

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 2022**

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	R Wright C Lees-Jones (Vice Chairperson) A Chittenden C Stein C Josephs R Roberts (Appointed 22 April 2022)
<b>Charity number</b>	700336
<b>Company number</b>	02213003
<b>Registered office</b>	Park Road Tarporley Cheshire CW6 0AP
<b>Auditor</b>	Xeinadin Audit Limited 2 Hilliards Court Chester Business Park Chester Cheshire CH4 9QP
<b>Bankers</b>	National Westminster Bank 36 High Street Nantwich CW5 5GA
<b>Investment advisors</b>	James Brearley & Sons Limited Walpole House Unit 2 Burton Road Blackpool FY4 4NW

---

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 9
Independent auditor's report	10 - 12
Statement of financial activities	13 - 14
Balance sheet	15
Statement of cash flows	16
Notes to the financial statements	17 - 29

---

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

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

### FOR THE YEAR ENDED 31 MARCH 2022

---

The Trustees, who are also Directors of Tarporley War Memorial Hospital Trust ('TWMH' or 'the charity') for the purposes of the Companies Act 2006, present their annual report and financial statements for the year ended 31 March 2022.

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).

During the year under review the Trustees took the decision to cease providing clinical services at the hospital following unparalleled challenges faced in 2021/22, the second year of the Covid pandemic, and previous periods. As costs increased, income also fell and the competition within healthcare to recruit, retain and reward staff became intense. Ensuring patient safety continued to be challenging. It was necessary to seek an alternative structure under which the charity could continue to support the provision of healthcare services in the community.

The Trustees are delighted that the future of the Tarporley Hospital has been secured by arrangements reached with the Countess of Chester NHS Foundation Trust ('CoCH') under which Tarporley Hospital premises are becoming a rural hub for the provision of services by Cheshire West Integrated Care Partnership Rapid Response and Hospital at Home teams. We have provided, and will continue to provide, updates to the community as the Countess of Chester NHS Foundation Trust develops its plans and mobilises services from the premises. The Trustees remain confident that these new arrangements, which have put the Hospital on a more secure financial footing, will bring increased and significant healthcare benefits to our local community.

As this report and financial statements cover the period to March 2022, much of the information in them relates to the period in which clinical services were being provided. However we have also included information about developments that have taken place since that date as we have moved forward with the new arrangements for the future of TWMH.

#### **Vision, Mission and Values**

During 2021-22 the Trustees sought to continue to implement our Mission and Vision and to adhere to our Values, which remained unchanged from recent years and are set out below.

**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

As reported above, during 2021-22 the Trustees took the decision to cease providing services directly to local people. Our consensus view was that directly providing highly regulated services to small numbers of patients was unsustainable. Services ceased on 31<sup>st</sup> December 2021.

It was agreed that the charity needed to evolve by facilitating others in the delivery of care rather than aiming to deliver services ourselves. Post the period end, the Trustees have initiated a review of the Mission, Vision and Values, to better reflect the charity's new role in facilitating the delivery of healthcare services by others.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### Objectives and activities

Tarporley War Memorial Hospital Trust remains dedicated to the wellbeing of the community of Tarporley and the surrounding villages. We continue to be guided by the principle that every person requiring healthcare services, and each of their loved ones, is unique and our goal remains to be at the heart of the community, supporting provision of care for all.

In 2021/22 our four objectives were:

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

The team worked tirelessly to ensure compliance against the Government and Public Health England guidance for Infection Prevention and Control during the pandemic. Throughout 2021/22, engagement meetings with our commissioners continued, albeit virtually, to provide assurance that TWMH was meeting its regulatory requirements. Where we could not be confident of providing appropriate care, we ceased to provide the relevant services.

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

The Clinical Quality Assurance Committee worked with the senior nursing team to acquire the relevant assurances that care was delivered in line with evidence based best practice. Where the evidence did not substantiate service quality, the Trustees were not willing to put patients at risk so provision of services ceased and patients were transferred to other providers of NHS care.

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

Throughout 2021/22, TWMH had frequent engagement meetings with the Clinical Commissioning Group (CCG), representatives from the Cheshire West Integrated Care Partnership (CWIP) and our local Member of Parliament, Edward Timpson, redoubling efforts to identify a new strategic partnership that would secure a long-term future for TWMH. In January 2022, Trustees announced that they had agreed to work in partnership with CoCH to enable the hospital to continue providing services to the local community.

