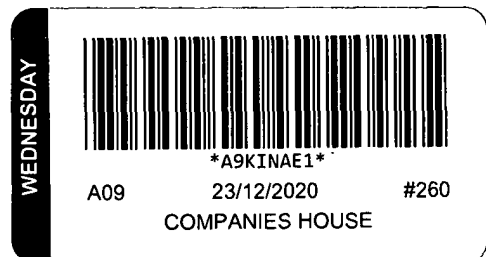


**Registered Company Number: 1141676 (England & Wales)**

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019  
FOR  
FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)  
Formerly  
The Guy Pilkington Memorial Home Ltd**



**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 DECEMBER 2019**

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**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The Trustees, who are also directors of the Company for the purposes of the Companies Act 2006, present their Annual Report together with the Financial Statements for the year ended 31st December 2019. Fairfield Independent Hospital (the Company) is a charitable Company limited by guarantee established under a Memorandum of Association and governed by its Articles of Association. The Company operates Fairfield Independent Hospital in order to meet its objectives. The Trustees confirm that the Annual Report and Financial Statements of the Company comply with the current statutory requirements, the requirements of the Company's governing document and the provisions of the Charities SORP (FRS102). The Annual Report has also been reviewed based on the guidance issued by the Charity Commission on 20 January 2014 on the Strategic Report.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**  
1141676 (England and Wales)

**Registered Charity number**  
502791

**Registered and principal office**  
Fairfield Independent Hospital  
Crank  
St Helens  
Merseyside  
WA11 7RS

**Trustees**

Mr C Barratt	Chair of Trustees & Chair of Finance and Audit Committee
Ms C Dodwell	Deputy Chair and Chair of the Capital Developments Committee
Mr C Bridge	Chair of the Integrated Governance Committee
Mr RG Hammond	Chair of the Workforce and Remuneration Committee
Dr C S Ince	
Mr L Marlow	Chair of the Finance and Audit Committee
Mr K Suraliwala	Chair of the Medical Advisory Committee
Ms S Watson	
Mr N Smillie	Appointed July 2019
Mr A Appleton	Appointed March 2020

**Key Management Personnel:**

Ms C Nolan  
Chief Executive Officer

Ms J Ollerton  
Chief Nurse

Mr A Jones  
Director of Hospital Services

Mr T Harrison, IPFA  
Director of Finance, IT and Performance

Ms K Mayer  
Assistant Director Governance

**Medical Advisory Committee:**

Chairman: Mr K Suraliwala

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**REFERENCE AND ADMINISTRATIVE DETAILS** continued

**Company Secretary** Ms C Nolan

Ms Nolan is also the Hospital's Registered Manager which is one element of the Hospital's Registration with the Care Quality Commission.

**Auditors**

Crowe U.K. LLP  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

**Solicitors**

Tickle Hall Cross  
Carlton Chambers  
25 Hardshaw Street  
St Helens  
WA10 1RP

**Bankers**

National Westminster Bank plc  
5 Ormskirk Street  
St Helens  
Merseyside  
WA10 1QT

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**Objectives and Aims**

The charitable company's objectives are to promote, manage and maintain a hospital to relieve sickness, injury, poor health and old age amongst the sick, convalescent, disabled, and infirm and to promote and preserve good physical and mental health.

Our principle activities are to provide a broad range of clinical and health services to the public. We provide consulting rooms, imaging and scanning functions, treatment rooms, operating facilities and the ancillary facilities necessary to fulfil this role.

Our Framework for the Future is made up of:

**Our Mission:** To improve the health and quality of life through the provision of a high quality and affordable service to the people of Merseyside and the North West of England.

**Our Vision:** High quality medical services which help improve health and wellbeing through the provision of a professional, safe, caring and affordable service.

**Our Values** underpin everything we do and describe the way we expect our staff to behave towards our patients, their families and carers, colleagues and staff. Our Hospital has identified five core values. These are:

- *Working together for patients* – Patients come first in everything we do at Fairfield. Everyone at Fairfield should act and collaborate in the interests of patients, putting patient interest before organisational interest and uniting in the patients' best interests. Working with each other, patients and carers and involving local communities, we can ensure we are providing services that meet local needs.
- *Respect and dignity* – Every individual who comes into contact with Fairfield will be treated with respect and dignity. We will value and respect different needs, cultures, aspirations and priorities. We will foster a spirit of candour – admitting our mistakes when they happen and work within a culture of humility, openness and honesty where staff communicate clearly and openly with patients, relatives and carers.
- *Commitment to quality care* – We will aspire to the highest possible standards of excellence and professionalism in the provision of high quality, safe care. Quality will not be compromised in the pursuit of safe and compassionate care. It will be a collective endeavour at every level of the system. We will continue to actively pursue and welcome feedback from patients and staff to identify and drive forward areas of improvement, showing patients that we care about them as individuals.
- *Compassion* – Patients, their carers and relatives will be treated at all times with sensitivity and kindness. Our services extend beyond providing clinical care and include alleviating pain and distress and making people feel valued and recognising that their concerns are important. We will also show compassion and care to each other.
- *Improving lives* – This is our core function. We will continue to seek to help improve the health and wellbeing of our patients, our staff and our local communities, ensuring that we help people and their communities take responsibility for living healthier lives.

