

The Clatterbridge Cancer Centre
NHS Foundation Trust

**Group Annual Accounts
For the 12 Months Ended
31st March 2019**



Contents

	Page
Foreword to the Accounts	2
Independent Auditors' Report to the Council of Governors of The Clatterbridge Cancer Centre NHS Foundation Trust	3-7
Statement of Comprehensive Income	8
Statement of Financial Position	9
Statement of Changes in Taxpayers Equity	10
Statement of Cash Flows	11
Accounting Policies	12-23
Notes to the Accounts	24-42



FOREWORD TO THE ACCOUNTS

THE CLATTERBRIDGE CANCER CENTRE NHS FOUNDATION TRUST

The Group accounts for the 12 months ended 31 March 2019 that have been prepared by The Clatterbridge Cancer Centre NHS Foundation Trust are in line with IAS1 paragraph 51 and in accordance with paragraphs 24 and 25 of Schedule 7 of the National Health Services Act 2006 are in the form which NHS Improvement has, with the approval of the Treasury, directed.

Signed.....

Date

Liz Bishop,
Chief Executive



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 2018/19

	NOTE	Group		FT	
		2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Income from patient care activities		143,785	126,121	143,785	126,121
Other operating income		19,835	17,544	19,902	17,203
Operating Income from continuing operations	2	163,620	143,665	163,688	143,324
Operating Expenses from continuing operations	3	(151,922)	(133,185)	(154,429)	(134,956)
OPERATING SURPLUS / (DEFICIT)		11,698	10,480	9,259	8,368
Finance costs					
Finance income	5	417	201	1,896	410
Finance expense - financial liabilities	6.1	(254)	(151)	(1,983)	(421)
PDC dividends payable		(3,667)	(3,180)	(3,667)	(3,180)
Net Finance costs		(3,504)	(3,130)	(3,754)	(3,191)
Share of Profit/(Loss) of Associates accounted for using the equity method	9	502	569	502	569
Corporation Tax		(360)	(252)	0	0
Surplus / (deficit) from continuing operations		8,336	7,667	6,007	5,746
Other Comprehensive Income:					
Impairments		0	0	0	0
Revaluations		922	1,079	922	1,079
FV gains/(losses) on Available For Sale (AFS) financial assets		45	(2)	0	0
Total other comprehensive income/(expenditure) for the year		967	1,077	922	1,079
TOTAL COMPREHENSIVE INCOME / (EXPENSE) FOR THE YEAR		9,303	8,744	6,929	6,825

The notes on pages 24 to 42 form part of these accounts.

The results of the group are attributable to the parent.



STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2019

		Group		FT	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
	NOTE	£000	£000	£000	£000
Non-current assets					
Intangible assets	7	1,673	717	1,673	717
Property, plant and equipment	8.1	157,905	89,191	158,340	89,306
Investments in associates	9	1,174	672	1,174	672
Other investments		1,236	1,191	0	0
Other financial assets	13.0	0	0	78,815	18,715
Trade and other receivables	11.1	1,667	4,563	1,667	4,563
Total non-current assets		163,655	96,333	241,669	113,972
Current Assets					
Inventories	10.1	2,263	1,872	1,263	1,161
Trade and other receivables	11.1	34,098	30,402	34,431	30,686
Cash and cash equivalents	18	84,260	65,175	72,963	55,368
Total current assets		120,621	97,449	108,657	87,215
Current liabilities					
Trade and other payables	12	(42,422)	(30,149)	(35,938)	(26,455)
Borrowings	14	(1,985)	(301)	(1,985)	(301)
Provisions	16	(350)	(489)	(267)	(461)
Other liabilities	13	(2,402)	(2,462)	(2,402)	(2,307)
Total current liabilities		(47,159)	(33,402)	(40,592)	(29,525)
Total assets less current liabilities		237,117	160,379	309,734	171,663
Non-current liabilities					
Trade and other payables	12	(1,162)	(301)	0	0
Borrowings	14	(37,336)	(2,859)	(37,336)	(2,859)
Other liabilities	13	0	0	(84,723)	(20,152)
Total non-current liabilities		(38,498)	(3,160)	(122,059)	(23,011)
Total assets employed		198,619	157,219	187,675	148,652
Financed by taxpayers' equity					
Public Dividend Capital		55,364	23,267	55,364	23,267
Revaluation reserve	17.1	8,493	7,839	8,493	7,839
Income and expenditure reserve		123,384	117,546	123,818	117,546
Financed by others' equity					
Charitable fund reserves	17.2	8,295	6,786	0	0
Pharmacy subsidiary reserves		2,018	1,595	0	0
PropCare subsidiary reserves		1,064	186	0	0
Total taxpayers' and others' equity		198,619	157,219	187,675	148,652

Signed:Chief Executive
Date:



STATEMENT OF CHANGES IN TAXPAYERS EQUITY

		Others' Equity	Taxpayers' Equity		
	Total	Charitable	Public	Revaluation	Income &
	£000	Funds	Dividend	Reserve	Expenditure
		£000	Capital	£000	Reserve
			£000		£000
Equity at 1 April 2018	157,219	6,786	23,267	7,839	119,327
Surplus/(deficit) for the year	8,336	1,464	0	0	6,872
Transfers between reserves	0	0	0	(267)	267
Revaluations - property, plant and equipment	922	0	0	922	0
Fair value gains/(losses) on available-for-sale financial investments	45	45	0	0	0
Public dividend capital received	32,097	0	32,097	0	0
Equity at 31 March 2019	198,619	8,295	55,364	8,493	126,466

