Calderdale and Huddersfield Solutions Ltd

Annual report and financial statements
for the year ended 31 March 2021

Registered number: 11258001

Calderdale and Huddersfield Solutions Ltd

Annual report and financial statements for the year ended 31 March 2021

Contents

Calderdale and Huddersfield Solutions Ltd

Directors and advisers

Directors

AJR Graham
S Sugarman
SD Baron
M Adderley

Secretary

J Taylor

Registered office

Huddersfield Royal Infirmary Trust Headquarters
Acre Street
Huddersfield
West Yorkshire
HD3 3EA

Independent auditors

KPMG LLP
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA

Calderdale and Huddersfield Solutions Ltd

Strategic report
for the year ended 31 March 2021

The directors present the strategic report for the period ended 31 March 2021.

Principal activities and business review

Calderdale and Huddersfield Solutions Ltd ("the Company") is a Company incorporated and domiciled in the UK. The Company's registered office is at the Huddersfield Royal InfIrmary Trust Headquarters, Acre Street, Huddersfield, West Yorkshire, HD3 3EA . The Company is wholly owned by Calderdale and Huddersfield NHS Foundation Trust ("the parent", " the Trust"). Details of the ultimate parent undertaking and controlling party are as disclosed in note 18.

The Company was incorporated on 15 March 2018 and commenced trading activities from 1 September 2018.

The principal activities of the Company are to provide and operate hospitals, health care establishments and health care facilities and the provision of related services. The Company aims to provide safe, efficient, sustainable and modern healthcare and working environments. On 1 September 2018 a number of employees from the Trust were transferred under TUPE regulations to the Company, these included estates, facilities and procurement staff. As part of an agreement to provide managed healthcare services, the Company operates a long term lease arrangement with the Trust for the use of specific hospital facilities at the Trust. Although legal title to the property remains with this Company, the lease agreement transfers substantially all the risks and rewards incidental to ownership of the hospital facilities to the Trust and therefore this asset has been recognised as a finance lease receivable in these financial statements.

The Company managed its responsibilities and effectively delivered the services that it intended to its customers during the period to 31 March 2021.

Key Performance Indicators

For the year ended 31 March 2021 the gross profit of £1.955m (2020: £3.138m) resulted from turnover of £76.556m (2020: £64.358m) and cost of sales of £74.601m (2020: £61.220m) during the period.

After charges and adjustments for financing, administration and a Corporation tax charge on ordinary activities of £0m (2020: £0.057m) the profit after tax reported for the period was £0.118m (2020: £0.468m).

As at 31 March 2021 the Company balance sheet had net assets of £0.721m (2020 £0.603m) an increase of £0.118m reflecting the company's financial strength.

Principal Risks and Uncertainties

The companies risk register and risk management strategy has been presented to the Joint Liaison Committee of the Trust which is a governance committee that provides assurance to the Trust Board.

It is important the Company risk management strategy dovetails with the risk management arrangements for the Trust as assurance is inextricably linked to Trust performance and compliance requirements.

The Company saw an overall growth in activity as a consequence of Covid-19 met by flexible workforce and increases in the supply of goods. The associated risks of this are offered protection through the flexibilty within the contract and the length of the contract with the Trust as parent. The contract allows for fluctuations in trade to be reflected within the contracted revenue.

Risks associated with Brexit have been identified, particularly around supply of goods, services and equipment. The Company has undertaken risk assessment of the impact and identified sourcing plans to mitigate these risks. This will continue to be a focus of the Company Board as Britain existed the European Union.

Calderdale and Huddersfield Solutions Ltd

Strategic report
for the year ended 31 March 2021

Streamlined Energy and Carbon Reporting (SECR)

From 1 April 2019 CHS Ltd. is required under the Streamlined Energy and Carbon Reporting (SECR) Government legislation to collect, measure and report energy and carbon information as a large UK company (as defined by the Companies Act 2006).

CHS Ltd. as a provider of healthcare facilitites to Calderdale and Huddersfield NHS FT and its other customers and as part of the nature of the business holds utilities contracts to deliver our serivces. The energy used and reported below have been utilised by both CHS Ltd. and our customers as CHS Ltd. does not have the ability to seperate out usage and consumption by CHS Ltd. seperately from its customer usage.