**Governing Document**

Fairfield Independent Hospital (the Company) is a charitable company limited by guarantee established under a Memorandum of Association and governed by its Articles of Association. The charitable company has no share capital being a company limited by guarantee. The guarantee of each member is limited to £1.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**Trustees**

The Trustees may appoint replacement or additional directors at any time. However, the Members at the next Annual General Meeting must formally elect these directors. The Trustees who served during the year are set out on the Company Information page at the start of the Annual Report.

The Trustees meet every two months. The Director Appointments Committee assists the Board in assessing its skills and identifying new Trustees. New Trustees spend time with the hospital management having the aims and objectives and the policies and procedures of the charitable company explained to them and are issued with an induction pack. A Medical Advisory Committee (MAC) and an Adverse Events Committee also form part of the governance framework. In total there are five Board committees and these are the Directors who serve on them:

Committees	Director Appointments	Integrated Governance	Finance and Audit	Capital Development	Workforce and Remuneration
Mr C Barratt	Chair	x	x		x
Mr C Bridge		Chair	X		
Ms C Dodwell				Chair	
Mr R G Hammond	X			X	Chair
Dr C S Ince	X	x			
Mr L Marlow			Chair	X	x
Mr K Suraliwala		x			
Ms S Watson		x			
Mr N Smillie		x			
Mr A Appleton				X	

Board members may also meet outside the formal meetings to review and advise on particular areas of interest or opportunity.

**Organisational Structure**

The Chief Executive has responsibility for the leadership and implementing the Board's strategic plans for the organisation. The Chief Executive ensures that the organisation is financially stable and that it meets its aims and objectives. The Chief Executive will ensure that the staff team is recruited and supported to provide the skills, expertise and competencies required in order to run and develop a successful organisation.

The governance of the charitable company is the responsibility of the Board with support from the Medical Advisory Committee and the Executive. The Board provides independent oversight and stewardship for the range of services delivered. The Board monitors the discharge of its responsibilities via its regular meetings and the other Board sub committees that make up the framework for integrated governance. The framework of integrated governance spans all our services and means that we put our patients at the heart of everything we do. The Board are all volunteers and have experience of this or other hospitals as professionals or users of services.

Procedures for identifying and assessing risks are in place and are reviewed at Board Meetings. The assessment of these reviews ensures that the charitable company has the ability to deliver its objectives and identifies where controls could be strengthened.

Our core business is health and optimising outcomes for patients and we have created an integrated governance framework for delivering excellence and the best possible clinical results. We work in partnership with our consultants to ensure optimum care for our patients.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The Workforce and Remuneration Committee reviews the pay, reward and organisation structure for all the Hospital staff. The arrangements for setting pay and remuneration of key management personnel is similar to that applied to the whole staff team and the Committee uses benchmarks provided by the salary levels set in the National Health Service. The Workforce and Remuneration Committee makes recommendations to the Board on the setting of salaries for the whole staff team including the key management personnel.

The Trustees are responsible for preparing the annual report and financial statements. Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company's affairs. Trustees' responsibilities extend to ensuring that the assets of the organisation are safeguarded and that all reasonable steps have been taken to protect the organisation against fraud or other irregularities.

**Public Benefit**

The Trustees have considered the extent to which their activities and plans meet the objectives of the charitable company, contribute to the public benefit and the Charity Commission's published guidance on public benefit. As part of the processes of review, the Trustees have considered in detail the services currently provided and their accessibility and affordability to all members of the public. The Trustees are satisfied that the activities of the charitable company are consistent with the public benefit criteria. As a result of their review they identified the following as key areas by which the charitable company meets its objectives and serves the public benefit.

Patients who are members of friendly societies and other mutual societies are able to access services at Fairfield Independent Hospital by making modest weekly or monthly contributions, which are not related to their medical needs or their financial means. Similarly patients funded by the NHS also benefit from the same levels of care and treatment but do not pay directly for the treatment they receive. In addition, the Company participates in local health initiatives, the training of health workers and the planning of new health services. Further the Hospital has been working with another charity to provide rehabilitation and treatments to scar and burn patients.

**Risk Management**

The Company has a strong culture of risk awareness. All activities, both new and continuing, are regularly subjected to a risk assessment which includes issues of clinical matters, health and safety, financial impact, operational effectiveness, continuity and reputation threats. There are clear policies and guidelines in place as part of the Company's risk management framework. We participate in our own local clinical audits and also participate in national reviews and there is a clear incident reporting mechanism and analysis of adverse events. Risk management training has been rolled out to all members of staff and forms part of the induction process. The Trustees acknowledge that they have a duty to identify and review the risks to which the Company is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

IT risk management is a key area for the organisation and in 2019 we continued to improve our IT environment, security systems and quality systems. We retained our ISO 27001 standard and invested in new equipment to ensure our systems are efficient, effective, secure and supported. We use a variety of consultants and companies to ensure our systems are monitored, external back-ups are taken and risks are managed efficiently and effectively.

