

Charity Registration No. 700336

Company Registration No. 02213003 (England and Wales)

**TARPORLEY WAR MEMORIAL HOSPITAL TRUST**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2021**



# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	R Wright (Chairperson) C Lees-Jones (Vice Chairperson) A Chittenden (Appointed 3 August 2020) C Stein (Appointed 3 August 2020) J Iles C Josephs (Appointed 12 October 2020)
<b>Secretary</b>	J Iles
<b>Charity number</b>	700336
<b>Company number</b>	02213003
<b>Registered office</b>	Park Road Tarporely Cheshire CW6 0AP
<b>Auditor</b>	McLintocks (NW) Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9PX
<b>Bankers</b>	National Westminster Bank 36 High Street Nantwich CW5 5GA
<b>Solicitors</b>	Joliffe & Co LLP 6 St John Street Chester CH1 1DA
<b>Investment advisors</b>	James Brearley & Sons Limited Walpole House Unit 2 Burton Road Blackpool FY4 4NW
<b>Management</b>	Managing Director - R Cowley Business Manager - S Mills Honorary Medical Officer - Dr P A Capbell Hospital Sisters - K McQue & G Carr

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# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

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# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

### FOR THE YEAR ENDED 31 MARCH 2021

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The Trustees present their annual report and financial statements for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### Objectives and activities

##### Organisational Changes

During 2020/21 we said farewell to Ms Julie Daley, our Volunteer Co-ordinator and Ms Paula Peacock, our Hospital Matron.

Mrs Jane Windsor, Mr Graham Gigg, stepped down from their positions as Trustees. Both brought a wealth of knowledge and expertise to the Hospital.

We welcomed Mrs Caroline Stein, Mr Andrew Chittenden, Mrs Suzanne Hinchliffe and Mr Colin Josephs as Trustees.

##### Vision, Mission and Values

Tarporley War Memorial Hospital continues to deliver our Vision, Mission and Values so as to promote the Hospital as a preferred place of care within the local community and surrounding villages.

##### OUR VISION

To be at the Heart of our Community, caring for all.

##### OUR MISSION

To deliver the highest quality, patient-centred care to all our patients.

##### OUR VALUES

Health and wellbeing

Enthusiasm

Accountability

Responsiveness

Trust

From this work came our **Strategic Objectives, which we continue to plan the following:**

- a) To be an outstanding provider**
- b) To deliver high quality care**
- c) To engage with stakeholders**
- d) To become sustainable**

Tarporley War Memorial Hospital is dedicated to the wellbeing of the community of Tarporley and the surrounding villages of West Cheshire. We understand that each patient and their loved ones are all unique individuals and therefore our journey with them is all the more special. Above all we are about being the HEART of the Community, caring for all.

We have a duty to report on our charity's public benefit under section four of the Charities Act 2011. We are confident that we meet those public benefit requirements having taken Charity Commission guidance into consideration. We believe we meet the public benefit requirements through the activities we undertake.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### **a) To be an outstanding provider** – to be recognised as an outstanding provider of healthcare.

The team has worked tirelessly to ensure compliance against the Government and Public Health England guidance for Infection Prevention and Control during the pandemic. Throughout 2020/21 engagement meetings with our commissioners continued, albeit virtually, to provide assurance that TWMH met our regulatory requirements. Where we felt unable to meet these stringent requirements, we ceased to provide services, to protect both patients and staff from COVID transmission and from a reduction in the quality of care that arose due to a lack of staff.

### **b) To deliver high quality care** – to deliver safe and effective patient-centred care

The Clinical Quality Assurance Committee has worked with the senior nursing team to acquire the relevant assurances that care is delivered in line with evidence based best practice. We are proud of what our team has delivered during 2020/21. It was necessary during the pandemic to reduce and to cease some services due to our reduced staffing levels.

#### **What we achieved in 2020/21**

- No Never events
- 40% reduction in medication incidents
- Introduction of Friends and Family Survey
- 128 compliments
- Introduction of an electronic incident reporting system

### **c) To engage with stakeholders** – to fully engage and involve our patients, partners and public in the development of our services

As part of our commitment to engage with our stakeholders throughout 2020-21 we have had a full programme of engagement meetings to enhance the offer from and to Tarporley War Memorial Hospital. We have worked to ensure financial sustainability and to continue to fulfill the Local Delivery Plan. The current Clinical Commissioning Group (CCG) and NHS Long Term Plan set out a clear ambition to move care closer to home and reduce avoidable acute hospital activity through a greater focus on community based services and primary care. This 'Home First Care' roadmap forms an important part of the Trustees' planning for the future shape and structure of care services provided from the Hospital.

