluation Gain	364	1,506
Surplus /(deficit) for the year	810	1,860

Note 24 Inventories

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Drugs	2,558	2,370	2,558	2,370
Work In progress	309	310	309	310
Consumables	3,748	4,156	2,613	4,156
Energy	-	-	-	-
Other	-	-	-	-
Charitable fund inventory	-	-	-	-
Total inventories	6,615	6,836	5,480	6,836
of which:				
Held at fair value less costs to sell	-	-		

Inventories recognised in expenses for the year were £65,678k (2017/18: £61,606k). Write-down of inventories recognised as expenses for the year were £0k (2017/18: £0k).

Note 25.1 Receivables

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Current				
Contract receivables*	15,093	-	18,941	-
Contract assets*	-	-	-	-
Trade receivables*	-	12,092	-	12,092
Capital receivables	79	79	79	79
Accrued income*	-	6,779	-	6,779
Allowance for impaired contract receivables / assets*	(1,304)	-	(1,304)	-
Allowance for other impaired receivables	-	(999)	-	(999)
Deposits and advances	-	-	-	-
Prepayments (non-PFI)	1,669	1,707	1,345	1,707
PFI prepayments - capital contributions	-	-	-	-
PFI lifecycle prepayments	-	-	-	-
Interest receivable	-	-	-	-
Finance lease receivables	-	-	3,263	-
PDC dividend receivable	-	131	-	131
VAT receivable	3,407	1,331	3,817	1,331
Corporation and other taxes receivable	-	-	-	-
Other receivables	-	1,932	-	1,932
NHS charitable funds: trade and other receivables	-	-	-	-
Total current receivables	18,945	23,052	26,141	23,052
Non-current				
Contract receivables*	2,098	-	2,098	-
Contract assets*	-	-	-	-
Trade receivables*	-	-	-	-
Capital receivables	1,516	1,595	1,516	1,595
Accrued income*	-	700	-	700
Allowance for impaired contract receivables / assets*	(630)	-	(630)	-
Allowance for other impaired receivables	-	-	-	-
Deposits and advances	-	-	-	-
Prepayments (non-PFI)	-	-	-	-
PFI prepayments - capital contributions	-	-	-	-
PFI lifecycle prepayments	-	-	-	-
Interest receivable	-	-	-	-
Finance lease receivables	-	-	65,860	-
VAT receivable	-	-	-	-
Corporation and other taxes receivable	-	-	-	-
Other receivables	-	1,230	-	1,230
NHS charitable funds: trade and other receivables	-	-	-	-
Total non-current receivables	2,984	3,525	68,844	3,525
Of which receivable from NHS and DHSC group bodies:				
Current	8,915	11,463	8,915	11,463
Non-current	-	-	-	-

*Following the application of IFRS 15 from 1 April 2018, the trust's entitlements to consideration for work performed under contracts with customers are shown separately as contract receivables and contract assets. This replaces the previous analysis into trade receivables and accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

Note 25.2 Allowances for credit losses - 2018/19

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

Note 25.3 Allowances for credit losses - 2017/18

IFRS 9 and IFRS 15 are adopted without restatement therefore this analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption. As a result it differs in format to the current period disclosure.

	Group		Trust	
	All receivables		All receivables	
	£000		£000	
Allowances as at 1 Apr 2017 - as previously stated	1,036		1,036	
Prior period adjustments	-		-	
Allowances as at 1 Apr 2017 - restated	1,036		1,036	
Transfers by absorption	-		-	
Increase in provision	-		-	
Amounts utilised	(16)		(16)	
Unused amounts reversed	(21)		(21)	
Allowances as at 31 Mar 2018	999		999	

Note 26 Other assets

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Current				
EU emissions trading scheme allowance	-	-	-	-
Other assets	-	-	-	-
Total other current assets	-	-	-	-
Non-current				
Net defined benefit pension scheme asset	-	-	-	-
Other assets	-	-	-	-
Total other non-current assets	-	-	-	-