The greenhouse gas emissions for Calderdale & Huddersfield Solutions Ltd, reportable under SECR for the period 1st April 2020 to 31st March 2021 were 5,866 tonnes of carbon dioxide equivalent (tCO2e). This figure includes all material Scope 1 and 2 emissions, plus Scope 3 emissions for employees' own vehicles used for business, as required to be disclosed by the legislation, plus Scope 3 electricity transmission and distribution losses.

The corresponding total energy consumption for this reporting period was 28,571,908 kWh. In accordance with the legislation an intensity ratio has been calculated, this expresses the business' annual emissions in relation to a quantifiable factor or normaliser. The intensity ratio calculated for Calderdale & Huddersfield Solutions Ltd is 0.0701 tCO2e per m2 2019/20 of the Gross Internal Floor Area (GIFA). This ratio enables the

a) Energy Use

CHS Ltd. has consumed the following energy within the year ending 31 March 2021. All energy consumed was consumed in the UK to provide our services to our customers.

Emission Source	2020/21 Group Total	2020/21 HRI	2020/21 Other sites	2020/21 Share %
Fuel combustion: Natural gas	3,614	3,136	478	62%
Fuel combustion: Transport	126	63	63	2%
Purchased electricity	2,126	1,845	281	36%
Total emissions (tCO2e)	**5,866**	**5,044**	**822**	**100%**
GIFA (m2)	83,723	67,493	16,230	
Intensity: (tCO2e per m2)	0.070	0.075	0.051	

Emission Source	2020/21 Group Total	2020/21 HRI	2020/21 Other sites	2020/21 Share %
Scope 1: direct emissions arising from activities on site - combustion of fuels to heat buildings and the use of fuel in company owned vehicles	3,739	3,198	541	64%
Scope 2: indirect energy emissions - purchased electricity	1,958	1,699	259	33%
Scope 3: indirect emissions - Losses from electricity distribution and transmission, private vehicles used for business travel	169	147	22	3%
Total emissions (tCO2e)	**5,866**	**5,044**	**822**	**100%**

*** 2019/20 restated based on actual copnsumption**

Emission Source	*2019/20 Group Total	*2019/20 HRI	*2019/20 Other sites	*2019/20 Share %
Fuel combustion: Natural gas	3,978	3,485	493	61%
Fuel combustion: Transport	166	83	83	3%
Purchased electricity	2,371	1,936	435	36%
Total emissions (tCO2e)	**6,515**	**5,504**	**1,011**	**100%**
GIFA (m2)	84,563	67,493	17,070	
Intensity: (tCO2e per m2)	0.077	0.082	0.059	

*** 2019/20 restated based on actual copnsumption**

Emission Source	*2019/20 Group Total	*2019/20 HRI	*2019/20 Other sites	*2019/20 Share %
Scope 1: direct emissions arising from activities on site - combustion of fuels to heat buildings and the use of fuel in company owned vehicles	4,139	3,566	573	64%
Scope 2: indirect energy emissions - purchased electricity	2,186	1,785	401	34%
Scope 3: indirect emissions - Losses from electricity distribution and transmission, private vehicles used for business travel	190	153	37	3%
Total emissions (tCO2e)	**6,515**	**5,504**	**1,011**	**100%**

b) Steps to improve our energy efficiency

Calderdale and Huddersfield Solutions Ltd has submitted a Green Plan for the Trust which supersedes the existing SDMP and provides a strategy for carbon reduction and energy efficiency.

NHS Targets for Net Zero are being implemented by both Calderdale and Huddersfield Solutions Ltd and the Trust.

An initial carbon baseline for the Trust has been calculated, ranging from 2013-2018. Further analysis is being carried out to determine an earlier baseline, in line with public sector expectations.

Calderdale and Huddersfield Solutions Ltd is working alongside energy consultants to identify feasible energy efficiency solutions. Current proposals include low loss transformers,improved building insulation and fabric, PV and battery storage, alongside efficient cooling systems.

The LED replacement project across Huddersfield Royal Infirmary is continuing to progress with around 82% of fittings installed to date.

Emerging plans for Capital works include an aspiration for BREEAM rating, which ensures low carbon and passive designs.

Estate rationalisation strategy has reduced the carbon intensity associated with the Calderdale and Huddersfield Solutions Ltd assets list.

Emerging sustainable procurement policy will continue to prioritise low carbon materials and local sourcing.

The entity will continue to proactively seek to investigate ways in which the Company can diversify its business and look for new opportunities. These include explorations into providing the Trust and other NHS bodies with commercial solutions in the financially challenging health sector.

