Oxford Health NHS Foundation Trust

Finance Team

Chancellor Court

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Oxford

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| |  |  | | --- | --- | | Deloitte LLP  Abbots House  Abbey Street  Reading  RG1 3BD |  | |  | |  |   28 May 2015  Our Ref: SJB/LEHR |  |
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Dear Sirs,

This representation letter is provided in connection with your audit of the annual financial statements of Oxford Health NHS Foundation Trust for the year ended 31 March 2015 for the purpose of expressing an opinion as to whether the financial statements give a true and fair view of the financial position of Oxford Health NHS Foundation Trust as of 31 March 2015 and of the results of its operations, other recognised gains and losses and its cash flows for the year then ended in accordance with the directions given by Monitor - Independent Regulator of NHS Foundation Trusts in accordance with paragraph 25 of Schedule 7 of the National Health Service Act 2006. It is also provided in connection with your limited assurance report on the quality report for the year ended 31 March 2015.

As Accounting Officer and on behalf of the board of directors, I confirm, to the best of my knowledge and belief, the following representations.

*Financial statements*

1. I understand and have fulfilled my responsibilities for the preparation of the financial statements in accordance with the directions given by Monitor - Independent Regulator of NHS Foundation Trusts in accordance with paragraph 25 of Schedule 7 of the National Health Service Act 2006 which give a true and fair view, as set out in the terms of the audit engagement letter.
2. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
3. The assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity where relevant to the accounting estimates and disclosures.
4. The disclosures related to accounting estimates under the entity’s applicable financial reporting framework are complete and appropriate.
5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of *IAS24 “Related party disclosures”*
6. All events subsequent to the date of the financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.
7. The effects of uncorrected misstatements and disclosure deficiencies are immaterial, both individually and in aggregate, to the financial statements as a whole. A list of the uncorrected misstatements and disclosure deficiencies is detailed in the appendix to this letter.
8. We confirm that the financial statements have been prepared on the going concern basis. We do not intend to liquidate the Foundation Trust or cease trading as we consider we have realistic alternatives to doing so. We are not aware of any material uncertainties related to events or conditions that may cast significant doubt upon the Foundation Trust’s ability to continue as a going concern. We confirm the completeness of the information provided regarding events and conditions relating to going concern at the date of approval of the financial statements, including our plans for future actions.

*Information provided*

1. We have provided you with all relevant information and access as agreed in the terms of the audit engagement letter and required by appendix B of the Audit Code for NHS Foundation Trusts.
2. All transactions have been recorded and are reflected in the financial statements and the underlying accounting records.
3. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error.
4. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
5. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity or group and involves:
6. management;
7. employees who have significant roles in internal control; or
8. others where the fraud could have a material effect on the financial statements.
9. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity’s financial statements communicated by employees, former employees, analysts, regulators or others.
10. We are not aware of any instances of non-compliance, or suspected non-compliance, with laws, regulations, including breaches of the Money Laundering Regulations, and contractual agreements whose effects should be considered when preparing financial statements.
11. All minutes of directors, management and shareholders meetings during and since the financial year have been made available to you.
12. We have disclosed to you the identity of the entity’s related parties and all the related party relationships and transactions of which we are aware.
13. All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to you and accounted for and disclosed in accordance with the applicable financial reporting framework. No other claims in connection with litigation have been or are expected to be received.
14. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.
15. We are not aware of any deficiencies in internal control.
16. Except as disclosed in Note 33 to the accounts, as at 31 March 2015, there were no significant capital commitments contracted for by the Trust.
17. We have recorded or disclosed, as appropriate, all liabilities, both actual and contingent.
18. The measurement processes, including related assumptions and models used to determine accounting estimates in the context of the applicable financial reporting framework are appropriate and have been applied consistently.
19. We acknowledge our responsibility for ensuring the Trust has put in place arrangements for securing economy, efficiency and effectiveness in its use of resources.
20. We are not aware of any deficiencies in the Trust’s arrangements to secure economy, efficiency and effectiveness in its use of resources.
21. All grants or donations, the receipt of which is subject to specific restrictions, terms or conditions, have been notified to you. We have evaluated whether the restrictions, terms or conditions on grants or donations have been fulfilled with and deferred income to the extent that they have not.
22. Based on discussions with other NHS bodies, we consider that the resolution of disputed balances and accrued over performance will not result in a material adverse effect on the reported financial position.
23. Note 22 of the financial statements shows the trade and other receivables of the Trust. The amount of £nil has been included in respect of a provision against NHS receivables. The bad debt provision is based on assumptions concerning the future and other sources of information about the age and recoverability of debt. We confirm that this bad debt provision is appropriate and in accordance with IAS 39: ‘Financial Instruments: Recognition and Measurement’.
24. We have reconsidered the remaining useful lives of the fixed assets and confirm that the present rates of depreciation are appropriate to amortise the cost or revalued amount less residual value over the remaining useful lives.
25. The Trust has satisfactory title to all assets and there are no liens or encumbrances on the trust’s assets and assets pledged as collateral, except for those that are disclosed in the financial statements.
26. With respect to the revaluation of properties in accordance with the Annual Reporting Manual:
27. the measurement processes used are appropriate and have been applied consistently, including related assumptions and models;
28. the assumptions appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity where relevant to the accounting estimates and disclosures;

c. the disclosures are complete and appropriate.

d. there have been no subsequent events that require adjustment to the valuations and disclosures included in the financial statements.

23. We understand and have fulfilled our responsibilities for the preparation of the quality report in accordance with the NHS Foundation Trust Annual Reporting Manual.

1. There have been no subsequent events that require adjustment to the accounting estimates and disclosures included in the financial statements.
2. We have drawn to your attention all correspondence and notes of meetings with regulators.
3. We are not aware of events or changes in circumstances occurring during the period which indicate that the carrying amount of fixed assets or goodwill may not be recoverable.
4. We have reviewed the operating segments reported internally to the Board and we are satisfied that it is appropriate to aggregate these as, in accordance with IFRS 8: Operating Segments, they are similar in each of the following respects:

- the nature of the products and services;  
- the nature of the production processes;  
- the type or class of customer for their products and services;  
- the methods used to distribute their products or provide their services; and  
- the nature of the regulatory environment.

**Quality report**

1. We have made available to you all records, correspondence, information and explanations necessary for you to perform your work. All the records have been made available to you for the purpose of your work and all the data collected by the Foundation Trust has been properly reflected and recorded.
2. Significant assumptions that have been made by us in determining the indicators are reasonable.
3. All events subsequent to the date of the quality report and for which the NHS Foundation Trust Annual Reporting Manual requires adjustment of or disclosure have been adjusted or disclosed.
4. The effects of uncorrected misstatements and disclosure deficiencies are immaterial, both individually and in aggregate, to the quality report as a whole. A list of the uncorrected misstatements and disclosure deficiencies is detailed in the appendix to this letter.
5. We acknowledge our responsibilities for the design, implementation and maintenance of internal control to prevent and detect fraud and error when preparing the quality report.
6. We have disclosed to you all known instances of non-compliance, or suspected non-compliance, with laws and regulations whose effects should be considered when preparing the quality report.
7. We are not aware of any deficiencies in internal control over the collection and reporting of the measures of performance included in the quality report.

We confirm that the above representations are made on the basis of adequate enquiries of management and staff (and where appropriate, inspection of evidence) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully,

Signed as Accounting Officer, and on behalf of the Board of Director