The Hospital has a pandemic flu policy that has been adapted and is in use during the current Covid19 pandemic. It provides guidance for the Hospital's staff to prepare and manage the organisation during the difficult times it has faced over 2020. The policy has been updated and improved as the Hospital has operated throughout the year. The policy is continuing to develop as the impact of the pandemic changes.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**ACHIEVEMENTS AND PERFORMANCE**

Introduction

This report has been prepared during the Covid19 pandemic which has provided the biggest challenge to the Charity in its history and while it is right to reflect on the achievements of 2019, the Trustees have to recognise that the reader of the report will be looking at those items through the impact of the Covid19 pandemic. In the section below on the NHS, the report explains how the Hospital's activities in 2020 changed from those in 2019. In the main, the Covid19 pandemic restricted the activity that the Hospital could undertake and this will have a significant impact on its financial performance in 2020.

The pandemic has not made any significant change to the way the Charity will work in 2020 or in the years to come. The Trustees, managers and most of all, the staff team are still in place and ready and able to provide medical services in the years ahead and as the numbers of patients who need our services has increased dramatically, it is clear that our role and mission has become more vital and important to the local population. The formal and informal links that the Hospital has developed with the local NHS Trust in 2020 will improve its role and importance. In addition, the internal developments at the Hospital in response to the pandemic, for example, the integration of virtual clinic technology into the Hospital's patient management system and the increased use of telephone and virtual consultations by both consultants and staff will enable the Hospital to meet more of the challenges of the pandemic or in the post pandemic period.

The Charity has faced the disruption brought by Covid19 and now, as it works through the second wave of the pandemic, it is in a strong position to treat the many thousands of patients that are seeking its help. Further, the way the Hospital has managed its activities through the pandemic and with the opportunities brought by the introduction of vaccines puts us in a strong position for 2021.

Governance

Our governance provides a framework for continuously improving the quality of our services and safeguarding our high standards of care. We develop and review our policies and procedures to enhance our governance environment and support our ISO 9001 accredited quality systems. The risk register continues to be populated and reported to the Board, identifying the most pressing risks and the actions that have been put in place to mitigate those risks. The Assistant Director of Governance ensures there is formal structure around our risk management framework, KPI reporting dashboard, providing support for staff on all aspects of governance including the CQC inspection regime and the improvement of clinical systems.

The Board has reviewed the Charity Governance Code and considered the Charity's compliance to the Code. The Board has put in place systems and procedures to ensure it complies with the Care Quality Commission's corporate governance framework and that it is also meeting the seven principles which make up this Code. The Charity has also implemented procedures and policies which mean that it conforms to the fit and proper persons regulations for directors or equivalents.

The Integrated Governance Committee meets quarterly. The Committee looks at all aspects of governance across the organisation, promoting good risk management and ensuring effective governance, both clinical and non-clinical, across all services. The Committee provides assurance to the Board and other stakeholders that processes are in order and that the Hospital is compliant with its statutory requirements and able to ensure sound internal control arrangements. In 2019, we again allocated resources to improving our IT environment, security systems and quality systems. We trained our staff on patient confidentiality, data protection and awareness of the importance of IT governance.

Leadership and Training

The Executive Team, headed by the Chief Executive, continue to access continuing professional development and other opportunities relevant to their roles including membership of other charitable boards.



**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

Training and education continues to be actively monitored to ensure that all training is up to date, current and relevant.

Quality

In 2019, we maintained our externally validated quality assurance standards. We were re-accredited in May 2019 for ISO27001 and during 2019 we maintained our ISO9001 standard.

We continually audit and benchmark our services and we are continually reviewing how we provide our services. We participate in the NHS Friends and Family Test and we also participate in the Private Health Information Network Friends and Family Test. Our scores on all these tests are high but we know that we can only maintain these scores by continual improvement, attention to detail and investment in staff development, medical equipment, and the fabric of the Hospital.

All our internal patient questionnaire responses are reviewed by the Chief Executive on a daily basis which means our results are assessed quickly and any actions that are needed can be taken promptly. We are delighted that patients rate our services highly.

As well as our own internal questionnaire we do ad hoc audits where members of the team speak with patients, ask questions about how their experience has been, if we are getting it right and if there could be any improvements.

We obtain the views of our consultants and discuss areas of good practice and concerns via the Medical Advisory Group (MAC). The MAC has a direct line of accountability to the Board and the Chairman of the Board of Directors meets regularly with the MAC Chair. The MAC Chair is also a Board member. The MAC provides advice and guidance on how we take specific areas of the business forward and they also advise on development opportunities for the Hospital and implementing new initiatives based on best practice.