### **d) To become sustainable** – to have a stable financial platform on which to deliver enhanced services in the future

Whilst operating costs have continued to rise in recent years, the Hospital's funding streams have remained relatively fixed. This has increased our reliance on fundraising activities, and in particular the generosity of benefactors whose donations go some way towards offsetting the substantial deficit. The Hospital continues to engage with key stakeholders to develop its offering, which will provide local patients with the quality care and services they need, whilst also supporting the NHS in achieving its long term strategic goal of maximising local and convenient care within community settings. Adapting the strategy in order to attract new funding streams in this way is absolutely key to the future, in reducing the Hospital's annual deficit and helping to secure its financial sustainability. In parallel, we are continuing to explore ways to streamline our operations and reduce our expenditure in the next phase of our 5-year cost improvement programme.

#### **Other Charitable Activities**

By adhering to Government guidance following the Covid-19 outbreak, many of TWMH's other charitable activities were temporarily paused. These included Day Care Services and TWMH Poppy Café.

TWMH Minor Injuries services was paused for a period of time to support the provision of essential governance requirements. Working in collaboration with the Rural Alliance and the Care Quality Commission, the service was relaunched later in the year and a total of 39 patients received treatment. The review identified that the Hospital must not treat children under the age of 16 presenting with a minor injury.

We continue to strive to improve patient care at our wound assessment clinics, we know that this is a vital service for our local community and often receive very positive feedback from those who attend this service, 1040 sessions were provided during 2020/21.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **Other Charitable Activities (continued)**

Tarporley War Memorial Hospital continued to work closely with Cheshire and Wirral Partnership NHS Foundation Trust to provide a satellite base for their extended hours service.

Several GPs continued to use the hospital's theatre for performing minor operations. Physiotherapy services, provided by Cheshire and Wirral Partnership NHS Foundation Trust remain very popular.

Patients and people we have supported have been extremely positive in their feedback. We have received only a small number of complaints. Each one is investigated according to a complaints management policy and the learning used to inform improvements to our services, our approach and our culture.

This has been a very difficult year for the Hospital. Our volunteers, who are an integral part of the Hospital, were asked to avoid the Hospital during this unprecedented year and all the clinical and administration staff have missed their valued support immensely.

Our team of volunteers play a vital role in TWMH. We currently have 66 volunteers registered to support the hospital in four areas; 24 support our clinical team (hospitality), 19 volunteers carry out reception duties, 18 support Day Care and 3 volunteers give their time to support our fundraising events.

Normal fundraising activities were impacted during the pandemic as lockdowns and shielding severely reduced face-to-face contact and fundraising events.

### **Quality statement**

The Clinical Quality Assurance Group (CQAG) met 4 times during 2020/21 and is attended by trustees and clinical staff from within the Hospital.

Throughout the year the group continued to review and discuss clinical quality and gained assurance that patients under the care of TWMH benefitted from safe practice as well as achieving the best possible outcomes and experience.

2020/21 was an unprecedented year following the SARs-CoV-2 Virus (Covid 19) pandemic and subsequent lockdowns. Like many other health care settings, TWMH instigated infection control measures in line with Government and Department of Health guidance to safeguard patients, staff, and volunteers. Several staff members and all volunteers were requested to stay at home and be shielded from social contact during various waves of the pandemic.

As part of TWMH business continuity response, we implemented a plan based on the effective and rapid containment of the virus in preparation for any outbreak within the hospital. In January 2021 TWMH declared a Covid 19 outbreak which affected 19 members of staff and 4 patients. In-patients at this time were transferred to other health care facilities to ensure their health and social care needs were met.

In order to address the issues identified following the outbreak, the Management Team and Trustees worked in partnership with Public Health England, Clinical Commissioning Group, Care Quality Commission and formulated a robust action plan, progress was reported through the Clinical Quality Assurance Group ('CQAG') to its completion.

The Clinical Quality Assurance Group reviewed the Integrated Performance Report and Board Assurance Framework (BAF) strategic risks relating to clinical quality and workforce, gaining assurance that mitigating actions were in place. The committee continued to review clinical policies and standard operating procedures to ensure they were up to date and reflected best clinical practice.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### Quality statement (continued)

During 2020/21, CQAG gained assurance on the quality of care from the following metrics:-

- No patient developed a urinary tract infection associated with the use of a catheter
- No never events were reported
- Full implementation of the National Early Warning Score (NEWS 2)

A number of clinical audits and reported incidents were reviewed providing the committee with the assurance that appropriate action had been taken and the lessons learned were embedded in clinical practice. There were 258 incidents reported, of which 97 related to patient safety. The main three categories were falls, patients admitted with pressure ulcers, and medication incidents. CQAG was assured that the reporting of incidents reflects the culture of openness around incidents and near misses.

### Achievements and performance

The Hospital met its charitable objectives for the year ending 31st March 2021. This was again achieved within the climate of intense pressure on NHS budgets and demand for services both in the NHS and the health care sector in general.

