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# Key Messages

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**Audit opinion on the financial statements** We issued an unqualified opinion on the Trust's and group's financial statements on 15 June 2021.

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## The Trust's arrangements to secure Value for Money

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### Commentary on the Trust's arrangements

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<b>Financial Sustainability</b> <i>How the body plans and manages its resources to ensure it can continue to deliver its services</i>	<p>The Group recorded a surplus in 2020/21 of £5.5m, after receipt of £47.3m of top-up and reimbursement funding.</p> <p>At 31 March 2021, the Group had net assets of £348.2m, net current assets of £120.2m and cash of £146.4m.</p> <p>Arrangements were in line with our expectation in the current operating environment.</p>
<b>Governance</b> <i>How the body ensures that it makes informed decisions and properly manages its risks</i>	<p>The "Well Led" element of the last CQC report published in January 2020 rated the Trust as Outstanding.</p> <p>The Trust's Head of Internal Audit opinion for the year was "Significant Assurance with minor improvements on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control."</p> <p>The Accounting Officer concluded from her annual review of the effectiveness of internal control that the Trust has a generally sound system of internal control and no significant internal control issues have been identified.</p> <p>The Trust has adapted its governance arrangements to enable it to support an agile response to the pandemic.</p>
<b>Improving economy, efficiency and effectiveness</b> <i>How the body uses information about its costs and performance to improve the way it manages and delivers its services</i>	<p>The Trust has adapted its processes for assessing financial and performance information, including identifying areas for improvement, in response to the pandemic. We concluded that these changes were appropriate in the context of the prevailing operating environment and national priorities.</p> <p>The Trust plays an active part in the local Integrated Care System (ICS).</p> <p>The Trust procurement team has achieved level 1 accreditation.</p>

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# Purpose of this report

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Our Auditor's Annual Report sets out the key findings arising from the work we have carried out at Royal Marsden NHS Foundation Trust ("the Trust") for the year ended 31 March 2021.

This report is intended to bring together the results of our work over the year at the Trust, including commentary on the Trust's arrangements to secure economy, efficiency and effectiveness in the use of resources ("Value for Money", "VfM").

In preparing this report, we have followed the National Audit Office's ("NAO") Code of Audit Practice and its Auditor Guidance Note ("AGN") 03, Value for Money, and AGN 07, Auditor Reporting. These are available from the NAO website.