		Others' Equity	Taxpayers' Equity		
	Total	Charitable	Public	Revaluation	Income &
	£000	Funds	Dividend	Reserve	Expenditure
		£000	Capital	£000	Reserve
			£000		£000
Equity at 1 April 2017	143,990	5,452	22,197	3,584	112,757
Prior period adjustment	3,416	0	0	3,416	0
Equity at 1 April 2017 (restated)	147,406	5,452	22,197	7,000	112,757
Surplus/(deficit) for the year	7,666	1,335	0	0	6,331
Transfers between reserves	0	0	0	(240)	240
Revaluations - property, plant and equipment	1,079	0	0	1,079	0
Fair value gains/(losses) on available-for-sale financial investments	(2)	(2)	0	0	0
Public dividend capital received	1,070	0	1,070	0	0
Equity at 31 March 2018	157,219	6,786	23,267	7,839	119,327



STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 2018/19

Prepared using the indirect method

	Group		FT	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Cash flows from operating activities				
Operating surplus/(deficit)	11,698	10,480	9,259	8,368
Non-cash income and expense				
Depreciation and amortisation	4,493	4,471	4,493	4,471
(Increase)/Decrease in Trade and Other Receivables	(785)	(11,426)	(849)	(9,891)
(Increase)/Decrease in Other Assets	0	0	(60,100)	(18,715)
(Increase)/Decrease in Inventories	(391)	(423)	(102)	(264)
Increase/(Decrease) in Trade and Other Payables	5,723	13,822	9,696	11,849
Increase/(Decrease) in Other Liabilities	95	(824)	64,664	19,328
Increase/(Decrease) in Provisions	(139)	429	(195)	401
Tax (paid) / received	(90)	(190)	0	0
NHS Charitable Funds	14	2	0	0
Net cash generated from/(used in) operations	20,618	16,341	26,866	15,548
Cash flow from investing activities				
Interest received	387	166	1,895	126
Purchase of intangible assets	(1,059)	(115)	(1,059)	(115)
Purchase of Property, Plant and Equipment	(65,191)	(18,804)	(72,513)	(21,431)
Cash movement from disposals of business units and subsidiaries	0	792	0	832
NHS Charitable Funds	0	35	0	0
Net cash generated from/(used in) investing activities	(65,863)	(17,927)	(71,677)	(20,588)
Cash flows from financing activities				
Public dividend capital received	32,097	1,070	32,097	1,070
Loans received to the Foundation Trust Financing Facility	37,000		37,000	
Loans repaid to the Foundation Trust Financing Facility	(990)	(250)	(990)	(250)
Capital element of finance lease rental payments	(51)	(49)	(51)	(49)
Interest paid	(52)	(9)	(1,976)	(9)
Interest element of finance lease	(7)	(141)	(7)	(141)
PDC dividend paid	(3,667)	(3,043)	(3,667)	(3,043)
Net cash generated from/(used in) financing activities	64,330	(2,423)	62,406	(2,423)
Increase/(decrease) in cash and cash equivalents	19,085	(4,008)	17,595	(7,463)
Cash and cash equivalents at 1 April	65,174	69,183	55,368	62,830
Cash and cash equivalents at 31 March	84,260	65,175	72,963	55,368



2. Operating segments

The business activities of the Group can be summarised as that of 'healthcare'. The chief operating decision maker for Clatterbridge Cancer Centre NHS Foundation Trust is the FT Board. Key decisions are agreed at monthly Board meetings and sub-committee meetings of the Board, following scrutiny of performance and resource allocation. The FT Board review and make decisions on activity and performance of the FT as a whole entity, not for its separate business activities.

The activities of the subsidiary companies, The Clatterbridge Cancer Charity, The Clatterbridge Pharmacy Limited and Clatterbridge PropCare Services Limited, are not considered sufficiently material to require separate disclosure.

The Clatterbridge Cancer Charity is a registered charity that supports cancer care in the NHS. The Board of the FT is the Corporate Trustee of the Charity.

The Clatterbridge Pharmacy Limited provides dispensing services and drug procurement to the FT. The FT is the sole shareholder of the company.

Clatterbridge PropCare Services Limited is overseeing construction of the new hospital in Liverpool and redesign of the Wirral site, and manages the FT's property, estates and facilities on its behalf.

2.1 Income from Activities

Income from activities comprises:

	Group / FT	
	2018/19 £000	2017/18 £000
Elective income	3,990	3,512
Non-elective income	5,044	4,965
First outpatient income	2,730	2,525
Follow up outpatient income	17,469	15,046
High cost drugs income from commissioners	58,595	47,780
Other NHS clinical income*	46,446	45,500
NHS Income from Activities	134,274	119,330
Private patients	2,392	1,777
North Wales	3,468	2,886
Rest of Wales	131	167
Scotland	218	338
Ireland	86	62
Other non-protected clinical income	3,216	1,561
	143,785	126,121

*Other NHS clinical income comprises of drugs (£1m), chemotherapy activity (£20m), radiotherapy activity (£17m), block income (£1m), diagnostic imaging (£1m) and bone marrow transplants (£4m).

The figures quoted for both years above are based upon income received in respect of actual activity undertaken within each category. The Terms of Authorisation set out the mandatory goods and services that the FT is required to provide protected services. All of the income from activities shown above is derived from the provision of protected services.



