

Wiltshire Health and Care LLP Board Papers

To sign off Accounts

11 July 2023



Wiltshire
HEALTH AND CARE

Wiltshire Health and Care Board Meeting - Final Accounts sign off Agenda

Venue:	MS Teams
Date:	Tuesday 11 July 2023
Time:	09:00-10:00

WHC Board Members in attendance		
Stephen Ladyman	Chair of Wiltshire Health and Care (Chair)	SL
Richard Barritt	Non-Executive Member, Patient Voice	RB
Martyn Burke	Non-Executive Member, Finance and Audit	MB
Lisa Thomas	Non-Executive Member, Nominated by Salisbury Foundation Trust (SFT) Board	LT
Andrew Hollowood	Non-Executive Member, Nominated by Royal United Hospitals NHS Foundation Trust (RUH) Board	AH
Shirley-Ann Carvill	Executive Member, Managing Director	SAC
Lisa Hodgson	Executive Member, Chief Operating Officer	LH
Sara Quarrie	Executive Member, Director of Quality, Professions and Workforce	SQ
Nikki Rowland	Executive Member, Interim Director of Finance	NR

Also In Attendance		
Becky Watson	Corporate Officer (minutes)	BW
Gemma Kelly	Corporate Governance Lead/Company Secretary	GK
Victoria Hamilton	Director of Infrastructure	VH

Apologies		
Felicity Taylor-Drewe	Non-Executive Member, Nominated by Great Western Hospitals NHS Foundation Trust (GWH) Board	FTD

Item No.	Agenda Item	Presenter	Verbal/ Paper	Published/ Unpublished	Information/ Discussion/ Decision/ Approval
1.	Welcome, Introductions and Apologies	Chair	Verbal	Published	Information
2.	Declarations and Conflicts of Interests	Chair	Verbal	Published	Information
3.	Decisions made by circular: Quality Accounts (approved on 29/06/2023) Link to published Quality Account can be found HERE.	Chair	Paper	Published	Information
4.	Final Accounts sign off (including recommendation from Audit Committee for the adoption of the Financial Statements 22/23) a) Recommendation from WHC Audit Committee b) Year-end report from KPMG c) Financial statements d) Management letter of representation	NR/MB	Paper / Verbal	Published	Decision
5.	Any other Business	Chair	Verbal	-	Information
6.	Date of Next Full Board Meeting: Friday 8 September 2023, 10:00-13:00 Bevan Board Room, Jenner House				

**Wiltshire Health and Care (“WHC”)
Board Meeting**

Item 1

Welcome, Introductions, and Apologies

VERBAL

**Wiltshire Health and Care (“WHC”)
Board Meeting**

Item 2

Declaration and Conflicts of Interests

VERBAL

**Wiltshire Health and Care (“WHC”)
Board Meeting**

Item 3

Quality Accounts

Link: [WHC 2022/23 Quality Account \(wiltshirehealthandcare.nhs.uk\)](https://wiltshirehealthandcare.nhs.uk)

**Wiltshire Health and Care (“WHC”)
Board Meeting**

Item 3

Final Accounts sign off

PAPER

Wiltshire Health and Care Audit Committee

For information

Subject: Audit, Finance & Risk Committee Chairs Annual Report to Board
Date of Meeting: 11 July 2023
Author: Martyn Burke
Executive Sponsor: N/A

1. Purpose

The purpose of the Audit , Finance & Risk Committee is to provide independent assurance to the Board that Wiltshire Health and Care has sufficient processes and controls to manage risks, fulfil statutory obligations and meet its strategic aims. Please identify how your paper applies:

Process Assurance ☒
 Control Assurance ☒
 Risk Management ☒
 Statutory Obligations ☒
 Strategic Aims ☒
 Other (please state):

1.1

2. Background

2.1 The Audit, Risk & Finance Committee (AC) is a sub-committee of Wiltshire Health and Care's (WHC) Board. This paper summarises the key issues considered by the AC pertaining to 2022/23. The AC has now received satisfactory assurances from our year end processes and formally recommends the approval and adoption of the 22/23 Annual Financial Statements. The AC also endorses the Board (MD) to sign the standard letters of representation.

2.2. The Audit committee acknowledges and welcomes the improved disciplines endorsed at the additional May Board to ensure both member support and also greater regularity of oversight of financial performance to the Board including explicit visibility of WH&C's ongoing position as a viable going concern. This is especially key given the scale of the targeted savings challenge in 23/24, the prevailing risks and ongoing contractual uncertainty within the system. The AC also acknowledges that WHC at 22/23 close remained in a positive net asset position, with sufficient liquidity to meet immediate needs and has contractual certainty for the medium term.

2.3 The AC awaits with interest the full findings of the CQC review completed in Q1 of 23/24 and in particular the aspects of governance recommended in relation to the remit of the AC and financial governance more broadly within WH&C.

2.4 The AC acknowledges that non-consolidated elements of the 22/23 Pay Review were not funded for WH&C LLP by the government and therefore the Board, with deep frustration, were not in a position to extend this settlement to our colleagues. This will inevitably exacerbate our risk profiles across a number of areas but not least compromising our ability to retain and recruit colleagues. We also note the executives ongoing dialogue with colleagues, legal advisors and with relevant bodies on this matter.

3. Discussion

3.1 Year End Reporting & Audit of the Financial Statements 2022/23

The AC received and reviewed the financial statements, management representation letters to the auditors and KPMG's External Audit ISA 260 report opinion (unqualified). The AC also simultaneously received the annual report and opinion from the Internal Auditor on the adequacy of the control environment and the annual report of the Counter Fraud specialist. In line with best practice the AC members met privately with KPMG to receive opinions in absentia of executives. Sentiment on the rigour of the audit and co-operation with the Finance team was very positive which is especially pleasing given the changes in key personnel.

The AC was pleased to see that from the external audit process - no errors or mis-statements were highlighted, no actual or suspected fraud had been detected, there were no control deficiencies highlighted, there were no points of disagreement or resourcing difficulties and that the accounting conventions had been followed consistently and correctly. The external auditors confirmed that no significant findings had arisen from their review of the significant risk areas identified in the plan (fraudulent expenditure recognition/management override) however rigorous work was undertaken regarding the assessment of the Going Concern concept and this was ultimately satisfied by the letter of support signed by our sponsoring member partners.