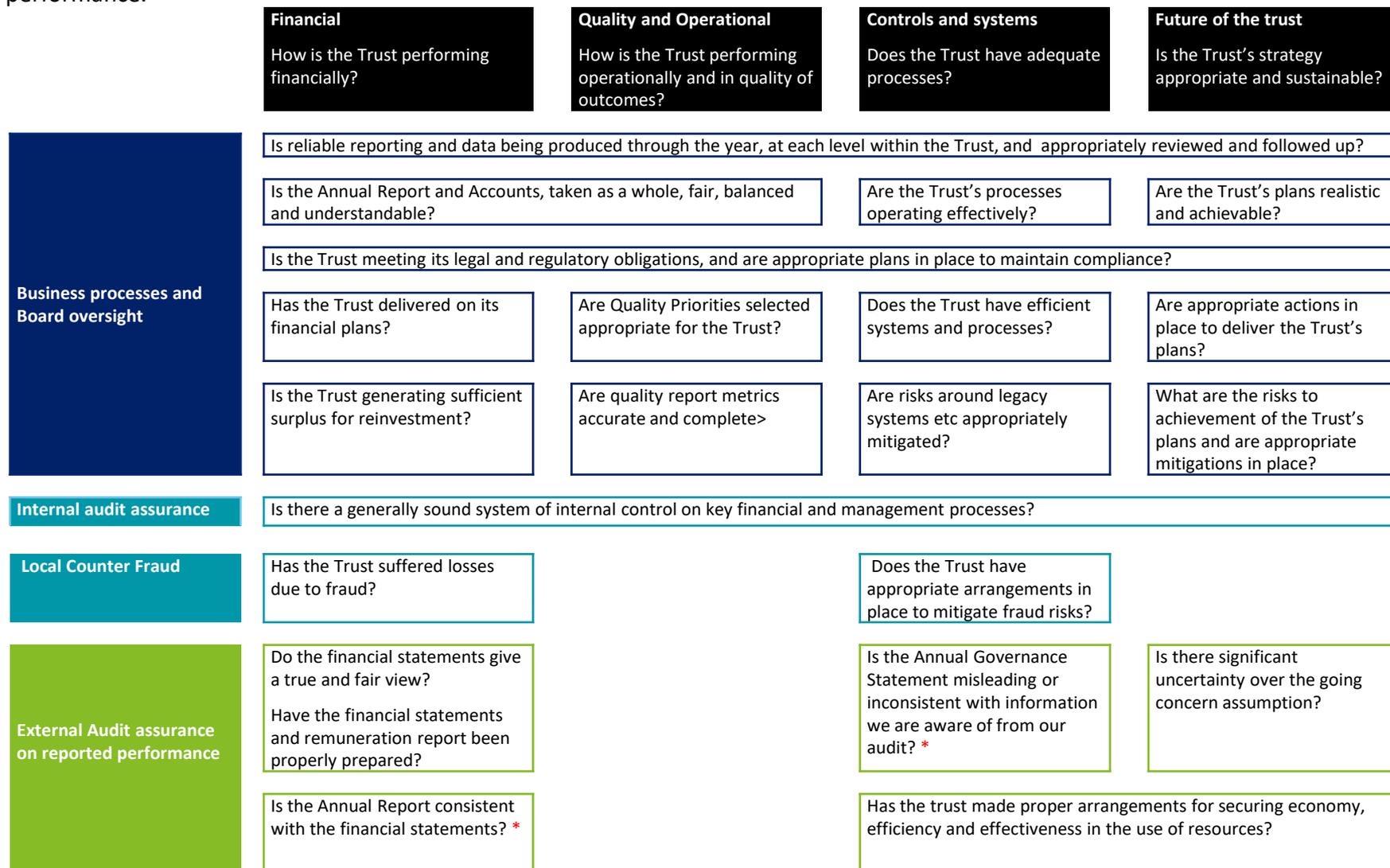
A key element of this report is our commentary on the Trust's arrangements to secure economy, efficiency and effectiveness in the use of resources ("Value for Money", "VfM"). Our work considering these arrangements is based on our assessment of the adequacy of the arrangements the Trust has put in place, based on our risk assessment. The commentary 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.

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.

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# 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.

# Opinion on the financial statements

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## **We provide an independent opinion whether the Trust's financial statements:**

- Give a true and fair view of the financial position of the Trust and its group at 31 March 2021 and of the Trust's and group's income and expenditure for the year then ended.
- Have been properly prepared in accordance with the accounting policies directed by NHS Improvement.
- Have been prepared in accordance with the requirements of the National Health Service Act 2006.

The full opinion and certificate are included in the Trust's Annual Report and Accounts, which can be obtained from the Trust's website.

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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.

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## **Audit opinion on the financial statements:**

We issued an unqualified opinion on the Trust and group's financial statements on 15 June 2021. We did not identify any matters where, in our opinion, proper practices had not been observed in the compilation of the financial statements.

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## **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.

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## **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.

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## **Annual Report:**

We reported that the information given in the Performance Report and Accountability Report for the year ended 31 March 2021 is consistent with the financial statements.

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## **Reports in the public interest and reports to NHS Improvement:**

We did not exercise any of our additional reporting powers in respect of the year ended 31 March 2021.

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## **Reporting to the group auditor:**

In line with the group audit instructions issued by the NAO, we reported on 15 June 2021 that the Trust's consolidation schedules that feed into the Consolidated NHS Provider Account and Department of Health and Social Care's group accounts were consistent with the audited financial statements, except for a small number of instances where information had been analysed differently.

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## **Audit Certificate**

We certified completion of the audit on 3 September 2021, following completion of our responsibilities in respect of the audit for the year ended 31 March 2021.