The Trustees held an online, open meeting in January 2022 with our community stakeholders, to give an account of our stewardship during 2020/21 and to provide as much detail on the closure of the hospital for clinical services and the plans to lease the site to CoCH.

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

During 2021/22, TWMH continued to rely heavily on fundraising to supplement its annual contribution from the CCG and offset a substantial operating deficit. Conditions remained challenging for TWMH in terms of its ability to recruit sufficient staff with the necessary experience and skillset to enable TWMH to develop its service offering and deliver high-quality care. In response to these longstanding financial and operational pressures, which had been exacerbated by the Covid-19 pandemic, TWMH carried out a strategic review to identify potential partnerships that would help to secure the facility's long-term future within the community.

The resulting partnership with the CoCH was vital to achieving financial sustainability for the Tarporley facility and, importantly, will enhance service provision within our rural area going forward. Moreover, the new arrangement supports the NHS in achieving its long-term strategic aim of maximising local and convenient care within community settings.

The new partnership also brings about a significant change to the Hospital's operating model, with the TWMH Trust becoming a highly engaged and supportive landlord with effect from April 2022 and no longer directly providing clinical services.

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, either directly through the provision of care during 2021/22 or by fundraising to enhance the care delivered in future by our new strategic partner, CoCH, and in supporting other community-based health and wellbeing initiatives.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### **Other Charitable Activities**

As the Covid-19 pandemic continued, Tarporley War Memorial Hospital's other charitable activities, including Day Care Services and TWMH Poppy Café, remained closed throughout 2021/22.

During April – December 2021, TWMH's clinical staff continued to provide Minor Injury Services working in collaboration with the Rural Alliance.

The Outpatient team continued to deliver wound assessment clinics for both Dr Campbell's Practice and Drs Adey and Dancy until September 2021 when Drs Adey Dancy started providing this service from their own practice. Services continued to be delivered for Dr Campbell's practice until all clinical services ceased on the 31<sup>st</sup> December 2021.

Several GPs continued to use the Hospital's Theatre for performing Minor Operations. Physiotherapy services, provided by Cheshire and Wirral Partnership NHS Foundation Trust as part of an annual hosting agreement with TWMH, remain very popular.

### **Clinical Quality Assurance Group ('CQAG')**

The CQAG was a committee to which the Trustees delegated certain responsibilities as noted above. Following the resignation of Mrs Ros Fallon, Mrs Caroline Stein replaced her as Chair of the Clinical Quality Assurance Group. The Group met twice in 2021/22 and was attended by Trustees and clinical staff to review and discuss clinical quality and assurance that patients benefitted from safe practice as well as achievement of the best possible outcomes and experience.

The Clinical Quality Assurance Group considered and responded to issues identified by staff that were impacting the Hospital's ability to provide safe, quality care. The Group also reviewed the Integrated Performance report and strategic risks relating to clinical quality and workforce to gain assurance that mitigating actions were in place.

The clinical management team were asked [by the CQAG] to update the Board of Trustees weekly and took appropriate actions to mitigate the identified risks by restricting inpatient admissions in line with our duty to fulfil TWMH's contract with the Cheshire Clinical Commissioning Group.

As noted elsewhere in this report, concerns relating to patient and staff safety risks contributed to the decision taken by the Trustee Board concluded that Tarporley War Memorial Hospital should close to inpatients and cease provision of all clinical services. CGAC oversaw the safe transfer by the operational team of all inpatients to alternative care settings.

During December 2021 the Chair of CQAG reviewed the Minor Injury Services and was satisfied that, as this service was to be closed at the end of December 2021, all the patients were safely transferred back to the care of their GP within the Rural Alliance.

As direct provision of services ceased in December 2021, the CQAG oversaw a carefully planned transfer of clinical records to secure storage.

Post the year-end, and in the light of the cessation of provision of clinical services the CQAC has been disbanded.

### **AUDIT COMMITTEE**

During the year under review, the Board delegated some duties to the Audit Committee, particularly scrutiny of the management accounts, income and expenditure, cash flow, contract performance and risk management. The Committee was chaired by John Iles until his absence and resignation and then by Andy Chittenden.

The Committee sought assurance that adequate steps were being taken to manage cash flow, to ensure that creditors were being paid in a timely fashion and that appropriate controls were in place to design and implement the planned staff redundancies. No disputes with staff, current or former, arose from the delivery of the redundancy programme.

