

Great Western Hospitals NHS Foundation Trust

Auditor's Annual Report 2024/25

8 July 2025

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Executive summary

We conduct our audit in accordance with the NAO's Code of Audit Practice, International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. We are independent of the Trust in accordance with applicable ethical requirements, including the Financial Reporting Council's Ethical Standard. The Trust's Annual Report and Accounts, including our audit report, are available on the Trust's website.

Audit opinion on the financial statements	We issued an unqualified opinion on the Trust's financial statements on 27 June 2025. We did not identify any matters where, in our opinion, proper practices had not been observed in the compilation of the financial statements.
Remuneration and Staff Report	We reported that the parts of the Remuneration and Staff Report subject to audit have been properly prepared in accordance with the National Health Service Act 2006.
Value for money ("VfM") arrangements to secure economy, efficiency and effectiveness in the use of resources	<p>We are required to report if we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. Our VfM assessment covers three specified reporting criteria: financial sustainability; governance; and improving economy, efficiency and effectiveness.</p> <p>We did not report any significant weaknesses in the Trust's arrangements.</p>
Annual Governance Statement	We did not identify any matters where, in our opinion, the Annual Governance Statement did not meet the disclosure requirements set out in the NHS Foundation Trust Annual Reporting Manual, was misleading, or was inconsistent with information of which we are aware from our audit.
Annual Report	We reported that the information given in the Performance Report and Accountability Report for the year ended 31 March 2025 is consistent with the financial statements.
Other powers and reports	We did not exercise our additional reporting powers (to issue a report in the public interest, or a report to NHS England) in respect of the year ended 31 March 2025.
Audit Certificate	We have not yet issued our audit certificate, as we are not able to do so under the National Audit Office's Auditor Guidance Note 07, Auditor Reporting, until we are advised by the National Audit Office that the audit of the NHS group consolidation is complete, which is expected to be in the autumn. We will then issue a separate audit certificate.

Purpose of this report

This report presents the key findings arising from our audit work at Great Western Hospitals NHS Foundation Trust (“the Trust”) for the year ended 31 March 2025.

The report has been prepared in accordance with the National Audit Office’s (“NAO”) 2024 Code of Audit Practice and its supporting Auditor Guidance Note (“AGN”) 03 Value for Money, and AGN 07 Auditor Reporting. These are available from the NAO website.

This report includes our commentary on the Trust’s arrangements to secure economy, efficiency and effectiveness in the use of resources (“Value for Money”, “VfM”). We assess the Trust’s VfM arrangements, based on our risk assessment. Our commentary focuses on our key observations on the Trust’s arrangements, and does not consider the adequacy of every arrangement the Trust has in place, nor does it provide positive assurance that the Trust is delivering or represents value for money.

Where we identify recommendations, we indicate whether these are:



Recommendations in respect of significant weaknesses in the Trust’s VfM arrangements, which we are required to make in accordance with AGN 03 where we identify a significant weakness; or



Other recommendations, which we indicate as “Deloitte Insights”.

We have not identified any significant weaknesses in the Trust’s VfM arrangements, and so have not reported any recommendations in respect of significant weaknesses.

Our financial statement audit approach

An overview of the scope of the audit

Our audit approach is based upon obtaining an understanding of the Trust, including its systems, processes, risks, challenges and opportunities, and the size, composition and qualitative factors relating to account balances, classes of transactions and disclosures. These risk assessment procedures enable us identify risks of material misstatement in the financial statements and then tailor our audit procedures to address those risks.

Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team, led by the audit lead, Michelle Hopton. The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems.

Materiality

Our work is planned and performed to detect material misstatements. We determined materiality for the Group to be £11.2m, on the basis of 2% of revenue for 2024/25.

Procedures for auditing the Trust's financial statements

Our audit procedures included:

- interviewing members of the Trust's management team and reviewing documentation to test the design and implementation of the Trust's internal controls in certain key areas relevant to the financial statements; and
- performing sample tests and analytical procedures on amounts in the Trust's financial statements to test the recorded transactions, balances and disclosures.