The AC and the external auditors are now sufficiently reassured that WH&C remains a going concern – albeit with rising challenges to maintain this position. This was evident in the operating profit achieved in 22/23 (+£4k) positive net asset position (c£0.5m) and strong cash balances (>£7m) coupled with assurances on medium term cash flows and improved oversight of the ongoing financial performance. The supporting letter of intent on the contractual extension for WHC into 2024 was also noted. KPMG therefore confirmed that no specific representations in addition to those normally required will be asked for from management and therefore the AC recommends that the representation letters can be signed.

It was confirmed that the accounts have been prepared on a consistent basis with no changes to accounting policies and remains aligned to the LLP requirements, and exemptions, to comply with UK GAAP specifically FRS102 LLP SORP and the Companies Act 2006. The consolidated group accounts will be IFRS16 aligned for NHS requirements with circa £1.6m of right of use assets being recognised included property and vehicle leases with term expiry aligned to our contract for services.

The complete accounts, including the members report, carbon disclosure and audit opinion were reviewed and received by the AC who recognised the statements as a true and fair view and therefore approved these to progress for formal adoption at Board on 11th July. The AC thanked the Finance Director and the Audit teams for their work.

3.2 Internal Audit Annual Report 22/23 and Annual Statement of Assurance

The AC received BDO's annual assurance report and statement. During the year 22/23 the internal audit team sought assurances on the internal controls, governance and risk management disciplines in the following areas;

- Pressure Ulcer Management QIP (Moderate Design/Moderate Effectiveness),
- Cyber Security (Moderate Design/Moderate Effectiveness),
- Payroll Expenses (Moderate Design/Moderate Effectiveness)
- Fire and Security – deferred to June 2023

The ensuing findings and recommendations for improvement were provided promptly to management and the AC accordingly in March 23. The auditors had no restrictions placed upon them and complied with Public sector Internal Audit standards and had received positive quality assurance feedback.

Overall the Internal Auditor has provided a Moderate assurance that there is a sound system of controls designed to meet the LLP's objectives and that controls are applied consistently (this is a second tier rating after 'substantial' and ranks above 'Limited' or 'None'). An extract of Key highlights noted by the Internal Auditor in forming their opinion were as follows :-

- The audits undertaken provided moderate assurance for design & effectiveness
- A robust financial performance yielding a surplus of £4k (subject to audit)
- The LLP has a good track record of implementing auditor recommendations and monitoring progress
- The Audit committee provides a proper focus on governance, actions, risk and controls and members regularly receive BDO's input and feedback

The AC thanked Adam Spires and Kate Ball at BDO for their opinion, diligence and oversight. BDO have been retained for 23/24 and the streamlined internal audit program will focus upon...

- Key Financial Systems – Payroll (Q3)
- Board Governance Effectiveness (Q3)
- Risk Management (Q1/2)

3.3 Counter Fraud Annual Report 22/23

The AC received the annual counter fraud report which rated WHC as Green overall against the NHSCFA requirements and we also reviewed and approved the strategic plan for 23/24 in March. All counter fraud activity – proactive and reactive - has been routinely monitored by the AC and this has included a number of low level investigations following allegations. The counter fraud policy was also reviewed by LCFS in January 23. We continue to work with BDO and the exec to promote an awareness of fraud to raise the bar on a counter fraud culture and to ensure colleagues have sufficient awareness of our policies and typical risks in order to combat it. During the year the fraud risk register had been reviewed and updated in line with national guidance. Primary fraud risks remain under review but key items include Cyber fraud, falsification of sickness, procurement and invoicing fraud. No material fraud has been identified in WHC but we remain vigilant particularly in light of the challenging economic conditions. During 2023 the LCFS changed to James Shortall from Claire Baker.

3.4 Risk Review

The AC continues to routinely review the risk assurance processes in WH&C and reviews regularly the current 12+ risks and debates those and emerging risks. The AC noted and raised to the Board that the volume of high rated risk items has increased and that there were more red risks being

managed with some of these items require improved clarity of actions as well as strategic investment in order to resolve and mitigate. The AC also provided feedback on the BAF making a number of recommendations including an overt link to risk appetite. The effectiveness of WHC's processes for the management of risk will be a focus for an internal audit review in 23/24.

The AC also routinely reviews compliance with the information governance standards and data protection breaches irrespective of severity to ensure lessons are learnt and reporting adheres to required standards. This scrutiny is an important discipline in meeting data security & protection toolkit requirements.

3.5 Deep Dives

We continued our series of deep dives which have provided insight and yielded actions for continuous improvement. During the series we have reviewed Covid 19 Learnings, Financial Management disciplines, Procurement, Training & Development, Health & Safety assurance regimes, Lone working, Freedom to Speak Up, the effectiveness of the colleague wellbeing offer and workforce planning. Following feedback the AC have developed a standard format template for colleagues to use.

3.6 The Annual Quality Account Report 22/23

The draft Quality Account was reviewed, discussed and ultimately approved by the AC to progress to Board in advance of the filing deadline. It was accepted that the quality account represented a comprehensive and transparent overview of quality performance in 22/23 and gave good outline of the prioritised intentions to continuously improve our service quality in future; including enhancements to Datix, reviewing Delirium and Frailty pathways, improving EDI, aiming to reduce avoidable medicine errors, adopting new liberty protection safeguards and expanding engagement with patients and carers. It was noted that there had been no serious incidents recorded since August 22. It was recognised that there had been engagement with the Exec and seeking formal statements from other third party stakeholders (pending) in compiling this report.

AC will continue to seek assurance on quality matters and clinical effectiveness via routine monitoring of the minutes, receiving regular updates from QAC throughout the year, undertaking any deep dives and directing internal audit activity as necessary in order to ensure processes for control and risk management are adequate.

3.7 ICS Tender Advisory Assurance Services for 23/24

The Audit Chair participated in the qualitative ICS tender for system wide advisory assurance services for external, internal and counter fraud during 2022. This was a frustrating process which yielded an initial unsatisfactory outcome. The AC was pleased that the Board supported its stance to progress negotiations directly to secure advisory services for 23/24. Despite the known inflationary increases prevailing in the market that all parties are experiencing - these were comparatively marginal in contrast to the initially exorbitant positions outlined in the system wide procurement. The AC are pleased that WHC, with the support of the Operating Board mandate, has navigated these challenges in unison and are grateful to the Finance Director(s) for their support in securing our providers as outlined.

3.8 Committee Governance & Administration

During the year the AC reviewed its ToR, Sources of Assurance and sought confidential feedback on its performance in line with its delegated remit. The survey canvassed training need requirements for members as part of the process. The survey recorded once again very high satisfaction scores for governance and administration of the AC for which the AC members would like to thank the

governance teams for their exemplary support. Areas identified for improvement more broadly included a) a need for more AC input and scrutiny to the evaluation of the Boards Risk Appetite positioning and review process and b) a need to critically assess the robustness of the strategic business plan (once available).