2.2 Income from patient care activities

	Group / FT	
	2018/19 £000	2017/18 £000
NHS Foundation Trusts	282	313
NHS Trusts	0	301
CCGs and NHS England	134,606	118,623
Non NHS Private patients	2,392	1,777
Non NHS: Other	6,505	5,106
	143,785	126,121

2.3 Other Operating Income

	Group		FT	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Research and Development	3,149	2,924	3,149	2,924
Education and Training	1,289	1,270	1,289	1,270
Non-patient care services to other bodies	5,667	4,739	5,667	4,739
Sustainability and Transformation Fund income	4,011	2,442	4,011	2,442
Other	3,018	3,677	5,786	5,827
NHS Charitable Funds: Incoming Resources excluding investment income	2,700	2,492	0	0
	19,835	17,544	19,902	17,203



3. Operating Expenses

3.1 Operating expenses comprise:

	Group		FT	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Purchase of healthcare from NHS and DHSC bodies	10,397	9,414	10,397	9,414
Purchase of healthcare from non-NHS and non-DHSC bodies	458	197	458	206
Staff and executive directors costs	58,225	52,473	57,207	51,592
Non Executive Directors' costs	159	161	128	134
Supplies and services - clinical (excluding drug costs)	3,018	4,257	4,693	4,270
Supplies and services - general	2,229	3,307	2,216	2,060
Drugs costs	57,521	47,610	58,271	47,691
Consultancy	363	411	343	429
Establishment	1,702	1,508	1,753	1,498
Premises - business rates collected by local authorities	178	171	178	171
Premises - other	6,256	2,862	7,928	6,832
Transport (business travel only)	87	65	85	65
Transport - other (including patient travel)	118	96	120	96
Depreciation on property, plant and equipment	4,391	4,391	4,391	4,391
Amortisation on intangible assets	103	80	103	80
Increase / (decrease) in provision for impairment of receivables	57	58	57	58
Provisions arising / released in year	(22)	401	(22)	401
Audit services- statutory audit*	83	83	48	48
Other auditor remuneration (external auditor only)	9	5	9	5
Internal audit costs	118	103	98	88
Clinical negligence	194	149	194	149
Legal fees	205	169	205	163
Insurance	155	133	136	119
Research and development	307	139	307	139
Education and training	1,394	1,256	1,384	1,244
Operating lease expenditure	543	368	543	368
Redundancy costs	0	281	0	281
Car parking & Security	0	(0)	0	(0)
Hospitality	13	14	13	14
Other	3,605	2,962	3,186	2,949
NHS Charitable funds: Other resources expended	57	60	0	0
	151,922	133,186	154,429	134,956

*Group statutory audit fees include £5k for the charity, £15k for PharmaC and £23k for PropCare. Audit fees are inclusive of VAT for the FT and charity, and exclusive of VAT for PharmaC and PropCare.

** Other operating expenditure contains £3.2m of expenditure relating to Haemato Oncology.

3.2 Arrangements containing an operating lease

	Group / FT	
	2018/19 £000	2017/18 £000
Future minimum lease payments due:		
Not later than one year	456	321
Later than one year and not later than five years	300	302
Later than five years	8,475	8,475
	9,231	9,098

These leases are for land at Aintree, IT equipment, and portakabins.



4.1 Staff costs

	Group		FT	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Salaries and wages	47,085	43,239	46,186	42,489
Social Security costs	4,299	3,900	4,210	3,827
Apprenticeship levy	193	188	193	188
Pension cost - employer contributions to NHS pension scheme	5,228	4,720	5,228	4,720
Pension cost - other	37	56	6	3
Agency and contract staff	1,384	651	1,384	646
	58,225	52,754	57,207	51,873

4.2 Average number of WTE persons employed

	Group		FT	
	2018/19 WTE	2017/18 WTE	2018/19 WTE	2017/18 WTE
Medical and dental	96	90	96	90
Administration and estates	459	417	447	409
Healthcare assistants and other support staff	96	96	96	96
Nursing, midwifery and health visiting staff	268	241	268	241
Scientific, therapeutic and technical staff	279	262	265	247
	1,199	1106	1,173	1083

4.3 Retirements due to ill-health

This note discloses the number and additional costs for individuals who retired early on ill-health grounds during the year. There was one retirement at an additional cost of £113k in 2018-19 (2017-18 - three retirements at an additional cost of £228k). This information has been supplied by the NHS Business Services Authority.

4.4 Retirement benefits

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

The expected employers contributions to the NHS pension scheme for 2018-19 is £5.3m.



5. Finance Income

	Group		FT	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Interest on other investments / financial assets	387	166	1,896	410
NHS Charitable funds: investment income	30	35	0	0
	417	201	1,896	410

6.1 Finance Costs - Interest expense

	Group		FT	
	2018/19 £000	2017/18 £000	2018/19 £000	2017/18 £000
Loans from the Foundation Trust Financing Facility	247	141	247	141
Interest on other loans	0	0	1,729	270
Interest on finance lease obligations	7	9	7	9
	254	151	1,983	421

6.2 Better Payment Practice Code

	Group/FT			
	2018/19		2017/18	
	Number	£000	Number	£000
Total Non-NHS trade invoices paid in the year	8,585	82,926	8,312	70,564
Total Non NHS trade invoices paid within target	6,928	76,267	7,289	67,044
Percentage of Non-NHS trade invoices paid within target	80.7%	92.0%	87.7%	95.0%
Total NHS trade invoices paid in the year	1,419	27,361	1,219	16,831
Total NHS trade invoices paid within target	712	18,787	898	13,121
Percentage of NHS trade invoices paid within target	50.2%	68.7%	73.7%	78.0%

The Better Payment Practice Code requires the FT to aim to pay all undisputed invoices by the due date or within 30 days of receipt of goods or a valid invoice, whichever is later.