Data analytic techniques were used as part of audit testing, in particular to support profiling of populations to identify items of audit interest and in journal testing, using our Spotlight data analytics platform.

Approach to audit risks

We focused our work on areas which are referred to as significant risks.

Our audit plan, presented to the Trust's Audit, Risk and Assurance Committee, detailed the significant risks for the Trust audit, and our planned procedures.

Our final report to the Trust's Audit, Risk and Assurance Committee reported the findings from our procedures.

We have made recommendations in our Audit, Risk and Assurance Committee reporting for improvement in the Trust's policies, procedures and internal controls based on observations from our work. However, we do not consider these recommendations to reflect significant weaknesses in the Trust's VfM arrangements.

We have provided a summary of each of the significant audit risks on the following pages.

Financial statement audit significant risks

Risk	Procedures undertaken	Findings
<p>Accounting for capital expenditure</p> <p>The Trust had a significant capital programme for 2024/25 with the total actual additions during the year were £34.0m (£30.7m in PPE and £3.3m in intangibles).</p> <p>Where the Trust develops properties as part of its capital programme, determining whether or not expenditure should be capitalised can involve judgement as to whether costs should be capitalised under International Financial Reporting Standards. The annual cut-off of capital budgets and requirements of public dividend capital (PDC) funding increase the risk of amounts being incorrectly capitalised, or of incorrect recognition in the current period.</p>	<ul style="list-style-type: none"> • We reviewed the Trust's capital plans as part of the planning process and discuss with management potential risks or issues identified. • We reviewed management's assessment in areas of judgement in the application of accounting standards to determine whether costs should be capitalised in particular in respect of EPR costs (a new Electronic Patient Record system in partnership with RUH and SFT). • We considered the design and implementation of controls around the capitalisation of costs. • We tested spending on a sample basis to confirm that it complies with relevant accounting requirements. • We reviewed and challenged management's assessment whether any impairment arises in respect of newly capitalised expenditure on property assets. • We tested transfers out of assets under construction on a sample basis to ensure depreciation is charged from the correct date. • We tested a sample of vesting certificates to assess whether they are appropriately accounted for. 	<p>We did not identify any misstatement from our work on capital expenditure. However, we reported disclosure deficiencies relating to the PPE note in our ISA260 report.</p> <p>Based on our Design & Implementation of controls, we identified control findings and recommended to management, these are detailed in our ISA260 report.</p>

Financial statement audit significant risks

Risk	Procedures undertaken	Findings
<p>Management override of controls</p> <p>Auditing standards require us to perform procedures to address the risk of management override of controls, including through influencing judgements and estimates, as well as overriding the Trust's controls for how specific transactions are accounted for.</p>	<p>Manipulation of accounting estimates</p> <ul style="list-style-type: none"> • We considered the overall control environment and 'tone at the top'. • We tested the design and implementation of controls in relation to accounting estimates. • We reviewed accounting estimates for biases that could result in material misstatements due to fraud and performed testing on key accounting estimates. <p>Manipulation of journal entries</p> <ul style="list-style-type: none"> • We tested the design and implementation of controls over journals. • We tested the appropriateness of journals and adjustments made in the preparation of the financial statements. We have used Spotlight data analytics tools select journals for testing, based upon identification of items of potential audit interest. <p>Accounting for significant or unusual transactions</p> <ul style="list-style-type: none"> • We considered whether any transactions identified in the year required specific consideration and did not identify any requiring additional procedures to address this key audit matter. 	<p>We did not identify any issues from the journals selected for testing.</p> <p>We did not identify any significant bias in the key judgements made by management.</p>

Auditor's work on Value for Money (VfM) arrangements

The Accounting Officer and the Board are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the use of resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money.

The Accounting Officer reports on the Trust's arrangements, and the effectiveness with which the arrangements are operating as part of their annual governance statement.