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# Our financial statement audit approach

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## **An overview of the scope of the audit**

Our audit was scoped by obtaining an understanding of the Trust and the environment it operates in, including internal control, and assessing the risks of material misstatement to the financial statements. Our risk assessment procedures include considering the size, composition and qualitative factors relating to account balances, classes of transactions and disclosures. This enables us to determine the scope of further audit procedures to address identified risks of material misstatement.

Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team, led by the audit partner, Jonathan Gooding. The audit team included integrated Deloitte specialists bringing specific skills and experience in property valuations and Information Technology systems. Full scope work was carried out on the Trust and work on specified account balances in relation to the Trust's subsidiary, RM Medicines Limited.

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## **Materiality**

Our work is planned and performed to detect material misstatements. We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

Based on our professional judgement, we determined materiality for the Trust to be £9.7m, on the basis of 2.0% of revenue, which is c2.0% of gross assets and c2.8% of taxpayers' equity.

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £300k as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

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## **Procedures for auditing the Trust's financial statements**

Our audit of the Trust's financial statements included:

- developing an understanding of the Trust, including its systems, processes, risks, challenges and opportunities and then using this understanding to focus audit procedures on areas where we consider there to be a higher risk of misstatement in the Trust's financial statements;
- 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 on balances in the Trust's financial statements to supporting documentary evidence, as well as other analytical procedures, to test the validity, accuracy and completeness of those balances.

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.

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## **Approach to audit risks**

We focused our work on areas where we considered there to be a higher risk of misstatement. We refer to these areas as significant audit risks.

We provided a detailed audit plan to the Trust's Audit Committee setting out what we considered to be the significant audit risks for the Trust, together with our planned approach to addressing those risks. We have provided a summary of each of the significant audit risks on the next page.

We have made recommendations in our Audit Committee reporting/to management 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. 7

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# Financial statement audit significant risks

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## Accounting for capital expenditure

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**Risk identified** The Trust has an extensive capital programme, with spend for the year of £49.8m, compared to £37.8m for 2019/20, as detailed in notes 9 and 10 to the financial statements. Accounting for capital expenditure can involve significant judgement. Whether expenditure is capitalised, and the period it is recognised in, can significantly impact against the budgetary control totals the Trust is assessed against by NHS Improvement.

The increased level of expenditure in the current year and the higher level of capital budgets available in the current year increases the risk of amounts being incorrectly capitalised, or of incorrect recognition in the current period.

This has been identified as a new significant risk for 2020/21 given the increased level of expenditure in the year.

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**Deloitte response**

- We tested the design and implementation of controls around the capitalisation of costs
- We tested spending on a sample basis to confirm that it complies with the relevant accounting requirements.

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**Key observations** Based on the work performed, we found no matters that were reportable to those charged with governance.

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# Financial statement audit significant risks (continued)

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## Validity of deferred income

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**Risk identified** The changes to the NHS funding and monitoring regime in the current year have meant that there has been a significant increase in the overall level of revenue and capital funding available to NHS providers, and a reduction in the overall pressure to achieve specific control totals.

As detailed in note 15 to the financial statements, the Trust's deferred income increased from £12.2m at 31 March 2020 to £28.7m at 31 March 2021, an increase of £16.5m.

This may create an incentive to make overly prudent estimates and judgements so as to defer income into the next financial year and make future targets easier to achieve.

This was identified as a new significant risk for 2020/21, given the changes in the profile of risks for the year.

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**Deloitte response**

- We tested the design and implementation of controls over the timing of recognition and deferral of income.
- We tested a sample of deferred income items to supporting documentation and evaluated management's assessment as to whether the criteria for revenue recognition had been met as to 31 March 2021 and the value to be deferred.

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**Key observations** We concluded that the recognition of income items had been appropriately deferred.

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# Financial statement audit significant risks

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## Property valuations

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**Risk identified** The Trust held £151.8m of property assets within Property, Plant and Equipment, which it is required to hold at a current valuation. The valuations are by nature significant estimates which are based on specialist and management assumptions (including the floor areas for a Modern Equivalent Asset, the basis for calculating build costs, the level of allowances for professional fees and contingency, and the remaining life of the assets) and which can be subject to material changes in value.