Calderdale and Huddersfield Solutions Ltd

Directors' report
for the year ended 31 March 2021

The directors present their report and the audited financial statements of the Company for the period ended 31 March 2021. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Results and Dividends

The profit for the financial year amounted to £0.118m (£0.468m 2020) and it is recommended that this amount is added to reserves. The directors do not recommend the payment of a dividend.

Directors

The directors who served during the year and up to the date of signing the financial statements are disclosed

Political and Charitable Donations

The Company did not make any political donations but did make a charitable donation of £0.5m during the

Employment of disabled persons

It is the Company's policy to give employment to disabled persons wherever practicable.

Statement relating to the Directors' responsibilities under Section 172 of the Companies Act

During the preparation of these financial statements the directors have had regard to the matters set out in sections 172 Companies Act 2006.
Under the Act the Directors of the Company have a duty to act in good faith in a way that is most likely to have regard to:

- promote the success of the Company for the benefit of its members as a whole;
- the likely consequences of decisions for the long term;
- the interests of the Company's employees;
- the need to foster relationships with other key stakeholders;
- the impact on the community and the environment;
- maintaining a reputation for high standards of business conduct; and
- the need to act fairly, as between members of the Company.

The Board meets regularly to set and align the Strategy Objectives of the Company. Any key strategic decisions are made at Board level with consideration to the best interests of Group stakeholders. Employees are informed of key decisions through the Senior Management teams for each service area via direct communications and through formal and informal meetings.

CHS places significant value on its staff who are fundamental to the company's ability to offer high levels of customer service. CHS recognises that its' staff are its greatest asset and that its business is its' people. There are four pillars of behaviour that underpin the vision of the Company and these are the values that all employees of CHS are expected to adopt.

- we put the patient first.
- we go see.
- we do the must do's.
- we work together to get results;

Embracing compassionate care leads to high quality service provision and CHS will support and encourage staff to 'do the right thing' abiding by the four pillars.

CHS is committed to ensuring their safety via employee handbooks, training and documented health and safety standards. This has been particularly important during the Covid-19 pandemic. The company has ensured the correct protective clothing, equipment and social distancing practices have been implemented in line with Government and Company policies.

CHS invests in formal and informal training to develop our staff at all levels. CHS is committed to employment policies which follow best practice and endorses the application of equal opportunities to provide fair and equitable conditions for all of our people. Gender pay Gap information is published on an annual basis

CHS' relationship with CHFT, stakeholders and suppliers are crucial to our success. There are monthly meetings with CHFT and stakeholders through a dedicated Service Performance meeting thus ensuring customer expectations are satisfied.

The company has developed long term relationships with suppliers to provide a high quality and sustainable supply chain. The Group meets its suppliers regularly to continually develop strength in the supply chain and our supplier's routes to market.

The Company recognises its impact on the community and environment and actively seeks ways to minimise its carbon footprint. This is achieved through engagement with energy management professionals, the acquisition of new vehicle fleet to meet emission requirements, implementation of route planning software to optimize transport routes and responsible procurement reducing the Group's food waste.

The Company has an established reputation with suppliers and customers and this is underpinned by high standards of business conduct. The Company operates anti-money laundering, anti-bribery and whistle-blowing policies to ensure it operates in an ethical and sustainable manner. The Company fully endorses the aims of the Modern Slavery Act 2015 and take a zero tolerance approach to slavery and human trafficking within the Group and supply chain.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk. The use of financial derivatives is governed by the Company's policies approved by the board of directors, which provide written principles on the use of financial derivatives to manage these risks. The Company does not use derivative financial instruments for speculative purposes.

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The Company's principal financial assets are bank balances and cash, finance lease receivables, trade and other receivables, and investments.

The Company's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows. No impairments have been recognised in the period and substantially all

The Company does not consider there to be a significant risk from concentration of credit risk, given the nature of the activities.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the Company uses a mixture of working capital and long-term debt finance.

Further details regarding liquidity risk and going concern can be found in the Statement of accounting policies

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Disclosure of information to auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and

- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the Board and signed on its behalf by:

AJR Graham
Chair/ Director

Registered office
Huddersfield Royal Infirmary Trust Headquarters
Acre Street
Huddersfield
West Yorkshire
HD3 3EA

23 November 2021

Statement of Directors' responsibilities in respect of the Strategic Report, the Directors' Report and the financial statements.