Under the National Health Service Act 2006, we are required to be satisfied whether the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. In accordance with the National Audit Office's Auditor Guidance Note 3, we are required to assess arrangements under three areas:

Financial Sustainability	<i>How the body plans and manages its resources to ensure it can continue to deliver its services</i>
Governance	<i>How the body ensures that it makes informed decisions and properly manages its risks</i>
Improving economy, efficiency and effectiveness	<i>How the body uses information about its costs and performance to improve the way it manages and delivers its services</i>

This report presents our findings on the Trust's VfM arrangements. Where we have found significant weaknesses in arrangements, we are required to make recommendations so that the Trust can consider them and set out how it plans to make improvements.

In planning and performing our work, we consider the arrangements that we expect bodies to have in place, and potential indicators of risks of significant weaknesses in those arrangements. Our assessment of potential indicators has been performed in the context of the overall operating environment for the NHS during 2024/25, including the impact of demand pressures and financial constraints.

In addition to our financial statement audit, we performed a range of procedures to inform our VfM commentary, including:



Interviews with key stakeholders, including Chief Finance Officer and Deputy Chief Nurse.



Review of Board and committee reports and attendance at various Audit, Risk and Assurance Committee meetings throughout the year.



Reviewing reports from third parties including Care Quality Commission.



Considering the findings from our audit work on the financial statements.



Review of the Trust's annual governance statement and annual report.

VfM arrangements: Financial Sustainability

Approach and considerations

We have considered how the Trust plans and manages its resources to ensure it can continue to deliver its services, including:

- How the body ensures that it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the body plans to bridge its funding gaps and identifies achievable savings;
- How the body plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the body ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning which may include working with other local public bodies as part of a wider system; and
- How the body identifies and manages risks to financial resilience, e.g., unplanned changes in demand, including challenge of the assumptions underlying its plans.

Commentary

Whilst we concluded that there was no significant weakness in the Trust's arrangements, it is notable that the Trust's reported a deficit of £13.8m against a planned surplus of £6.1m (2023/24: deficit of £9.9m). On an adjusted financial performance basis, the Trust reported a surplus of £1.4m against a planned breakeven for the financial year ended 31 March 2025 (31 March 2024: surplus of £0.2m). At 31 March 2025, the Trust had net assets of £198.4m (31 March 2024: £182.5m), net current assets of £6.5m (31 March 2024: £0.6m) and cash of £43.2m (31 March 2024: £42.0m).

The Trust planned to achieve efficiencies for the year of £21.9m (4.2% of operating expenses). However, the Trust reported delivering 84.2% of its planned efficiencies to 31 March 2025, equivalent to £18.4m (3.3% of operating expenses). Compared to other acute trusts we audit, the Trust has a relatively higher reliance on non-recurrent efficiencies of 51.4%, compared to plan of 33.8% and to an average of 25.7% for acute trusts.

The Trust's 2025/26 final plan submission was to achieve a breakeven. The plan for FY26 assumes £32.4m of savings (6.1% of operating expenses for 2025/26), which is significantly higher than the level of savings achieved in 2024/25. Furthermore, the Trust's planned efficiencies of 6.1% of operating expenses are higher than the average planned efficiencies of 5.2% for trusts we audit (5.3% for acute trusts). The level of pay efficiencies is relatively higher, while for non-pay is relatively lower at 6.1% of the relevant costs compared to an average of 5.3% for acute trusts. NHS England board papers indicate pay savings are a key element of planned efficiencies, with the total workforce is planned to be 2.0% lower than in 2024/25, including a planned 40% reduction in agency use by March 2026.

At the point of submission of the plan, 92.0% of required savings were still either under 'Opportunity' or 'Unidentified' categories. The level of required savings indicates a risk to delivery of the plan for 2025/26. This risk to the delivery of the 2025/26 plan and the Trust's ongoing financial position is a common challenge across the NHS sector. Continued focus on identification and delivery of savings, as well as agreement of additional funding to match the Trust's cost base, will be key to achieving plan.

VfM arrangements: Financial Sustainability (continued)

Commentary

As the Trust's plan forms part of the overall system plan and is agreed with the ICB and the rest of the system, we do not consider that it indicates a significant weakness in arrangements to achieve financial sustainability. We note, however, that there remains a risk to the delivery of the 2024/25 plan and the Trust's ongoing financial position, which is a common challenge across the NHS.