Post the year end, and in the light of the reduction in the income and expenditure of the charity, the Board has determined that all matters shall be discussed and determined by the Board, and the Committee has been disbanded.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### Achievements and performance

The Hospital again faced significant financial and operational challenges during 2021/22 and continued to be affected by the impacts of the Covid-19 pandemic, including increased competition for staff and loss of income as a result of reduced services and fundraising restrictions. Notwithstanding these difficulties, the Charity was still able to continue to provide charitable services for the public benefit during the year ending 31<sup>st</sup> March 2022.

The Trustees recognised during 2020 and 2021 that the pandemic, as well as continuing pressures across the NHS and healthcare sector in general, presented risks that could not be mitigated fully. At that time, the Board had begun to explore with NHS stakeholders the feasibility of alternative operating models which would enable the Charity to remain involved in the provision of healthcare, albeit most likely by providing space for another, larger NHS organisation to deliver services. An internal working group was established to continue this strategic review during 2021/22 and by January 2022 Trustees announced that TWMH had agreed to work in partnership with the Countess of Chester NHS Foundation Trust to secure the facility's future.

During the first half of 2021/22, and prior to the strategic partnership being secured, operational pressures (particularly staffing shortages resulting from the pandemic and the continuing uncertainty) had intensified. This contributed to the difficult decision to close the Hospital's inpatient services in August 2021 due to concerns for the safety of patients and staff.

It was the Trustees' view by late summer 2021 that the staff roles required for the proposed change in service model would be significantly different to those occupied by TWMH staff at that time. In view of this, Trustees announced in October 2021 that they were entering a period of redundancy consultation with all 24 members of staff. Following this, the majority of staff were made redundant and the Charity's remaining outpatient services (minor injury and wound assessment clinics) ceased on 31<sup>st</sup> December 2021.

Trustees kept the local community and the Hospital's supporters informed of progress during this period of uncertainty and the Charity continued to benefit from the generosity of benefactors through donations, community fundraising and legacies. However, as in previous years, this was not sufficient to prevent the Hospital making a substantial deficit.

Having successfully negotiated a new lease agreement with the CoCH NHS Foundation Trust with effect from April 2022, TWMH Trustees are confident that the long-term future of the facility has been secured. The Charity's ambition is now to go above and beyond what is currently funded by the NHS to support the health and wellbeing of the local community through its fundraising.

### Financial review

The Hospital produced a net deficit for the year ending 31<sup>st</sup> March 2022 of £427,953, compared with a 2021 deficit of £238,051.

#### Income

The Trust received a contribution of £317,380 (2021: £467,380) from the Clinical Commissioning Group (CCG) towards its charitable activities. The decrease is in relation to COVID-19 additional funding in 2021.

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 £234,759 (2021: £232,140). Legacies totalled £85,602, which was a substantial increase on the previous year (2021: £42,724).

#### Expenditure

Costs decreased to £1,119,532 (2021: £1,322,324). Staff costs are the main item of Hospital spend which amounts to £759,433 (2021: £839,751).

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### RESERVES AND INVESTMENTS

#### Reserves policy

Historically, TWMH has relied on its reserves to bridge a significant gap between annual operating costs and income, as well as providing a source of additional income. As a provider of clinical services, TWMH was required to take a prudent and cautious approach when setting reserve limits, so as to cover unexpected variations in income and protect the hospital's ability to operate safely and effectively.

The onset of the Covid-19 pandemic had compounded the Charity's financial position and increased pressure on its reserves, thus prompting the Board to explore alternative operating models to mitigate these risks. A strategic review began in September 2020 and continued during 2021/22. In January 2022, it was announced that TWMH had agreed in principle to work in partnership with the CoCH to secure the charity's future.

By partnering with a larger NHS organisation that has greater protection against variations in income and expenditure, the Charity has been able to secure the facility's future. Under the new operating model, TWMH Trust is now a highly engaged and supportive landlord but will also continue to fundraise. The Charity's ambition is to go above and beyond what is currently funded by the NHS to support the health and wellbeing of the local community, including but not limited to, the services developed by the CoCH over the months and years ahead. In addition, we see the scope for facilitating others to deliver services as broader than ever before, including mental health services and those supporting younger people.

During 2022/23, the Board will be updating its investment and reserves policy, including the minimum cash and reserve levels required to cover unexpected variations in income, to reflect the reduced financial and operating risks.