Note 27 Non-current assets held for sale and assets in disposal groups

	Group		Trust	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
NBV of non-current assets held for sale and assets in disposal groups at 1 April	1,798	4,215	1,798	4,215
Prior period adjustment		-	-	-
NBV of non-current assets held for sale and assets in disposal groups at 1 April - restated	1,798	4,215	1,798	4,215
Transfers by absorption	-	-	-	-
Assets classified as available for sale in the year	-	-	-	-
Assets sold in year	-	-	-	-
Impairment of assets held for sale	-	(2,417)	-	(2,417)
Reversal of impairment of assets held for sale	-	-	-	-
Assets no longer classified as held for sale, for reasons other than disposal by sale	-	-	-	-
NBV of non-current assets held for sale and assets in disposal groups at 31 March	1,798	1,798	1,798	1,798

The assets classified as held for sale as at 31 March 2019, were two assets of land and buildings namely the St Luke's Hospital site (SLH) and The Poplars nursery building.

The Poplars sale had been agreed with the current occupants of the building and the sale is expected to complete during 19/20.

At the Board of Directors in January 2016 it was agreed to transfer the St Luke's Hospital (SLH) site to the Pennine Property Partnership (PPP) in line with the agreement in place on the establishment of the PPP on 24th March 2011. The transfer is expected to complete in 2019.

Note 27.1 Liabilities in disposal groups

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£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	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
At 1 April	2,000	1,941	2,000	1,941
Prior period adjustments	-	-	-	-
At 1 April (restated)	2,000	1,941	2,000	1,941
Transfers by absorption	-	-	-	-
Net change in year	36	59	(215)	59
At 31 March	2,036	2,000	1,785	2,000
Broken down into:				
Cash at commercial banks and in hand	56	42	56	42
Cash with the Government Banking Service	1,980	1,958	1,729	1,958
Deposits with the National Loan Fund	-	-	-	-
Other current investments	-	-	-	-
Total cash and cash equivalents as in SoFP	2,036	2,000	1,785	2,000
Bank overdrafts (GBS and commercial banks)	-	-	-	-
Drawdown in committed facility	-	-	-	-
Total cash and cash equivalents as in SoCF	2,036	2,000	1,785	2,000

Note 28.2 Third party assets held by the trust

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

	Group and Trust	
	31 March 2019	31 March 2018
	£000	£000
Bank balances	3	2
Monies on deposit	7	7
Total third party assets	10	9

Note 29.1 Trade and other payables

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Current				
Trade payables	11,013	15,155	9,024	15,155
Capital payables	3,000	4,777	3,000	4,777
Accruals	14,903	12,382	21,891	12,382
Receipts in advance and payments on account	-	-	-	-
Social security costs	-	-	-	-
VAT payables	30	-	-	-
Other taxes payable	5,061	4,736	4,919	4,736
PDC dividend payable	1	-	1	-
Accrued interest on loans*	-	492	-	492
Other payables	4,770	3,525	2,569	3,525
NHS charitable funds: trade and other payables	-	-	-	-
Total current trade and other payables	38,778	41,066	41,403	41,066
Non-current				
Trade payables	-	-	-	-
Capital payables	-	-	-	-
Accruals	-	-	-	-
Receipts in advance and payments on account	-	-	-	-
VAT payables	-	-	-	-
Other taxes payable	-	-	-	-
Other payables	43	100	43	100
NHS charitable funds: trade and other payables	-	-	-	-
Total non-current trade and other payables	43	100	43	100
Of which payables from NHS and DHSC group bodies:				
Current	3,664	5,273	3,508	5,273
Non-current	-	-	-	-

*Following adoption of IFRS 9 on 1 April 2018, loans are measured at amortised cost. Any accrued interest is now included in the carrying value of the loan within note 31. IFRS 9 is applied without restatement therefore comparatives have not been restated.