Throughout the year, the Hospital was faced with the unprecedented challenges of the Coronavirus. The pandemic had a significant impact on the 2020-21 financial performance as income streams, competition for staff, operational capacity and fundraising were all impacted hugely by the national and world crisis.

Once again the Hospital benefited from the community's generous benefactors from fundraising, donations, and legacies, but unsurprisingly this was insufficient to prevent the Hospital making a significant deficit in the financial year.

### Financial review

The Hospital produced a net deficit for the year ending 31st March 2021 of £238,051, compared with a 2020 deficit of £612,489.

### Income

The Trust received a contribution of £467,380 (2020: £313,000) from the Clinical Commissioning Group (CCG) towards its charitable activities. There has been an increase in the grant during the year, which has reduced the deficit this year but there remains pressure on resources and reserves, and the Hospital's ability to cover cost of the services it provides.

Funding income is reliant on the generosity of benefactors who have made substantial donations and legacies over many years. In the last year we have received donations of £189,416 (2020: £344,202). Legacies (£42,724) substantially increased on last year (£20,645).

Fundraising reduced this year to £19,739 (2020: £150,460). However last year was our centenary year and fundraising centred around this.

### Expenditure

Costs decreased by 17% to £1,322,324 (2020: £1,589,835). Staff costs are the main item of Hospital spend which amounts to £839,751 (2020: £1,001,313). A key component in staff costs is Agency Nursing staff £74k (2020: £213k). This covers staff vacancies, as a result of the shortage of nursing staff in the market, and long-term sick cover. A key cost reduction initiative is to reduce reliance on Agency staff by recruiting permanent nursing staff, this has proved successful in reducing these costs.

The loss for the year was exacerbated by the release of an exceptional prepayment (£40,968) as a write off, relating to an expansion project on account of the project.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### RESERVES AND INVESTMENTS

#### Reserves policy

The Hospital has in recent years typically relied on its reserves to bridge the gap between annual operating costs and income received, and also as an important source of additional income. However, the onset of the Covid-19 pandemic had a significant impact on the Hospital's overall financial position and this placed increased pressure on its capacity to break even, and therefore on its reserves.

In light of these challenges, the Board reviewed its reserves policy and considered the ongoing risk to individual income streams; the minimum cash and reserve levels required by the Hospital to cover unexpected variations were increased accordingly to reflect the degree of risk. The review of these risks led to a change in thinking.

As a result, in September 2020, the Board began to consider whether an even more effective operating model would be to become a provider of space for the purposes of healthcare, making the Hospital's estate available to a larger provider of NHS services. In all probability, such a provider was likely to be a statutory part of the NHS and therefore protected even more firmly than a small charity against income and expenditure variation associated with the pandemic.

#### Investment performance

The impact of Coronavirus on the Stock Market and the valuation of our investments at the end of March affected investment performance, with a net gain of £129,299 compared to a loss of £144,533 in 2020.

#### Risk management

The trustees have assessed the major risks to which the Hospital is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees assessed that the likelihood of the Hospital being able to continue to provide similar services in the future to those provided in the recent past was becoming adversely affected by the pandemic due to:

- A need to close services temporarily or permanently when quality risks became insurmountable
- The competition for staff
- The continued and widening imbalance between income and expenditure

The Trustees recognised that the pandemic resulted in impacts upon operational and financial performance which the Trustees could not fully mitigate. This led to the Trustees beginning in the autumn of 2020 to explore with stakeholders the appetite for a different operating model. In that model, the Charity would remain involved in the provision of healthcare services for West Cheshire villages and the community, albeit by providing space for a larger NHS provider organisation to be based.

In this way, the Trustees began to seek commitment from Commissioners of ongoing support for a change in business model and to ascertain the appetite amongst larger neighbouring NHS providers to base their services at the Hospital. After the end of the reporting period, during the summer and autumn of 2021, the confidence of the Trustees that this approach will appropriately mitigate many of the risks faced by the Charity and that it will deliver a positive result and a longer term, distinctive future for the Hospital, has grown.



# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### Plans for future periods

#### Future plans and financial outlook

The Hospital is faced with a combination of unparalleled challenges because of the Covid-19 pandemic. TWMH has faced increased costs, competition for staff, reduced ability to run fundraising activities, and in the elimination of patient respite income. It has been forced to utilise its reserves to fund ongoing activities but these reserves are limited. Close monitoring of reserves and investments, cost reductions, fundraising appeals and negotiations with the CCG are at the forefront of the Hospital's extensive efforts to manage the operational deficit and work towards a sustainable future.

As a result, the Trustees have significantly increased their search for a suitable strategic partnership in the healthcare sector. Reviewing operational capability and financial performance over the past few years has led the Trustees to conclude that such a partnership is the best way of achieving a long-term sustainable future for the Hospital.

Tarporley is well placed to fulfil the stated aim of the Government and the CCG to place more social care support back into the community. Its aim is to establish a funded role to fulfil that objective with the commissioning partners and so place the Trust on a more substantive and economically robust footing.

