

CSH
Surrey



Central Surrey Health Limited

Annual Report and Financial Statements

for the year ended 31 March 2021

Company Registration number: 05700920



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Introduction by the Chair and Chief Executive



Andy Field
Chair



Steve Flanagan
Chief Executive

2020/21 has been a truly extraordinary and unprecedented year. None of us could have foreseen the global crisis that COVID-19 brought or the impact it would have on everyone. The pandemic touched each of us in different ways. It has been inescapable, affecting not only our working lives but also our personal lives. There has been great sadness. We have seen colleagues lose loved ones to COVID-19 or who have been unable to properly say goodbye to family members because of the restrictions brought in to stop the spread of the virus.

One of CSH's (Central Surrey Health Limited's) strengths is our ability to respond to challenges and adapt to change. We have always been an agile organisation; ready and willing to assist our partners with a combined aim of caring for our community.

From the beginning of the pandemic and throughout the past year, CSH has transformed the way it works. We have been innovative, creative, resourceful, and flexible as an organisation, within our services and teams as well as at an individual level.

It has been incredibly humbling to see so many examples of colleagues going far beyond their job requirements to keep our key services running to the very best of our ability. Some colleagues were redeployed while others had to work from home in line with the Government's directive. We have had to stand down some services and find new ways to deliver others.

Video appointments and meetings have transformed our ways of working, enabling us to stay in touch with each other and our patients, their families and carers. But, as useful as they have been, they have not been able to replace fully the face-to-face contact that we all find so necessary.

CSH has also had a major role in the delivery of the COVID-19 vaccination programme in Surrey. From the moment vaccines were available, CSH rose to the challenge of establishing a mass vaccination site within the unlikely setting of Epsom Downs Racecourse.

Our teams did an incredible job of setting this up, from scratch and within a very tight timeframe. In addition, we recruited hundreds of people from within the community to assist us and we have also been supported by some incredible volunteers including St John Ambulance and the military.

In total we gave more than 125,000 vaccinations at Epsom Downs Racecourse, working side by side with our primary care colleagues who administered a further 66,000 doses.

We would like to express our heartfelt gratitude to our colleagues for their incredible efforts over these past 12 months and thank our patients, families and carers for their understanding and appreciation of the obstacles we have faced while doing everything possible to continue caring for them.

There can be no doubt that the year ahead will bring continued challenges, including meeting our commitment to developing a green plan to support a 'net zero' National Health Service. But we do so with fresh hope and optimism that the rollout of the COVID-19 vaccination programme has afforded us. We also have renewed confidence in our abilities to face anything that lies ahead.

Andy Field
Chair

Steve Flanagan
Chief Executive

Over the last year...



95,763
Referrals



1,643
Employees



381,859
Patient appointments



39
Number of services



12,599
Virtual consultations



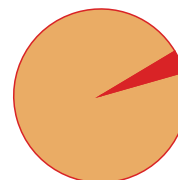
95
Number of sites



53
GP Member practices



59,074
Unique patients seen



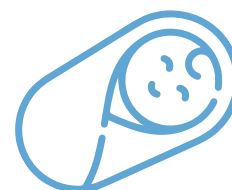
4.35%
Did not attend rate



93.33%
Percentage of people likely to recommend us (Friends and Family Test response)



£108k surplus
(before tax)



85.60%
New birth visits within 14 days

Company Information

Directors

Andy Field (chair)
Stephen Flanagan
Peter Lock
Caroline Shuldham
Kim Lowe
John Machin
Frances Davies