Note 29.2 Early retirements in NHS payables above

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

Group and Trust	31 March 2019	31 March 2019	31 March 2018	31 March 2018
	£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 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Current				
Deferred income: contract liabilities	2,040	1,296	1,992	1,296
Deferred grants	-	-	-	-
Deferred PFI credits / income	-	-	-	-
Lease incentives	-	-	-	-
Other deferred income	-	-	-	-
NHS charitable funds: other liabilities	-	-	-	-
Total other current liabilities	2,040	1,296	1,992	1,296
Non-current				
Deferred income: contract liabilities	1,063	1,204	1,063	1,204
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	1,063	1,204	1,063	1,204

Note 31 Borrowings

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Current				
Bank overdrafts	-	-	-	-
Drawdown in committed facility	-	-	-	-
Loans from DHSC	42,756	15,658	42,756	15,658
Other loans	-	-	-	-
Obligations under finance leases	8	-	3,871	-
PFI lifecycle replacement received in advance	-	-	-	-
Obligations under PFI, LIFT or other service concession contracts (excl. lifecycle)	1,697	1,608	1,697	1,608
NHS charitable funds: other current borrowings	-	-	-	-
Total current borrowings	44,461	17,266	48,324	17,266
Non-current				
Loans from DHSC	102,144	88,202	102,144	88,202
Other loans	-	-	-	-
Obligations under finance leases	50	-	69,582	-
PFI lifecycle replacement received in advance	-	-	-	-
Obligations under PFI, LIFT or other service concession contracts	72,701	74,399	72,701	74,399
NHS charitable funds: other current borrowings	-	-	-	-
Total non-current borrowings	174,895	162,601	244,426	162,601

Note 31.1 Reconciliation of liabilities arising from financing activities

Group	Loans from DHSC		Other loans		Finance leases		PFI and LIFT schemes		Total
	£000		£000		£000		£000		£000
Carrying value at 1 April 2018	103,860		-		-		76,007		179,867
Cash movements:									-
Financing cash flows - payments and receipts of principal	40,290		-		(1)		(1,609)		38,680
Financing cash flows - payments of interest	(2,067)		-		-		(6,470)		(8,537)
Non-cash movements:									-
Impact of implementing IFRS 9 on 1 April 2018	492		-		-		-		492
Transfers by absorption	-		-		-		-		-
Additions	-		-		59		-		59
Application of effective interest rate	2,324		-		-		6,470		8,794
Change in effective interest rate	-		-		-		-		-
Changes in fair value	-		-		-		-		-
Other changes	-		-		-		-		-
Carrying value at 31 March 2019	144,900		-		58		74,398		219,355
Trust	Loans from DHSC		Other loans		Finance leases		PFI and LIFT schemes		Total
	£000		£000		£000		£000		£000
Carrying value at 1 April 2018	103,860	-	-	-	-	-	76,007	-	179,867
Cash movements:	-	-	-	-	-	-	-	-	-
Financing cash flows - payments and receipts of principal	40,290	-	-	-	(2,132)	-	(1,609)	-	36,549
Financing cash flows - payments of interest	(2,067)	-	-	-	(2,790)	-	(6,470)	-	(11,327)
Non-cash movements:	-	-	-	-	-	-	-	-	-
Impact of implementing IFRS 9 on 1 April 2018	492	-	-	-	-	-	-	-	492
Transfers by absorption	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	75,585	-	-	-	75,585
Application of effective interest rate	2,324	-	-	-	2,790	-	6,470	-	11,584
Change in effective interest rate	-	-	-	-	-	-	-	-	-
Changes in fair value	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-	-	-
Carrying value at 31 March 2019	144,900	-	-	-	73,453	-	74,398	-	292,750

Note 32 Finance leases**Note 32.1 Calderdale & Huddersfield NHS Foundation Trust as a lessor**

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

This is for building leases between the Trust and the Subsidiary for hospital facilities.

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Gross lease receivables	-	-	99,506	-
of which those receivable:				
- not later than one year;	-	-	6,902	-
- later than one year and not later than five years;	-	-	34,511	-
- later than five years.	-	-	58,093	-
Unearned interest income	-	-	(30,382)	-
Allowance for uncollectable lease payments	-	-	-	-
Net lease receivables	-	-	69,123	-
of which those receivable:				
- not later than one year;	-	-	3,263	-
- later than one year and not later than five years;	-	-	19,222	-
- later than five years.	-	-	46,638	-
The unguaranteed residual value accruing to the lessor	-	-	-	-
Contingent rents recognised as income in the period	-	-	-	-

32.2 Note 32.2 Calderdale & Huddersfield NHS Foundation Trust as a lessee

Obligations under finance leases where the trust is the lessee.	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Gross lease liabilities	58	-	109,785	-
of which liabilities are due:				
- not later than one year;	8	-	8,443	-
- later than one year and not later than five years;	34	-	40,329	-
- later than five years.	16	-	61,014	-
Finance charges allocated to future periods	-	-	(36,332)	-
Net lease liabilities	58	-	73,453	-
of which payable:				
- not later than one year;	8	-	3,871	-
- later than one year and not later than five years;	34	-	22,019	-
- later than five years.	16	-	47,563	-
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 between Trust and the Subsidiary for hospital facilities.