During the quarter January - March 2022 the Trustees plan to conclude arrangements whereby the site will become a rural hub for the Cheshire West Integrated Care Partnership Rapid Response and Hospital at Home teams (CWICP). This is an arm of The Countess of Chester NHS Foundation Trust. This means that the charity will cease to directly provide healthcare activities and instead will make the Hospital's estate available to The Countess of Chester NHS Foundation Trust under an agreement. However, at the time of writing, December 2021, the Trustees cannot be certain that such plans, whilst enjoying wide and committed stakeholder support, will come to fruition as intended.

The Charity will still have involvement in the local community. The objectives of the charity will be unchanged. We shall continue to support the local provision of patient care and high-quality experience.

### Structure, governance and management

#### Governing document

The Tarporley War Memorial Hospital Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 22 January 1988. It is a registered charity with the Charity Commission dated 9 June 1988. Anyone admitted by the council can be a member of the company and there are currently 9 members, each of whom agrees to contribute £1 in the event of the Trust winding up.

Legal and administrative information set out above forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

R Wright (Chairperson)

C Lees-Jones (Vice Chairperson)

A Chittenden

(Appointed 3 August 2020)

C Stein

(Appointed 3 August 2020)

G Gigg

(Resigned 12 October 2020)

J Simpson

(Resigned 16 March 2021)

J Windsor

(Resigned 12 October 2020)

J Iles

R Fallon

(Resigned 31 May 2021)

S Hinchliffe

(Appointed 3 August 2020 and resigned 26 August 2021)

C Josephs

(Appointed 12 October 2020)

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### **Recruitment and appointment of new trustees**

As set out in the Articles of Association one third of the Trustees shall retire from office at the Annual General Meeting. Those retiring shall be the longest serving members and determined by lot as applicable. Retiring members are eligible for re-election. Existing Trustees appoint other Trustees by proposing them in writing prior to the AGM.

### **Qualifying third party indemnity provisions**

#### **Organisational structure**

Responsibility for the management of the Trust rests with a Board of Trustees, which must have at least three members with no maximum set. Day to day management of the Hospital is carried out by the Managing Director and Senior Management Team.

The Board of Trustees normally meets quarterly and receives updates and matters for escalation from two sub-committees, namely the Clinical Quality and Assurance Group (CQAG) and Audit Committee, who also meet quarterly. These sub-committees are made up of trustees, with members of the Hospital Management Team invited to attend and provide assurances in relation to: clinical quality (CQAG); health and safety, human resources, business and finance, and fundraising (Audit Committee).

Additionally, the Hospital Management Team meets monthly to ensure that both clinical activities and business operations are managed safely and effectively. Members include the Managing Director, Business Manager, Hospital Sisters and Honorary Medical Officer. The Hospital Management Team is supported by a number of further groups with a more specific focus on clinical services or business, finance and fundraising.

### **Induction and training of new trustees**

New Trustees undergo a briefing on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision-making processes, recent financial performance and the business plan of the Trust. The briefing includes meeting other Trustees and the Hospital management team.

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

The Trustees, who are also the directors of Tarporley War Memorial Hospital Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2021*

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### **Auditor**

In accordance with the company's articles, a resolution proposing that McLintocks (NW) Limited be reappointed as auditor of the company will be put at a General Meeting.

### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.



R Wright (Chairperson)

**Trustee**

10 December 2021

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## INDEPENDENT AUDITOR'S REPORT

### TO THE TRUSTEES OF TARPORLEY WAR MEMORIAL HOSPITAL TRUST

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#### Opinion

We have audited the financial statements of Tarporley War Memorial Hospital Trust (the 'Charity') for the year ended 31 March 2021 which comprise the statement of financial activities, the summary income and expenditure account, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of matter

We draw attention to note 26 to the financial statements which describes events after the reporting period in relation to the cessation of healthcare activities by the Charity. Our opinion is not modified in respect of this matter.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF TARPORLEY WAR MEMORIAL HOSPITAL TRUST

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Charity'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 the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE TRUSTEES OF TARPORLEY WAR MEMORIAL HOSPITAL TRUST

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Enquiries of management and those charged with governance were held in order to identify any laws and regulations that could be expected to have a material impact on the financial statements. Throughout the audit, the team were updated with the outcomes of these enquiries including consideration as to where and how fraud may occur in the charity.

The audit procedures undertaken to address any potential risk in relating to irregularities (which include fraud and non-compliance with laws and regulations) included: enquiries of management and those charged with governance on how the charity complies with relevant laws, regulations and any cases actual or potential litigation or claims; examination of appropriate legal correspondence; review of board minutes; testing of journal entries for appropriateness; and analytical procedures on account balances to identify variances against expectation which may show indications of fraud.