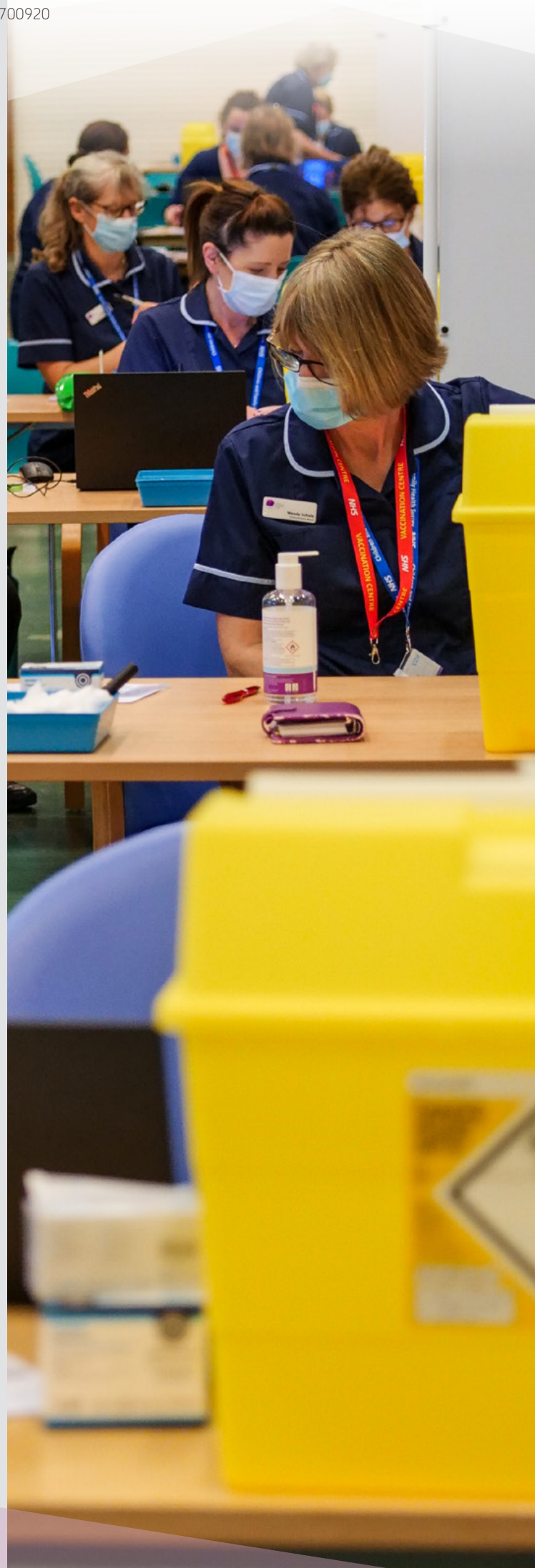
Company Registration number 05700920

Registered office

Block A, 4th floor
Dukes Court
Duke Street
Woking
GU21 5BH

Independent Auditors

BDO LLP
31 Chertsey Street
Guildford
GU1 4HD



Strategic Report For The Year Ended 31 March 2021

Principal activities and business review

Central Surrey Health Limited (CSH, the company) trading as 'CSH Surrey' provides both adult and children's community nursing and therapy services to the Surrey area. For the year ending 31 March 2021 its principal contracts were with Surrey and Borders Partnership NHS Foundation Trust, Epsom and St Helier University Hospitals NHS Trust, Surrey Heartlands CCG and Surrey County Council. In addition, it has several smaller contracts with a range of other local organisations.

CSH is an employee-owned social enterprise organisation, working within the health sector. It began trading on 1 October 2006 when over 550 employees from East Elmbridge and Mid Surrey Primary Care Trust transferred into their own employee-owned organisation, becoming co-owners of CSH. CSH operates as a social enterprise with the focus and efficiency of a commercial business. By retaining NHS values and operating as a key part of the NHS network, CSH delivers sustainable investment in its local communities and provides high quality services to its patients, customers, and clients.

Adult community services are provided for Surrey Heartlands CCG in a seven-year contract, commencing April 2017. The service covers all aspects of adult community care including district nursing, walk-in centres and community hubs within two community hospitals.

CSH is subcontracted by Surrey and Borders Partnership NHS Foundation Trust and is part of the Children and Family Health Surrey (CFHS) Partnership Board; contracted to deliver children's services under a three plus two-year contract for the whole of Surrey, across the former Guildford and Waverley, Surrey Downs, East Surrey and North West Surrey CCGs commencing 1 April 2017. This contract, includes aspects of child physical and developmental health, school nursing, health visiting and continuing health care services. The contract also provides a universal advice and support service to all babies and families, a public health and immunisation service to all school age children, along with the full range of therapy and

intervention services. CSH has continued to provide all services through the COVID-19 pandemic and has successfully developed an innovative range of new service offers including early intervention multi-disciplinary team approaches for pre-school children and virtual appointments for working families. As a result of the suspension of some commissioning actions through the pandemic, this contract, along with a myriad of others, has been given a further year extension to March 2023.

CSH has continued to provide all services through the COVID-19 pandemic and has successfully developed an innovative range of new service offers including early intervention multi-disciplinary team approaches for pre-school children and virtual appointments for working families.

On 1 April 2019 CSH entered into a community services delivery partnership in Surrey Downs called Surrey Downs Health and Care. This contract brings together Epsom and St Helier University Hospitals NHS, three GP federations along with CSH to deliver a complete community service within the Surrey Downs area. The contract is structured to support better care across the area and allows each partner to control their resources at the point of delivery.



In the height of COVID-19, the walk-in centre remained open, they took every precaution to ensure that I and their colleagues were safe from the spread of COVID. An amazing service run by passionate and caring staff, thank you.



These contracts consolidate CSH as a significant health system leader for out of hospital care services and provides the platform to provide productivity synergies and further opportunities for improved consistency of clinical outcomes and patient experience across Surrey in partnership with Surrey Heartlands Sustainability and Transformation Partnership.

2020/21 has been dominated by the world-wide COVID-19 pandemic. As a community service provider our ability to deliver care to people at home and in our outpatient and inpatient facilities was severely impacted. However, through innovation and the unwavering dedication of all our colleagues, we have been able to maintain key services.

We have made use of the latest technology to run video consultations, allowing inpatients to see and speak with loved ones and keep in touch with each other through virtual team meetings. At the same time, we were able to continue providing a home care service, with our teams observing stringent infection prevention and control measures.

Some of our teams were redeployed to help keep essential services running while other services adapted the way they delivered care. There were also opportunities to work with our patients, their families and carers to enable them to self-care, where appropriate and with support.

Other colleagues joined or supported the COVID-19 mass vaccination programme, using our expertise and experience in delivering large scale community immunisation.

Even during the pandemic, we have continued to deliver service improvements including our estates refurbishment, which saw our Staines Health Centre premises completely renovated, and digital transformation work with the implementation of clinical and electronic rostering systems.

In accordance with requirements, CSH Surrey is registered with the Care Quality Commission (CQC) as

an independent healthcare provider. During 2020/21, the CQC has not taken any enforcement action against CSH Surrey or imposed any registration or special reviews. CSH has not been required to participate in any investigations.

CSH Surrey was last inspected by the CQC in January 2017 and was awarded the overall rating of good. We have continued to seek assurance that the services we provide are safe, effective, caring, responsive and well-led.

During 2020/21, the CQC adapted their approach to regulating, due to the national coronavirus pandemic, using a transitional monitoring approach (TMA) that provided a risk-based approach focusing upon safety, service user access and how effectively a service is led. All registered providers were required to participate in the process. Usual sources of information and intelligence to gain understanding of the quality of services provided continued.