6.3 The late payment of commercial debts (interest) Act 1998:

No interest or compensation has been paid under the Late Payment of Commercial Debts (Interest) Act 1998 during 2017-18 or 2018-19.



7. 1 Intangible assets 2018/19

	Group / FT Software licences £000	TOTAL £000
Cost / valuation at 1 April 2018	891	891
Additions – purchased	1,059	1,059
Cost / valuation at 31 March 2019	1,950	1,950
Accumulated amortisation at 1 April 2018	174	174
Provided during the year	103	103
Accumulated depreciation at 31 March 2019	277	277
Net book value at 31 March 2018		
Purchased	717	717
Total at 31 March 2018	717	717
Net book value at 31 March 2019		
Purchased	1,673	1,673
Total at 31 March 2019	1,673	1,673

7. 2 Intangible assets 2017/18

	Group / FT Software licences £000	TOTAL £000
Cost / valuation at 1 April 2017	776	776
Additions – purchased	115	115
Cost / valuation at 31 March 2018	891	891
Accumulated amortisation at 1 April 2017	95	95
Provided during the year	80	80
Accumulated depreciation at 31 March 2018	174	174
Net book value at 31 March 2017		
Purchased	682	682
Total at 31 March 2017	682	682
Net book value at 31 March 2018		
Purchased	717	717
Total at 31 March 2018	717	717



8.1 Property, plant and equipment 2018/19

	Group / FT							
	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000
Cost / valuation at 1 April 2018	871	36,989	32,177	23,659	25	8,399	171	102,291
Prior period adjustment	0	0	0	0	0	0	0	0
Cost / valuation at 1 April 2019 (restated)	871	36,989	32,177	23,659	25	8,399	171	102,291
Additions – purchased	0	224	64,381	3,687	0	3,892	0	72,183
Revaluations	0	177	0	0	0	0	0	177
Disposals/derecognition	0	0	0	(2,184)	0	0	0	(2,184)
Cost / valuation at 31 March 2019	871	37,390	96,558	25,162	25	12,291	171	172,467
Accumulated depreciation at 1 April 2018	0	0	0	10,426	16	2,572	86	13,100
Provided during the year	0	745	0	2,347	4	1,278	17	4,391
Revaluations	0	(745)	0	0	0	0	0	(745)
Disposals/derecognition	0	0	0	(2,184)	0	0	0	(2,184)
Accumulated depreciation at 31 March 2019	0	0	0	10,590	20	3,850	103	14,562
Net book value at 31 March 2018								
Purchased	871	33,408	32,290	12,130	0	5,407	84	84,190
Finance leased	0	0	0	0	0	421	0	421
Donated	0	3,582	0	1,104	9	0	0	4,695
Total at 31 March 2018	871	36,990	32,290	13,234	9	5,828	84	89,306
Net book value at 31 March 2019								
Purchased	871	33,760	96,558	13,793	0	8,174	67	153,223
Finance leased	0	0	0	0	0	268	0	268
Donated	0	3,629	0	780	5	0	0	4,414
NBV at 31 March 2019 for Group	871	37,390	96,558	14,573	6	8,442	67	157,905
Add: PURP adjustment*	0	0	435	0	0	0	0	435
NBV at 31 March 2019 for FT	871	37,390	96,993	14,573	6	8,442	67	158,340

*The PURP (provision for unrealised profits) relates to the adjustment required to eliminate the profit element recognised by PropCare on the new build hospital costs charged to the FT.



8.2 Property, plant and equipment 2017/18

	Group / FT							
	Land	Buildings excluding dwellings	Assets under construction	Plant and machinery	Transport equipment	Information technology	Furniture and fittings	TOTAL
	£000	£000	£000	£000	£000	£000	£000	£000
Cost / valuation at 1 April 2017	350	36,871	13,237	44,108	73	10,830	247	105,715
Prior period adjustment	0	3,416	0	0	0	0	0	3,416
Cost / valuation at 1 April 2017 (restated)	350	40,287	13,237	44,108	73	10,830	247	109,131
Additions – purchased	0	165	19,054	720	0	1,421	0	21,360
Revaluations	521	(3,462)	0	0	0	0	0	(2,941)
Disposals/derecognition	0	0	0	(21,169)	(48)	(3,852)	(76)	(25,145)
Cost / valuation at 31 March 2018	871	36,989	32,291	23,659	25	8,399	171	102,405
Accumulated depreciation at 1 April 2017	0	3,322	0	29,222	60	5,123	146	37,873
Provided during the year	0	698	0	2,372	4	1,301	17	4,391
Revaluations	0	(4,020)	0	0	0	0	0	(4,020)
Disposals/derecognition	0	0	0	(21,168)	(48)	(3,852)	(77)	(25,145)
Accumulated depreciation at 31 March 2018	0	0	0	10,426	16	2,572	86	13,100
Net book value at 31 March 2017								
Purchased	350	31,117	13,237	13,458	0	5,133	101	63,397
Finance leased	0	0	0	0	0	574	0	574
Donated	0	2,432	0	1,428	12	0	0	3,872
Total at 31 March 2017	350	33,548	13,237	14,886	12	5,707	101	67,842
Net book value at 31 March 2018								
Purchased	871	33,408	32,291	12,130	0	5,407	84	84,190
Finance leased	0	0	0	0	0	421	0	421
Donated	0	3,582	0	1,104	9	0	0	4,694
NBV at 31 March 2018 for FT	871	36,989	32,291	13,234	9	5,827	84	89,306
Less: PURP adjustment*	0	0	(115)	0	0	0	0	(115)
NBV at 31 March 2018 for Group	871	36,989	32,177	13,234	9	5,827	84	89,191

*The PURP (provision for unrealised profits) relates to the adjustment required to eliminate the profit element recognised by PropCare on the new build hospital costs. Disposals relate to fully depreciated assets that have been removed from the accounts in year.