Whilst the Trust has a history of achieving significant amounts from its saving plans in the past, management has to continually monitor financial performance on a monthly basis to ensure that the required savings level is achieved for the financial year 2025/26.

The Trust has incorporated plans to bridge its funding gaps and identify achievable savings through a structured approach, which include the report to the Trust's finance committee along with scrutiny by NHSE.

The Trust prepares an annual plan in line with national NHS timetables. The budget process requires significant divisional involvement through Finance Business Partners at an operational level and through cross Divisional meetings at Deputy/Director level. All budgets require Divisional sign off and monitoring via the Accountability Framework.

The Trust's review of planning process links internal planning to ensure an integrated activity/workforce and financial plan but also links to an overarching system plan.

For the 2025/26 financial planning round, the Trust used its planning round table weekly group to ensure alignment between activity, finance and workforce planning. It was also linked into the Trust Resource Reallocation (and Investment) Group (TRR(I)G) – a monthly forum for peer review, check and challenge around potential investments from throughout the Trust. TRR(I)G makes recommendations to Trust Management Committee, where additional costs are approved or rejected.

Alongside TRR(I)G, business planning 2025/26 used Executive escalation meetings to check and challenge divisional and directorate proposals, and to authorise funding of some cost pressures.

The Trust identifies risks to financial resilience by flagging risks in the planning process via a formal risk register which is monitored through the year within the divisional structure under the Performance and Accountability Framework and reported to the Board within the monthly integrated performance report.

Progress is monitored at Divisional level, through Integrated Performance Report and reported via the Trust Management Committee, Trust Board and the Finance, Infrastructure and Digital Committee. We confirmed our understanding by reviewing the latest CIP plan which was presented to and approved by Finance, Infrastructure and Digital Committee before submission to NHSE.

NHS providers have been instructed to reduce corporate costs by 50% of the increase since 2019, by October 2025. This will form part of the Trust's efficiency plans for 2025/26.

VfM arrangements: Financial Sustainability (continued)

Commentary



Deloitte insight

As the 2025/26 plan requires a significantly higher amount of savings as compares to 2024/25, we recommend that management should continue monitoring financial performance on a monthly basis to ensure that the required savings level is achieved for the financial year 2025/26. Furthermore, as 92.0% of required savings were still either under 'Opportunity' or 'Unidentified' categories as at the time of plan submission, the management should identify the required savings at the earliest possible to reduce the risk level associated with 'High risk' categories of planned savings.

In addition to the above, the Trust Board should ensure that it is assured on the deliverability of the plan and that the increased risks to financial sustainability of the Trust are carefully managed.

VfM arrangements: Governance

Approach and considerations

We have considered how the Trust ensures that it makes informed decisions and properly manages its risks, including:

- How the body monitors and assesses risk and how the body gains assurance over the effective operation of internal controls, including arrangements to prevent and detect fraud;
 - How the body approaches and carries out its annual budget setting process;
 - How the body ensures effective processes and systems are in place to ensure budgetary control; to communicate relevant, accurate and timely management information (including non-financial information where appropriate); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed, including in relation to significant partnerships;
 - How the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency. This includes arrangements for effective challenge from those charged with governance/audit committee; and
 - How the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer or member behaviour (such as gifts and hospitality or declarations/conflicts of interests), and for example where it procures or commissions services.
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Commentary

NHS England has assessed the Trust under the NHS Oversight Framework in segment 2, which indicates that provider is offered targeted support, but which they are not obliged to take up. By default, all NHS organisations are allocated to segment 2 unless the criteria for moving into another segment are met.

The Trust monitors and assesses its risks through the maintenance of a corporate risk register, to assess, document and monitor risks being faced by the Trust. The Risk Committee oversees the risk monitoring process. The Trust also has internal audit and counter fraud functions in place. The Trust has appointed a professional firm (KPMG) for its internal audit function, which prepares the annual audit plan and conducts audits during the year as per approved annual plan.