The AC routinely meets independently of executives and also invites, once a year, each of the assurance teams to these sessions. The AC also reviews the costs, effectiveness and performance of its advisors and ensures their continued independence.

The AC maintains and reviews the adequacy of its annual rolling agenda. The decision to cancel the AC in January 2023 at the request of the executive given the system pressures was understandable though not ideal and preferably not to be repeated given the scrutiny required to assess our financial viability and risks in 23/24.

Two AC committee members, including the Chair, met with CQC inspectors as part of the review process in May 2023. It was clear from the tone of these reviews that inspectors were actively considering the breadth and independence of the AC in its activities and may recommend streamlining the scope of its activities to disassociate the pure Financial performance review element to a new Board sub-committee. If this were adopted then it may have implications for executive workload, NED membership of the forums and also the requirement to have separate committee Chairs who are both qualified accountants. The potential benefits may be an added, deeper scrutiny on financial performance, going concern viability, support to the Finance team and the ability to assess and enhance, at a more granular level, financial control disciplines. The now proposed rigour of increased monthly Board oversight of financial performance is a welcome step.

4. Recommendation

The Committee resolved to:

4.1 Endorse that following a comprehensive programme of work that has yielded satisfactory assurances from the External Auditor, Internal Auditor and Counter Fraud specialist - coupled with the AC's review of the financial statements, reports, going concern viability and general oversight of assurance programs - to recommend that the Board approves the adoption of the annual financial statements and reports as a true and fair view free from material error, fraud, irregularity or misstatement.

4.2 The Board is recommended to approve that the MD signs the accounts, governing statements, standard letters of representation and the quality report.

4.3 The Board is requested to note the content of this report.

NOTE: Impact Assessment on page 2 MUST also be completed to ensure this organisation complied with good governance practices, and is well-led.

Impacts and Links

Impacts	
Quality Impact	We continued to review Quality matters and clinical effectiveness in line with our ToR
Equality Impact	n/a
Financial implications	Provides assurance of financial statements
Impact on operational delivery of services	Provides assurance of going concern viability to ensure WHC can deliver operational services
Regulatory/ legal implications	Fulfils our statutory obligations on financial reporting and good governance
Links	
Link to business plan/ 5 year programme of change	Click here to enter text
Links to known risks	AC remains focused on reviewing key strategic risks, risk appetite and the entire risk management framework including the BAF.
Identification of new risks	AC reviews upcoming and emerging risks



Year End Report 2022/23

Wiltshire Health & Care LLP

I confirm that this is the final version of our ISA 260 Audit Memorandum relating to our audit of the 2022/23 financial statements for Wiltshire Health & Care LLP. This document was discussed and approved by the LLP's Audit Committee on 13 June 2023 and reissued on 7 July 2023 following completion of the outstanding items.

.....
Rees Batley

Director for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
66 Queen Square, Bristol, BS1 4BE

[xx] July 2023

Our audit opinions and conclusions:

Financial Statements: **unqualified**

Key contacts

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Introduction

To the Audit Committee of Wiltshire Health & Care LLP

We are pleased to have the opportunity to meet with you on 13 June to discuss the results of our audit of the financial statements of Wiltshire Health & Care LLP (the 'LLP'), as at and for the year ended 31 March 2023.

We are providing this report in advance of our meeting to enable you to consider our findings and hence enhance the quality of our discussions. This report should be read in conjunction with our audit plan and strategy report, presented on 29 March 2023. We will be pleased to elaborate on the matters covered in this report when we meet.

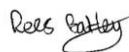
Our audit is complete. We have issued an unmodified Auditor's Report on the financial statements.

There have been no significant changes to our audit plan and strategy.

We draw your attention to the important notice on page 4 of this report, which explains:

- The purpose of this report;
- Limitations on work performed; and
- Restrictions on distribution of this report.

Yours sincerely,



Rees Batley
July 2023

How we have delivered audit quality

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion. We consider risks to the quality of our audit in our engagement risk assessment and planning discussions.

We define 'audit quality' as being the outcome when audits are:

- **Executed consistently**, in line with the requirements and intent of **applicable professional standards** within a strong **system of quality controls** and
- All of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics** and **integrity**.

The National Audit Office (NAO) has issued a document entitled Code of Audit Practice (the Code). This summarises where the responsibilities of auditors begin and end and what is expected from the LLP.

External auditors do not act as a substitute for the LLP's own responsibility for putting in place proper arrangements to ensure that public business is conducted in accordance with the law and proper standards, and that public money is safeguarded and properly accounted for, and used economically, efficiently and effectively.

Important notice

This report is presented under the terms of our audit engagement letter.

Circulation of this report is restricted.

The content of this report is based solely on the procedures necessary for our audit.

This report has been prepared for the Audit Committee, in order to communicate matters of interest as required by ISAs (UK), and other matters coming to our attention during our audit work that we consider might be of interest, and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone (beyond that which we may have as auditors) for this report, or for the opinions we have formed in respect of this report.

Purpose of this report

This report has been prepared in connection with our audit of the financial statements of Wiltshire Health & Care LLP (the 'LLP'), prepared in accordance with FRS102 LLP SORP, as at and for the year ended 31 March 2023. This report summarises the key issues identified during our audit but does not repeat matters we have previously communicated to you.

Limitations on work performed

This report is separate from our audit report and does not provide an additional opinion on the LLP's financial statements, nor does it add to or extend or alter our duties and responsibilities as auditors. We have not designed or performed procedures outside those required of us as auditors for the purpose of identifying or communicating any of the matters covered by this report.

The matters reported are based on the knowledge gained as a result of being your auditors. We have not verified the accuracy or completeness of any such information other than in connection with and to the extent required for the purposes of our audit.

Status of our audit

Our audit is complete.

Restrictions on distribution

The report is provided on the basis that it is only for the information of the LLP Board; that it will not be quoted or referred to, in whole or in part, without our prior written consent; and that we accept no responsibility to any third party in relation to it.

Our audit findings

Significant audit risks	Risk Change	Findings	Page 6-9
Expenditure Recognition	No Change	The results of our testing are satisfactory to date. We have not identified any issues with expenditure recognition.	
Management override of controls	No Change	The results of our testing were satisfactory. We did not identify any instances of override of control from the testing completed.	
Other audit risks			
Going concern	Increased	Our work in this area is complete, with no issues arising.	