8.3 Assets for commissioner requested services

All assets on the fixed asset register are used for commissioner requested services.

8.4 Economic life of Property, plant and equipment and Intangibles

	Minimum Years	Maximum Years
Land	Infinite	Infinite
Buildings excluding dwellings	5	85
Plant & Machinery	5	15
Transport Equipment	3	7
Information Technology	3	10
Furniture & Fittings	3	10
Licences	5	10

There have been no significant changes in useful lives or estimation methods from the previous period.

8.5 Property Valuations:

The last full site valuation of all the FT's property was undertaken in 2014-15 by a professional valuer, Cushman & Wakefield, on the Modern Equivalent Asset basis. They also carried out a desktop valuation in 2018-19. Further details of the valuation approach are included under note 1.5 (Accounting policies).

9. Investments in associates

	Group / FT	
	Investments in associates 2018/19 £000	Investments in associates 2017/18 £000
Carrying value at 01 April	672	895
Share of profit/(loss)	502	569
Disposals	0	(792)
Carrying value at 31 March	1,174	672

This relates to the FT's associate company, the Clatterbridge Clinic LLP, which provides a service for private patients.

10.1 Inventories

	Group		FT	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Drugs	2,263	1,872	1,263	1,161
	2,263	1,872	1,263	1,161

10.2 Inventories recognised in expenses

The value of inventories recognised in expenses was £57.52m (2017-18 £47.61m) for the Group and £58.27m (2017-18 £47.69m) for the FT.



11.1 Trade and other receivables

	Group		FT	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Contract Receivables 1	8,210		8,351	
Trade receivables 1		16,977		17,029
Accrued income 1	15,468	4,409	19,075	6,371
Allowance for impaired contract receivables 1	(186)		(186)	
Allowance for other impaired receivables		(134)		(134)
Prepayments	6,836	7,167	6,833	7,154
PDC dividend receivable	0	0	0	0
VAT receivable	3,742	1,967	360	267
Other receivables	(1)	0	0	0
NHS Charitable funds: Trade and other receivables	30	16	0	0
Total current trade and other receivables	34,098	30,402	34,432	30,686
Prepayments*	1,667	4,563	1,667	4,563
Total non-current trade and other receivables	1,667	4,563	1,667	4,563

*Prepayments include a balance of £3.14m relating to the transfer of Haemato-Oncology services to the FT.

1. Following the application of IFRS 15 from 1 April 2018, the Trust's entitlement to consideration for work performed under contracts with customers is shown separately under contracts with customers is shown separately under contracts receivables. This replaces the previous analysis into Trade receivables and Accrued income. IFRS 15 is applied without restatement therefore the comparative analysis of receivables has not been restated under IFRS 15.

11.2 Allowance for credit losses - 2018-19

	Group / FT 2018/19 £000
Allowances at 1 April 2018	134
Impact of implementing IFRS 9 (and IFRS 15) on 1 April 2018.	0
New allowances arising	57
Changes in existing allowance	(5)
Reversals of allowances	0
Utilisation of allowances (write offs)	0
Allowance at 31 March 2019	186

The allowance for credit losses relates to the Trust's non-government trade debt.

11.3 Allowance for credit losses - 2017-18

	Group / FT 2017/18 £000
Allowances at 1 April 2017	76
Increase in provision	58
Amounts utilised	0
Unused amounts reversed	0
Allowances at 31 March 2018	134

IFRS 9 and IFRS 15 are adopted without restatement. This analysis is prepared in line with the requirements of IFRS 7 prior to IFRS 9 adoption.



12. Trade and other payables

	Group		FT	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Trade payables	9,810	13,588	10,494	11,642
Receipts in advance	5,066	4,795	5,066	4,795
Capital payables	8,449	2,317	97	107
Social Security costs payable	619	586	1,093	586
Other taxes payable	849	545	1,077	442
Accrued interest on DHSC loans 1	0	6	0	6
Accrued interest on other loans 1	0	0	1,999	270
Other payables	2,615	2,928	807	2,881
Accruals	15,009	5,378	15,306	5,726
NHS Charitable funds: Trade and other payables	6	6	0	0
Total current trade and other payables	42,422	30,149	35,938	26,455
Capital payables	1,162	301	0	0
Total non-current trade and other payables	1,162	301	0	0

Following adoption of IFRS 9 on 1 April 2018, the Trust's loans are measured at amortised cost rather than being carried at historical cost net of repayments. Any accrued interest is now included in the carrying value of the relevant loan. IFRS 9 is applied without restatement and therefore comparatives have not been restated.

The Better Payment Practice code (BPPC) gives NHS organisations a target of paying 95% of undisputed invoices within 30 calendar days of receipt of either goods or a valid invoice (whichever is later), unless other payment terms have been agreed. Information regarding the Trust's BPPC performance is within the Annual report.

The carrying amounts of Trade and other payables approximate to fair value.