On 22 March 2021, the CQC invited CSH to a TMA review conversation. The meeting was centred upon updates on the seven areas of improvement identified following the last CSH inspection undertaken in 2017. We provided this assurance and supporting evidence and positive feedback from the CQC was received.

We also completed an assurance mapping exercise against CQC key lines of enquiry at the Epsom Downs mass vaccination centre which was submitted to the CQC in March 2021. We received very positive feedback from our lead inspector at the CQC.

During the reporting period we transferred the registration of our head office to Dukes Court, Woking.

Independent registered providers are required to submit notifications to the CQC about certain changes, events, and incidents. During 2020/21, we reviewed our internal notification process and added this detail to our Datix risk management system, so a clear audit trail of the timely escalation and submission of notifications is maintained. Ongoing assurance the system is working effectively is monitored via review of our monthly quality dashboard.

I have had two on-line sessions during lock-down with a physiotherapist, for advice and therapy for my painful knee. I have found these sessions extremely helpful and am carrying out exercises every day as prescribed. I am very grateful for this service.



Key Performance Indicators (KPIs)

CSH monitors its financial and non-financial performance through KPIs and some of the key measures are summarised below.

During 2020/21 we have been focused on our organisational **CARE** values as evidenced in our staff survey results:

- We care with **Compassion**: we look after each other, speak kindly and work collaboratively
 - 67% of colleagues look forward to coming to work
 - 73% believe their immediate manager takes a positive interest in their health and well-being
 - 80% feel care of patients/service users is the organisation's top priority
- We take **Accountability**: we take responsibility, act with integrity, and speak with honesty
 - 84% of colleagues know what their work responsibilities are
 - 74% of colleagues say their immediate manager encourages them at work
- We show **Respect**: we listen, value, trust and empower people and treat them with dignity
 - 80% of colleagues say they receive the respect they deserve from their colleagues at work
- We deliver **Excellence**: we are professional, aim high, value challenge and never stop learning or innovating
 - 85% feel that their role makes a difference to patients/service users

Further, 76% reported that if a friend/relative needed treatment they would be happy with the standard of care provided by the organisation and 58% of colleagues would recommend the organisation as a place to work.

Providing quality services is paramount and full details of our non-financial KPIs can be found in our annual quality report, which is published on our website www.cshsurrey.co.uk

We have also started work on the implementation of our people strategy. By focusing on realising our strategic priorities we will ensure that we achieve consistently well-led, fully resourced teams with people who feel valued, appreciated and motivated to provide a first-class service to the people we care for.

Financial KPIs monitored on a monthly basis are:

- Delivering a financial surplus to invest into our people and the community, CSH had a pre-tax profit of £107,808 (2020 £10,422) - up more than ten-fold year on year.
- Maintaining appropriate cash balances and to ensure that we meet our financial obligations. CSH generated cash from operations of £4,910,224 (2020: £3,780,201) and had cash at bank and in hand of £12,688,052 (2020: £9,063,741) at the financial year end.

Detailed monthly financial reports are presented and discussed by the executive team and subsequently the finance, digital and innovation committee of the board. This ensures that key decision makers are kept up to date with progress and where appropriate correcting actions are discussed and agreed.

Even during the pandemic, we have continued to deliver service improvements including our estates refurbishment, which saw our Staines Health Centre premises completely renovated, and digital transformation work with the implementation of clinical and electronic rostering systems.



care



Financial risk management objectives and policies

Financial risk is managed within the context of the risk management strategy which sets out the overarching framework for identifying, monitoring and mitigating risks. It focuses on the organisational rather than individual perspective and summarises our commitment to minimise risk to our stakeholders through a comprehensive system of internal controls.

The audit and risk committee of the board, holds delegated responsibility for ongoing review of CSH assurance and risk management processes, advising the board of any areas of concern. All strategic risks or operational risks are weighted with regards to likelihood and potential impact. Those with a current score of 15 or above are escalated by the relevant board committee through the overseeing director or forum to the executive team for corporate oversight by the relevant board committee.

The principal financial risk facing CSH is that if it does not secure or maintain financial income, it will have insufficient cash flow funding to support and sustain the operational running of the business. Key factors in mitigating this risk include:

- CSH and NHS Surrey Heartlands CCG are in discussion to rebase the adults community services contract with the view to increasing available funding
- Children services contract is secure for two years to March 2023 at which point it will be due for retender
- Funding secured to cover increased costs of the COVID-19 pandemic response
- Brexit has been assessed as having minimal impact to the financial sustainability and operations of business due to an immaterial effect on our supply chain

In this context therefore the directors consider CSH Surrey's exposure to price, credit, liquidity and cash flow risk to be low. In addition, the information relating to the financial risk management objectives and policies are sufficient to provide assurance as to the assessment of the assets, liabilities, financial position and profit of the company. The directors will continue to review opportunities to deliver a high quality, efficient and effective health care service as well as growth through winning new contracts.



Section 172 Statement

The directors of CSH Surrey continue to have regard to the interests of patients, co-owners, commissioners and other stakeholders, including the impact of its activities on the community when making decisions. Acting in good faith and fairly between members, the directors consider what is most likely to promote the success of CSH Surrey for the long-term benefit of patients and the community which we serve.

The importance of giving due consideration to our stakeholders is not new. Stakeholder mapping is conducted on a regular basis with a view to identifying the impact of our decisions. The leadership teams take care to have regard to the likely consequences on all stakeholders of their decisions and actions. Where applicable, decisions are discussed with respective stakeholders so that they are fully understood and supported when taken.