NAO Reporting

We are required to report on differences over £300,000 between the financial statements and the consolidation schedule to the NAO, as well as reporting differences over £1 million between FRS 102 LLP SORP and IFRS DHSC GAM to the DHSC.

Other

We thank the finance team for the co-operation throughout the visit which allowed the audit to progress and complete within the allocated timeframe.

Uncorrected Audit Misstatements	-
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We did not identify any audit misstatements

Number of Control deficiencies	-
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We did not identify any significant control deficiencies.

Audit risks and our audit approach

Fraud risk from expenditure recognition - completeness

Significant audit risk

The risk

Liabilities and related expenses for purchases of goods or services are not completely identified and recorded

The LLP has a fixed budget as part of the system envelope and forms part of BSW ICS, which has a requirement to break even within the current financial year. Continued operational pressures and system pressures mean there are challenges achieving this target. This creates an incentive for management to understate expenditure to achieve the required the position.

We consider this would be most likely to occur through understatement of accruals at the end of the year to defer expenditure to the following year. There is not considered to be a risk associated with depreciation or payroll costs.

Our response

- We assessed the design and implementation of process level controls including management's control over a review of the year end accruals balance to support our significant risk.
- We inspected a sample of invoices of expenditure, in the period around 31 March 2023, to determine whether expenditure has been recognised in the correct accounting period.
- We selected a sample of year end accruals and inspected evidence of the actual amount paid after year end in order to assess whether the accrual exists and has been accurately recorded.
- We inspected journals posted as part of the year end close procedures that amended the level of expenditure recorded in order to critically assess whether there was an appropriate basis for posting the journal and the value could be agreed to supporting evidence.
- We performed a retrospective review of prior year accruals in order to assess the existence and accuracy with which accruals had been recorded at 31 March 2022 and consider the impact on our assessment of the accruals at 31 March 2023. We also compared the items that were accrued at 31 March 2022 to those accrued at 31 March 2023 in order to assess whether any items of expenditure accrued for the first time have been done so appropriately.

Our findings

We note the LLP has high level controls in place designed to detect misstatement of accruals (such as monthly review of management accounts) and we understand year on year comparisons are undertaken as part of preparation of the financial statements. However, these controls are not formally documented, and/or lack the detailed precision to be required to meet the management review control requirements as defined by Auditing Standards. As such we have not been able to confirm the operating effectiveness of these controls, and performed a substantive approach to our testing. We are not raising a formal control observation in this regard, and consider the LLPs existing controls to be proportionate to address the associated risk, as accruals is associated with our significant risk, we are required to bring this matter to your attention.

We have not identified any issues as part of this work.

Audit risks and our audit approach

Management override of controls	
Significant audit risk	Our response
<p>The risk</p> <p>Professional standards require us to communicate the fraud risk from management override of controls as significant.</p> <p>Management is in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.</p> <p>We have not identified any specific additional risks of management override relating to this audit.</p>	<ul style="list-style-type: none"> — We evaluated the design and implementation of controls over journal entries and post-closing adjustments. — We assessed the appropriateness of changes compared to the prior year to the methods and underlying assumptions used to prepare accounting estimates. — We assessed the appropriateness of the accounting for significant transactions that are outside the LLP's normal course of business, or are otherwise unusual. — We assessed the full population of relevant journal entries to identify journals displaying high risk characteristics. We followed up each of these journals in order to assess the appropriateness and accuracy of the transaction posted. — We assessed the controls in place for the identification of related party relationships and tested the completeness of the related parties identified. We verified that these have been appropriately disclosed within the financial statements. <p>Our findings</p> <p>We identified four journal entries and other adjustments meeting our high-risk criteria – our examination did not identify any inappropriate entries.</p> <p>We did not identify any issues with the design and implementation of the authorisation process for posting journals. We noted that management do not rely on any automatic controls to address the risk and the authorisation checks are manual.</p> <p>We did not identify any significant unusual transactions.</p> <p>The result of our testing is satisfactory.</p>

Audit risks and our audit approach

Going concern

Other audit risk

The risk

The members of the LLP are required to include a positive statement within the financial statements as to why the LLP is considered a going concern (i.e. the LLP will continue to trade and meet liabilities as they fall due for at least 12 months from date of signing). To support this statement, the LLP is required to consider risks to the financial position, potential cash outflows and other factors that may impact future operations. This assessment should also consider plausible, severe downside scenarios.

Whilst the LLP continues to generate a small surplus or break even and retains cash reserves, there is additional uncertainty in the current year, as community care contract with the CCG is due to expire in July 2024 (extended from July 2023). It is expected that there will be greater certainty of future arrangements by the conclusion of the audit.

Our response

- We will assess the basis of preparation of the financial statements and going concern statement against our knowledge of the LLP and accounting standards to ensure the disclosure is appropriate;
- We will consider contracting arrangements with the ICB regarding the future position of the LLP and obtain the latest position through inquiry with management, review of contract agreements and third party confirmations where necessary;
- We will consider whether the Directors have appropriately identified any uncertainties in their future financial forecasts, and have considered plausible, but severe, downside scenarios in the going concern assessment and if material, that these are appropriately reflected within the financial statements;
- We will consider whether our opinion need to be amended to draw attention to any aspects of uncertainty in your future financial forecasts.

Our findings

We reviewed confirmation from the ICB confirming that the care contract will be extended to at least 31 March 2025. This has reduced the risk associated with the expiring contract. However, we noted that on review of the forecasts from management that the LLP faces significant financial pressures in future periods. Management have prepared forecasts to consider both a base case and downside scenario, along with relevant mitigations.

Despite the mitigations, the forecasts identified the need for cash support and therefore letters of support have been provided by the members up to a total of £2 million per member. This provides support provides evidence to support the going concern assessment.

We note that the disclosures within the financial statements have been updated to incorporate narrative to reflect this position.

Other matters

Independence and Objectivity

ISA 260 also requires us to make an annual declaration that we are in a position of sufficient independence and objectivity to act as your auditors, which we completed at planning and no further work or matters have arisen since then.









Audit Fees

Our fee for the audit was £42,500 plus VAT (£35,760 in 2021/22). We have not completed any non-audit work at the LLP during the year.