The annual internal audit plan is formally approved by the ARAC and the Trust Board. The Head of Internal Audit's Annual Opinion for 2024/25 was 'significant assurance with improvement opportunities' for the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control.

The Trust Board makes key decisions based on comprehensive papers, with challenges discussed and addressed during board meetings.

While we have identified and reported control deficiencies and recommendations from our audit to management and the Audit, Risk and Assurance Committee, none of these indicated a risk of significant weaknesses in the Trust's Value for Money arrangements.

VfM arrangements: Governance (continued)

Commentary

CQC inspections

Maternity Services were inspected in prior year as part of the national Maternity Inspection programme and a CQC inspection report was published in March 2024. The Maternity Service rating was downgraded to “Requires Improvement” from “Good” with some improvement actions in relation to compliance. However, CQC did not taken any enforcement action against the Trust.

The Trust developed an action plan to address CQC recommendations with regular reporting to the Trust's internal Quality and Safety Committee to monitor progress on action plan. As of the year end, all ‘Must do’ items were addressed by the management from its last maternity inspection report. We understand that a re-inspection of maternity services is expected during summer 2025.

There were CQC inspections during the year in ‘Medicine’, ‘Surgery’ and ‘Front Door Areas’. Inspection report for Medicine indicates overall ‘Good’ rating, while the management is waiting for final reports on Surgery and Front Door Areas.



Deloitte insight

We recommend that management continue implementation and monitoring of established action plan through regular updates to Quality and Safety Committee, with “Must do” items to be addressed on priority basis.

NHS Provider Code of Governance

The Trust’s statement of compliance with the Code is on page 104 of the Annual Report ,which states that the Trust considers it has complied with the provisions of the Code throughout the year. The Trust is not subject to any formal interventions.

VfM arrangements: Governance (continued)

Commentary

Governance over climate-related risks

Climate change presents significant challenges for the NHS in adapting to a changing environment. As part of its response to these challenges, the Government is adopting the Task Force on Climate-related Financial Disclosures (TCFD) as a framework for public sector bodies to analyse, understand and disclose climate-related financial information, in order to support the management of climate-related financial risks and opportunities.

The FT ARM adopts these requirements for NHS foundation trusts on a phased basis up to 2025/26 as part of the performance report. For 2024/25, the phased approach incorporates the disclosure requirements of the governance, risk management and metrics and targets pillars. The Trust's disclosures in the Performance Analysis section of the Annual Report set out the board's oversight of the Trust's approach to assessing and managing climate-related issues, and underlying management structures in respect of this.

As noted in the Annual Report, the disclosure requirements for risk management have not been provided as the Trust is currently focussing on finalising its Climate Change Risk Assessment and Adaptation Plan. Disclosure requirements will now be developed following publication in April 2025. The delivery of the Green Plan is through the Estates Management Board and the designated board level net zero lead is the Director of Finance, who has overall accountability for the implementation of the Green Plan. Progress against the Green Plan is formally reported annually to the Trust EFM Board.



Deloitte insight

HM Treasury has recently issued a best practice guide on implementing Task Force on Climate-Related Financial Disclosures. We recommend the Trust to review this Best Practice Guide in planning the Trust's 2025/26 disclosures, which will implement all three pillars of TCFD recommendations.

VfM arrangements: Improving economy, efficiency and effectiveness

Approach and considerations

We have considered how the body uses information about its costs and performance to improve the way it manages and delivers its services, including:

- How financial and performance information has been used to assess performance to identify areas for improvement;
 - How the body evaluates the services it provides to assess performance and identify areas for improvement;
 - How the body ensures it delivers its role within significant partnerships and engages with stakeholders it has identified, in order to assess whether it is meeting its objectives; and
 - Where the body commissions or procures services, how it assesses whether it is realising the expected benefits.
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Commentary

The Trust is part of Bath and North East Somerset, Swindon and Wiltshire (BSW) Integrated Care Board (ICB). The Trust continued working closely with the Royal United Hospitals NHS Foundation Trust and Salisbury NHS Foundation Trust as part of the BSW Acute Hospital Alliance.