#### Investment performance

Investments are held at £583,193 (2021: £744,061). Profit on disposal in the year amounted to £115,132.

#### Risk management

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

By autumn 2021, the Trustees had concluded that the Charity's ability to continue providing services comparable to those provided in previous years was being impeded further by the lasting effects of the pandemic and also by:

- Increased competition and difficulties recruiting sufficient staff with the appropriate skillsets;
- A need to close some services temporarily or permanently to mitigate quality risks and ensure the safety of patients and staff;
- The persistent and widening imbalance between income and expenditure, exacerbated by reduced hospital and fundraising activities.

Throughout 2021, the Board continued to engage with commissioners to seek their support for a change in business model that would enable the Charity to remain involved in the provision of healthcare services for Tarporley and the surrounding villages, albeit as a landlord providing space for a larger NHS organisation to operate from the site.

By the end of 2021, TWMH Trustees were confident that this approach would ultimately succeed, thus mitigating longstanding financial and operating risks and securing a positive and sustainable future for the charity. A new partnership and lease agreement with the CoCH NHS Foundation Trust was eventually finalised on 21<sup>st</sup> April 2022. In light of this new service model, TWMH trustees will be reviewing their overall approach to risk management and policies during 2022/23.



# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

---

### Plans for future periods

Looking forward, operational expenditure and income are now broadly balanced for the first time in many years. The charity's operating overheads have been very significantly reduced and new income secured through the lease of the building.

In April 2022, CoCH began a Phase 1 improvement programme to modernise the building for planned new services. These were completed on time and on budget to a very high standard.

The Trustees have worked with CoCH to engage with the community. Gil Martin has been retained by the charity as a Community Engagement Officer to build our community links and to re-engage with those who may have lost contact during the pandemic.

We have recruited new Trustees; we have connected with a significant new strategic partner; we are reviewing our objectives and preparing for the future.

We are open and transparent and welcome dialogue and engagement.

As we write, CoCH is preparing to open the site as a service hub for two of its community-based services.

The Hospital at Home Team (a pioneering NHS project delivered by CoCH) will manage a specific cohort of patients who can now choose to be looked after in their own home rather than be normally treated in hospital.

Patients are treated as though admitted to hospital but managed within their own home.

Hospital at Home was commissioned by NHS Western Cheshire as an alternative to hospital care, when safe to do so, taking into account social circumstances and general health – but only if the patient believes it is right for them.

A team of GPs and nurses will treat a range of 'straight-forward' conditions including pneumonia, chronic lung disease (COPD) and serious urinary tract and skin infections but not, for example, a heart attack.

This multi-disciplinary team will operate out of the newly refurbished part of the hospital.

The hospital will also be the base for the CoCH Rapid Response Team.

This team will be made up of community support workers, nurses, physiotherapists and occupational therapists. The service will aim to facilitate prompt and early supported discharges from hospital back into the community and thus reduce the length of patient stay and also to prevent unnecessary hospital admissions from the accident and emergency department.

These aims will be met through specialist nursing and therapy assessments. If necessary, a team will provide care and rehabilitation within a patient's home for a maximum of six weeks.

Individual needs will be continually assessed in the patient's home and the level of support will be adjusted as the individual's independence and confidence increases. If it is identified that ongoing care is required, a referral to social services will be completed.

In addition to these community-based services, a number of other clinics will also be based at the site in the near future. These will include Starting Well clinics, Care Community Teams (Leg Ulcer Treatment, Doppler clinic and Heart Failure) and Podiatry.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### 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 7 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

C Lees-Jones (Vice Chairperson)

A Chittenden

C Stein

J Iles

(Resigned 18 January 2022)

R Fallon

(Resigned 31 May 2021)

S Hinchliffe

(Resigned 26 August 2021)

C Josephs

R Roberts

(Appointed 22 April 2022)

E Williams

(Appointed 22 April 2022 and resigned 18 October 2022)

#### How the charity is managed

The Board meets regularly throughout the year, usually quarterly. During Covid, this was mainly undertaken online using video-conferencing. In 2022 calendar year, we are able to meet face to face again.

A register of outside interests is maintained and any Trustee with an actual or perceived conflict of interest is excluded from decision making in any matter relating to that outside interest.