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Mandatory communications

Type		Statement
Our draft management representation letter		We have not requested any specific representations in addition to those areas normally covered by our standard representation letter for the year ended 31 March 2023.
Adjusted audit differences		There were nil adjusted audit differences. See page 13.
Unadjusted audit differences		There was no unadjusted audit differences. See page 13.
Related parties		There were no significant matters that arose during the audit in connection with the entity's related parties.
Other matters warranting attention by the Audit Committee		There were no matters to report arising from the audit that, in our professional judgment, are significant to the oversight of the financial reporting process/summarise any matters to raise to the Committee.
Control deficiencies		We communicated to management in writing all deficiencies in internal control over financial reporting of a lesser magnitude than significant deficiencies identified during the audit that had not previously been communicated.
Actual or suspected fraud, noncompliance with laws or regulations or illegal acts		No actual or suspected fraud involving management, employees with significant roles in internal control, or where fraud results in a material misstatement in the financial statements was identified during the audit.
Make a referral to the regulator		If we identify that potential unlawful expenditure might be incurred then we are required to make a referral to your regulator. We have not identified any such matters.
Issue a report in the public interest		We are required to consider if we should issue a public interest report on any matters which come to our attention during the audit. We have not identified any such matters.

Mandatory communications

Type		Statement
Significant difficulties		No significant difficulties were encountered during the audit.
Modifications to auditor's report		None
Disagreements with management or scope limitations		The engagement team had no disagreements with management and no scope limitations were imposed by management during the audit.
Other information		No material inconsistencies were identified relating to other information in the financial statements.
Breaches of independence		No matters to report. The engagement team and others in the firm have complied with relevant ethical requirements regarding independence.
Accounting practices		Over the course of our audit, we have evaluated the appropriateness of the LLP's accounting policies, accounting estimates and financial statement disclosures. In general, we believe these are appropriate.
Significant matters discussed or subject to correspondence with management		The significant matters arising from the audit were discussed, or subject to correspondence, with management.
Certify the audit as complete		We are required to certify the audit as complete when we have fulfilled all of our responsibilities relating to the accounts and use of resources as well as those other matters highlighted above.
Provide a statement to the NAO on your consolidation schedule		We will issue our report to the National Audit Office following the signing of the annual report and accounts. We have summarised the differences to be reported on page 14.

Audit Differences

Under UK auditing standards (ISA (UK) 260) we are required to provide the Audit Committee with a summary of unadjusted audit differences (including disclosure misstatements) identified during the course of our audit, other than those which are 'clearly trivial', which are not reflected in the financial statements. In line with ISA (UK) 450 we request that you correct uncorrected misstatements. However, they will have no effect on the opinion in our auditor's report, individually or in aggregate.

We have not identified any unadjusted audit differences.

Adjusted differences

Under UK auditing standards (ISA (UK) 260) we are required to provide the Audit Committee with a summary of adjusted audit differences (including disclosures) identified during the course of our audit. No adjustments have been identified.

Audit Differences

Intra-group error reporting

Further to the misstatements identified on page 13 we are required to report any identified errors in the reporting of intra-group balances with other Department of Health and Social Care entities exceeding £300,000 as part of our reporting on the Whole of Government Accounts to the National Audit Office. We have set out below intra-group differences identified as part of our procedures, although we note that following investigation, no adjustments are required by the LLP and we will not be required to report these to the NAO.

Difference with counter party (£'000)						
No.	Counterparty ID and name	Type of Transaction	Balance per WHC	Balance per counterparty	Variance	Comments
1	NPS033-NHS Property Services	Expenditure	3,654	3,024	630	NHSPS has historically caused differences – this is primarily due to including historic uncleared credit notes and the treatment of VAT. Documentation reviewed corroborates this and there is no communication with NHSPS that disputes this.
2	QOX-NHS Bath and North East Somerset, Swindon and Wiltshire ICB	payables	4704	2907	1,797	Variance is made up of 3 elements; Deferred Income (£737k), CCG excluding prior year outstanding invoice relating to Soft FM changes (£566k) and the LLP showing anticipated credit notes against receivables (£500k). Investigation of supporting documentation corroborates LLP position and there is no communication with the ICB that disputes this.
3	92G-NHS BATH AND NORTH EAST SOMERSET, SWINDON & WILTSHIRE CCG	Income	13,705	15,734	-2,029	The variance is due to the split from CCG to ICB. Invoices raised in July for first 6 months posted to ICB – however 3months relates to CCG. This was duplicated for ICB therefore this is the reason for the adjustment / variance. There rest of the difference relates to deferred income as noted above, which the CCG treats erroneously per information seen.
4	QOX-NHS Bath and North East Somerset, Swindon and Wiltshire ICB	Income	47,686	46,633	1,053	The variance is due to the split from CCG to ICB. Invoices raised in July for first 6 months posted to ICB – however 3 months relates to CCG. See the above line.

Audit Differences

Intra-group error reporting (continued)

Unadjusted audit differences (£'000)						
No.	Counterparty ID and name	Type of Transaction	Balance per WHC	Balance per counterparty	Variance	Comments
5	QOX-NHS Bath and North East Somerset, Swindon and Wiltshire ICB	receivables	2520	1914	606	Linked with ICB payable difference above, ICB are showing credit notes which the LLP are showing against payables (£500k) as per part of the above difference. This has been confirmed to communication with the ICB.
Total					2,057	

Confirmation of Independence

We confirm that, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and that the objectivity of the Director and audit staff is not impaired.

To the Audit Committee members

Assessment of our objectivity and independence as auditor of the Wiltshire Health & Care LLP

Professional ethical standards require us to provide to you with a written disclosure of relationships (including the provision of non-audit services) that bear on KPMG LLP's objectivity and independence, the threats to KPMG LLP's independence that these create, any safeguards that have been put in place and why they address such threats, together with any other information necessary to enable KPMG LLP's objectivity and independence to be assessed.

This letter is intended to comply with this requirement and facilitate a subsequent discussion with you on audit independence and addresses:

- General procedures to safeguard independence and objectivity;
- Independence and objectivity considerations relating to the provision of non-audit services; and
- Independence and objectivity considerations relating to other matters.

General procedures to safeguard independence and objectivity

KPMG LLP is committed to being and being seen to be independent. As part of our ethics and independence policies, all KPMG LLP partners and staff annually confirm their compliance with our ethics and independence policies and procedures including in particular that they have no prohibited shareholdings. Our ethics and independence policies and procedures are fully consistent with the requirements of the FRC Ethical Standard.

As a result we have underlying safeguards in place to maintain independence through:

- Instilling professional values
- Communications

- Internal accountability
- Risk management
- Independent reviews.

We are satisfied that our general procedures support our independence and objectivity.

Independence and objectivity considerations relating to the provision of non-audit services

Summary of non-audit services

We have not provided any non-audit services to the LLP.