Reports are regularly presented to the executive team on strategy, performance and key decisions taken seeking assurance that stakeholder interests have been considered. In this way the board is formally advised about the views of stakeholders and uses this information to assess the impact of decisions on each stakeholder group as part of its own decision-making process.

Co-owners (employees)

CSH is an employee-owned organisation and places great emphasis on the representation and involvement of employees in decision making. There are several ways in which CSH engages with employees including through the annual staff survey, its regular 'Buzz' newsletter, and regular briefings with a member of the executive team.

The most notable aspect of employee engagement is The Voice, composed of a group of individuals who represent employee views and interests to the leadership. They attend key meetings of the executive team and board and have an influence on strategy and decision-making.



Clinical Commissioning Groups (CCGs)

CCGs are critical stakeholders as they are responsible for purchasing the community services that we provide. We continued to build strong relationships with NHS Surrey Heartlands CCG, holding regular contract review meetings to listen to and understand their needs, discuss operational and performance issues and agree ways to improve service provision in the long term. It is through these meetings that strategic intentions, service performance and reviews, new ways of working and funding implications are discussed. Evidence of our engagement with this stakeholder group includes;

- CEO appointed as chair of the restoration board for all Surrey
- CSH's active participation in the North West Surrey Alliance.



Communities

CSH engages with the communities in which we operate to help understand issues that are important to them. We take an active role within the Social Enterprise UK organisation, attending many groups and seminars, working alongside other health care social enterprises.

We continue our commitment to invest any surpluses we make into initiatives that support our people and the local community.

Partner organisations

Our vision is to be the organisation every partner aspires to work with. Key stakeholders in this aspect include Surrey and Borders Partnership NHS Trust, Epsom and St Helier University Hospitals NHS Trust, First Community Health and Care, and Surrey County Council among others. We have worked closely with these partners to deliver community healthcare services, engagement with CCGs and local councils on continuous improvement. We continue to participate collectively in developing the health and social care strategy for the local health economy.

As new parents in lockdown, we needed all the necessary support and guidance on baby care. The health visitor advised us on baby development. She also referred us to various different baby health assessments to ensure that our baby gets the best start in life.



Future developments

- Engage with NHS Surrey Heartlands CCG in rebasing the adult community services contract taking account of new and improved models of service delivery
- Continue to deliver quality children's community services in partnership with key stakeholders
- Develop effective partnership working with commissioners, local healthcare leaders and other provider organisations and fully engage in the design and implementation of integrated health and social care in Surrey
- Continue to explore actively additional revenue generating activity with existing and new commissioners and partners
- Make available the full extent of resources possible to support the government and communities in responding to the COVID-19 pandemic



Steve Flanagan

CEO responding to the COVID-19 pandemic

This report was approved by the board and signed on its behalf on 15 December 2021.



Directors' Report For The Year Ended 31 March 2021

The directors present their report and the financial statements for the year ended 31 March 2021 for Central Surrey Health Limited (CSH, the company)

Results and dividends

The pre-tax profit for the year, amounted to £107,808 (2020 - £10,422).

After retaining adequate cover for business risk the retained profit will be reinvested in the improvement of nursing and therapy services or other activities which further the vision and mission of CSH. As a social enterprise CSH does not distribute any of its profits or pay any dividends to shareholders, but is able to reinvest all of its retained profits back into the improvement of services for patients and service users.

Directors

The directors who served during the year were:

Fran Davies*
Andy Field
Steve Flanagan
Peter Lock
Kim Lowe
John Machin
Caroline Shuldham*

*As well as holding positions as non-executive directors, both Fran Davies and Caroline Shuldham were employed by CSH as band 5 part-time registered health care professionals as part of the Covid-19 mass vaccination programme. This employment was considered and approved by the CSH nominations committee, taking into account the exceptional circumstances and needs of responding to the COVID-19 pandemic, and the impact on their non-executive director duties and independence.

Company's policy for payment of creditors

The company negotiates payment terms with each of its suppliers and aims to abide by these terms, subject to satisfactory performance by the supplier.

At the year end, the aggregate amounts owed to trade creditors, expressed in terms of days, as a fraction of amounts invoiced by suppliers during the year and adjusted for the higher volumes of invoices processed in the fourth quarter amounted to 30 days (2020: 30 days).

Statement of directors' responsibilities

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

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

- Select suitable accounting policies for the company's financial statements and then apply them consistently;
- Make judgments and accounting 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Qualifying third-party indemnity provisions

The company maintains appropriate directors' and officers' liability insurance on behalf of the directors and company secretary. In addition, individual qualifying third-party indemnities are given to the directors and company secretary which comply with the provisions of Section 234 of the Companies Act 2006, and were in force throughout the year and up to the date of signing the annual report and financial statements.

Disabled employees

The company gives full consideration to applications for employment from disabled persons where the requirements of the role can be adequately fulfilled by a disabled person. Where existing co-owners become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions.

Co-owner involvement

The co-ownership model is key to the success of the organisation and all co-owners hold an equal share in the company. They are represented on a co-ownership council called The Voice, whose posts represent geographical localities. The Voice appoints a non-executive director as a board representative. The Voice holds the board to account and works with the directors to ensure CSH meets its strategic aims.

The company has four 'guardian' shareholders who were appointed to represent employees in the ownership of the organisation. A guardian trust, Central Surrey Health Trustee Limited exists to oversee these guardian shareholders with the trustees charged with promoting the best interests of the employees.