A Board skills matrix is maintained and when areas of business or development arise in which the majority of Trustees feel inexperienced to advise, expertise is brought in from outside the charity temporarily or we seek to appoint an additional Trustee with the relevant skills, knowledge and experience.

In 2022, we have appointed two new Trustees. We placed adverts online and in local shops and used local noticeboards. Candidates were interviewed by more than a single existing Trustee and the role explained to them. New Trustees are briefed on the activities and operations of the Trust, the decision-making processes, recent financial performance and the business operations of the charity. Their induction includes meeting other Trustees and the Trust's employees.

#### Recruitment and appointment of new trustees

As set out in the Articles of Association, one third of the Trustees 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 or through an appointment process conducted by more than one Trustee and ratified by the full Trustee Board.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

---

### Organisational structure

Responsibility for the management of the charity rests with the Board of Trustees. In the year under review, the Board continued to delegate some of its assurance functions to two Committees: The Clinical Quality Assurance Committee 'CQAG' and the Audit Committee. Their roles are described later in this report. Post the year end, both Committees were disbanded with the rationale that their functions could now be undertaken by the Board in the light of the charity's affairs becoming considerably simplified.

Until the latter part of 2021/22, day-to-day management of the Hospital was carried out by the Managing Director and Senior Management Team. However, following the decision to change the charity's service model – which resulted in the cessation of the charity's directly delivered clinical services and the redundancies of most staff – this responsibility for day-to-day management of the charity's activities passed to a small administrative team who continue to be employed by the charity. This comprises two part time staff.

### 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.

### Auditor

Xeinadin Audit Limited were appointed as auditor to the company and a resolution proposing that they be re-appointed will be put at a General Meeting.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT) (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2022*

---

### **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.



A Chittenden  
**Trustee**

17 November 2022

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## INDEPENDENT AUDITOR'S REPORT

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

---

#### Opinion

We have audited the financial statements of Tarporley War Memorial Hospital Trust (the 'Charity') for the year ended 31 March 2022 which comprise the statement of financial activities, 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 2022 and of its incoming resources and application of resources, including its income and expenditure, 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.

#### 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.

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

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

---

#### **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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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 relation 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.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

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

---

#### 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 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 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 Xeinaadin Audit Limited

17 November 2022

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

2 Hilliards Court  
Chester Business Park  
Chester  
Cheshire  
CH4 9QP

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2022

### Current financial year

	Notes	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Total 2021 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	2	234,759	-	234,759	232,140
Charitable activities	3	385,033	-	385,033	642,674
Other trading activities	4	6,504	-	6,504	19,739
Investments	5	23,277	2,020	25,297	36,327
Other income	6	2,917	-	2,917	24,094
<b>Total income and endowments</b>		<b>652,490</b>	<b>2,020</b>	<b>654,510</b>	<b>954,974</b>
<b><u>Expenditure on:</u></b>					
Raising funds	7	15,794	374	16,168	31,077
Charitable activities	8	1,103,364	-	1,103,364	1,250,279
Material other expenditure	12	-	-	-	40,968
<b>Total expenditure</b>		<b>1,119,158</b>	<b>374</b>	<b>1,119,532</b>	<b>1,322,324</b>
Net gains/(losses) on investments	13	40,770	(3,701)	37,069	129,299
<b>Net movement in funds</b>		<b>(425,898)</b>	<b>(2,055)</b>	<b>(427,953)</b>	<b>(238,051)</b>
Fund balances at 1 April 2021		1,532,910	51,204	1,584,114	1,822,165
<b>Fund balances at 31 March 2022</b>		<b>1,107,012</b>	<b>49,149</b>	<b>1,156,161</b>	<b>1,584,114</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 2022

### Prior financial year

		Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
	Notes			
<b><u>Income and endowments from:</u></b>				
Donations and legacies	2	232,140	-	232,140
Charitable activities	3	642,674	-	642,674
Other trading activities	4	19,739	-	19,739
Investments	5	35,184	1,143	36,327
Other income	6	24,094	-	24,094
<b>Total income and endowments</b>		<b>953,831</b>	<b>1,143</b>	<b>954,974</b>
<b><u>Expenditure on:</u></b>				
Raising funds	7	30,786	291	31,077
Charitable activities	8	1,250,279	-	1,250,279
Material other expenditure	12	40,968	-	40,968
<b>Total expenditure</b>		<b>1,322,033</b>	<b>291</b>	<b>1,322,324</b>
Net gains/(losses) on investments	13	118,971	10,328	129,299
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>
Fund balances at 1 April 2020		1,780,310	41,855	1,822,165
<b>Fund balances at 31 March 2021</b>		<b>1,532,910</b>	<b>51,204</b>	<b>1,584,114</b>