Note 33 Provisions for liabilities and charges analysis (Group)

Group	Pensions: early departure costs	Pensions: injury benefits*	Legal claims	Re- structuring	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2018	934	1,237	146	160	725	3,202
Transfers by absorption	-	-	-	-	-	-
Change in the discount rate	(6)	(19)	-	-	-	(25)
Arising during the year	254	104	86	-	486	930
Utilised during the year	(250)	(102)	(49)	(70)	(56)	(527)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-
Reversed unused	(163)	(72)	(80)	(90)	(340)	(745)
Unwinding of discount	1	-	-	-	-	1
Movement in charitable fund provisions	-	-	-	-	-	-
At 31 March 2019	769	1,148	102	0	815	2,835
Expected timing of cash flows:						
- not later than one year;	219	102	102	-	791	1,213
- later than one year and not later than five years;	397	356	-	-	24	777
- later than five years.	154	691	0	0	0	845
Total	769	1,148	102	0	815	2,835

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within other provisions - £1.2m in 17/18.

Note 33.1 Provisions for liabilities and charges analysis (Trust)

Trust	Pensions: early departure costs	Pensions: injury benefits*	Legal claims	Re- structuring	Other	Total
	£000	£000	£000	£000	£000	£000
At 1 April 2018	934	1,237	146	160	725	3,202
Transfers by absorption	-	-	-	-	-	-
Change in the discount rate	(6)	(19)	-	-	-	(25)
Arising during the year	254	104	86	-	486	930
Utilised during the year	(250)	(102)	(49)	(70)	(56)	(527)
Reclassified to liabilities held in disposal groups	-	-	-	-	-	-
Reversed unused	(163)	(72)	(80)	(90)	(340)	(745)
Unwinding of discount	1	-	-	-	-	1
At 31 March 2019	769	1,148	102	0	815	2,835
Expected timing of cash flows:						
- not later than one year;	219	102	102	-	791	1,213
- later than one year and not later than five years;	397	356	-	-	24	777
- later than five years.	154	691	0	0	0	845
Total	769	1,148	102	0	815	2,835

* In 2018/19 the analysis of provisions has been revised to separately identify provisions for injury benefit liabilities. In previous periods, these provisions were included within other provisions - £1.2m in 17/18.

Note 33.2 Clinical negligence liabilities

At 31 March 2019, £181,724k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of Calderdale & Huddersfield NHS Foundation Trust (31 March 2018: £188,463k).

Note 34 Contingent assets and liabilities

There are no contingent assets as at 31st March 2019 (£0.5m as at 31st March 2018).

There were no contingent liabilities to disclose at 31 March 2019 or 31 March 2018.

Note 35 Contractual capital commitments

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Property, plant and equipment	612	2,229	612	2,229
Intangible assets	-	-	-	-
Total	612	2,229	612	2,229

Note 36 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 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
not later than 1 year	2,495	2,495	2,495	2,495
after 1 year and not later than 5 years	7,485	7,485	7,485	7,485
paid thereafter	4,832	7,328	4,832	7,328
Total	14,812	17,308	14,812	17,308

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 & Huddersfield NHS Foundation Trust as the contract signatory.