We are extremely proud of our low infection rates. The fact that we are maintaining such good low rates is testament to how seriously all our staff take the issue of ensuring that our Hospital is free from infection.

Refurbishments and New Equipment Programme 2019

The Hospital has continued to invest in all areas of the Hospital, which includes medical and non-medical equipment, patient facilities and information technology. The most significant capital investments for the year included:

	Cost £
Theatre procedure audio visual system for general and other surgery	47,000
Ultrasound system for radiology	63,000
IT Servers	63,000

NHS Work

During 2019, we continued to participate in NHS Choices and the NHS accounted for around 71% (2018 72%) of our work via NHS Choices and we work closely with our lead commissioners to make sure our services match the requirements of the local health economy. In 2020, the Hospital became part of the national response to Covid19 and from the 23<sup>rd</sup> March 2020 to the 7<sup>th</sup> September, the Hospital was under contract with NHS England that provided block funding to finance the Hospital's services and to ensure it was available for any specific requirements related to the Covid19 emergency. However, this funding only covered the Hospital's costs and activity was limited by the need to hold resources in readiness for any support the NHS required in terms of beds and staff. During the first months of the pandemic, the Hospital provided all its ventilators to the local NHS Trust and was unable to use its operating theatres.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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As soon as they were returned, the Hospital was able to resume some operations though its activities were limited. This was because there were practical issues over the availability of surgeons, anaesthetists and other medical staff, the protocols over safety and infection prevention during the pandemic and patient availability because of shielding and the level of Covid19 in the population. The Hospital has provided vital support to the local NHS Trust during the summer and autumn of 2020 and this has included theatre, outpatient and diagnostic patient attendances.

This support was recognised by a new NHS contract that ran from the 7th September through to 31st December and provided funding for both the Charity's own NHS work and work that came from the local NHS Trust. While this work grew significantly during the autumn of 2020, the Hospital still expects to make a significant loss in 2020 because of the limits on activity in the year as a whole.

The Hospital restarted providing NHS Choice appointments during the summer of 2020 and expanded these during the autumn. The Hospital has a growing waiting list of NHS patients who want appointments in outpatients and as admitted patients and has also been successful in the purchasing exercise undertaken by NHS England to increase the NHS capacity to deal with the growth in patients waiting because of the Covid19 pandemic.

## **FINANCIAL REVIEW AND STRATEGIC REPORT**

The charitable company made a surplus of £35,896, (2018 a deficit of £186,951). The Hospital's income grew by 9.5% to £13,966,716 (2018: £12,756,454) and its costs grew by 7.6% to £13,930,820 (2018: £12,943,405).

### **Key Policies**

#### **Reserves policy**

The movement in reserves in the year is set out in Note 20 to the accounts. Total reserves at 31 December 2019 were £12,996,862 (2018 £12,960,966). Note 21 analyses how the trustees have allocated past reserves to acquire and develop the Hospital. To the extent that past reserves have been used for this purpose, at the end of the year some £2,635,066 (2018 £2,541,841) is held as unallocated or free reserves which is equivalent to 4.9 months (2018 5.0 months) of fixed costs. The charitable company's policy is to hold reserves sufficient to manage the risks involved in providing its medical services and to provide resources to invest in new activities. However, only £748,041 (2018 £391,742) of that sum is held as cash to cover the short-term requirements of the charitable company.

The charitable company also has access to overdraft facilities with its bank. The Trustees aim to maintain the cash and free reserves at levels which enable them to fund capital expenditure, meet liabilities when they fall due and provide an appropriate level of risk protection in the event of an unforeseen emergency. The charitable company reviews its reserves policy in the light of the budgets presented annually to the Board and the longer-term projections prepared to support the investment needs, refurbishment and redevelopment of the Hospital. The Hospital has been able to rely on its financial strength during the challenges of 2020 and has made use of its cash reserves to manage its business and maintain its activities through the year.

#### **Investment policy**

The investment policy of the charitable company is to deposit reserves with recognised banking organisations in an interest bearing account, therefore achieving an investment strategy with low risk.

#### **Strategic Report**

The charitable company provides its services in a highly regulated industry. The quality of its services are assessed and evaluated every day by the patients who are treated in the Hospital, by the professional, clinical and administrative staff who provide part or all of those services and by the commissioners who order and pay for the services provided at the Hospital. In addition, it has corporate and specific regulators who monitor and inspect the services throughout the year.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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The charitable company's main strengths are its links to the local communities that it serves through its connections with General Practitioners, to the local health commissioners and its role with the major private health insurers as their local provider. The Hospital's ethos of continuous improvement ensures it can respond to changes in clinical standards or clinical practice quickly and effectively. Guidance and advice from the hundred strong consultancy body and other healthcare professionals who work here is key to the Hospital's effective governance. A further strength is the location of the Hospital as it has no similar competitor provider within the St Helens and Wigan Boroughs. The Hospital owns the site it operates from and has an excellent relationship with its bank and its other professional advisors and partners.