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 Reduced Disclosure Framework.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related t going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to ceas operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE DIRECTORS OF CALDERDALE AND HUDDERSFIELD SOLUTIONS LIMITED

Opinion

We have audited the financial statements of Calderdale and Huddersfield Solutions Limited ("the company") for the year ended 31 March 2021 which comprise the Balance Sheet, the Profit and Loss Account, the Statement of Other Comprehensive Income, the Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud including the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board meeting minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that turnover is recorded in the wrong period and the risk that management may be in a position to make inappropriate accounting entries.

We did not identify any additional fraud risks.
In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of the Company-wide fraud risk management controls

We also performed procedures including:
- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those unusual journals posted to the cash general ledger codes, and those posted to unusual accounts and Covid-19 expenditure journals posted in periods six and seven.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.
We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.
The potential effect of these laws and regulations on the financial statements varies considerably.
Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, recognising the financial nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Clare Partridge
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
1 Sovereign Square
Sovereign Street
Leeds
LS1 4DA
25 November 2021

Calderdale and Huddersfield Solutions Ltd

Profit and Loss Account and Other Comprehensive Income for the year ended 31 March 2021

	Note	Year ending 31 March 2021 £000	Year ending 31 March 2020 £000
Turnover	**3**	**76,556**	**64,358**
Cost of Sales		(74,574)	(61,220)
Gross Profit		**1,982**	**3,138**
Administrative expenses		(2,538)	(3,407)
Operating profit		**(556)**	**(269)**
Interest receivable and similar income	**4**	4,290	4,573
Interest payable and similar charges	**4**	(3,589)	(3,779)
Profit/(loss) on ordinary activities before taxation	**5**	**145**	**525**
Tax on profit/(loss) on ordinary activities	**9**	**(27)**	**(57)**
Profit on ordinary activities after taxation		**118**	**468**
Other comprehensive income for the year net of Income tax		0	0
Total comprehensive income for the year		**118**	**468**

All results are derived from continuing operations.

Calderdale and Huddersfield Solutions Ltd

Balance Sheet
for the year ended 31 March 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets		0	0
Tangible assets	**10**	2,365	513
		2,365	**513**
Current assets			
Stocks	**11**	2,027	1,677
Debtors: amounts falling due within one year	**12**	15,655	17,289
Debtors: amounts falling due after more than one y	**12**	60,938	65,388
Cash at bank and in hand		1,263	1,634
		79,883	**85,988**
Creditors : amounts falling due within one year	**14**	**(19,411)**	**(20,765)**
Net current assets		**60,472**	**65,223**
Total assets less current liabilities		**62,837**	**65,736**
Creditors: amounts falling due after more than one year	**14**	**(62,117)**	**(65,133)**
Provisions for other liabilities	**15**	0	0
Net assets		**721**	**603**
Capital and Reserves			
Called up share capital	**16**	0	0
Profit and loss account		721	603
Shareholders' funds		**721**	**603**

The notes on pages 15 to 36 are an integral part of these financial statements.

These financial statements were approved by the Board of Directors on 23 November 2021 and were signed on its behalf by:

AJR Graham
Chair/Director

Calderdale and Huddersfield Solutions Ltd

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

	Called up share capital £000	Profit and loss account £000	Total equity £000
Balance as at 31 March 2019	**0**	**134**	**134**
Total comprehensive income for the year			
Profit or loss	0	468	468
Transactions with owners recorded directly in equity - issue of shares	0	0	0
Total contributions by owners	0	0	0
Balance as at 31 March 2020	**0**	**603**	**603**
Total comprehensive income for the year			
Profit or loss	0	118	118
Transactions with owners recorded directly in equity - issue of shares	0	0	0
Total contributions by owners	0	0	0
Balance as at 31 March 2021	**0**	**721**	**721**

Calderdale and Huddersfield Solutions Ltd

Notes to the financial statements
for the year ended 31 March 2021

1. Summary of significant accounting policies

Calderdale and Huddersfield Solutions Ltd (the "Company") is a Company incorporated and domiciled in the UK. The Company reports a full year trading period from 1 April 2020 to 31 March

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The amendments to FRS 101 (2014/15 Cycle) issued in July 2015 and effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company has applied IFRS 1 whilst ensuring that its assets and liabilities are measured in compliance with FRS 101.