13. Other liabilities (and other financial assets)

	Group		FT	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Deferred income	2,402	2,307	2,402	2,307
Total current other liabilities	2,402	2,307	2,402	2,307
Deferred income	0	0	1,156	1,156
PropCare liability	0	0	83,567	18,996
Total non-current other liabilities	0	0	84,723	20,152

Included within deferred income are specific allocations relating to hosted services, research and development and post graduate medical education. Funding is received annually for these services. Deferred income brought forward from the previous year is utilised in year and the annual incomes received for the services are deferred if not required during the current year. The majority of the remaining balance at 31st March 2019 relates to earmarked funding to contribute to the "Building for the Future" project. The majority of this income was released in 2015-16.

The PropCare liability is offset by the loan receivable within Other Financial Assets of £78,815k. The non-current deferred income of £1,156k relates to an arrangement fee with PropCare. Both entries are eliminated on consolidation.



Loan commitments

The Trust has made loan commitments to Clatterbridge Propcare Services Limited totaling £118 million. As at 31 March 2019, Clatterbridge Propcare Services Limited has drawn down £83.6 million in loans from the Trust. The receipt of loans from the Trust are intended to cover the capital cost of the new cancer centre and the refurbishment of the existing estate. Clatterbridge Propcare Services Limited will be responsible for repaying the loans plus a fixed rate of interest from the income received via the unitary charge under the 25 year agreement.

The Trust measures the loan commitments in accordance with IAS 37. As at 31 March 2019, management does not believe that the loan commitment is onerous as Clatterbridge Propcare Services Limited's credit risk is low and therefore the probability of a default event is remote. Therefore, the Trust does not expect any credit losses arising from the loan commitment it has made to Clatterbridge Propcare Services Limited. Accordingly, the Trust has not recognised a provision in its accounts as at 31 March 2019

Financial guarantee

The Trust has provided a financial guarantee to Laing O'Rourke on behalf of Clatterbridge Propcare Services Limited. In the event that Clatterbridge Propcare Services Limited is unable to meet its financial obligations to Laing O'Rourke, the Trust is liable to pay the outstanding trade creditor. In accordance with IAS 39, this financial guarantee needs to be recognised at fair value. As there is no active market for this type of guarantee, the Trust needs to estimate the fair value. The Trust has calculated the expected losses under the guarantee, i.e. the probability-weighted outcome. Using this estimation technique, management believes that as at 31 March 2019 the fair value of the financial guarantee is nil. This is based on the judgement that Clatterbridge Propcare Services Limited is a going concern and the probability of a credit default event is very remote.

14. Borrowings

	CURRENT Group / FT		NON-CURRENT Group / FT	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	£000	£000	£000	£000
Loans from Foundation Trust Financing Facility	1,932	250	37,280	2,750
Obligations under finance leases	53	51	56	109
	1,985	301	37,336	2,859

On 1st March 2010, the FT took out a loan in the sum of £5 million from the Department of Health Foundation Trust Financing Facility for the specific purpose of funding expenditure on the new radiotherapy treatment centre at Aintree which became operational in February 2011.

On 3 September 2019, the FT took out a further of £37 million from the Department of Health Foundation Trust Financing Facility for the specific purpose of funding the new Cancer Centre in Liverpool.

15. Finance lease obligations

	Group / FT	
	31 March 2019 £000	31 March 2018 £000
Gross lease obligations		
- Not later than one year	53	51
- later than one year and not later than 5 years	56	109
- later than 5 years	0	0
	109	160
Net lease liabilities		
- Not later than one year	53	51
- later than one year and not later than 5 years	56	109
- later than 5 years	0	0
	109	160

These finance leases relate to IM&T equipment purchased in 2015-16 for the EPR project.

16. Provisions for liabilities and charges

	Group		FT	
	31 March 2019 £000	31 March 2018 £000	31 March 2019 £000	31 March 2018 £000
Legal claims	263	458	263	458
Redundancy	0	0	0	0
Other	87	31	4	3
Total current provisions	350	489	267	461

	Group 2018/19			FT 2018/19		
	Legal claims £000	Other £000	Total £000	Legal claims £000	Other £000	Total £000
At start of period	458	31	489	458	3	461
Arising during the year	17	84	101	17	1	18
Utilised during the year	(117)	0	(117)	(117)	0	(117)
Reversed unused	(95)	(28)	(123)	(95)	0	(95)
At end of period	263	87	350	263	4	267

Expected timing of cashflows:

Within 1 year	263	87	350	263	4	267
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Legal claims consist of amounts due as a result of third party and employee liability claims. The values are based on information provided by NHS Resolution and estimates made by the FT. The FT is a member of the NHS Resolution clinical negligence scheme. All clinical negligence claims are therefore recognised in the accounts of NHS Resolution, consequently the FT will have no provision for such claims. NHS Resolution is carrying provisions as at 31st March 2019 in relation to ELS of £nil (2017-18 £nil) and in relation to CNST of £1,813k (2017-18 £523k) making a total of £1813k (2017-18 £523k).



17.1 Revaluation Reserve

	Group / FT	
	2018/19	2017/18
	Property, Plant & Equipment	Property, Plant & Equipment
	£000	£000
Revaluation reserve at 1 April	7,839	3,584
Prior period adjustment	0	3,416
Revaluation reserve at 1 April (restated)	7,839	7,000
Revaluations	922	1,079
Transfers to other reserves	(267)	(240)
Revaluation reserve at 31 March	8,494	7,839

17.2 Charitable Funds Reserve

	Group	
	31 March	31 March
	2019	2018
	£000	£000
Restricted Funds	824	518
Unrestricted Funds	7,472	6,268
	8,296	6,786

The restricted funds have arisen as they are donations which the donor has specified the income to be used for a particular purpose.