Confirmation of Independence (continued)

We have considered the fees charged by us to the LLP for professional services provided by us during the reporting period. Total fees charged by us can be analysed as follows:

	2022/23	2021/22
	£	£
Audit of LLP	42,500	35,760
Non audit fees	-	-
Total Fees	42,500	35,760

Application of the Auditor Guidance Note 1 (AGN01)

The anticipated ratio of non-audit fees to audit fees for the year at the time of planning is 0 : 1., or 0% which is compliant with Auditor Guidance Note 1 (AGN01).

AGN 01 states that when the auditor provides non-audit services, the total fees for such services to the audited entity and its controlled entities in any one year should not exceed 70% of the total fee for all audit work carried out in respect of the audited entity and its controlled entities for that year

Application of the FRC Ethical Standard 2019

We communicated to you previously the effect of the application of the FRC Ethical Standard 2019. That standard became effective for the first period commencing on or after 15 March 2020, except for the restrictions on non-audit and additional services that became effective immediately at that date, subject to grandfathering provisions.

We confirm that as at 15 March 2020 we were not providing any non-audit or additional services that required to be grandfathered.

Confirmation of audit independence

We confirm that as of the date of this letter, in our professional judgement, KPMG LLP is independent within the meaning of regulatory and professional requirements and the objectivity of the partner and audit staff is not impaired.

This report is intended solely for the information of the Audit and Compliance Committee and should not be used for any other purposes.

We would be very happy to discuss the matters identified above (or any other matters relating to our objectivity and independence) should you wish to do so.

Yours faithfully

KPMG LLP

KPMG LLP

KPMG's Audit quality framework

Audit quality is at the core of everything we do at KPMG and we believe that it is not just about reaching the right opinion, but how we reach that opinion.

- To ensure that every partner and employee concentrates on the fundamental skills and behaviours required to deliver an appropriate and independent opinion, we have developed our global Audit Quality Framework.
- Responsibility for quality starts at the top through our governance structures as the UK Board is supported by the Audit Oversight Committee, and accountability is reinforced through the complete chain of command in all our teams.

■ Commitment to continuous improvement

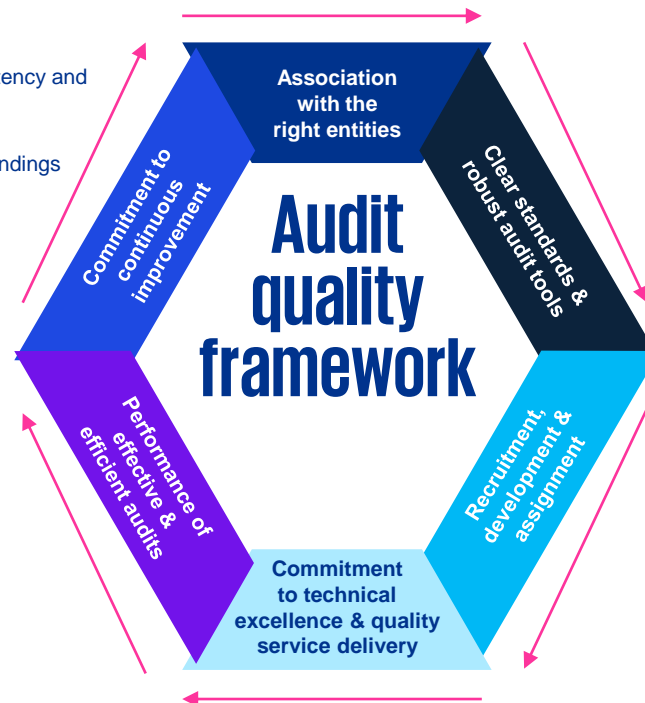
- Comprehensive effective monitoring processes
- Significant investment in technology to achieve consistency and enhance audits
- Obtain feedback from key stakeholders
- Evaluate and appropriately respond to feedback and findings

■ Performance of effective & efficient audits

- Professional judgement and scepticism
- Direction, supervision and review
- Ongoing mentoring and on the job coaching, including the second line of defence model
- Critical assessment of audit evidence
- Appropriately supported and documented conclusions
- Insightful, open and honest two way communications

■ Commitment to technical excellence & quality service delivery

- Technical training and support
- Accreditation and licensing
- Access to specialist networks
- Consultation processes
- Business understanding and industry knowledge
- Capacity to deliver valued insights



■ Association with the right entities

- Select clients within risk tolerance
- Manage audit responses to risk
- Robust client and engagement acceptance and continuance processes
- Client portfolio management

■ Clear standards & robust audit tools

- KPMG Audit and Risk Management Manuals
- Audit technology tools, templates and guidance
- KPMG Clara incorporating monitoring capabilities at engagement level
- Independence policies

■ Recruitment, development & assignment of appropriately qualified personnel

- Recruitment, promotion, retention
- Development of core competencies, skills and personal qualities
- Recognition and reward for quality work
- Capacity and resource management
- Assignment of team members employed KPMG specialists and specific team members



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Wiltshire Health and Care LLP
Annual Report and Accounts 2022 to 2023

Presented to Parliament pursuant to Schedule 7, paragraph 25 (4) (a) of
the National Health Service Act 2006

Ordered by the House of Commons to be printed 11th July 2023

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Officers and Professional Advisors

Designated Members

Great Western Hospitals NHS Foundation Trust

Royal United Hospitals Bath NHS Foundation Trust

Salisbury NHS Foundation Trust

Registered Office

Chippenham Community Hospital,
Rowden Hill,
Chippenham,
SN15 2AJ

Independent Auditor

KPMG LLP
66 Queen Square,
Bristol,
BS1 4BE

Bank

Lloyds Bank plc
Chippenham Branch,
PO Box 1000,
BS1 1LT

The members are pleased to present their report and the audited financial statements for the year ended 31 March 2023.

Members' Report

Principal Activity

Wiltshire Health and Care LLP is a public benefit entity whose principal activity is the provision of adult community health services across Wiltshire.

Results

The results for the year are a profit of £4,000, as outlined on page 16.

Business Review

The LLP has continued to deliver adult community health services for the people of Wiltshire during the financial year 2022/23. The LLP achieved a surplus of £4,000, against its planned break even position at the end of the financial year. This was in the main due to lower than expected expenditure for which provisions were made in the previous financial year. The LLP grew its income base in a sustainable manner by agreeing the development of additional commissioned services, including the addition of the new Heart Failure Service and the mobilisation of the Virtual Ward NHS@Home service.

The 2022/23 delivery year has been incredibly challenging for the whole of the health and care system. Wiltshire Health and Care teams have continued to see increased support needs on our inpatient wards, the capacity of our Home First teams being stretched by a combination of increasing demands and a reduction in availability of follow-on domiciliary care and our core community teams (including our learning disability team) have had to deal with a combination of ongoing high demand and the effects of temporary absence due to COVID. Waiting times for our clinic-based services increased as a direct result of responding to post-lockdown demands, and remain higher.