The Company's parent undertaking includes the Company in its consolidated financial statements. The consolidated financial statements of the parent are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the address given in note 18.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A Cash Flow Statement and related notes;

- Comparative period reconciliations for share capital and tangible fixed assets;

- Disclosures in respect of transactions with wholly owned subsidiaries;

- Disclosures in respect of capital management;

- The effects of new but not yet effective IFRS'; and

- Disclosures of transactions with a management entity that provides key management personnel services to the Company.

As the consolidated financial statements of the parent undertaking include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures:

Certain disclosures required by IFRS 13 Fair Value Measurement and the disclosures required by IFRS 7 Financial Instrument Disclosures

The Company proposes to continue to adopt the reduced disclosure framework of FRS 101 in its next financial statements.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Functional and presentational currency

These financial statements are presented in pound Sterling (£), which is the Group and the Company's functional and presentational currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

a) Measurement convention

The financial statements are prepared on the historical cost basis.

Change in accounting policy

The Company has adopted the following IFRSs in these financial statements:

- IFRS 16: Leases. [See note 6] This has been adopted using the modified retrospective metho and as a result the comparatives have not been restated and are reported under IAS 17.

With the eception of IFRS 16 The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

1 Summary of significant accounting policies (continued)

b) Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the company will have sufficient funds to meet its liabilities as they fall due for that period. In making this assessment the directors have considered the company's reliance on its immediate parent (Calderdale and Huddersfield NHS Foundation Trust) as its main customer and provider of financial support through long-term loans.

The company has seen changes to its trading conditions as a consequence of the Covid-19 pandemic as product availability has changed and Calderdale and Huddersfield NHS Foundation Trust has requested changes to service specifications. The company's long-term contracts with Calderdale and Huddersfield NHS Foundation Trust allow it to adapt to these requirements and recover additional costs where necessary.

The company's forecasts are dependent on Calderdale and Huddersfield NHS Foundation Trust not seeking repayment of the amounts currently due to the group, which at 31 March 2021 amounted to £2.55m. Calderdale and Huddersfield NHS Foundation Trust has indicated that it does not intend to seek repayment of the amounts due at the balance sheet date, for the period covered by the forecasts. As with any company placing reliance on other group entities 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.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis

c) Amounts receivable under a finance lease and other arrangements incorporating a lease or involving the legal form of a lease

Amounts receivable under the agreement with the Trust relating to the hospital facilities transferred are included in debtors and represent the total amount outstanding under the agreement. Finance lease and similar income is allocated to accounting periods so as to give a constant rate of return on the net cash investment in the lease.

The Company has applied IFRS 16 for Leases.

At the inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. IFRS 16.

As a lessee

The Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise,

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract applying IFRS 15.

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset.

The Company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other revenue'.

1 Summary of significant accounting policies (continued)

c) Turnover

Turnover on operational services represents the value of work performed in the period under the concession agreement, together with any additional services provided.

Turnover from the operated healthcare facility represents the balance of payments received, after accounting for the finance debtor interest and amortisation components (which together sum to a constant figure in each period, as in a lease). If necessary this figure is adjusted to ensure income recorded reflects the value of the economic benefits provided.

Turnover from other services is recognised as the service is performed.

d) Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable ·in respect of previous years.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

e) Life cycle costs

Provisions are made in respect of lifecycle maintenance costs to the extent that the Company is obligated to undertake maintenance in future periods.

f) Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

- They include contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

- Where the instrument will or may be settled in the Company's own equity instruments, it is either a non- derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability.

Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

g) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

1 Summary of significant accounting policies (continued)

h) Trade and other debtors

Trade and other debtors are recognised at fair value.

i) Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

j) Interest bearing borrowings

Immediately after issue, debt is stated at the fair value of the consideration received on the issue of the capital instrument after deduction of issue costs. Subsequent to initial recognition interest bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

k) Intangible fixed assets

Purchased software costs are stated at cost, net of accumulated depreciation and impairment losses. Costs associated with maintaining computer software are recognised as an expense as incurred.

Software costs recognised as assets are amortised over their estimated useful lives of five years.

l) Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets; other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Information technology 5 years

Equipment between 5 and 25 years

m) Cash at bank and in hand

Cash consists of a current account with a commercial bank.

n) Stocks

Stocks are stated at the lower of costs and estimated selling price less costs to complete and sell. Stocks are recognised as an expense in the period in which the related revenue is recognised. Cost is determined on the first in first out method. Cost includes the purchase price, including taxes and duties and transport and handling directly attributable to bringing the stock to its present location and condition.

o) Impairments excluding stocks and deferred tax assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the· asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of the impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

1 Summary of significant accounting policies (continued)

p) Impairments excluding stocks and deferred tax assets (continued)

Non financial assets

The carrying amounts of the Company's non-financial assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash - generating unit").

