

UHL Trust Board 31.3.22 – paper C5

University Hospitals of Leicester 

NHS Trust

*Caring at its best***Leicester Royal Infirmary**Level 3 – Chief Executive's Corridor
Balmoral Building
Infirmary Square
Leicester
LE1 5WWGrant Thornton UK LLP
The Colmore Building
20 Colmore Circus
Birmingham
West Midlands
B4 6AT**[Date] – {TO BE DATED SAME DATE AS DATE OF AUDIT OPINION}**

Dear Sirs

University Hospitals of Leicester NHS Trust
Financial Statements for the year ended 31 March 2020

This representation letter is provided in connection with the audit of the financial statements of the University Hospitals of Leicester NHS Trust for the year ended 31 March 2020 for the purpose of expressing an opinion as to whether the Trust financial statements are presented fairly, in all material respects in accordance with International Financial Reporting Standards and the Department of Health and Social Care Group Accounting Manual 2019/20 and applicable law.

We confirm that to the best of our knowledge and belief having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

- i. We have fulfilled our responsibilities for the preparation of the Trust's financial statements in accordance with International Financial Reporting Standards and the Department of Health and Social Care Group Accounting Manual 2019/20 ("the GAM"); in particular
- ii. We have complied with the requirements of all statutory directions affecting the Trust and these matters have been appropriately reflected and disclosed in the financial statements.
- iii. The Trust has complied with all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance. There has been no non-compliance with requirements of any regulatory authorities that could have a material effect on the financial statements in the event of non-compliance.
- iv. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.
- v. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable.
- vi. In calculating the amount of income to be recognised in the financial statements from other NHS organisations we have applied judgement, where appropriate, to reflect the appropriate amount of income expected to be derived by the Trust in accordance with the International Financial Reporting Standards and the GAM. We are satisfied that the material judgements used in the preparation of the financial statements are soundly based, in accordance with International Financial Reporting Standards and the GAM, and adequately disclosed in the financial statements. There are no other material judgements that need to be disclosed.

- vii. We acknowledge our responsibility to participate in the Department of Health and Social Care's agreement of balances exercise and have followed the requisite guidance and directions to do so. We are satisfied that the balances calculated for the Trust ensure the financial statements and consolidation schedules are free from material misstatement, including the impact of any disagreements.
- viii. Except as disclosed in the financial statements:
 - a. there are no unrecorded liabilities, actual or contingent
 - b. none of the assets of the Trust has been assigned, pledged or mortgaged
 - c. there are no material prior year charges or credits, nor exceptional or non-recurring items requiring separate disclosure.
- ix. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards and the GAM.
- x. All events subsequent to the date of the financial statements and for which International Financial Reporting Standards and the GAM require adjustment or disclosure have been adjusted or disclosed.
- xi. We have considered the misclassification and disclosures changes schedules included in your Audit Findings Report.
- xii. Actual or possible litigation and claims have been accounted for and disclosed in accordance with the requirements of International Financial Reporting Standards.
- xiii. We have no plans or intentions that may materially alter the carrying value or classification of assets and liabilities reflected in the financial statements.
- xiv. The Trust Board is satisfied that the MEA valuation using an alternative site basis has the same service potential as the existing asset base and is an appropriate method of valuing the Trust's land and buildings.
- xv. We have updated our going concern assessment and cashflow forecasts in light of the Covid-19 pandemic. We continue to believe that despite the existence of material uncertainties related to the financial sustainability of the Trust that the Trust's financial statements should be prepared on a going concern basis on the grounds that current and future sources of funding or support will be more than adequate for the Trust's needs. We believe that no further disclosures relating to the Trust's ability to continue as a going concern need to be made in the financial statements.

Information Provided

- xvi. We have provided you with:
 - a. access to all information of which we are aware that is relevant to the preparation of the Trust's financial statements such as records, documentation and other matters;
 - b. access to persons within the Trust via remote arrangements, in compliance with the nationally specified social distancing requirements established by the government in response to the Covid-19 pandemic. from whom you determined it necessary to obtain audit evidence.
- xvii. We have communicated to you all deficiencies in internal control of which management is aware.
- xviii. All transactions have been recorded in the accounting records and are reflected in the financial statements.
- xix. We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the Trust and involves:
 - a. management;
 - b. employees who have significant roles in internal control; or
 - c. others where the fraud could have a material effect on the financial statements.
- xx. We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, analysts, regulators or others.
- xxi. 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 financial statements.

- xxii. We have disclosed to you the identity of the Trust's related parties and all the related party relationships and transactions of which we are aware.
- xxiii. We have disclosed to you all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.

Annual Governance Statement

- xxiv. We are satisfied that the Annual Governance Statement (AGS) fairly reflects the Trust's risk assurance and governance framework and we confirm that we are not aware of any significant risks that are not disclosed within the AGS.

Annual Report

- xxv. The disclosures within the Annual Report fairly reflect our understanding of the Trust's financial and operating performance over the period covered by the Trust's financial statements.

Approval

The approval of this letter of representation was minuted by the Trust's Audit and Risk Management Committee at its meeting on [date]

Yours faithfully

Name

Position

Date

Name

Position

Date

Signed on behalf of the Trust