18. Cash and cash equivalents

	Group	FT
	2018/19	
	£000	£000
Balance at 1 April	65,175	59,244
Net change in year	19,086	17,448
Balance at 31 March	84,260	76,692
Broken down into:		
Commercial banks and cash in hand	7,866	3
Cash with Government Banking Service	41,394	37,960
Deposits with the National Loan Fund	35,000	35,000
	84,260	72,963



19. Related Party Transactions

The Clatterbridge Cancer Centre NHS Foundation Trust is a public interest body authorised by NHS Improvement, the independent regulator for NHS Foundation Trusts. It is part of a Group along with the Clatterbridge Cancer Charity, the Clatterbridge Pharmacy Limited, and Clatterbridge PropCare Services Limited. The FT has transactions with each of its subsidiary companies.

During the year none of the Board Members or members of the key management staff, or parties related to them, have undertaken any material transactions with the Group.

The Register of Interests for the Board of Governors for 2018-19 has been compiled in accordance with the requirements of the Constitution of The Clatterbridge Cancer Centre NHS Foundation Trust.

In 2012-13, Liverpool Health Partners Ltd, a company limited by guarantee, was set up between the University of Liverpool, Aintree University Hospital NHS FT, Alder Hey Children's NHS FT, The Clatterbridge Cancer Centre NHS FT, Royal Liverpool and Broadgreen University Hospitals NHS Trust, Liverpool Women's NHS FT, The Walton Centre NHS FT, Liverpool Heart and Chest NHS FT and Liverpool School of Tropical Medicine. The objects of the company are to advance education, health, learning and research by facilitating world class research among the partners. Each organisation has a single share in the company and the Chief Executives are ex-officio directors of the company.

The Department of Health is the parent department of the Clatterbridge Cancer Centre NHS Foundation Trust. The main entities within the public sector with which the body has had dealings are NHS England, Royal Liverpool and Broadgreen University Hospitals NHS Trust, Liverpool CCG, Wirral CCG, HMRC, NHS Pensions Scheme and National Loans Fund.

Related party transactions:

	Group / FT			
	2018/19		2017/18	
	Revenue £000	Expenditure £000	Revenue £000	Expenditure £000
Non-consolidated associates	2,239	217	1,770	76
Total transactions with related parties	2,239	217	1,770	76

	Group / FT			
	31 March 2019		31 March 2018	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Non-consolidated associates	813	198	556	76
Total balances with related parties	813	198	556	76

Clatterbridge Propcare Services Limited (Propcare) is a wholly owned subsidiary of the Trust. Propcare will provide a fully managed suite of healthcare facilities, including the new cancer centre in Liverpool, for use by the Trust in return for a unitary charge payment. Propcare provides value to the Trust through its specific estates focus and through its ability to manage construction and operational risk for Trust, enabling the Trust board to focus on clinical matters. Whilst ownership of the buildings and fixed equipment will remain with the Trust, Propcare occupies the sites in order to construct and operate the facilities under a non-exclusive licence. Propcare is funded by loans and share capital from the Trust, which are intended to cover the capital cost of the new cancer centre and refurbishment of the existing facilities. Propcare will be responsible for repaying the loans from the income received via the unitary charge as well as distributing returns to the Trust through dividends. The Trust has provided a financial guarantee to Laing O'Rourke on behalf of Propcare in relation to the construction contract for the new cancer centre.

The Clatterbridge Pharmacy Limited (CPL) is a wholly owned subsidiary of the Trust. CPL is registered as a pharmacy with the General Pharmaceutical Council and offers a range of over-the-counter medicines as well as other healthcare products. In addition to these traditional pharmacy services, CPL provides specialist cancer dispensing services to help patients manage their healthcare and medicines in one place. CPL provides value to the Trust by delivering a more personalised and efficient experience for our patients. The main related party transactions between the Trust and CPL relate to the purchase and sale of drug consumables.



20.1 Financial assets

IFRS 9 financial instruments is applied retrospectively from 1 April 2018 without restatement of SOPF comparatives. Therefore, comparative disclosures have been prepared under the previous standard (IAS 39 financial instruments: recognition and measurement), and the measurement categories differ to those in the current year analysis.

	Group FT		Group FT		Group FT	
	Financial instruments at amortised cost		Investments in equity instruments designated at fair value through OCI		Total	
	£000	£000	£000	£000	£000	£000
Financial assets held at amortised cost under IFRS 9						
Trade and other receivables - with NHS and DH bodies	19,659	17,747	0	0	19,659	17,747
Trade and other receivables - with other bodies	7,163	9,491	0	0	7,163	9,491
Other investments / financial assets	1,174	1,174	0	0	1,174	1,174
Cash and cash equivalents	76,692	72,963	0	0	76,692	72,963
NHS Charitable funds: financial assets	7,568	0	1,236	0	8,804	0
Total at 31 March 2019	112,256	101,375	1,236	0	113,492	101,375
Loans and receivables under IAS 39						
Trade and other receivables - with NHS and DH bodies	17,479	17,479	0	0	17,479	17,479
Trade and other receivables - with other bodies	2,326	4,339	0	0	2,326	4,339
Other investments / financial assets	672	672	0	0	672	672
Cash and cash equivalents	59,244	55,368	0	0	59,244	55,368
NHS Charitable funds: financial assets	5,946	0	1,191	0	7,136	0
Total at 31 March 2018	85,667	77,858	1,191	0	86,857	77,858

20.2 Financial liabilities

	Group FT	
	Other Financial Liabilities	
	£000	£000
Financial liabilities held at amortised cost under IFRS 9		
DHSC loans	39,212	39,212
Obligations under finance leases	109	109
Trade and other payables - with NHS and DH bodies	15,231	14,997
Trade and other payables - with other bodies	25,146	15,053
NHS Charitable funds: financial liabilities	6	0
Total at 31 March 2019	79,704	69,371
Other financial liabilities under IAS 39		
Borrowings excluding finance leases	3,000	3,000
Obligations under finance leases	160	160
Trade and other payables - with NHS and DH bodies	13,927	13,927
Trade and other payables - with other bodies	10,759	6,358
NHS Charitable funds: financial liabilities	6	0
Total at 31 March 2018	27,852	23,445



20.3 Fair Values

Set out below is a comparison, by category, of book values and fair values of the Group's non-current financial assets and liabilities. Fair values have been calculated using the Treasury discount rate of 3.7% over the repayment of the loan.