The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash generating units or ("CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed if and only if the reasons for the impairment have ceased to apply.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

q) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees.

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

r) Defined benefit plans

A number of employees are members of the NHS Pension Scheme which is an unfunded defined benefit scheme. The Company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by IAS 17 'Retirement benefits', accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

s) Segmental Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board. Reporting is provided in one segment being the provision of services. Given this and the nature of operations of the Company, segmental reporting has not been included in the financial statements.

2 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying

i) Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 10 for carrying amounts of equipment, fixtures and fittings and information technology and note 11 for the useful economic lives for each class of asset.

ii) Finance lease and amounts receivable under other arrangements containing a lease

It was judged that substantially all the risks and rewards incidental to ownership of the hospital facilities were retained by the Trust. If this were not the case the tangible fixed asset would not have been derecognised and replaced by a finance lease receivable in the Company's balance sheet.

3 Turnover

All turnover is within the United Kingdom and is derived from the Company's principal activity in the provision of services to its parent Trust and other customers.

4 Interest receivable and interest payable

	Period ended 2021 £000	Period ended 2020 £000
Interest receivable on finance lease and other similar arrangements	(4,290)	(4,573)
Interest payable lease and loan payable	3,589	3,779

5 Profit/(loss) on ordinary activities before taxation

The operating profit/(loss) is stated after charging :

	Period ended 2021 £000	Period ended 2020 £000
Depreciation of tangible assets - owned assets	**55**	**45**
Depreciation of tangible assets - right of use assets	**171**	
	226	**45**
Amortisation of Intangible assets	**0**	**0**
Services provided by the Company's auditor		
- Fees payable for the audit	**10**	**10**

6 Leases

Right-of-use assets

	Plant and Equipment £'000s	Buildings £'000s	Total £'000s
Balance and at 1 April 2020	223	0	**223**
Recalcuation of lease liability	(31)	0	**(31)**
Additions to right-of-use assets	1,889	1,868	**3,757**
Depreciation charge for the year	(171)	(55)	**(226)**
Balance at 31 March 2021	**1,910**	**1,813**	**3,723**

Right-of-use assets

	Plant and Equipment £'000s
Balance and at 1 April 2020	75
Additions to right-of-use assets	193
Depreciation charge for the year	(45)
Balance at 31 March 2021	**223**

Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss for which the Company is a leas

	£'000s
2021 - Leases under IFRS 16	
Interest expense on lease liabilities	26
Expenses relating to short-term leases	162
	188

	£'000s
2020 - Leases under IFRS 16	
Interest expense on lease liabilities	3
Expenses relating to short-term leases	117
	120

7 Staff costs

The average monthly number of employees (including executive directors) was:

	Year ended 31 March 2021 Number	Period ended 31 March 2020 Number
Estates and facilities management	309	299
Procurement	38	37
	347	**336**

	£000	£000
Their aggregate remuneration comprised:		
Wages and salaries	9,014	8,258
Social security costs	648	622
Other pension costs (see note 21 and note 22)	927	943
Agency / contract staff	147	5
	10,736	**9,828**

A recharge from Calderdale and Huddersfield NHS Foundation Trust in relation to staff assigned via rota to the Company for administration services was made which is not included in the above. The recharge in the year was £1.034m (2020: £1.019m)

8 Key management compensation, Directors remuneration and transactions

	Period ended 31 March 2021 £000	Period ended 31 March 2020 £000
Emoluments	192	154 *
Company contributions to pension schemes	7	11 *
	198	**165**

The remaining director who are also key management of the Company received no emoluments paid through the Company for the year ended 31 March 2021. The Directors paid via the SLA with the Trust totalled £49.3k during the period (2020: £45.5k).

The aggregate of remuneration of the highest paid director £132,814 (2020: £58,860) and Company pension contributions of £1,313 (2020: £658) were made on behalf of the director.

All of the directors are key management of the Company.