No instances of material non-compliance were identified, although the prospect of detecting irregularities, including fraud, is inherently difficult. This is due to; difficulty in detecting irregularities; limits imposed by the effectiveness of the entity's controls; and the nature, timing and extent of the audit procedures performed. Irregularities as a result of fraud are inherently more difficult to detect than those that resulting from error. Despite the audit has being planned and performed in accordance with ISAs (UK), there is an unavoidable risk that material misstatements may not be detected.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable 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 charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



**Michael Caputo FCA (Senior Statutory Auditor)**  
for and on behalf of **McLintocks (NW) Limited**

10 December 2021

**Chartered Accountants**  
**Statutory Auditor**

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9PX

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

### Current financial year

		Unrestricted funds	Endowment funds	Total	Total
		2021	2021	2021	2020
	Notes	£	£	£	£
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	232,140	-	232,140	364,847
Charitable activities	4	642,674	-	642,674	541,681
Other trading activities	5	19,739	-	19,739	150,460
Investments	6	35,184	1,143	36,327	64,891
Other income	7	24,094	-	24,094	-
<b>Total income and endowments</b>		<b>953,831</b>	<b>1,143</b>	<b>954,974</b>	<b>1,121,879</b>
<b><u>Expenditure on:</u></b>					
Raising funds	8	30,786	291	31,077	77,291
Charitable activities	9	1,250,279	-	1,250,279	1,512,544
Material other expenditure	11	40,968	-	40,968	-
<b>Total resources expended</b>		<b>1,322,033</b>	<b>291</b>	<b>1,322,324</b>	<b>1,589,835</b>
Net gains/(losses) on investments	14	118,971	10,328	129,299	(144,533)
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(249,231)</b>	<b>11,180</b>	<b>(238,051)</b>	<b>(612,489)</b>
Gross transfers between funds		1,831	(1,831)	-	-
<b>Net movement in funds</b>		<b>(247,400)</b>	<b>9,349</b>	<b>(238,051)</b>	<b>(612,489)</b>
Fund balances at 1 April 2020		1,780,310	41,855	1,822,165	2,434,654
<b>Fund balances at 31 March 2021</b>		<b>1,532,910</b>	<b>51,204</b>	<b>1,584,114</b>	<b>1,822,165</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Prior financial year

		Unrestricted funds 2020 £	Restricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
	Notes				
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	364,847	-	-	364,847
Charitable activities	4	541,681	-	-	541,681
Other trading activities	5	150,460	-	-	150,460
Investments	6	63,335	-	1,556	64,891
<b>Total income and endowments</b>		<b>1,120,323</b>	<b>-</b>	<b>1,556</b>	<b>1,121,879</b>
<b><u>Expenditure on:</u></b>					
Raising funds	8	76,988	-	303	77,291
Charitable activities	9	1,512,544	-	-	1,512,544
<b>Total resources expended</b>		<b>1,589,532</b>	<b>-</b>	<b>303</b>	<b>1,589,835</b>
Net gains/(losses) on investments	14	(131,526)	-	(13,007)	(144,533)
<b>Net (outgoing)/incoming resources before transfers</b>		<b>(600,735)</b>	<b>-</b>	<b>(11,754)</b>	<b>(612,489)</b>
Gross transfers between funds		180,882	(180,882)	-	-
<b>Net movement in funds</b>		<b>(419,853)</b>	<b>(180,882)</b>	<b>(11,754)</b>	<b>(612,489)</b>
Fund balances at 1 April 2019		2,200,163	180,882	53,609	2,434,654
<b>Fund balances at 31 March 2020</b>		<b>1,780,310</b>	<b>-</b>	<b>41,855</b>	<b>1,822,165</b>



# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## SUMMARY INCOME AND EXPENDITURE ACCOUNT

**FOR THE YEAR ENDED 31 MARCH 2021**

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	All income funds	
	2021	2020
	£	£
Gross income	<b>953,831</b>	1,120,323
Gains/(losses) on investments	<b>118,971</b>	(131,526)
Transfer from endowment funds	<b>1,831</b>	-
	<hr/>	<hr/>
Total income in the reporting period	<b>1,074,633</b>	988,797
	<hr/>	<hr/>
Total expenditure from income funds	<b>1,322,033</b>	1,589,532
	<hr/>	<hr/>
<b>Net expenditure for the year</b>	<b>(247,400)</b>	(600,735)
	<hr/> <hr/>	<hr/> <hr/>

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Intangible assets	15	19,283		15,106	
Tangible assets	16	767,424		802,559	
Investments	17	744,061		1,176,574	
		1,530,768		1,994,239	
<b>Current assets</b>					
Debtors	18	41,695		86,179	
Cash at bank and in hand		428,918		153,479	
		470,613		239,658	
<b>Creditors: amounts falling due within one year</b>	19	(67,267)		(61,732)	
Net current assets		403,346		177,926	
<b>Total assets less current liabilities</b>		1,934,114		2,172,165	
<b>Creditors: amounts falling due after more than one year</b>	20	(350,000)		(350,000)	
<b>Net assets</b>		1,584,114		1,822,165	
<b>Capital funds</b>					
Endowment funds - general	22	51,204		41,855	
<b>Income funds</b>					
Unrestricted funds		1,532,910		1,780,310	
		1,584,114		1,822,165	