The five-year strategic plan has been reviewed and updated and CSH continues to seek to develop effective partnerships with organisations in health and other sectors, with the focus on making significant differences in the health of local communities and in particular to those disadvantaged areas where there are identified health inequalities.

Leader of Surrey Council, Tim Oliver, visited the mass vaccination team to celebrate 1 million COVID-19 vaccinations administered in Surrey.



Environment impact

Climate change poses a major threat to our health as well as our planet. The environment is changing, that change is accelerating, and this has direct and immediate consequences for our patients, the public and the NHS.



This year, CSH Surrey has reduced its CO2 emissions and impact on the environment in the following ways:

- Based on the mileage claims from 2019/2020 and 2020/2021, there has been a 35% decrease in tonnes of CO2 emitted between the years which equates to a saving of 183 tonnes of CO2.
- Similarly with the pool cars, clinicians who use these vehicles have reduced their emissions of CO2 by 27% which is a saving of 3.4 tonnes of CO2.
- By using Business Inkjet products, we have eliminated 240 tonnes of CO2 from the supply chain and 24 tonnes of waste plastic and packaging has been saved, compared to the previous year.

Next year, CSH Surrey will develop a green plan in line with the Greener NHS strategy to deliver a 'net zero' National Health Service.

The company has not consumed more than 40,000 kWh of energy within the year and as such qualifies as a low energy user and is exempt from further disclosure.

Post Balance Sheet Events

COVID-19 continues to impact CSH and the services CSH delivers across 2021/22. The pandemic has significantly impacted the health economy and whilst it is not clear as to what the post COVID-19 health sector will look like, CSH has continued to receive payments as per national guidance and increased funding where services have had to adapt.

Disclosure of information to auditors

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

The auditor, BDO LLP, will be proposed for reappointment in accordance with Section 485 of the Companies Act 2006.

This report was approved by the board of directors and signed on its behalf on 15 December 2021.



Steve Flanagan
CEO



Independent Auditors' Report to the Shareholders of Central Surrey Health Limited

Opinion on the financial statements

In our opinion the financial statements:

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

We have audited the financial statements of Central Surrey Health Limited (the 'company') for the year ended 31 March 2021, which comprise the statement of income and retained earnings, the statement of financial position, the statement of cash flows and the related notes, 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' 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 company'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 directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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.

Other Companies Act 2006 reporting

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

- The information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' 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 directors' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors 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 directors 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 directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.



Extent to which the audit was capable of detecting irregularities, including fraud

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

We obtained an understanding of the legal and regulatory frameworks and the company's compliance through discussions with management and our review of board minutes, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where it is considered there was a susceptibility of fraud. We considered the processes and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how management monitors those processes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing unusual journal combinations and were designed to provide reasonable assurance that the financial statements were free of fraud or error.

We challenged assumptions made by management in their significant accounting estimates in particular their assessments of accruals and debtor recoverability;

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of

not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditors' report.

Use of our report

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

Mark Hutton

Mark Hutton (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
Guildford, UK
15 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



Statement of Income and Retained Earnings for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Turnover	4	82,299,225	74,408,506
Cost of sales		<u>(68,401,761)</u>	<u>(63,938,425)</u>
Gross profit		13,897,464	10,470,081
Administrative expenses		<u>(13,813,267)</u>	<u>(10,512,210)</u>
Operating profit / (loss)	5	84,197	(42,129)
Interest receivable and similar income		<u>23,611</u>	<u>52,551</u>
Profit before tax		107,808	10,422
Tax on profit	8	<u>(131,171)</u>	<u>(3,777)</u>
(Loss) / profit after tax		<u>(23,363)</u>	<u>6,645</u>
Retained earnings at the beginning of the year		<u>2,396,372</u>	<u>2,389,727</u>
		2,396,372	2,389,727
(Loss) / profit for the year		<u>(23,363)</u>	<u>6,645</u>
Retained earnings at the end of the year		<u>2,373,009</u>	<u>2,396,372</u>

The notes on pages 23 to 36 form part of these financial statements.

Statement of Financial Position as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	9	2,327,685	1,515,092
Tangible assets	10	1,759,212	1,753,973
Investments	11	2	2
Total fixed assets		4,086,899	3,269,067
Current assets			
Debtors: amounts falling due within one year	12	10,980,003	6,297,404
Cash at bank and in hand	13	12,688,052	9,063,741
Total current assets		23,668,055	15,361,145
Creditors: amounts falling due within one year	14	(25,227,562)	(16,211,375)
Net current (liabilities) / assets		(1,559,507)	(850,230)
Total assets less current liabilities		2,527,392	2,418,837
Deferred Tax	15	(154,382)	(22,464)
Net assets		2,373,010	2,396,373
Capital and reserves			
Called up share capital	18	1	1
Profit and loss account		2,373,009	2,396,372
Total capital and reserves		2,373,010	2,396,373

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 15 December 2021.



Steve Flanagan
 CEO

The notes on pages 23 to 36 form part of these financial statements.