* 2019/20 restated to include Directors paid via the SLA arrangement

Notes to the financial statements (continued)
period ended 31 March 2021

9 Tax on profit/(loss) on ordinary activities	Period ended 31 March 2021 £000	Period ended 31 March 2020 £000
UK Corporation tax		
Current tax charge for the year	0	57
Adjustment in respect of previous periods	(17)	0
Total current tax	**(17)**	**57**
Deferred tax		
Origination and reversal of temporary differences	(10)	15
Total deferred tax	**(10)**	**15**
Tax on profit/(loss) on ordinary activities	**(27)**	**72**

Reconciliation of effective tax rate	**£000**	**£000**

The charge for the year can be reconciled to the profit per the statement of income and retained earnings as follows:

Profit/(loss) on ordinary activities before taxation	**118**	**525**
Tax on profit/(loss) at standard UK tax rate of 19%	**27**	**110**
Effects of:		
Adjustments from prior periods	(17)	(21)
Tax rate changes		(2)
Finance lease capital element	(37)	(45)
Tax charge for the period	**(27)**	**42**

Following the 2021 Budget, on 3 March 2021, the Chancellor announced that with effect from 1 April 2023 the main rate of CT will increase by 6% from 19% to 25%. Under IFRS, it is the rate(s) substantively encated at the balance sheet date that determine the rate upon which deferred tax should be calculated. On the basis that the legislation encating the 25% CT rate was not substantively enacted as at the balance sheet date; the closing deferred tax balances have continued to be recognised at 19%.

Calderdale and Huddersfield Solutions Ltd

Notes to the financial statements (continued)
for the year ended 31 March 2021

10 Tangible fixed assets

	Land	Buildings excluding dwellings	Assets under construction	Equipment	Fixtures and Fittings	Transport	Information Technology	Right of use asset	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 1 April 2020	0	0	0	286	0	32	43	268	**361**
Additions	0	0	0	219	0	0	0	1,889	**219**
Impairment								-31	**0**
Disposals	0	0	0	0	0	0	0	0	**0**
At 31 March 2021	**0**	**0**	**0**	**505**	**0**	**32**	**43**	**2,126**	**580**
Accumulated Depreciation at 1 April 2020	0	0	0	47	0	6	18	45	**71**
Charge for the period	0	0	0	35	0	8	12	171	**55**
At 31 March 2021	**0**	**0**	**0**	**82**	**0**	**14**	**30**	**216**	**126**
Net Book Amount									
At 1 April 2020	0	0	0	239	0	26	25	223	**290**
At 31 March 2021	**0**	**0**	**0**	**423**	**0**	**18**	**13**	**1,910**	**454**

The Company entered into an arrangement with the Trust under which the Company operates and maintains specific hospital facilities on behalf of the Trust. The Trust uses the assets to provide healthcare services.

The agreement transfers substantially all the risks and rewards incidental to ownership of the hospital facilities to the Trust. Accordingly the asset has been derecognised in these financial statements and replaced by a finance lease receivable.

Finance lease receivable balances are secured over the property and equipment assets. The Company is not permitted to sell or re-pledge the collateral in the absence of default by the lessee.

Depreciation is charged in administrative expenses (refer page 7).

11 Stocks

	2021 £000	2020 £000
Finished goods and good for resale	**2,027**	**1,677**

Stocks expended in the period are £19,423,000

There have been no impairments in the period.

12 Debtors

	Due within one year 31 March 2021 £000	Due after more than one year 31 March 2021 £000	Total 31 March 2021 £000	Due within one year 31 March 2020 £000	Due after more than one year 31 March 2020 £000	Total 31 March 2020 £000
Amounts owed by group undertakings - finance lease	4,450	60,938	**65,388**	4,145	65,388	**69,533**
Amounts owed by gro	8,728	0	**8,728**	11,414	0	**11,414**
Other debtors	1,063	0	**1,063**	438	0	**438**
Prepayments and accrued income	1,414	0	**1,414**	1,292	0	**1,292**
	15,655	**60,938**	**76,593**	**17,289**	**65,388**	**82,677**

Further details of finance leases receivables are included in note 14. All of the amounts due under finance leases and similar arrangements are due from the parent.