The financial statements were approved by the Trustees on 10 December 2021



R Wright (Chairperson)  
Trustee

Company Registration No. 02213003

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## STATEMENT OF CASH FLOWS

**FOR THE YEAR ENDED 31 MARCH 2021**

	Notes	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	29		(304,559)		(590,752)
<b>Investing activities</b>					
Purchase of intangible assets		(10,958)		(14,245)	
Purchase of tangible fixed assets		(7,184)		(19,989)	
Purchase of investments		(154,049)		(236,844)	
Proceeds on disposal of investments		715,862		500,579	
Investment income received		36,327		64,891	
<b>Net cash generated from investing activities</b>			579,998		294,392
<b>Net cash used in financing activities</b>			-		-
<b>Net increase/(decrease) in cash and cash equivalents</b>			275,439		(296,360)
Cash and cash equivalents at beginning of year			153,479		449,839
<b>Cash and cash equivalents at end of year</b>			428,918		153,479

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2021**

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### **1 Accounting policies**

#### **Charity information**

Tarporley War Memorial Hospital Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Park Road, Tarporley, Cheshire, CW6 0AP.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The Charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of investments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds, which arose from an undertaking by The Area Health Authority on the sale of land, represent those assets that must be held permanently by the Trust, principally investments. Income arising on the endowment funds can be used in accordance with the objects of the Trust and is transferred to be included in unrestricted income. Any capital gains or losses arising on the investments form part of the fund. Investment income and gains are allocated to the appropriate fund.

#### **1.4 Income**

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Other income is government support packages in relation to COVID-19. These are recognised when the Charity is legally entitled to the receipt of funds.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Software	4 years on cost
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#### 1.7 Tangible fixed assets

Individual assets costing £150 or more are capitalised at cost in the year including any incidental expenses of acquisition.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	nil
Leasehold improvements	2% straight line
Fixtures and fittings	20% reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in other recognised gains and losses except to the extent that a gain reverses a loss previously recognised in net income expenditure, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

#### 1.9 Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

As an exception to the usual requirements for financing transactions, as a public benefit entity, concessionary loans provided to the charity have been accounted for at the amount received adjusted for any impairment loss. This loan is disclosed in amounts falling due in greater than one year.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the Charity's contractual obligations expire or are discharged or cancelled.

### 1.10 Taxation

The charity is exempt from corporation tax on its charitable activities.

### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

### 1.13 Volunteers and donated services and facilities

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the trustees' annual report.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Donations and gifts	189,416	344,202
Legacies receivable	42,724	20,645
	<u>232,140</u>	<u>364,847</u>

### 4 Charitable activities

	Hospital 2021	Hospital 2020
	£	£
Contribution from West Cheshire CCG	467,380	313,000
Patient's contributions - respite care and social services income	84,657	128,503
Other income - including meals, nursing and recoveries	90,637	100,178
	<u>642,674</u>	<u>541,681</u>

### 5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Fundraising events	<u>19,739</u>	<u>150,460</u>

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 6 Investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
Income from listed investments	35,154	1,143	36,297	62,863	1,556	64,419
Interest receivable	30	-	30	472	-	472
	<u>35,184</u>	<u>1,143</u>	<u>36,327</u>	<u>63,335</u>	<u>1,556</u>	<u>64,891</u>

### 7 Other income

	Unrestricted funds	Total
	2021	2020
	£	£
Coronavirus Job Retention Scheme	10,244	-
Coronavirus Government Grants	13,850	-
	<u>24,094</u>	<u>-</u>

### 8 Raising funds

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2021	2021	2021	2020	2020	2020
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Staging fundraising events	27,769	-	27,769	72,019	-	72,019
<u>Investment management</u>	3,017	291	3,308	4,969	303	5,272
	<u>30,786</u>	<u>291</u>	<u>31,077</u>	<u>76,988</u>	<u>303</u>	<u>77,291</u>



# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

### 9 Charitable activities

	Hospital 2021 £	Hospital 2020 £
Staff costs	839,751	1,001,313
Depreciation and impairment	42,319	44,966
Medical supplies and provisions	25,430	49,218
Cleaning and laundry	117,984	90,601
Maintenance	49,922	59,349
Staff training	7,668	3,744
	<u>1,083,074</u>	<u>1,249,191</u>
Share of support costs (see note 10)	163,605	259,553
Share of governance costs (see note 10)	3,600	3,800
	<u>1,250,279</u>	<u>1,512,544</u>