To enhance working in joint group partnership, Cara Charles-Barks was appointed Chief Executive and Accountable Officer of the Trust on 1 November 2024. This is a joint role with the Royal United Hospitals NHS FT and Salisbury Hospital NHS FT.

The Board of Directors are responsible for ensuring systems are in place to maintain the economic, efficient and effective use of resources within the Trust. The Board receives performance and financial reports at each of its meetings and receives reports from the chairs of its committees to which it has delegated powers and responsibilities.

Identification of areas for improvements is achieved through monthly performance meetings and use of the Trust's Performance and Accountability Framework, this is a framework that has been developed in order to hold the divisions to account for their individual performance. On a monthly basis the Trust Board receives the Integrated Performance Report (IPR) which provides overview and detail of the key measures of performance and supporting indicators to ensure that a balanced performance position is understood. It sets out over 100 measures and is posted to the Trust's website to allow for public scrutiny. This information is provided for the last month, trending over time, and, where available or relevant, against a benchmark.

The Trust is an active participant in system wide Business Intelligence analytical Forums which seek to standardise the approach to regular reporting, ensuring best practice methodologies are followed and building a shared pool of expert resource across the system.

VfM arrangements: Improving economy, efficiency and effectiveness (continued)

Commentary

We understand HOSCs (known as the Adults' Health, Adults' Care and Housing in Swindon and the Health Select Committee in Wiltshire) are a statutory function of Local Authorities comprising elected representatives whose role it is to scrutinise decisions and changes that impact on health services in the area. In 2024/25 the Chief Executive of the Trust, or a deputy, attended each of the Swindon meetings to present the key issues relating to the Trust.

The Trust remains a regular contributor to NHS Benchmarking and uses this data to compare performance at both a trust-wide and divisional level as well as to identify CIP opportunities. Efficiency is benchmarked in a variety of ways, including through the cost collection, by use of national benchmarking data including use of the Model Hospital data sets. Further benchmarking is undertaken through peer review.

As in the previous few years, the system has continued allocating the overall system deficit to organisations within the ICS on a fair share basis, based on a proportion of the individual organisation's expenditure budgets.

The Trust would potentially be looking into the use of Artificial Intelligence (AI). We recommend that should the Trust continue to develop its use of AI internally, that it considers that risks associated with the deployment of AI solutions are adequately reflected in the Trust's wider risk registers and risk management processes, and whether an overarching governance framework (including reporting to Board) and supporting policies are needed, particularly in respect of the provision of services.

Using information on Health Inequalities to inform service improvements

NHS England published its first Statement on Information on Health Inequalities in November 2023, setting out NHS England's views on how the powers available to NHS bodies to collect, analyse and publish information should be exercised in respect of health inequalities. The Trust along with BSW ICB is required to record and report on a variety of key metrics related to Health Inequalities, with specific focus on certain areas as noted in the Trust's Annual Report.

The Trust has established an Inclusion and Health Inequalities Sub-Committee (IHISC) to address both equality, diversity and inclusivity and health inequality. This group links back to the Integrated Care System's Population Health Board and Health Inequalities Steering Group, which are overseeing activity at a system level to address under-representation and structural determinants of ill health.

A number of initiatives have taken place over the year, and the Trust will consider in 2025/26 what further interventions can be made to help reduce health inequalities.

Purpose of our report and responsibility statement

What we report

Our report fulfils our obligations under the Code of Audit Practice to issue an Auditor's Annual Report that brings together all of our work over the year, including our commentary on arrangements to secure value for money, and recommendations in respect of identified significant weaknesses in the Trust's arrangements.

What we don't report

Our audit was not designed to identify all matters that may be relevant to the Trust.

Also, there will be further information the Boards need to discharge their governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, our views on internal controls and business risk assessment should not be taken as comprehensive or as an opinion on effectiveness since they have been based solely on the audit procedures performed in the audit of the financial statements and work under the Code of Audit Practice in respect of Value for Money arrangements.