The major risks the charitable company faces are:

- decline in demand because commissioners reduce the funding they provide for patient treatments;
- growth in alternative providers – as an example, we have seen local clinics opening up to provide limited services in specific areas – while these will not individually threaten the charitable company's existence, the cumulative effect of the services they offer may reduce the need for the Hospital's services;
- increases in the cost of service provision and regulatory requirements – against a background of low or no increase in income the Company has to commit more of its incoming resources to meeting these demands and, as in other social and charitable sectors, for example the care industry, the cost of higher standards can force a withdrawal of provision by the high quality providers;
- retention and recruitment of high calibre staff and consultants. The Hospital has had to rely on agency staff in some of its clinical areas for the last three years and there is a continuing shortage of qualified staff. The Hospital is looking at a variety of ways of filling these skill shortages;
- the Hospital's estate is varied but there is little room for expansion of services or the provision of extra car parking as demand for our services grows;
- the threats of cyber-attacks, data theft and the consequent operational disruption.
- reduction in the number of NHS and private patients
- restrictions on its ability to operate because of the impact of virus pandemics. The Hospital can only operate at its full potential when most of its staff, consultants and patients are not affected by illness, isolation requirements, or fear over coming to the Hospital.

The Board considers the future of the charitable company is secure as it provides a high quality, valued and popular service to people from the local area and across the North West. This role has been enhanced during the Covid19 pandemic, as the Hospital has become part of the nationwide private health industry support for the National Health Service. The Board's strategic intention is that the charitable company should:

- invest in new techniques and treatments to provide the latest health treatments and support;
- extend our provision into early diagnosis and support for GP services;
- enhance our role in providing a complete package of health care for the people of the North West so that we can meet most of their health needs at this location.

Since 2015, the charitable company has been working with a rehabilitation charity to provide services for their clients. This includes a range of opportunities to build on the medical skills and expertise at the Hospital and to extend the services provided in the Hospital and the other accommodation resources owned by the charitable company.

### **Fundraising**

The charity had no fundraising activities requiring disclosure under S162A of the Charities Act 2011.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES AND STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees, who are also the directors of Fairfield Independent Hospital for the purposes of company law are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity Statement of Recommended Practice (SORP);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

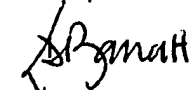
**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

**AUDITORS**

The auditors will be proposed for appointment at the forthcoming Annual General Meeting.

The Report of the Trustees and the Strategic Report were approved by the Board and signed on its behalf.



**C Barratt**  
Trustee

Date: 17/12/2020

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
FAIRFIELD INDEPENDENT HOSPITAL**

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**Opinion**

We have audited the financial statements of Fairfield Independent Hospital for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
FAIRFIELD INDEPENDENT HOSPITAL**

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We have nothing to report in this regard.

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

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

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

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

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 10, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
FAIRFIELD INDEPENDENT HOSPITAL**

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

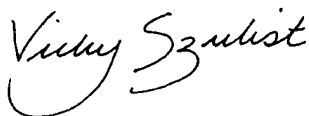
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Use of our report**

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



Vicky Szulist  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor  
The Lexicon  
Mount Street  
Manchester  
M2 5NT

18th December

2020

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 DECEMBER 2019**

		<b>2019 Unrestricted funds £</b>	<b>2018 Unrestricted funds £</b>
	Notes		
<b>INCOME</b>			
Donations and legacies	3	1,150	7,050
Investment income	4	325	106
<b>Incoming resources from charitable activities</b>			
Medical services provided	5	13,953,947	12,708,992
Other income		<u>11,294</u>	<u>40,306</u>
<b>Total income</b>		<u>13,966,716</u>	<u>12,756,454</u>
 <b>EXPENDITURE</b>			
<b>Charitable activities</b>			
Medical services provided	6	<u>13,930,820</u>	<u>12,943,405</u>
<b>Total expenditure</b>		<u>13,930,820</u>	<u>12,943,405</u>
 <b>NET INCOME/(EXPENDITURE)</b>		<b>35,896</b>	<b>(186,951)</b>
 Total funds brought forward		<u>12,960,966</u>	<u>13,147,917</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>12,996,862</u></u>	<u><u>12,960,966</u></u>

**CONTINUING OPERATIONS**

All incoming resources and resources expended arise from continuing activities.