Statement of Cash Flows for the Year Ended 31 March 2021

	2021 £	2020 £
Cash flows from operating activities		
(Loss) / profit for the financial year	(23,363)	6,645
Adjustments for:		
Depreciation of tangible assets	854,218	484,011
Amortisation of intangible assets	1,074,552	84,095
Interest received	(23,611)	(52,551)
Taxation charge	131,171	3,777
(Decrease) / increase in debtors	(5,682,600)	1,440,206
Increase in creditors	8,580,604	1,813,547
Corporation tax paid/received	(747)	471
Net cash generated from operating activities	<u>4,910,224</u>	<u>3,780,201</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(386,908)	(1,377,135)
Purchase of intangible fixed assets	(1,887,146)	(931,696)
Profit on disposal of current asset investments	-	10
Interest received	23,611	52,551
Cash invested in short term cash deposits	-	(1,000,000)
Cash received from short term cash deposits	1,000,000	3,000,000
Net cash (used in)/generated from investing activities	<u>(1,250,443)</u>	<u>(256,270)</u>
Cash flows from financing activities		
Repayment of finance leases	(35,470)	(16,403)
Net cash used in financing activities	<u>(35,470)</u>	<u>(16,403)</u>
Net increase in cash and cash equivalents	3,624,311	3,507,528
Cash and cash equivalents at beginning of year	9,063,741	5,556,213
Cash and cash equivalents at the end of year	<u>12,688,052</u>	<u>9,063,741</u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	<u>12,688,052</u>	<u>9,063,741</u>
	<u>12,688,052</u>	<u>9,063,741</u>

The notes on pages 23 to 36 form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2021

1. General information

Central Surrey Health Limited is a private company limited by shares and is incorporated and domiciled in England with registration number 05700920.

The registered office is Dukes Court, Duke Street, 4th Floor, Woking, Surrey, GU21 5BH

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The financial statements are prepared in sterling, which is the functional currency of the entity. The following principal accounting policies have been applied:

2.2 Going Concern

CSH are in a seven year contract with NHS Surrey Heartlands CCG to deliver adult services until March 2024 with a possible three year extension to March 2027.

CSH also has a contract with Surrey and Borders Partnership NHS Foundation Trust delivering the Children and Family Health Surrey contract. The commissioners have exercised their option to extend the contract until March 2023, with this extension flowing to CSH as a result.

As a result of the COVID-19 pandemic, CSH were awarded a contract to March 2022 to set up and deliver a mass vaccination centre in Surrey, initially based at Epsom race course, and relocated to Sandown race course in May 2021. In addition CSH have been awarded a contract variation within the children's service to deliver the COVID-19 vaccination to 12-15 year olds alongside the flu immunisation programme.

COVID-19 continues to impact CSH and the services we have delivered across the 2021/22 financial year, this pandemic has demonstrated the requirement for continued investment in community services. CSH has been significantly supported with our community services' response to the pandemic across 2020/21 with increased funding received in all contract areas. This has enabled CSH to roll out improved digital solutions to enable minimal impact on patient care through remote virtual appointments and interventions, something which CSH will continue to utilise. This increase in funding has enabled the directors to demonstrate the effects on care in the community from improved resourcing and has paved the way for a full contract review in north west Surrey to significantly increase the financial funding received to deliver healthcare services in the community.

CSH generated a pre-tax surplus and positive operating cash flows for the financial year whilst continuing to deliver within a national healthcare landscape that is focused on delivering savings. The directors have reviewed and challenged the organisation's forecasted income, expenditure, contract delivery and associated cash flows for the 12 months following approval of these financial statements and have concluded that CSH will have sufficient cash flow available to continue to trade as a going concern for a period of at least 12 months from the date of these financial statements and therefore have prepared these financial statements on a going concern basis.

2.3 Revenue recognition

The turnover shown in the statement of income and retained earnings represents the value of services provided in the year.

Turnover is recognised in the financial statements to the extent that the company fulfilled its contractual obligations to the client through the supply of therapy and community nursing services and where appropriate excludes VAT.

2.4 Intangible and tangible fixed assets

Tangible Fixed Assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended. Repairs and maintenance associated with tangible fixed assets are charged to profit or loss during the period in which they are incurred.

Intangible Fixed Assets

Intangible fixed assets include software which is deemed as not critical for hardware to operate, but assets which generate future economic benefits and the cost can be reliably measured. Intangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. The useful economic life of intangible software is set to five years, but reviewed to make sure that it continues to remain capable of operating in the manner intended.

Depreciation and Amortisation

Depreciation and amortisation are charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Medical equipment	-	three years
Fixtures and fittings	-	four years
Computer equipment	-	four years
Estates refurbishment	-	the term of the lease
Software	-	five years

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of income and retained earnings.

2.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.6 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors and loans banks and other third parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in the case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (after deducting transaction costs) and subsequently held at amortised cost.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.7 Leases

Assets held under finance leases, hire purchase contracts and other similar arrangements, which confer rights and obligations similar to those attached to owned assets, are capitalised as tangible fixed assets at the fair value of the leased assets (or, if lower, the present value of the minimum lease payments as determined at the inception of the lease) and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the statement of income and retained earnings

over the period of the leases to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

2.8 Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

2.9 Defined benefit scheme

The organisation is a member of the NHS pension scheme which is an unfunded final salary scheme administered by the Pensions Agency. As the company cannot separately identify its share of assets and liabilities, contributions which are paid for staff who are members of the scheme are charged to the statement of income and retained earnings as incurred. Refer to note 16 for further details on the scheme.

2.10 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of income and retained earnings, except that a charge

attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the statement of financial position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the company to make estimates, judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. The directors base their estimates on historical experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Tangible and Intangible Fixed Assets

Tangible fixed assets, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on the number of factors. In re-assessing asset lives, factors such as maintenance programs are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Property Accruals

The directors establish accruals relating to rent and facilities management based on reasonable estimates. Factors considered in determining the accruals are based on previous contractual terms and discussions held with counterparties up to the balance sheet date. The values of the accrual is reviewed annually.

Professor Stephen H Powis, National Medical Director of NHS England, was among a number of visitors to our mass vaccination centre at Epsom Downs Racecourse, which generated significant media interest.