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**Deloitte response** Our testing procedures in this area included the following:

- Carried out tests of the design and implementation of key controls in place around the property valuation.
- Evaluated the qualifications, experience and objectivity of the valuer.
- Included valuation specialists within our team to review and challenge the valuation completed by management's expert, including assessing the reasonableness of the assumptions used and the reasonableness of the outcome.
- Considered the impact of uncertainties relating to the COVID-19 pandemic upon property valuations in evaluating the property valuations and related disclosures.

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**Key observations** We concluded that key judgements were within the acceptable range.  
We reported to those charged with governance on a deficiency in internal control over the posting of entries relating to the valuation.

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# Financial statement audit significant risks (continued)

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## Management override of controls

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**Risk identified** In accordance with ISA 240 (UK) management override is a significant risk. This risk area includes the potential for management to use their judgement to influence the financial statements as well as the potential to override the Trust's controls for specific transactions.

We considered that in the current year there was a risk across the NHS that management may override controls to fraudulently manipulate the financial statements or accounting judgements or estimates. In previous years, this has been to meet or exceed control totals – however, in light of the increased funding in the current year, we have also considered the potential incentives to recognise excess liabilities in the current year.

Note 1.20 and 1.21 to the financial statements details the Critical Accounting Judgements and Key Sources of Estimation Uncertainty identified by management.

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**Deloitte  
response**

**Manipulation of accounting estimates**

We tested the design and implementation of controls in relation to accounting estimates.

We tested accounting estimates (including in respect of capital expenditure, deferred income and property valuations discussed above), focusing on the areas of greatest judgement and value. Our procedures included comparing amounts recorded or inputs to estimates to relevant supporting information from third party sources.

In testing each of the relevant accounting estimates, we considered their findings in the context of the identified fraud risk.

Where relevant, the recognition and valuation criteria used were compared to the specific requirements of IFRS.

**Manipulation of journal entries**

We tested the design and implementation of controls over journals.

We used data analytic techniques to select journals for testing with characteristics indicative of potential manipulation of reporting. We traced the journals to supporting documentation and evaluated the accounting rationale for the posting. We evaluated individually and in aggregate whether the journals tested were indicative of fraud or bias.

We tested the year-end adjustments made outside of the accounting system between the general ledger and the financial statements and consolidation adjustments and journals.

**Accounting for significant or unusual transactions**

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.

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**Key  
observations**

A control over the retrospective scrutiny of self approved journals did not operate in the early part of the year due to the pandemic.

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# 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. Under the National Audit Office's Auditor Guidance Note 3, we are required to assess arrangements under three areas:

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

In this report, we set out the findings from the work we have undertaken. 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. We have not identified any significant weaknesses in arrangements.

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. As a result of the Covid-19 pandemic, there have been changes in nationally led processes, changes in expectations around Trust's arrangements, and events occurring outside of the Trust's control, which affect the relevance of some of these indicators. We have still considered whether these indicators are present, but have considered them in the context of the circumstances of 2020/21 in assessing whether they are indicative of a risk of significant weakness.

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



Meeting with management.



Review of Board and committee reports and attendance at Audit and Finance Committee meetings.



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

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## 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 Trust ensures it identifies all the significant financial pressures that are relevant to its short and medium-term plans and builds these into them;
- How the Trust plans to bridge its funding gaps and identifies achievable savings;
- How the Trust plans finances to support the sustainable delivery of services in accordance with strategic and statutory priorities;
- How the Trust ensures that its financial plan is consistent with other plans such as workforce, capital, investment, and other operational planning; and
- How the Trust identifies and manages risks to financial resilience, including challenge of the assumptions underlying its plans.

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## Commentary

The Group recorded a surplus in 2020/21 of £5.5m, after receipt of £47.3m of top-up and reimbursement funding.