There has been no impairment of financial assets, other than bad debt expense shown in note 11.2.

Other investments all relate to the Charity.

	Group				FT			
	31 March 2019		31 March 2018		31 March 2019		31 March 2018	
	Book value £000	Fair value £000	Book value £000	Fair value £000	Book value £000	Fair value £000	Book value £000	Fair value £000
Financial assets								
Other Investments	1,236	1,236	1,191	1,191	0	0	0	0
Other Financial assets	0	0	0	0	78,815	52,499	18,715	15,636
	1,236	1,236	1,191	1,191	78,815	52,499	18,715	15,636

	Group / FT				FT			
	31 March 2019		31 March 2018		31 March 2019		31 March 2018	
	Book value £000	Fair value £000	Book value £000	Fair value £000	Book value £000	Fair value £000	Book value £000	Fair value £000
Financial liabilities								
Loan 1	2,750	2,750	3,000	3,000	2,750	2,750	3,000	3,000
Loan 2	36,260	36,260	0	0	36,260	36,260	0	0
Other liabilities	0	0	0	0	84,723	55,395	20,152	16,728
	39,010	39,010	3,000	3,000	123,733	94,405	23,152	19,728

21. Losses and Special Payments

	Group / FT			
	2018/19		2017/18	
	Number	£000	Number	£000
Losses of cash	8	55	1	0
Fruitless payments and constructive losses	0	0	0	0
Bad debts and claims abandoned in relation to:				
other	0	0	0	0
Damage to buildings, property etc. due to:				
theft, fraud etc	0	0	2	1
stores losses	0	0	1	0
other	0	0	1	2
Ex gratia payments in respect of:				
personal injury with advice	1	3	1	3
	9	58	6	5

The FT's losses and special payments are on an accruals basis and do not include any provisions for future losses.



22. Initial application of IFRS 9

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

IFRS 9 replaces IAS 39 Financial Instruments Recognition and Measurement. The main effects on the accounts of the Trust are the standard's revised approach to the classification and measurement of financial assets and financial liabilities (note 20) and a new forward-looking 'expected loss impairment model' (note 11)

Under IFRS 9, borrowings from DHSC, which were previously held at historic cost, are measured on an amortised cost basis.

The calculation of the new allowance for credit losses under the 'expected loss model' resulted in a £57k increase in the carrying value of receivables.

Initial application of IFRS 15

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

As directed by the DHSC GAM, the Trust has applied the practical expedient offered in IFRS 15 which removes the need to retrospectively restate any contract modifications that occurred before 1 April 2018. There have been no significant changes to the Trust's accounts in applying this standard.

Liquidity risk

The FT's income is negotiated under agency purchase contracts with NHS England, which are financed from resources voted annually by Parliament. The FT receives such contract income in accordance with Payment by Results (PBR), which is intended to match the income received in year to the activity delivered in that year by reference to a National / Local Tariff unit cost.

For 2018-19, the FT has negotiated a one year block contract with its main commissioner for activity delivered. The FT receives cash each month on the agreed level of the contract value. This has allowed the FT to minimise the risk to its main source of income.

The FT presently finances most of its capital expenditure from internally generated funds. In 2009/10 the FT borrowed £5 million from the Department of Health Financing Facility specifically to finance part of the construction of the new Radiotherapy Centre at Aintree. In 2018/19 the FT borrowed a further £37 million from the Department of Health Financing facility to part fund the new Cancer Centre build in Liverpool.

There has not been any material changes to the FT or Group risk on the previous year.



Market risk

This is not applicable to the FT or Group.

Interest rate risk

The only asset or liability subject to fluctuation of interest rates are cash holdings at the Government banking service and at a UK High street bank. The £5 million loan in 2009/10 and the £37 million loan taken out in 2018/19 from the Department of Health Financing Facility has been taken on a fixed rate basis to avoid any risk from interest rate fluctuations. The FT is not, therefore, exposed to significant interest rate risk.

Foreign currency risk

The FT has negligible foreign currency income, expenditure, assets or liabilities.

Credit Risk

The FT has considered credit risk under IFRS 7, and concluded that this note is not applicable to the FT.

There is no material monetary impact on the financial statements from any of the risks.

23. Auditors Liability

The auditors liability for losses in connection with the external audit is limited to £2,000,000.

24. Third Party Assets

The FT did not hold any money on behalf of patients in either 2018-19 or 2017-18.

Cash and cash equivalents in the group are available for use with the exception of any cash and cash equivalents ringfenced in the charity accounts as restricted funds.

25. Retirement benefits

The FT is a member of a defined benefit scheme.

26. Events after reporting period.

There are no post balance sheet events.

27. Contingent Assets and Liabilities

There are six contingent liabilities with a total value of £16k (2017-18 seven contingent liabilities with a total value of £347k).