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Intangible assets	14		13,868		19,283
Tangible assets	15		738,293		767,424
Investments	16		583,193		744,061
			<u>1,335,354</u>		<u>1,530,768</u>
<b>Current assets</b>					
Debtors	17	18,936		41,695	
Cash at bank and in hand		165,600		428,918	
		<u>184,536</u>		<u>470,613</u>	
<b>Creditors: amounts falling due within one year</b>	18	(13,729)		(67,267)	
Net current assets			<u>170,807</u>		<u>403,346</u>
<b>Total assets less current liabilities</b>			<u>1,506,161</u>		<u>1,934,114</u>
<b>Creditors: amounts falling due after more than one year</b>	19		(350,000)		(350,000)
<b>Net assets</b>			<u><u>1,156,161</u></u>		<u><u>1,584,114</u></u>
<b>Capital funds</b>					
Endowment funds - general	21		49,149		51,204
<b>Income funds</b>					
Unrestricted funds			<u>1,107,012</u>		<u>1,532,910</u>
			<u><u>1,156,161</u></u>		<u><u>1,584,114</u></u>

The financial statements were approved by the Trustees on 17 November 2022

*Andy Chittenden*

A Chittenden  
Trustee

Company registration number 02213003

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash absorbed by operations	27		(467,287)		(304,559)
<b>Investing activities</b>					
Purchase of intangible assets		(7,978)		(10,958)	
Purchase of tangible fixed assets		(11,287)		(7,184)	
Purchase of investments		(119,344)		(154,049)	
Proceeds from disposal of investments		327,501		722,290	
Investment income received		25,297		36,327	
<b>Net cash generated from investing activities</b>			214,189		586,426
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(253,098)		281,867
Cash and cash equivalents at beginning of year			435,346		153,479
<b>Cash and cash equivalents at end of year</b>			182,248		435,346
<b>Relating to:</b>					
Cash at bank and in hand			165,600		428,918
Short term deposits included in current asset investments			16,648		6,428

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2022

---

#### 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 2022

---

### 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
----------	-----------------

#### 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 2022

---

### 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 2022

### 2 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Donations and gifts	149,157	189,416
Legacies receivable	85,602	42,724
	<u>234,759</u>	<u>232,140</u>

### 3 Charitable activities

	Hospital 2022	Hospital 2021
	£	£
Contribution from West Cheshire CCG	317,380	467,380
Patient's contributions - respite care and social services income	12,225	84,657
Other income - including meals, nursing and recoveries	46,136	90,637
Other income	9,292	-
	<u>385,033</u>	<u>642,674</u>

### 4 Other trading activities

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Fundraising events	<u>6,504</u>	<u>19,739</u>

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 5 Investments

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Income from listed investments	23,251	2,020	25,271	35,154	1,143	36,297
Interest receivable	26	-	26	30	-	30
	<u>23,277</u>	<u>2,020</u>	<u>25,297</u>	<u>35,184</u>	<u>1,143</u>	<u>36,327</u>

### 6 Other income

	Unrestricted funds	Unrestricted funds
	2022	2021
	£	£
Coronavirus Job Retention Scheme	2,917	10,244
Coronavirus Government Grants	-	13,850
	<u>2,917</u>	<u>24,094</u>

### 7 Raising funds

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
<u>Fundraising and publicity</u>						
Staging fundraising events	12,275	-	12,275	27,769	-	27,769
Advertising	319	-	319	-	-	-
	<u>12,594</u>	<u>-</u>	<u>12,594</u>	<u>27,769</u>	<u>-</u>	<u>27,769</u>
<u>Fundraising and publicity</u>	3,200	374	3,574	3,017	291	3,308
<u>Investment management</u>						
	<u>15,794</u>	<u>374</u>	<u>16,168</u>	<u>30,786</u>	<u>291</u>	<u>31,077</u>



# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 8 Charitable activities

	Hospital 2022 £	Hospital 2021 £
Staff costs	759,433	839,751
Depreciation and impairment	40,419	42,319
Medical supplies and provisions	14,339	25,430
Cleaning and laundry	69,640	117,984
Maintenance	56,334	49,922
Staff training	877	7,668
	<u>941,042</u>	<u>1,083,074</u>
Share of support costs (see note 9)	158,722	163,605
Share of governance costs (see note 9)	3,600	3,600
	<u>1,103,364</u>	<u>1,250,279</u>

### 9 Support costs

	Support costs £	Governance costs £	2022 £	Support costs £	Governance costs £	2021 £
Depreciation	13,392	-	13,392	6,780	-	6,780
Services	48,017	-	48,017	52,230	-	52,230
Office costs	23,497	-	23,497	25,975	-	25,975
Sundries	8,313	-	8,313	19,013	-	19,013
Consultancy fees	47,119	-	47,119	47,417	-	47,417
Bank charges	880	-	880	2,688	-	2,688
Legal and professional fees	17,504	-	17,504	9,502	-	9,502
Audit fees	-	3,600	3,600	-	3,600	3,600
	<u>158,722</u>	<u>3,600</u>	<u>162,322</u>	<u>163,605</u>	<u>3,600</u>	<u>167,205</u>
Analysed between Charitable activities	<u>158,722</u>	<u>3,600</u>	<u>162,322</u>	<u>163,605</u>	<u>3,600</u>	<u>167,205</u>

Governance costs includes payments to the auditors of £3,600 (2021- £3,600) for audit fees. Support costs also include £9,000 (2021 - £9,630) of fees paid to the charity's auditors in relation to non-audit services.

### 10 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.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 11 Employees

The average monthly number of employees during the year was:

	2022 Number	2021 Number
Nurses and care	15	21
Cooks	1	2
Administration	4	5
Temporary cover	-	4
Management	5	6
	<hr/>	<hr/>
Total	25	38
	<hr/>	<hr/>

Employment costs	2022 £	2021 £
Wages and salaries	693,891	748,164
Social security costs	45,536	51,205
Other pension costs	20,006	40,382
	<hr/>	<hr/>
	759,433	839,751
	<hr/>	<hr/>

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

	2022 Number	2021 Number
£70,001 - £80,000	-	1
£100,001 - £110,000	1	-
	<hr/>	<hr/>

### 12 Material other expenditure

Material other expenditure totals £NIL (2021: £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 2022

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

	Unrestricted funds	Endowment funds general	Total	Unrestricted funds	Endowment funds general	Total
	2022	2022	2022	2021	2021	2021
	£	£	£	£	£	£
Revaluation of investments	(73,781)	(4,283)	(78,064)	76,098	14,247	90,345
Gain/(loss) on sale of investments	114,551	582	115,133	42,873	(3,919)	38,954
	<u>40,770</u>	<u>(3,701)</u>	<u>37,069</u>	<u>118,971</u>	<u>10,328</u>	<u>129,299</u>

### 14 Intangible fixed assets

	Software £
<b>Cost</b>	
At 1 April 2021	29,638
Additions - separately acquired	7,978
	<u>37,616</u>
At 31 March 2022	
<b>Amortisation and impairment</b>	
At 1 April 2021	10,355
Amortisation charged for the year	13,393
	<u>23,748</u>
At 31 March 2022	
<b>Carrying amount</b>	
At 31 March 2022	<u>13,868</u>
At 31 March 2021	<u>19,283</u>

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2022

#### 15 Tangible fixed assets

	Freehold land and buildings £	Leasehold improvements £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 April 2021	350,000	891,782	489,880	1,731,662
Additions	-	-	11,287	11,287
At 31 March 2022	350,000	891,782	501,167	1,742,949
<b>Depreciation and impairment</b>				
At 1 April 2021	150,000	417,488	396,750	964,238
Depreciation charged in the year	6,000	14,043	20,375	40,418
At 31 March 2022	156,000	431,531	417,125	1,004,656
<b>Carrying amount</b>				
At 31 March 2022	194,000	460,251	84,042	738,293
At 31 March 2021	200,000	474,294	93,130	767,424

Freehold land and buildings with a carrying amount of £350,000 (2021 - £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 (2021 - £50,000) which is not depreciated.