At 31 March 2021, the Group had net assets of £348.2m, net current assets of £120.2m and cash of £146.4m.

The timing and extent of the Trust's annual planning process and process around identification of significant pressures was significantly impacted by the Covid-19 pandemic and, as a result of the timing of national planning cycles, financial planning for 2021/22 was at a very early stage at 31 March 2021. Arrangements were in line with our expectation in the current operating environment.

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# VfM arrangements: Governance

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## 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); supports its statutory financial reporting requirements; and ensures corrective action is taken where needed;
- how the body ensures it makes properly informed decisions, supported by appropriate evidence and allowing for challenge and transparency; and
- how the body monitors and ensures appropriate standards, such as meeting legislative/regulatory requirements and standards in terms of officer behaviour.

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## Commentary

The Trust continued to manage risk under its risk management policy and identified new risks relating to covid-19 and the recovery of services.

The Trust needed to adapt its annual budget setting process for 2020/21 in response to changes in contractual and funding arrangements as a result of the pandemic and, as explained on the previous page, financial planning for 2021/22 was at a very early stage at 31 March 2021.

The Trust maintained a focus on budgetary control during 2020/21, including tracking progress on pressures and mitigations to bridge the gap between its original forecast for the second half of the year and its final outturn surplus.

The Trust adapted its business planning and investment process for covid-19. Key decisions taken or implemented in 2020/21 included insourcing outpatient pharmacy and activities previously undertaken by its joint venture with another trust.

The Trust's Audit and Finance Committee approves the annual Internal Audit Plan and Counter Fraud Plan and receives updates at committee meetings through the year. The Trust's Head of Internal Audit opinion for the year was "Significant Assurance with minor improvements on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control."

The "Well Led" element of the last CQC report published in January 2020 rated the Trust as Outstanding.

The Chief Executive, as the Accounting Officer, concluded from her annual review of the effectiveness of internal control that the Trust has a generally sound system of internal control and no significant internal control issues have been identified.

# VfM arrangements: Improving economy, efficiency and effectiveness

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## Approach and considerations

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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 Trust evaluates the services it provides to assess performance and identify areas for improvement;
- How the Trust ensures it delivers its role within significant partnerships, engages with stakeholders it has identified, monitors performance against expectations, and ensures action is taken where necessary to improve; and
- Where the Trust commissions or procures services, how the Trust ensures that this is done in accordance with relevant legislation, professional standards and internal policies, and how the Trust assesses whether it is realising the expected benefits.

## Commentary

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The Trust has adapted its processes for assessing financial and performance information, including identifying areas for improvement, to take account of the impact of the pandemic on expected performance and to introduce additional measures of particular pertinence during the pandemic, such as in relation to infection prevention and control and adapt the frequency of reporting – whilst maintaining the structure of performance reporting and action planning for improvements. We concluded that these changes were appropriate in the context of the prevailing operating environment and national priorities.

The Trust plays an active part in the local Integrated Care System (ICS) with updates discussed at Board meetings through the year. The Trust, in collaboration with NHS Improvement/NHS England and other partners, set up a dedicated Cancer Hub for cancer surgery to maximise the number of patients across West London able to undergo curative cancer surgery during the pandemic. The Trust's Integrated Governance and Risk Management Committee received a report providing assurance over the Trust's governance arrangements over this arrangement.

The Trust procurement team has achieved level 1 in the NHS procurement and commercial standards accreditation scheme ("Building – awareness and building blocks in place"). The Trust adapted or extended its procurement arrangements in response to the pandemic to support a rapid response, including agreeing approval and tracking arrangements for expenditure relating to the covid-19 response, adapting competitive selection requirements and adapting arrangements for the scrutiny and approval of investments during the recovery phase of the pandemic.

# 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 Board of Directors and Board of Governors 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 Royal Marsden 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 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.



**Deloitte LLP**

St Albans | 3 September 2021

# Appendix 2: Trust's responsibilities

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**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 Improvement, 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 3: Auditor's responsibilities

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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 FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://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 in April 2021, 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 2021. 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 Improvement 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.



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