The notes on pages 18 to 25 form part of these financial statements



**FAIRFIELD INDEPENDENT HOSPITAL**  
**(A COMPANY LIMITED BY GUARANTEE)**  
Formerly The Guy Pilkington Memorial Home Ltd  
**Registered Number: 1141676**  
**BALANCE SHEET**  
**AT 31 DECEMBER 2019**

	Notes	2019 Unrestricted funds £	2018 Unrestricted funds £
<b>FIXED ASSETS</b>			
Intangible assets	13	35,568	34,416
Tangible assets	14	<u>12,808,865</u>	<u>13,043,311</u>
Total Fixed Assets		<u>12,844,433</u>	<u>13,077,727</u>
<b>CURRENT ASSETS</b>			
Stocks	15	324,108	335,953
Debtors: amounts falling due within one year	16	1,264,410	1,197,993
Cash at bank		<u>748,041</u>	<u>391,742</u>
		2,336,559	1,925,688
<b>CREDITORS</b>			
Amounts falling due within one year	17	<u>(1,393,930)</u>	<u>(1,143,489)</u>
<b>NET CURRENT ASSETS</b>		<u>942,629</u>	<u>782,199</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		13,787,062	13,859,926
<b>CREDITORS</b>			
Amounts falling due after more than one year	18	<u>(790,200)</u>	<u>(898,960)</u>
<b>NET ASSETS</b>		<u>12,996,862</u>	<u>12,960,966</u>
<b>FUNDS</b>			
Unrestricted funds	20	<u>12,996,862</u>	<u>12,960,966</u>
<b>TOTAL FUNDS</b>		<u>12,996,862</u>	<u>12,960,966</u>

The financial statements were approved and authorised for issue by the Board of Trustees and were signed on its behalf by:



**C Barratt**  
Trustee

17/12/2020

The notes on pages 18 to 25 form part of these financial statements

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Notes	2019 £	2018 £
<b>Cash flow from operating activities</b>			
Net cash provided by operating activities	1	699,830	125,578
<b>Cash flows from investing activities</b>			
Purchase of intangible assets		(23,082)	(4,950)
Purchase of property, plant and equipment		(320,774)	(505,863)
Interest received		325	106
<b>Net cash used in investing activities</b>		<u>(343,531)</u>	<u>(510,707)</u>
Change in cash and cash equivalents in the reporting period		356,299	(385,129)
Cash and cash equivalents at the beginning of the reporting period		<u>391,742</u>	<u>776,871</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	2	<u>748,041</u>	<u>391,742</u>

The notes on pages 18 to 25 form part of these financial statements

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**1. RECONCILIATION OF NET INCOME TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	2019 £	2018 £
<b>Net income/(expenditure) for reporting period (as per the statement of financial activities)</b>	35,896	(186,951)
Amortisation of intangible assets	21,929	21,769
Depreciation charges	491,682	468,227
Interest received	(325)	(106)
Decrease in stocks	11,845	37,066
(Increase) in debtors	(65,817)	(98,228)
Increase/(decrease) in creditors	204,620	(116,199)
<b>Net cash provided by operating activities</b>	<u>699,830</u>	<u>125,578</u>

**2. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2019 £	2018 £
Cash	<u>748,041</u>	<u>391,742</u>

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

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**1. ACCOUNTING POLICIES**

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**Company information**

The Charity is a company limited by guarantee (registered number 1141676) which is incorporated and domiciled in the UK. The address of the registered office is Crank, St. Helens, Merseyside, WA11 7RS.

**Basis of preparation**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Fairfield Independent Hospital meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

**Going concern**

The Charity maintains its position as an approved provider with all the private and mutual health insurers and with the NHS. The Charity enjoys a strong relationship with its main provider of private finance and is able to access a range of funding routes for further developments. The Charity has a waiting list of consultants who are seeking practicing privileges. The trustees are satisfied that it is appropriate to continue to prepare the accounts on a going concern basis and consider that there were no material uncertainties over the Charity's financial viability. The trustees have reviewed the Charity's forecasts and projections for a period that exceeds 12 months from the date of signing these financial statements and based on the level of existing cash and estimated levels of income and expenditure, the trustees are satisfied that the charity have adequate resources to continue in operation for the foreseeable future.

The Charity's financial resources have been challenged in 2020 by the Covid19 pandemic that has limited its ability to treat patients and reduced its activity significantly. However, even after the impact of the 2020 Covid19 pandemic the Charity still has its reserves and the staff, facilities and systems that are important to the local health economy. It has developed the methodology, with patient and staff Covid19 testing, with physical distancing and effective hygiene methods to allow it to continue and expand its patient treatment.

**Incoming resources**

Voluntary income – including donations, gifts, legacies and grants – provide core funding or are of general nature are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when:

- a) The donor specifies that the grant or donation must only be used in future accounting periods; or
- b) The donor has imposed conditions which must be met before the Company has unconditional entitlement.

Donations received are accounted for when the resources are receivable or when the Company's entitlement is legally enforceable. No gifts in kind are received.

Income from medical services is recognised as earned when the related goods and services are provided. Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions is recognised as earned (as the related goods or services are provided).

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**1. ACCOUNTING POLICIES continued**

Investment income is recognised on a receivable basis.

**Resources expended**

Expenditure is accounted for on an accruals basis. Contractual arrangements and performance related grants are recognised as goods or services as supplied. Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in charitable activities.

Charitable activities include expenditure with the operation of the Charity.

Governance costs include those incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory arrangements.