13 Finance leases and other similar arrangements

	2021 £000	2020 £000
Amounts receivable under finance leases and other similar		
Within one year	8,435	8,435
In the second to fifth years inclusive	30,671	31,860
After five years	53,750	60,998
	92,855	**101,293**
Less : unearned finance income	(27,470)	(31,760)
	65,386	**69,533**

	2021 £000	2020 £000
Amounts receivable under finance leases and other similar arrangements		
Within one year	4,449	4,145
In the second to fifth years inclusive	17,843	17,840
After five years	43,094	47,548
	65,386	**69,533**
Analysed as :		
Non- current	60,937	65,388
Current	4,449	4,145
	65,386	**69,533**

The finance leases relate to specific hospital facilities on site at Acre Street Huddersfield and the provision of equipment. The Company entered into an arrangement with the Trust under which the Company operates and maintains the hospital facilities and equipment on behalf of the Trust. The Trust uses the assets to provide healthcare provision.

The interest rate inherent in the lease for the premises is fixed at the contract date for all of the lease term. The average effective interest rate contracted approximates to 5.1 percent per annum.

The interest rate inherent in the lease for the equipment is fixed at the contract date for all of the lease term. The average effective interest rate contracted approximates to 8.9 percent per annum.

The agreement transfers substantially all the risks and rewards incidental to ownership of the hospital facilities to the Trust.

Head lease (from the Trust to CHS) and the sub lease (from CHS to the Trust) and agreed that it was appropriate for CHS to initially recognise the “right of use asset” and related liability (as part of the head lease accounting treatment), and then to derecognise the “right of use asset” and replace it with a long term debtor (as part of the sub lease accounting treatment).

14 Creditors : amounts falling due within one year

	2021 £000	2020 £000
Amounts owed to group undertakings	(3,842)	(5,154)
Group loans - **Note 1**	(998)	(967)
Lease Commitments	(3,797)	(3,494)
Trade creditors	(10,596)	(10,858)
Corporation tax payable	(27)	(57)
Social security costs	(151)	(146)
Other creditors	0	0
VAT payable	0	(89)
Accruals and Deferred income	0	0
	(19,411)	**(20,765)**

Amounts owed to group undertakings are unsecured, do not accrue interest, have no fixed date of repayment and are repayable on demand.

Creditors : amounts falling due after more than one

	2021 £000	2020 £000
Lease Commitments	(60,565)	(62,590)
Group loans - **Note 1**	(1,552)	(2,543)
	(62,117)	**(65,133)**

Note 1- The Group loan is with the parent Calderdale and Huddersfield NHS Foundation Trust. The loan bears interest at a rate of 3.5 percent, is repayable in monthly instalments over 5 years commencing 1/09/2018

15 Provisions for other liabilities

Movement in deferred tax liability/(asset)	2021 £000	2020 £000
At beginning of year	0	15
Charge/(credit) to the statement of income and retained e	0	13
Adjustment in respect of prior years	0	(28)
At end of year	**0**	**0**
The deferred tax liabilities consists of:		
Accelerated capital allowances	0	14
Short term timing difference	0	(14)
	0	**0**

16 Called up share capital

	2021	2020
Allotted, called up and fully paid		
1 ordinary shares at £1 each	**1**	**1**

17 Lease commitments

	2021	2020
	£000	£000
At the year end the Company had the following future minimum lease payments under a non cancellable operating lease for each of the following periods. The lease is associated with the HRI site and is for 15 years to 31 August 2034 and operating lease for equipment of varying lengh.		
Within one year	(3,797)	(3,494)
Two to five years Inclusive	(17,376)	(15,950)
More than five years	(43,189)	(46,641)
Total	**(64,362)**	**(66,085)**

The company has a head lease for the HRI site with Calderdale and Huddersfield NHS FT there there is then there is a sub lease back to Caldedale and Huddersfield NHS FT, the comapny initially recognise the “right of use asset” and related liability (as part of the head lease accounting treatment), and then to derecognise the “right of use asset” and replace it with a long term debtor (as part of the sub lease accounting treatment) See note 13 .

18 Ultimate Parent Undertaking and Controlling Party

The ultimate parent and controlling parent of the Company is Calderdale and Huddersfield NHS Foundation Trust, which is part of a public benefit group and under the ultimate control of the Department of Health. The financial statements of the Company will be consolidated into those of the ultimate parent Calderdale and Huddersfield NHS Foundation Trust. The consolidated statements of Calderdale and Huddersfield NHS Foundation Trust are available from Acre Street Huddersfield, HD3 3EA or www.cht.nhs.uk.

19 Related Party Transactions

In accordance with the exemptions in FRS 101 the Company is not required to disclose related party transactions with key management personnel or between members of the Group. The Company has not completed any related party transactions with any other entities or parties.

20 Subsequent events

There were no such events.

21 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 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

22 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.