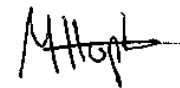
The scope of our work

Our observations are developed in the context of our audit of the financial statements.

We described the scope of our work in our audit plan.

Use of this report

This report is made solely to the Board of Governors and Board of Directors ("the Boards") of Great Western Hospitals NHS Foundation Trust, as a body, in accordance with the National Health Service Act 2006. Our audit work has been undertaken so that we might state to the Boards those matters we are required to state to them in our Audit Report and Auditor's Annual 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 Boards as a body, for our audit work, for this report, or for the opinions we have formed.



Michelle Hopton

Deloitte LLP

Bristol | 8 July 2025

Appendix 1: Trust's responsibilities

Public bodies spending taxpayers' money are accountable for their stewardship of the resources entrusted to them. They should account properly for their use of resources and manage themselves well so that the public can be confident.

Financial statements are the main way in which local public bodies account for how they use their resources. Local public bodies are required to prepare and publish financial statements setting out their financial performance for the year. To do this, bodies need to maintain proper accounting records and ensure they have effective systems of internal control.

All local public bodies are responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness from their resources. This includes taking properly informed decisions and managing key operational and financial risks so that they can deliver their objectives and safeguard public money. Local public bodies report on their arrangements, and the effectiveness with which the arrangements are operating, as part of their annual governance statement.

The Chief Executive, as Accounting Officer of the Trust, is 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 Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Accounting Officer is required to comply with the Accounts Direction issued by NHS England, which requires the Trust to comply with the Department of Health & Social Care Group Accounting Manual and prepare the financial statements on a going concern basis, unless the Trust is informed of the intention for dissolution without transfer of services or function to another entity. [In applying the going concern basis of accounting, the Accounting Officer has applied the 'continuing provision of services' approach set out in the Group Accounting Manual, as it is anticipated that the services the Trust provides will continue into the future.

The Accounting Officer is required to confirm that the Annual Report and Accounts, taken as a whole, is fair, balanced, and understandable, and provides the information necessary for patients, regulators and stakeholders to assess the Trust's performance, business model and strategy.

The Accounting Officer is responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in the use of the Trust's resources, for ensuring that the use of public funds complies with the relevant legislation, delegated authorities and guidance, for safeguarding the assets of the Trust, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Accounting Officer and the Board are responsible for ensuring proper stewardship and governance, and reviewing regularly the adequacy and effectiveness of these arrangements.

Appendix 2: Auditor's responsibilities

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Auditor's responsibilities relating to the Trust's arrangements for securing economy, efficiency and effectiveness in the use of resources

We are required under the Code of Audit Practice and the National Health Service Act 2006 to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.

We are not required to consider, nor have we considered, whether all aspects of the foundation trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We undertake our work in accordance with the Code of Audit Practice, having regard to the guidance, published by the Comptroller & Auditor General, as to whether the Trust has proper arrangements for securing economy, efficiency and effectiveness in the use of resources against the specified criteria of financial sustainability, governance, and improving economy, efficiency and effectiveness.

The Comptroller & Auditor General has determined that under the Code of Audit Practice, we discharge this responsibility by reporting by exception if we have reported to the Trust a significant weakness in arrangements to secure economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2025. Other findings from our work, including our commentary on the Trust's arrangements, are reported in our Auditor's Annual Report.