**Intangible fixed assets**

Intangible fixed assets are non-financial fixed assets that do not have physical substance but are identifiable and are controlled by the charity through custody or legal rights. Intangible fixed assets for the Charity comprise acquisition of software licenses and external software development time in enhancing patient services. Although such assets lack physical substance, they provide a continuing economic benefit to the Charity. The Charity only includes payments to third parties in this asset category and does not include staff costs even though their contribution to the implementation of these systems may be significant.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Software	25% straight line
----------	-------------------

**Tangible fixed assets**

Tangible assets are stated at cost (or deemed cost for land and buildings held at valuation at the date of transition to FRS 102) less accumulated depreciation.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	2% on cost/valuation
Fixtures, fittings & equipment	10% to 25% straight line

Individual assets costing £1,000 or more are capitalised at cost.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

As a registered Charity the Company is not liable to corporation tax on its income.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. All the Charity's funds are unrestricted income funds.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

---

**1. ACCOUNTING POLICIES continued**

No separate statement of changes in reserves has been included in these financial statements as there is no movement on reserves except for the surplus for the year.

**Pension costs and other post-retirement benefits**

The Charity operates a defined contribution scheme approved by the Pension Schemes Office of the Inland Revenue. The Charity also runs a stakeholder pension scheme for the benefit of the employees. Contributions are charged to salaries and wages in the Statement of Financial Activities as they become payable. The assets of the two schemes are held separately from the assets of the company.

**Irrecoverable VAT**

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources for which it was incurred.

**Financial instruments**

Fairfield Hospital has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost using the effective interest method.

**2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

In the application of the Charity's accounting policies, which are described in note 1, Trustees are required to make judgements, estimates, assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described in the accounting policies and are summarised below.

The Charity holds a bad debt provision in case any of the outstanding debt is not collected. The bad debt provision has been created by making charges against each year's income.

**3. DONATIONS AND LEGACIES**

	2019 £	2018 £
Legacies and Donations	1,150	7,050
	<hr/>	<hr/>

**4. INVESTMENT INCOME**

	2019 £	2018 £
Bank interest	325	106
	<hr/>	<hr/>

**5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES**

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

	2019 £	2018 £
Medical services provided	<u>13,953,947</u>	<u>12,708,992</u>
<b>6. CHARITABLE ACTIVITIES COSTS</b>		

	Direct Medical costs (see note 7) £	Support costs (see note 12) £	Governance Costs (see note 8) £	Total 2019 £	Total 2018 £
Medical services Provided	<u>10,492,096</u>	<u>3,422,044</u>	<u>16,680</u>	<u>13,930,820</u>	<u>12,943,405</u>

**7. DIRECT COSTS OF CHARITABLE ACTIVITIES**

	2019 £	2018 £
Staff costs	2,613,604	2,380,701
Direct medical costs	7,163,392	6,647,289
Insurance	267,707	144,077
Patient services	139,113	131,653
Medical Equipment Maintenance and Repair	<u>308,280</u>	<u>299,396</u>
	<u>10,492,096</u>	<u>9,603,116</u>

Direct medical costs includes the amount of inventories recognised as an expense as £938,234 (2018 £868,840).

**8. GOVERNANCE COSTS**

	2019 £	2018 £
Auditors' remuneration	<u>16,680</u>	<u>17,000</u>

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging/(crediting):

	2019 £	2018 £
Auditor's remuneration	16,680	17,000
Amortisation of intangible assets	21,929	21,769
Depreciation of owned assets	<u>491,682</u>	<u>468,227</u>

**10. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31 December 2019 nor for the year ended 31 December 2018.

Payments of £888 (2018: £473) were made in the year ended 31 December 2019 for trustee travel expenses.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**11. STAFF COSTS AND THE COST OF KEY MANAGEMENT PERSONNEL**

	2019	2018
	£	£
Salaries and wages:		
- Nursing and other clinical staff	2,553,798	2,380,701
- Housekeeping, catering and maintenance	515,923	494,095
- Management and administration	1,154,994	1,138,388
	<u>4,224,715</u>	<u>4,013,184</u>
Wage and salaries	3,839,485	3,680,943
Social security costs	297,153	263,886
Pension costs	88,077	68,355
	<u>4,224,715</u>	<u>4,013,184</u>

The following number of employees received remuneration falling within the following ranges:

	2019	2018
	Number	Number
£100,001 - £110,000	1	1

One of the higher paid employees (2018: 1) accrued benefits under a defined contribution scheme. The amounts paid to defined contribution schemes on behalf of this employee were £5,290 (2018: £5,166).

The key management personnel of the charity comprise the Hospital Executive and are listed in the Report of the Trustees and Strategic Report. The total employee benefits of the key management personnel of the Company were £346,457 (2018: £351,000).