The response to these challenges has been marked by two aspects. Firstly, the resilience, commitment and dedication of our teams who have kept going throughout. Secondly, the focus of the LLP in previous years on investing to improve our outdated infrastructure has meant that our information technology systems and estates have been able to support in ways that would not have been possible in previous years.

2022/23 has seen significant investment in networking infrastructure to mitigate cyber security risks, as well as multiple outdated telephony systems being replaced with a single enterprise system across the organisation which will further transform services, offer staff greater opportunity to work flexibly and utilise the estate more efficiently, as well as offering huge improvements in patient experience on contacting WHC.

Members' Report

The LLP has also embedded the provision of the service to assess and support those experiencing 'Long Covid' across the wider Bath and North East Somerset, Swindon and Wiltshire area. This service, which includes working across multiple professions and organisations, has created an example of how support for a wider range of multiple long term conditions should be organised in the future. The LLP is also providing a post COVID Assessment Service and introduced a Virtual Hub COVID service.

The continued supply of adequate workforce to deliver commissioned services continues to be a significant risk. Following an increase in the previous year's vacancy rate, 22/23 has shown a decrease and this is also reflected in a decrease in both overall and voluntary turnover rates. Recruitment and retention continue to be a focus and the refresh of the organisation's recruitment strategy supports this high priority area.

Health roster is now utilised across all areas of the organisation with centralised partnership rostering fully embedded within Inpatients and MIU.

Usage of external temporary staffing continues to be required. For centrally rostered areas, daily reviews and escalation processes support the management of requests in line with safer staffing numbers and enhanced patient care needs. Data is reviewed and monitored monthly to ensure a continued focus on spend.

The impacts of inflation and the cost of living are being felt by the LLP. A temporary increase to mileage rates was introduced in recognition of the particular impact on teams delivering essential health services across a large geographic area. The effects of inflation are also being seen in relation to operating costs, with the potential for further rises a source of additional risk for 2023/24.

The LLP's operational priorities for 2023/24 are set out in our Delivery Plan 2022-2025, which contains 40 objectives. These are centred around building a comprehensive community-based model of care in line with national and local strategy; growing, developing and supporting our people; ensuring teams have the tools to do the job through further action to modernise infrastructure and a focus on the long term through pursuing financial and environmental sustainability.

Going Concern

The LLP is required to consider if the accounts should be prepared on a going concern basis and this expectation needs to be tested each year. It should be disclosed if there are material uncertainties in respect of events or conditions that may cast significant doubt on the entities ability to continue as a going concern and that it may therefore be unable to realise its assets and discharge its liabilities in the normal course of business. The delivery plan will be under review during 2023/24.

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

Commissioners have confirmed the extension of the core LLP contract through to 31 March 2025, with work ongoing with to consider arrangements after this date.

The LLP holds its principal contract to 31 March 2024 and has received formal notification from its commissioners that this principal contract will be renewed to 31 March 2025.

Members' Report

The Directors have prepared cash flow forecasts and performed a going concern assessment, which indicates that, in both the base and reasonably possible downsides, the LLP will require additional funds, through funding from its partner members, Royal United Hospitals Bath NHS Foundation Trust, Salisbury NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust, to meet its liabilities as they fall due during the 12 month period from the date of approval of the financial statements, the going concern assessment period.

In considering the downside scenario it has been assumed that a further net increase in total non-pay costs of 2% could be incurred, reflecting the inflationary instability that still exists and equally that a potential 2% of income could be lost as discussions with the commissioner are not currently concluded. In assessing the downside scenario the impact is that in the event that this occurred this would mean running out of cash by June 2024, without remedial actions being implemented.

There are no other changes to liquidity impacting the going concern such as lending and there has not been any draw on external financial support as part of making the assessment.

The Members have indicated their intention to make available such funds as are needed by the LLP during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the LLP will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Designated Members

The designated members who served during the year and to the date of this report are set out on page 3.

Charitable Donations

No charitable or political donations were made during the year (2021/22 £0).

Members' Report

Policy regarding Members' Drawings and Capital

All contributions of Capital made by a Member shall be recorded by the LLP. No interest shall be payable on any Capital Contribution unless the Members agree otherwise. There have been no contributions made to date.

Should any Member provide any services to the LLP, the Member shall not make any profit on any elements of those services with all risks managed in line with the relevant regulatory framework. Arrangements are subject to periodical review by the Board.

In the event that the LLP makes any Profits a reserve shall be formed and will only be divided and converted into a debt to the Members if and when the Board (acting on behalf of the Members) has agreed to distribute those Profits among the Members as per section 8 of the Members Agreement.

The amounts transferred in the year were £0 (2021/22: £0).

Disclosure of information to auditor

The members who held office at the date of approval of this members' report confirm that, so far as they are each aware, there is no relevant audit information of which the LLP's auditor is unaware; and each member has taken all the steps that they ought to have taken as a member to make themselves aware of any relevant audit information and to establish that the LLP's auditor is aware of that information.

Auditor

The independent auditors of Wiltshire Health and Care LLP are KPMG LLP.
Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office .

Approved by the Members
and signed on behalf of the Members

Date: 11 July 2023

Shirley-Ann Carvill

Managing Director

Registered office address: Chippenham Community Hospital, Rowden Hill, Chippenham, Wiltshire, SN15 2AJ

Streamlined Energy and Carbon Report

Streamlined Energy and Carbon Reporting (SECR) is a mandatory carbon and energy reporting scheme for large UK companies. Under the 2018 Regulations, LLPs which are “large” are also required to prepare and file energy and carbon information in their accounts and reports (in a new ‘Energy and Carbon Report’).

UK Energy Usage – electricity, gas, transport, and CO₂e

In relation to our premises, the LLP currently does not own properties and occupies buildings owned by NHS Property Services (NHSPS) in the main.

Actual usage data has been provided for 2022/23 and is included in the table below. This was calculated using the appropriate CO₂e conversion factors taken from the latest available UK Government GHG Conversion Factors for Company Reporting. Arrangements are in place with the Facilities Services Manager at NHSPS to receive Gas (kWh) and Electricity (kWh) measurements across our hospital sites for each reporting period. Similarly, we continue to ensure that we obtain this same data from the property owners of the other (non-NHSPS) sites that we occupy.

In relation to energy use relating to our transport, we have directly collected this information, and included it in the table below.