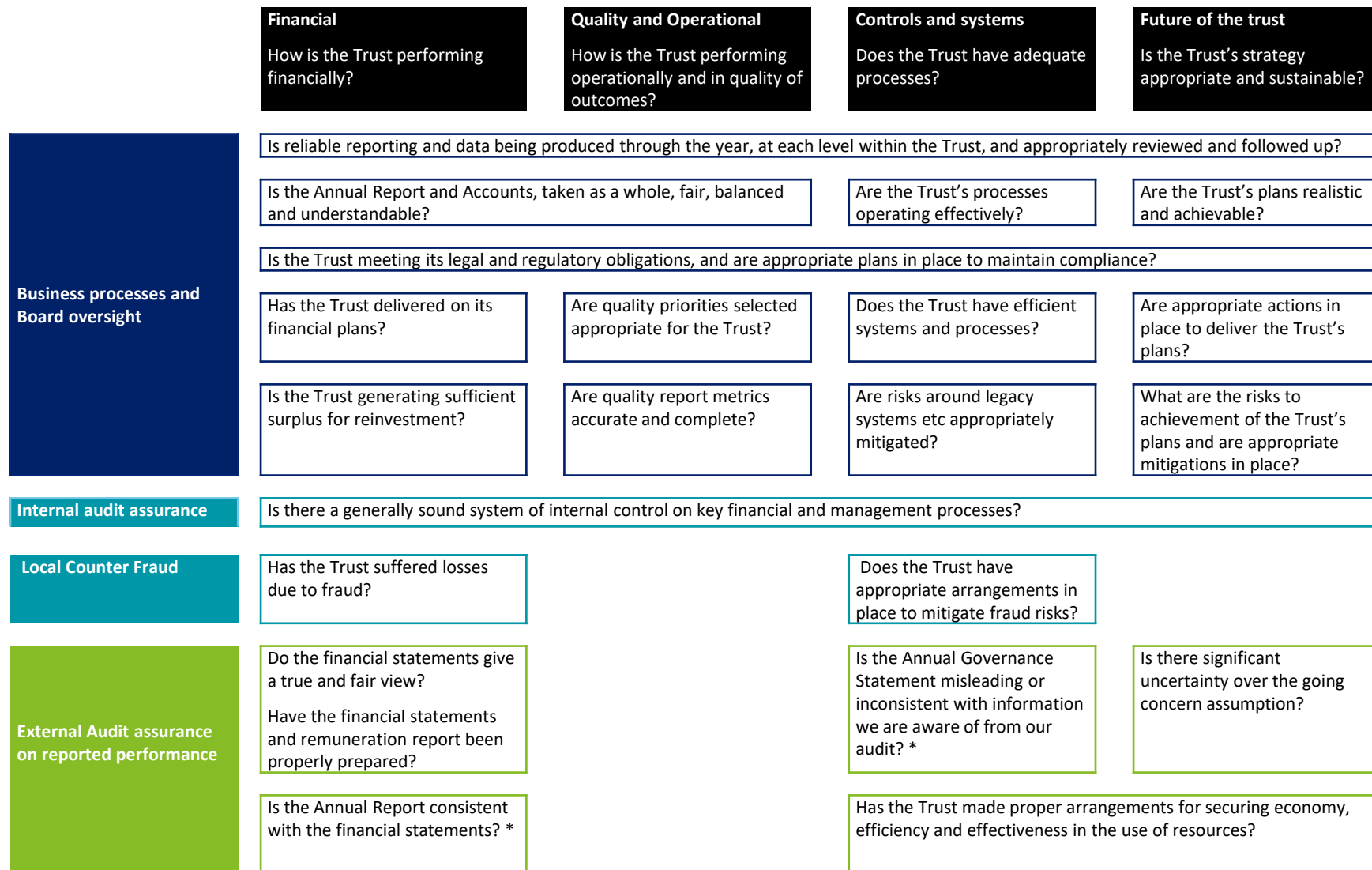
Auditor's other responsibilities

We are also required to report to you if we exercise any of our additional reporting powers under the National Health Service Act 2006 to:

- make a referral to NHS England if we believe that the Trust or an officer of the Trust is
 - about to make, or has made, a decision which involves or would involve the Trust incurring unlawful expenditure;
 - about to take, or has begun to take a course of action which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency
- consider whether to issue a report in the public interest.

Appendix 3: Assurance sources for the Trust

The diagram below illustrates how the assurances provided by external audit around finance, quality, controls and systems and the future of the Trust (in the green rows) and how this fits with some of the other assurances available over the Trust's position and performance.



* The scope of external audit in this area is "negative assurance" of reporting by exception of issues identified. © 2025 Deloitte LLP. All rights reserved



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