Average number employed (including temporary staff):

	2019	2018
Nursing and other clinical	110	108
Management, clerical and domestic	95	99
	<u>205</u>	<u>207</u>

**12. SUPPORT COSTS**

Support costs incurred in the year in relation to charitable activities were as follows:

	2019	2018
	£	£
Management	2,156,060	2,102,115
Finance	53,935	67,899
Information Technology	278,499	252,286
Property	933,550	900,989
	<u>3,422,044</u>	<u>3,323,289</u>



**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**13. INTANGIBLE FIXED ASSETS**

	Total Software £
<b>COST</b>	
At 1 January 2019	87,486
Additions	23,081
At 31 December 2019	<u>110,567</u>
<b>DEPRECIATION</b>	
At 1 January 2019	53,070
Charge for year	21,929
At 31 December 2019	<u>74,999</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u>35,568</u>
At 31 December 2018	<u>34,416</u>

**14. TANGIBLE FIXED ASSETS**

	Freehold land £	Freehold property £	Medical Equipment, Fixtures, Fittings, Computer Equipment £	Total £
<b>COST</b>				
At 1 January 2019	3,366,366	8,786,467	2,915,525	15,068,358
Additions	-	9,735	247,501	257,236
At 31 December 2019	<u>3,366,366</u>	<u>8,796,202</u>	<u>3,163,026</u>	<u>15,325,594</u>
<b>DEPRECIATION</b>				
At 1 January 2019	-	834,748	1,190,299	2,025,047
Charge for year	-	175,824	315,858	491,682
At 31 December 2019	<u>-</u>	<u>1,010,572</u>	<u>1,506,157</u>	<u>2,516,729</u>
<b>NET BOOK VALUE</b>				
At 31 December 2019	<u>3,366,366</u>	<u>7,785,630</u>	<u>1,656,869</u>	<u>12,808,865</u>
At 31 December 2018	<u>3,366,366</u>	<u>7,951,719</u>	<u>1,725,226</u>	<u>13,043,311</u>

On adoption of FRS102 we have elected to apply the fair value of land and buildings at 31<sup>st</sup> March 2013 as the deemed cost.

**15. STOCKS**

	2019 £	2018 £
Consumable medical supplies	304,059	313,731
Pharmacy	20,049	22,222
	<u>324,108</u>	<u>335,953</u>

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade debtors	1,012,375	1,042,898
Prepayments and accrued income	<u>252,035</u>	<u>155,095</u>
	<u>1,264,410</u>	<u>1,197,993</u>

**17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2019 £	2018 £
Trade creditors	846,280	709,142
Social security and other taxes	94,844	87,260
Accruals and deferred income	<u>452,806</u>	<u>347,087</u>
	<u>1,393,930</u>	<u>1,143,489</u>

**18. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019 £	2018 £
Lease deposits	<u>790,200</u>	<u>898,960</u>
	<u>790,200</u>	<u>898,960</u>

Lease deposits are amounts advanced by tenants of the bungalows at Fairfield Gardens as security for their leases. They are repayable on termination of the leases or sale of the property.

**19. LOANS**

The Charity does not have any loans. As recorded in Note 18, the Charity does have £790,200 in repayable lease deposits. No interest is due on these deposits.

**20. MOVEMENT IN FUNDS**

	At January 2019 £	Incoming Resources £	Resources Expended £	Funds transferred £	Gains and Losses £	At December 2019 £
<b>Unrestricted funds</b>						
General fund	12,960,966	13,966,716	(13,930,820)	-	-	12,996,862
<b>Total Funds</b>	<u>12,960,966</u>	<u>13,966,716</u>	<u>(13,930,820)</u>	<u>-</u>	<u>-</u>	<u>12,996,862</u>

No separate statement of changes in reserves has been included in these financial statements as there is no movement on reserves except for the surplus for the year.

**FAIRFIELD INDEPENDENT HOSPITAL  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2019**

**21. ANALYSIS OF RESERVES**

	2019	2018
	£	£
Total reserves	12,996,862	12,960,966
Less: Land and buildings	(11,151,996)	(11,318,085)
Add: Lease deposits relating to land and buildings	790,200	898,960
Freely available reserves	<u>2,635,066</u>	<u>2,541,841</u>

**22. FINANCIAL INSTRUMENTS**

	2019	2018
	£	£
Financial assets measured at amortised cost	<u>1,760,416</u>	<u>1,434,640</u>
Financial liabilities measured at amortised cost	<u>1,636,480</u>	<u>1,608,102</u>

Financial assets consist of cash and trade debtors.

Financial liabilities consist of loans, trade creditors and other creditors.

**23. RELATED PARTY TRANSACTIONS**

During the year some trustees of the Company were patients at the Hospital. The trustees were treated on the same terms as all other patients. One of the Trustees is also a consultant at the Hospital and receives payments for medical services on exactly the same basis as all other consultants at the Hospital.

There are no other related party transactions that need to be disclosed in the financial statements.

**24. POST BALANCE SHEET EVENTS**

While the Charity has been significantly affected by the Covid19 pandemic there is no evidence of these impacts affecting the Charity's conditions which existed at the 31 December 2019 which is the reporting date. The Covid19 pandemic started to have a financial impact in March 2020 and as such no such events need to be included in this report.