### 10 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Depreciation	6,780	-	6,780	3,483	-	3,483
Services	52,230	-	52,230	52,575	-	52,575
Office costs	25,975	-	25,975	45,406	-	45,406
Sundries	19,013	-	19,013	22,077	-	22,077
Consultancy fees	47,417	-	47,417	122,983	-	122,983
Bank charges	2,688	-	2,688	2,653	-	2,653
Legal and professional fees	9,502	-	9,502	10,376	-	10,376
Audit fees	-	3,600	3,600	-	3,800	3,800
	<u>163,605</u>	<u>3,600</u>	<u>167,205</u>	<u>259,553</u>	<u>3,800</u>	<u>263,353</u>
Analysed between Charitable activities	<u>163,605</u>	<u>3,600</u>	<u>167,205</u>	<u>259,553</u>	<u>3,800</u>	<u>263,353</u>

Governance costs includes payments to the auditors of £3,600 (2020- £3,800) for audit fees. Support costs also include £9,630 (2020 - £9,095) of fees paid to the charity's auditors in relation to non-audit services.

### 11 Material other expenditure

Material other expenditure totals £40,968. This is in relation to professional fees incurred for the planned expansion project, for which by 31 March 2021 the Trustees made the decision to abort the project.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 12 Trustees

None of the Trustees (or any persons connected with them) received any remuneration, expenses nor benefits from the Charity during the current or prior year.

#### 13 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Nurses and care	21	22
Cooks	2	3
Administration	5	5
Temporary cover	4	5
Management	6	2
Total	38	37

#### Employment costs

	2021 £	2020 £
Wages and salaries	748,164	903,850
Social security costs	51,205	54,199
Other pension costs	40,382	43,264
	839,751	1,001,313

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2021 Number	2020 Number
£70,001 - £80,000	1	1

#### 14 Net gains/(losses) on investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Revaluation of investments	76,098	14,247	90,345	(163,068)	(21,896)	(184,964)
Gain/(loss) on sale of investments	42,873	(3,919)	38,954	31,542	8,889	40,431
	118,971	10,328	129,299	(131,526)	(13,007)	(144,533)

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 15 Intangible fixed assets

	Software £
<b>Cost</b>	
At 1 April 2020	18,681
Additions - separately acquired	10,958
At 31 March 2021	29,639
<b>Amortisation and impairment</b>	
At 1 April 2020	3,576
Amortisation charged for the year	6,780
At 31 March 2021	10,356
<b>Carrying amount</b>	
At 31 March 2021	19,283
At 31 March 2020	15,106

#### 16 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 April 2020	350,000	891,782	482,696	1,724,478
Additions	-	-	7,184	7,184
At 31 March 2021	350,000	891,782	489,880	1,731,662
<b>Depreciation and impairment</b>				
At 1 April 2020	144,000	403,445	374,475	921,920
Depreciation charged in the year	6,000	14,043	22,275	42,318
At 31 March 2021	150,000	417,488	396,750	964,238
<b>Carrying amount</b>				
At 31 March 2021	200,000	474,294	93,130	767,424
At 31 March 2020	206,000	488,338	108,221	802,559

Freehold land and buildings with a carrying amount of £350,000 (2020 - £350,000) have been pledged against the concessionary loan held by the Charity. The Charity is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

Included in cost or valuation of land and buildings is freehold land of £50,000 (2020 - £50,000) which is not depreciated.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

### 17 Fixed asset investments

	Listed investments £
<b>Cost or valuation</b>	
At 1 April 2020	1,176,574
Additions	154,049
Valuation changes	90,345
Realised profit on disposal	38,955
Disposals	(715,862)
	<hr/>
At 31 March 2021	744,061
	<hr/>
<b>Carrying amount</b>	
At 31 March 2021	744,061
	<hr/> <hr/>
At 31 March 2020	1,176,574
	<hr/> <hr/>

#### Fixed asset investments revalued

The historical cost of listed investments at 31 March 2021 was £595,284 (2020: £921,190).

### 18 Debtors

	2021 £	2020 £
<b>Amounts falling due within one year:</b>		
Trade debtors	4,168	24,644
Prepayments and accrued income	37,527	61,535
	<hr/>	<hr/>
	41,695	86,179
	<hr/> <hr/>	<hr/> <hr/>

### 19 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	9,994	17,896
Trade creditors	37,287	31,108
Other creditors	1,859	1,351
Accruals and deferred income	18,127	11,377
	<hr/>	<hr/>
	67,267	61,732
	<hr/> <hr/>	<hr/> <hr/>

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

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### 20 Creditors: amounts falling due after more than one year

	2021 £	2020 £
Borrowings	350,000	350,000
	<u>          </u>	<u>          </u>

Borrowings comprise a concessionary loan provided by the North West Regional Health Authority, which is interest free and repayable after more than five years. It is secured on the freehold property.