Calderdale & 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 37 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 37.1 Imputed finance lease obligations

The following are obligations in respect of the finance lease element of on-Statement of Financial Position PFI and LIFT schemes:

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Gross PFI, LIFT or other service concession liabilities	244,788	259,179	244,788	259,179
Of which liabilities are due				
- not later than one year;	13,176	13,065	13,176	13,065
- later than one year and not later than five years;	61,445	58,492	61,445	58,492
- later than five years.	170,167	187,622	170,167	187,622
Finance charges allocated to future periods	(170,390)	(183,172)	(170,390)	(183,172)
Net PFI, LIFT or other service concession arrangement obligation	74,398	76,007	74,398	76,007
- not later than one year;	1,697	1,608	1,697	1,608
- later than one year and not later than five years;	12,120	10,037	12,120	10,037
- later than five years.	60,581	64,362	60,581	64,362

Note 37.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future obligations under these on-SoFP schemes are as follows:				
	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	420,855	450,693	420,855	450,693
Of which liabilities are due:				
- not later than one year;	27,896	27,501	27,896	27,501
- later than one year and not later than five years;	117,274	115,615	117,274	115,615
- later than five years.	275,685	307,577	275,685	307,577

Note 37.3 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	
	2018/19	2017/18	2018/19	2017/18
	£000	£000	£000	£000
Unitary payment payable to service concession operator	27,412	22,315	27,412	22,315
Consisting of:				
- Interest charge	6,470	6,596	6,470	6,596
- Repayment of finance lease liability	1,609	1,483	1,609	1,483
- Service element and other charges to operating expenditure	12,137	7,534	12,137	7,534
- Capital lifecycle maintenance	1,581	1,530	1,581	1,530
- Revenue lifecycle maintenance	699	676	699	676
- Contingent rent	4,916	4,496	4,916	4,496
- 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	-	-	-	-
	27,412	22,315	27,412	22,315

Note 38.1 Financial risk management

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

Investment risk

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

Liquidity risk

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

To finance the Trust's deficit position the Trust required loan funding in 2018/19 as was the case in prior years. The drawdown of revenue borrowing totalled £43.1m in 2018/19 and was secured from Department of Health in the form of an Interim Revenue Support Facility at an interest rate ranging from 1.5% to 3.5% across the year.

In 2018/19 the Trust has financed its capital expenditure from internally generated funds generated through depreciation charges supplemented by Public Dividend Capital received.

The Trust's 2019/20 plan recognises that the Trust will require cash support from the Department of Health of £9.7m which will be drawn down on a monthly basis, 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 38.2 Carrying values of financial assets

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Group	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
Carrying values of financial assets as at 31 March 2019 under IFRS 9	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	15,243	-	-	15,243
Other investments / financial assets	-	-	-	-
Cash and cash equivalents	2,036	-	-	2,036
Consolidated NHS Charitable fund financial assets	-	-	-	-
Total at 31 March 2019	17,279	-	-	17,279

Group	Loans and receivables	Assets at fair value through the I&E	Held to maturity	Available-for-sale	Total book value
Carrying values of financial assets as at 31 March 2018 under IAS 39	£000	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	19,821	-	-	-	19,821
Other investments / financial assets	-	-	-	-	-
Cash and cash equivalents	2,000	-	-	-	2,000
Consolidated NHS Charitable fund financial assets	-	-	-	-	-
Total at 31 March 2018	21,821	-	-	-	21,821

Trust	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total book value
Carrying values of financial assets as at 31 March 2019 under IFRS 9	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	88,306	-	-	88,306
Other investments / financial assets	4,436	-	-	4,436
Cash and cash equivalents	1,785	-	-	1,785
Total at 31 March 2019	94,527	-	-	94,527

Trust	Loans and receivables	Assets at fair value through the I&E	Held to maturity	Available-for-sale	Total book value
Carrying values of financial assets as at 31 March 2018 under IAS 39	£000	£000	£000	£000	£000
Trade and other receivables excluding non financial assets	19,821	-	-	-	19,821
Other investments / financial assets	-	-	-	-	-
Cash and cash equivalents	2,000	-	-	-	2,000
Total at 31 March 2018	21,821	-	-	-	21,821

Note 38.3 Carrying values of financial liabilities

IFRS 9 Financial Instruments is applied retrospectively from 1 April 2018 without restatement of comparatives. As such, comparative disclosures have been prepared under IAS 39 and the measurement categories differ to those in the current year analyses.