Notes to the Financial Statements for the Year Ended 31 March 2021 continued

4. Turnover

The turnover is attributable to the one principal activity of the company
Analysis by business contract:

	2021	2020
	£	£
North West Surrey Adults Contract	28,705,402	28,590,386
Children and Family Health Surrey Contract	29,212,072	27,959,840
COVID-19 Funding	5,556,350	369,303
Other	<u>18,825,401</u>	<u>17,488,977</u>
	82,299,225	74,408,506

	2021	2020
	£	£
United Kingdom	<u>82,299,225</u>	<u>74,408,506</u>
	82,299,225	74,408,506

5. Operating profit/(loss)

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

	2021	2020
	£	£
Depreciation of tangible fixed assets	725,006	669,417
Amortisation of intangible fixed assets	1,074,552	84,095
Depreciation on assets under hire purchase	129,212	19,021
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements.	61,500	35,000
Auditor's remuneration for taxation services	14,215	28,350



Notes to the Financial Statements for the Year Ended 31 March 2021 *continued*

6. Employees

Staff costs, including directors' remuneration, were as follows

	2021	2020
	£	£
Wages and salaries	50,917,434	49,843,075
Social security costs	4,238,818	3,995,145
Cost of defined contribution scheme	5,581,336	5,225,317
	<u>60,737,588</u>	<u>59,063,537</u>

A defined benefit pension scheme is operated by the company on behalf of the employees. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund and amounted to £5,581,336 (2020: £5,225,317). Contributions amounting to £809,666 (2020: £715,899) were payable to the fund at year end and are included in creditors.

The average monthly number of employees, including the directors, during the year was as follows:

	2021	2020
	£	£
Staff	1,637	1,642
Executive directors	6	6
	<u>1,643</u>	<u>1,648</u>

7. Directors' remuneration

Staff costs, including directors' remuneration, were as follows

	2021	2020
	£	£
Directors' emoluments	298,916	261,458
Company contributions to defined benefit pension schemes	22,610	-
	<u>321,526</u>	<u>261,458</u>

During the year no retirement benefits were accruing for directors (for 2020 this was £nil) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £236,811 (2020 - £212,292) inclusive of employer's national insurance costs and employer's pension.

During the year two directors (2020: nil) provided vaccination services receiving remuneration amounting to £6,665 (2020: £nil).

The value of the company's contributions paid to a defined benefit pension scheme in respect of the highest paid director amounted to £22,610 (2020 - £nil)

Key management personnel

The total remuneration for key management personnel for the year totalled £891,667 (2020: £773,279). The directors' remuneration disclosed above plus remuneration paid to members of the senior management team totalled £1,213,193 (2020 - £1,034,737).

Notes to the Financial Statements for the Year Ended 31 March 2021 continued

8. Taxation

	2021	2020
	£	£
Corporation tax		
Current tax on profits for the year	(1,835)	-
Adjustments in respect of prior years	1,088	747
Total current tax	<u>(747)</u>	<u>747</u>
Deferred tax		
Origination and reversal of timing differences	98,557	1,980
Adjustments in respect of prior years	33,361	(1,106)
Effect of tax rate change on opening balance	-	2,156
Total deferred tax	<u>131,918</u>	<u>3,030</u>
Taxation on (loss)/profit on ordinary activities	<u><u>131,171</u></u>	<u><u>3,777</u></u>

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020: higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021	2020
	£	£
Profit on ordinary activities before tax	<u>107,808</u>	<u>10,422</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19%	20,484	1,980
Effects of:		
Adjustments to tax charge in respect of prior periods	1,088	747
Adjustments to tax charge in respect of prior periods – deferred tax	33,361	(1,106)
Fixed asset timing differences	67,557	-
Expenses not deductible for tax purposes	8,681	-
Re-measurement of deferred tax for changes in tax rates	-	2,156
Total tax charge for the year	<u><u>131,171</u></u>	<u><u>3,777</u></u>

Factors that may affect future tax charges

A change in the main UK corporation tax rate, announced in the budget on 3 March 2021, was substantively enacted on 24 May 2021. From 1 April 2023 the main corporation tax rate will increase from 19% to 25% on profits over £250,000. The rate for small profits under £50,000 will remain at 19%. Where the company's profits fall between £50,000 and £250,000, the lower and upper limits, it will be able to claim an amount of marginal relief providing a gradual increase in the corporation tax rate. This will increase the company's future tax charge accordingly.

Notes to the Financial Statements for the Year Ended 31 March 2021 *continued*

9. Intangible Assets

	Software	Total
Cost or valuation	£	£
At 1 April 2020	1,599,187	1,599,187
Additions	1,887,145	1,887,145
Disposals	(613,355)	(613,355)
At 31 March 2021	<u>2,872,977</u>	<u>2,872,977</u>
 Amortisation		
At 1 April 2020	84,095	84,095
Charge for the year	1,074,552	1,074,552
Disposals	(613,355)	(613,355)
At 31 March 2021	<u>545,292</u>	<u>545,292</u>
 Net book value		
At 31 March 2021	<u>2,327,685</u>	<u>2,327,685</u>
 <i>At 31 March 2020</i>	<i>1,515,092</i>	<i>1,515,092</i>



Notes to the Financial Statements for the Year Ended 31 March 2021 continued

10. Tangible Fixed Assets

	Medical Equipment £	Computer Equipment Fixtures & Fittings £	Estates Refurbishment £	Total £
Cost or valuation				
At 1 April 2020	333,016	2,290,119	1,074,175	3,697,310
Additions	18,790	703,025	137,642	859,457
Disposals	(81,202)	(1,813,429)	-	(1,894,631)
At 31 March 2021	270,604	1,179,715	1,211,817	2,662,136
Depreciation				
At 1 April 2020	152,198	1,618,894	172,245	1,943,337
Charge for the year	83,955	465,758	304,505	854,218
Disposals	(81,202)	(1,813,429)	-	(1,894,631)
At 31 March 2021	154,951	271,223	476,750	902,924
Net book value				
At 31 March 2021	115,653	908,492	735,067	1,759,212
<i>At 31 March 2020</i>	180,818	671,225	901,930	1,753,973

The net book value of tangible fixed assets for the company includes an amount of £803,907 (2020 - £228,248) in respect of assets held under finance leases and hire purchase contracts.