### 21 Retirement benefit schemes

#### Defined contribution schemes

The Charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £40,382 (2020 - £43,264).

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

### 22 Endowment funds

Endowment funds represent assets which must be held permanently by the Charity. Income arising on the endowment funds can be used in accordance with the objects of the Charity and is included as unrestricted income. Any capital gains or losses arising on the assets form part of the fund.

	Movement in funds					Movement in funds					
	Balance at 1 April 2019	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 31 March 2021
	£	£	£	£	£	£	£	£	£	£	£
<b>Permanent endowments</b>											
Health Authority Endowment Fund	53,609	1,556	(303)	-	(13,007)	41,855	1,143	(291)	(1,831)	10,328	51,204
	<u>53,609</u>	<u>1,556</u>	<u>(303)</u>	<u>-</u>	<u>(13,007)</u>	<u>41,855</u>	<u>1,143</u>	<u>(291)</u>	<u>(1,831)</u>	<u>10,328</u>	<u>51,204</u>
	<u>53,609</u>	<u>1,556</u>	<u>(303)</u>	<u>-</u>	<u>(13,007)</u>	<u>41,855</u>	<u>1,143</u>	<u>(291)</u>	<u>(1,831)</u>	<u>10,328</u>	<u>51,204</u>

#### Health Authority Endowment Fund

Funds are held to generate income for charitable purposes and cannot itself be spent.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

#### 23 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2019 £	Transfers £	Balance at 1 April 2020 £	Movement in funds Incoming resources £	Balance at 31 March 2021 £
Restricted income fund	180,882	(180,882)	-	-	-

The restricted income fund was transferred to unrestricted funds in 2020 as no specific restrictions were applied by the donors.

#### 24 Analysis of net assets between funds

	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £	Unrestricted funds 2020 £	Endowment funds 2020 £	Total 2020 £
Fund balances at 31 March 2021 are represented by:						
Intangible fixed assets	19,283	-	19,283	15,106	-	15,106
Tangible assets	767,424	-	767,424	802,559	-	802,559
Investments	692,857	51,204	744,061	1,134,719	41,855	1,176,574
Current assets/ (liabilities)	403,346	-	403,346	177,926	-	177,926
Long term liabilities	(350,000)	-	(350,000)	(350,000)	-	(350,000)
	<u>1,532,910</u>	<u>51,204</u>	<u>1,584,114</u>	<u>1,780,310</u>	<u>41,855</u>	<u>1,822,165</u>

#### 25 Capital commitments

At 31 March 2021 the Charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	3,317	-
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# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2021**

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### 26 Events after the reporting date

During the quarter January - March 2022 the Trustees plan to conclude arrangements whereby the site will become a rural hub for the Cheshire West Integrated Care Partnership Rapid Response and Hospital at Home teams (CWICP). This is an arm of The Countess of Chester NHS Foundation Trust. This means that the charity will cease to directly provide healthcare activities and instead will make the Hospital's estate available to The Countess of Chester NHS Foundation Trust under an agreement. However, at the time of writing, December 2021, the Trustees cannot be certain that such plans, whilst enjoying wide and committed stakeholder support, will come to fruition as intended.

The Charity will still have involvement in the local community. The objectives of the charity will be unchanged. The Charity shall continue to support local provision of patient care and high-quality experience.

### 27 Related party transactions

#### Remuneration of key management personnel

The key management personnel of the charity comprise, the trustees, the hospital manager and the hospital matron. The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	76,025	133,616

It is inevitable that transactions will take place with trustees and organisations in which a trustee may have an interest. All such transactions are conducted in the ordinary course of business and are at arms length.

No donations have been made by any trustee or any persons or businesses connected with them.

### 28 Company Status

The charity is a company limited by guarantee and has no share capital. The members of the company are the trustees. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.



# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2021

29 Cash generated from operations	2021 £	2020 £
Deficit for the year	(238,051)	(612,489)
Adjustments for:		
Investment income recognised in statement of financial activities	(36,327)	(64,891)
Gain on disposal of investments	(38,954)	(40,431)
Fair value gains and losses on investments	(90,345)	184,964
Amortisation and impairment of intangible assets	6,780	3,483
Depreciation and impairment of tangible fixed assets	42,319	44,966
Movements in working capital:		
Decrease/(increase) in debtors	44,484	(43,659)
Increase/(decrease) in creditors	5,535	(62,695)
<b>Cash absorbed by operations</b>	<b>(304,559)</b>	<b>(590,752)</b>
<b>30 Analysis of changes in net funds/(debt)</b>		
	At 1 April 2020 £	Cash flowsAt 31 March 2021 £
Cash at bank and in hand	153,479	275,439 428,918
Loans falling due after more than one year	(350,000)	- (350,000)
	<u>(196,521)</u>	<u>275,439 78,918</u>
	<u>(196,521)</u>	<u>275,439 78,918</u>