Group	Held at fair value through I&E	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	144,900	-	144,900
Obligations under finance leases	58	-	58
Obligations under PFI, LIFT and other service concession contracts	74,398	-	74,398
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	33,711	-	33,711
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Consolidated NHS charitable fund financial liabilities	-	-	-
Total at 31 March 2019	253,067	-	253,067

Group	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	103,860	-	103,860
Obligations under finance leases	-	-	-
Obligations under PFI, LIFT and other service concession contracts	76,007	-	76,007
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	36,431	-	36,431
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Consolidated NHS charitable fund financial liabilities	-	-	-
Total at 31 March 2018	216,298	-	216,298

Trust	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2019 under IFRS 9			
Loans from the Department of Health and Social Care	144,900	-	144,900
Obligations under finance leases	73,453	-	73,453
Obligations under PFI, LIFT and other service concession contracts	74,398	-	74,398
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	36,526	-	36,526
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2019	329,277	-	329,277

Trust	Held at amortised cost	Held at fair value through I&E	Total book value
	£000	£000	£000
Carrying values of financial liabilities as at 31 March 2018 under IAS 39			
Loans from the Department of Health and Social Care	103,860	-	103,860
Obligations under finance leases	-	-	-
Obligations under PFI, LIFT and other service concession contracts	76,007	-	76,007
Other borrowings	-	-	-
Trade and other payables excluding non financial liabilities	36,431	-	36,431
Other financial liabilities	-	-	-
Provisions under contract	-	-	-
Total at 31 March 2018	216,298	-	216,298

Note 38.4 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 38.5 Maturity of financial liabilities

	Group		Trust	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
In one year or less	78,173	53,697	84,850	53,697
In more than one year but not more than two years	37,999	30,804	42,144	30,804
In more than two years but not more than five years	63,042	51,972	76,693	51,972
In more than five years	73,853	79,825	125,590	79,825
Total	253,067	216,298	329,277	216,298

Note 39 Losses and special payments

Group and Trust	2018/19		2017/18	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	-	-	-	-
Fruitless payments	-	-	-	-
Bad debts and claims abandoned	-	-	-	-
Stores losses and damage to property	3	65	2	73
Total losses	3	65	2	73
Special payments				
Compensation under court order or legally binding arbitration award	12	51	24	72
Extra-contractual payments	-	-	-	-
Ex-gratia payments	19	10	13	6
Special severance payments	-	-	-	-
Extra-statutory and extra-regulatory payments	-	-	-	-
Total special payments	31	61	37	78
Total losses and special payments	34	126	39	151
Compensation payments received		-		-

Note 40.1 Initial application of IFRS 9

IFRS 9 Financial Instruments as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to reserves on 1 April 2018.

IFRS 9 replaces IAS 39 and introduces a revised approach to classification and measurement of financial assets and financial liabilities, a new forward-looking 'expected loss' impairment model and a revised approach to hedge accounting.

Under IFRS 9, borrowings from the Department of Health and Social Care, which were previously held at historic cost, are measured on an amortised cost basis. Consequently, on 1 April 2018 borrowings increased by £492k, and trade payables correspondingly reduced.

Reassessment of allowances for credit losses under the expected loss model resulted in net decrease of £15k in the carrying value of receivables.

The GAM expands the definition of a contract in the context of financial instruments to include legislation and regulations, except where this gives rise to a tax. Implementation of this adaptation on 1 April 2018 has led to the classification of receivables relating to Injury Cost Recovery as a financial asset measured at amortised cost. The carrying value of these receivables at 1 April 2018 was £3,318k.

Note 40.2 Initial application of IFRS 15

IFRS 15 Revenue from Contracts with Customers as interpreted and adapted by the GAM has been applied by the Trust from 1 April 2018. The standard is applied retrospectively with the cumulative effect of initial application recognised as an adjustment to the income and expenditure reserve on 1 April 2018.

IFRS 15 introduces a new model for the recognition of revenue from contracts with customers replacing the previous standards IAS 11, IAS 18 and related Interpretations. The core principle of IFRS 15 is that an entity recognises revenue when it satisfies performance obligations through the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services.

As directed by the GAM, the Trust has applied the practical expedient offered in C7A of the standard removing the need to retrospectively restate any contract modifications that occurred before the date of implementation (1 April 2018).

The application of IFRS 15, as required by paragraph C8 of the standard has had minimal impact for the Trust.