#### 16 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
<b>Cost or valuation</b>			
At 1 April 2021	737,636	6,425	744,061
Additions	119,344	-	119,344
Valuation changes	(78,064)	-	(78,064)
Realised profit on disposal	115,132	-	115,132
Movement on cash	-	10,221	10,221
Disposals	(327,503)	-	(327,503)
At 31 March 2022	566,545	16,646	583,191
<b>Carrying amount</b>			
At 31 March 2022	566,545	16,646	583,191
At 31 March 2021	737,636	6,425	744,061

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 16 Fixed asset investments (Continued)

#### Fixed asset investments revalued

The historical cost of listed investments at 31 March 2022 was £497,562 (2021: £595,284).

### 17 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	290	4,168
Prepayments and accrued income	18,646	37,527
	<u>18,936</u>	<u>41,695</u>

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

	2022 £	2021 £
Other taxation and social security	1,312	9,994
Trade creditors	6,675	37,287
Other creditors	-	1,859
Accruals and deferred income	5,742	18,127
	<u>13,729</u>	<u>67,267</u>

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

	2022 £	2021 £
Borrowings	<u>350,000</u>	<u>350,000</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.

### 20 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 £20,006 (2021 - £40,382).

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

### 21 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 2020	Incoming resources	Resources expended	Transfers	Revaluations gains and losses	Balance at 1 April 2021	Incoming resources	Resources expended	Revaluations gains and losses	Balance at 31 March 2022
	£	£	£	£	£	£	£	£	£	£
<b>Permanent endowments</b>										
Health Authority Endowment Fund	41,855	1,143	(291)	(1,831)	10,328	51,204	2,020	(374)	(3,701)	49,149
	<u>41,855</u>	<u>1,143</u>	<u>(291)</u>	<u>(1,831)</u>	<u>10,328</u>	<u>51,204</u>	<u>2,020</u>	<u>(374)</u>	<u>(3,701)</u>	<u>49,149</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 2022

### 22 Analysis of net assets between funds

	Unrestricted funds 2022 £	Endowment funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Endowment funds 2021 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:						
Intangible fixed assets	13,868	-	13,868	19,283	-	19,283
Tangible assets	738,293	-	738,293	767,424	-	767,424
Investments	534,044	49,149	583,193	692,857	51,204	744,061
Current assets/(liabilities)	170,807	-	170,807	403,346	-	403,346
Long term liabilities	(350,000)	-	(350,000)	(350,000)	-	(350,000)
	<u>1,107,012</u>	<u>49,149</u>	<u>1,156,161</u>	<u>1,532,910</u>	<u>51,204</u>	<u>1,584,114</u>

### 23 Operating lease commitments

At the reporting end date the Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022 £	2021 £
Within one year	518	-
Between two and five years	778	-
	<u>1,296</u>	<u>-</u>

### 24 Capital commitments

At 31 March 2022 the Charity had capital commitments as follows:

Contracted for but not provided in the financial statements:

Acquisition of property, plant and equipment	<u>28,000</u>	<u>3,317</u>
--	---------------	--------------

### 25 Events after the reporting date

On the 21st April 2022 the charity signed a lease agreement with the Countess of Chester Hospital NHS Foundation Trust to lease out the freehold property for an annual rent over an initial 3 year period.

As such at this date the charity donated its fixtures and fittings included within tangible fixed assets to the Countess of Chester Hospital NHS Foundation Trust for a notional value of £5. Therefore, after the year end the property will now be included in the financial statements as investment property.

# TARPORLEY WAR MEMORIAL HOSPITAL TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

### 26 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.

	2022 £	2021 £
Aggregate compensation	150,220	76,025

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.

Trustees and their related enterprises made donations to the charity totalling £32,075 (2021: £5,000).

### 27 Cash generated from operations

	2022 £	2021 £
Deficit for the year	(427,953)	(238,051)
Adjustments for:		
Investment income recognised in statement of financial activities	(25,297)	(36,327)
Gain on disposal of investments	(115,133)	(38,954)
Fair value gains and losses on investments	78,064	(90,345)
Amortisation and impairment of intangible assets	13,392	6,780
Depreciation and impairment of tangible fixed assets	40,419	42,319
Movements in working capital:		
Decrease in debtors	22,759	44,484
(Decrease)/increase in creditors	(53,538)	5,535
<b>Cash absorbed by operations</b>	<b>(467,287)</b>	<b>(304,559)</b>

### 28 Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	428,918	(263,318)	165,600
Cash equivalents	6,428	10,220	16,648
	435,346	(253,098)	182,248
Loans falling due after more than one year	(350,000)	-	(350,000)
	85,346	(253,098)	(167,752)