Such assets are generally classified as finance leases as the rental period amounts to the estimated useful economic life of the assets concerned and often the company has the right to purchase the assets outright at the end of the minimum lease term by paying a nominal amount. The depreciation charged in the year in respect of such assets amounted to £129,212 (2020 - £19,021).



Notes to the Financial Statements for the Year Ended 31 March 2021 continued

11. Investments

	Investments in subsidiary companies	Investment in joint ventures	Total
	£	£	£
Cost or valuation			
At 1 April 2020	2	-	2
Additions	-	-	-
Disposals	-	-	-
At 31 March 2021	<u>2</u>	<u>-</u>	<u>2</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of Shares	Holding	Principle Activity
CSH Homecare Limited	Ordinary shares	100%	Dormant

The registered office of CSH Homecare Limited is Dukes Court, Duke Street, 4th Floor, Woking , GU21 5BH

The aggregate of the share capital and reserves as at 31 March 2021 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves
	£
CSH Homecare Limited	2
	<u>2</u>

CSH Homecare Limited did not trade during the year. Any balances remaining in the company have been considered immaterial for consolidation purposes.

Notes to the Financial Statements for the Year Ended 31 March 2021 *continued*

12. Debtors

	2021	2020
	£	£
Trade debtors	7,553,735	2,883,818
Other debtors	69,273	32,180
Prepayments and accrued income	3,356,995	2,381,406
Short term cash deposits	-	1,000,000
	<u>10,980,003</u>	<u>6,297,404</u>

13. Cash and cash equivalents

	2021	2020
	£	£
Cash at bank and in hand	12,688,052	9,063,741
	<u>12,688,052</u>	<u>9,063,741</u>

14. Creditors amounts falling due within one year

	2021	2020
	£	£
Trade creditors	2,421,127	1,963,990
Other taxation and social security	1,612,310	1,248,051
Obligations under finance lease and hire purchase contracts	649,961	212,883
Other creditors	994,301	734,023
Corporation tax	474	1,221
Accruals and deferred income	19,549,389	12,051,207
	<u>25,227,562</u>	<u>16,211,375</u>



Notes to the Financial Statements for the Year Ended 31 March 2021 continued

15. Deferred taxation

	2021 £
At beginning of year	(22,464)
Charged to profit or loss	(131,918)
At end of year	<u>(154,382)</u>

The deferred tax asset is made up as follows:

	2021 £	2020 £
Fixed asset and short term timing differences	<u>(154,382)</u>	<u>(22,464)</u>
	<u>(154,382)</u>	<u>(22,464)</u>

16. Employee benefits

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

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as at 31 March 2019, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

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

b) Full actuarial (funding) valuation

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

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

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

Defined benefit scheme

The amount recognised in profit or loss as an expense in relation to the NHS Pension Scheme plans was £5,581,336 (2020:£5,225,317).

17. Financial instruments

Financial assets measured at amortised cost comprise trade and other debtors, accrued income and cash and cash equivalents less non-financial assets prepayments

Financial liabilities measured at amortised cost comprise trade and other creditors, hire purchase liabilities and accruals less non-financial assets deferred income

The company has no financial assets or financial liabilities recorded at fair value through profit and loss or fair value through other comprehensive income.

18. Share Capital

	2021	2020
	£	£
Allotted, called up and fully paid		
4 (2020 - 4) Ordinary shares of £0.25 each	1	1
	<hr/>	<hr/>

Each shareholder shall only have one vote, even if more than one share is held. No share shall carry any entitlement to participate in the income or profits of the company. Any income or profits of the company shall either (a) be retained by the company for working capital purposes, or (b) at the discretion of the directors be distributed to such charity, charities or community interest companies (as incorporated in accordance with the community interest regulations 2005) as they may direct. The ordinary shares are not redeemable.



19. Analysis of changes in net debt

	01 April 2020	Cash Flows	Other non-cash changes	31 March 2021
	£	£	£	£
Cash at bank and in hand	9,063,741	3,624,311	-	12,688,052
Obligations under finance lease and hire purchase contracts	212,883	(35,470)	472,548	649,961
	<u>9,276,624</u>	<u>3,588,841</u>	<u>472,548</u>	<u>13,338,013</u>

Non-cash movements relate to:

Obligations under finance leases: during the year the group entered into new finance leases in respect of assets with a total capital value at the inception of the leases of £472,548.

There are no restrictions over the use of the cash and cash at bank and in hand balances

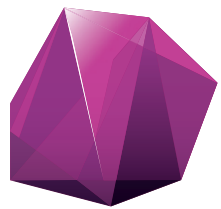
20. Events after the end of the reporting period

Other than the continued ongoing impact of COVID-19 as noted in note 2 to the accounts, no other post balance sheet events have occurred.

21. Controlling party

The directors are of the opinion that there is no ultimate controlling party.





CSH
Surrey



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Company Registration number: 05700920