Note 41 Related parties- Group and Trust

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	2018/19	2017/18
	£000	£000
Income - NHS Calderdale CCG	142,557	139,399
Income - NHS Greater Huddersfield CCG	126,688	124,146
Income - NHS North Kirklees CCG	8,198	7,368
Income - NHS Bradford Districts CCG	7,316	7,109
Income - NHS Wakefield CCG	3,737	3,673
Income - Leeds Teaching Hospitals NHS Trust	1,157	1,300
Income - South West Yorkshire Partnership NHS Foundation Trust	3,860	3,977
Income - Health Education England	11,189	9,331
Income- Yorkshire and the Humber Commissioning Hub	20,804	23,146
Income- Yorkshire and the Humber Local Office	5,792	5,314
Income - Other WGA	21,169	20,512
Income - Total with WGA organisations	352,467	345,275
Charitable Funds	558	311
Income - Total	353,025	345,586
Expenditure - Bradford Teaching Hospitals NHS Foundation Trust	1,022	911
Expenditure - Leeds Teaching Hospitals NHS Trust	3,737	2,433
Expenditure - NHS Pension Scheme	23,729	22,893
Expenditure - NHS Resolution	16,388	17,266
Expenditure - HMRC	19,264	18,430
Expenditure - Other WGA	3,650	9,063
Expenditure - Total with WGA organisations	67,790	70,996
Joint Ventures	1,308	1,403
Expenditure - Total	69,098	72,399
Related party balances - WGA organisations	2018/19	2017/18
	£000	£000
Receivables - NHS Calderdale CCG	2,446	2,095
Receivables - NHS Greater Huddersfield CCG	1,902	1,552
Receivables - NHS England	556	3,417
Receivables - HM Revenue & Customs - VAT	3,407	1,331
Receivables - Other WGA	4,489	4,348
Charitable Funds	209	133
Receivables - Total with WGA organisations	13,009	12,876
Payables - NHS Pension Scheme	3,307	3,117
Payables - HMRC	5,091	7,853
Payables - Other WGA	3,850	1,681
Payables - Total with WGA organisations	12,248	12,651

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.

O Williams ~ Chief Executive - is a Trustee of the NHS Confederation, Director of York Health Economics Consortium.

D Anderson ~ Non Exec Director - Left the Trust on 22.9.18

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

L Patterson ~ Non Executive Director - is a Director and sole owner of Dr Linda Patterson Ltd, is a Trustee of Health Quality Improvement Partnership.

P Oldfield ~ Non Executive Director - Director and Owner of Tanzuk Consulting.

G Boothby ~ Director of Finance - Is a Director of Pennine Property Partnership LLP

L Hill ~ Director of Calderdale & Huddersfield Solutions.

D Birkenhead ~ Medical Director - is a Trustee of Children's Forget Me Not Trust. Wife- GP Partner at Colne Valley Group Practice. Advice given to BMI Hospital

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

R Hopkin ~ Non Executive Director - Directorship of Capri Finance Ltd- own consultancy company. Non Exec Director, Derwent Housing Association Ltd - Derwent FM Ltd - Centro Place Investments Ltd. Finance Director part time Age UK Calderdale & Kirklees - Finance Consultant.

K Heaton ~ Non Executive Director - University of Manchester - Director of Human Resources. Confederation of British Industry Employment & Skills Board from 09/19.

A Nelson ~ Non Exec Director . Non Exec Director with Disclosure and Barring Service and the Law Society.

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

J Murphy ~ Chief Nurse- Not a Director of any other company.

B Brown ~ Chief Nurse / Deputy Chief Exec - Not a Director of any other company. Left the Trust.

In 18/19 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 18/19 £1,307,516 (17/18 of £1,403,661).

The expenditure between the Trust and NHS Confederation in 18/19 £6,245 (17/18 - £7,073).

The Foundation Trust had expenditure with Grange Group Practice Fartown in 18/19 £0 (17/18 of £20,150).

If you need this annual report in other formats please call 01484 347342



Huddersfield Royal Infirmary

Trust Headquarters
Acre Street
Lindley
Huddersfield
West Yorkshire
HD3 3EA

Main Switchboard: 01484 342000
www.cht.nhs.uk



Calderdale Royal Hospital

Salterhebble
Halifax
HX3 0PW

Main switchboard: 01422 357171
www.cht.nhs.uk