The 2021/22 gas and electricity emissions have been restated, correcting an overstatement of emissions for one WHC location.

There has been an increase in fuel emissions during the year, this is partly the result of more accurate information being available in 2022/23. Overall mileage is up 11%, however electric car mileage has increased by 15%, and hybrid car mileage has increased by 84% compared to 2021/22.

The electricity emissions have fallen, despite restating 2021/22. Overall emissions have increased 8.66% compared to 2021/22 after restating gas and electricity.

	Usage	Usage	Unit of measurement
	2022/23	2021/22	
Energy consumption used to calculate emissions ¹ :	5,350,897	5,097,467	kWh
Emissions from combustion of gas:	452,111	428,542	CO ₂ e kg
	452.11	428.54	CO ₂ e Tons
Emissions from combustion of fuel for transport purposes:	555,295	452,528	CO ₂ e kg
	555.30	452.53	CO ₂ e Tons
Emissions from purchased electricity:	158,551	191,916	CO ₂ e kg
	158.55	191.916	CO ₂ e Tons
Total gross CO ₂ e:	1,165,957	1,072,986	CO ₂ e kg
	1,165.96	1,072.99	CO ₂ e Tons
Intensity ratio: tCO ₂ e gross figure based from mandatory fields above/ e.g. £100,000 revenue:	0.017	0.016	CO ₂ e kg/Revenue
	0.00	0.00	CO ₂ e Tons/Revenue

^[1] This includes Gas, Transport Fuel and Electricity consumption

Streamlined Energy and Carbon Report

Energy efficiency action

The LLP has undertaken the following principal measures for the purpose of increasing its energy efficiency:

The LLP has changed its approach for leasing fleet/lease vehicles. The LLP made the decision in 2020/21 to only lease low or ultra-low carbon vehicles as pool cars were renewed. This is in line with the commitment and strategy of the NHS Long Term Plan. All leased pool cars will be low or ultra low carbon by June 2023.

Introduction of salary sacrifice scheme to support lease of electric cars in 2023/24. As noted above, this will increase the proportion of business miles being completed using electric vehicles.

The LLP has fully embedded its changed approach to the conduct of meetings. The LLP's default position is to hold meetings virtually. To facilitate this, all relevant staff members have been provided with access to MS Teams, and the necessary IT hardware. This will help to maintain a level of transport use lower than the comparable pre-pandemic position.

The LLP has evolved its approach for delivery of clinical consultations. Although the impact of this is not always seen in the LLP's emissions, the broader impact on Wiltshire is that it reduces the need for patients, carers and families to travel for health appointments.

Statement of members' responsibilities in respect of the Members' report and the financial statements

The members are responsible for preparing the Members' Report and the streamlined energy and carbon report and the financial statements in accordance with applicable law and regulations.

The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and applicable law.

Under Regulation 8 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the LLP and of its profit or loss for that period. In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Under Regulation 6 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and enable them to ensure that its financial statements comply with those regulations. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such

The members are responsible for the maintenance and integrity of the corporate and financial information included on the LLP's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditor's report to the members of Wiltshire Health and Care LLP

Opinion

We have audited the financial statements of Wiltshire Health and Care LLP ("the LLP") for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Cash Flow Statement, Statement of Changes in Equity and related notes, including the accounting policies in 1.

In our opinion the financial statements:

- give a true and fair view, of the state of affairs of the LLP as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the LLP in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The members have prepared the financial statements on the going concern basis as they do not intend to liquidate the LLP or to cease its operations, and as they have concluded that the LLP's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the members' conclusions, we considered the inherent risks to the LLP's business model and analysed how those risks might affect the LLP's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the members' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the members' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the LLP's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the LLP will continue in operation.

Independent Auditor's report to the members of Wiltshire Health and Care LLP

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of management, the Audit Committee and internal audit and inspection of policy documentation as to the LLP's high-level policies and procedures to prevent and detect fraud, including the internal audit function, and LLP's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and Audit Committee minutes.
- Using analytical procedures to identify any usual or unexpected relationships.
- Reviewing the LLP's accounting policies.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we performed procedures to address the risk of management override of controls and the risk that LLP management may be in a position to make inappropriate accounting entries. On this audit we did not identify a fraud risk related to revenue recognition because of the non-complex recognition due to the nature of the revenue, which limits the opportunities to fraudulently misstate revenue.

We also recognised a fraud risk related to expenditure recognition, particularly in relation to year-end accruals. We consider this risk to be applicable to non-payroll and non-depreciation expenditure.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included unusual posted to cash.
- Inspecting cash payments and purchase invoices in the period following 31 March 2023 to verify expenditure had been recognised in the correct accounting period.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general sector experience and through discussion with the directors and other management (as required by auditing standards), and from inspection of the LLP's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the LLP is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Independent Auditor's report to the members of Wiltshire Health and Care LLP

The LLP is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the LLP is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The members are responsible for the other information, which comprises the members' report and the streamlined energy and carbon report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit

We have nothing to report in these respects.

Members' responsibilities

As explained more fully in their statement set out on page 10, the members are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the LLP's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's report to the members of Wiltshire Health and Care LLP

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the members of the LLP, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as required by Regulation 39 of the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Rees Batley (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
66 Queen Square
Bristol
BS1 4BE
United Kingdom
11 July 2023

Statement of financial position
For the year ended 31 March 2023

	Note	2022/23 £000	2021/22 £000
Non current assets			
Tangible assets	10	837	686
Intangible assets	11	116	135
Current assets			
		953	821
Debtors	12	4,024	6,397
Stock	13	742	660
Cash at bank and in hand	14	7,335	5,515
		12,101	12,572
Total assets		13,054	13,393
Creditors: amounts falling due within one year	15	(12,478)	(12,003)
Net current (liabilities) / assets		(377)	569
Total assets less current liabilities		576	1,390
Provisions for liabilities	16	(88)	(906)
NET ASSETS ATTRIBUTABLE TO MEMBERS		488	484
REPRESENTED BY:			
Equity			
Members' other interests – other reserves classified as equity	18	0	0
Reserves		488	484
TOTAL MEMBERS' INTERESTS		488	484

The financial statements of Wiltshire Health and Care LLP, registered number OC399656, were approved by the Members on 11th July 2023

Signed on behalf of the Members

Shirley-Ann Carvill

Managing Director

Date: 11th July 2023

Notes on pages 19 to 27 form part of the financial statements.

Statement of comprehensive income
For the year ended 31 March 2023

	Note	2022/23 £000	2021/22 £000
Turnover	2	68,198	66,206
Operating Expenses	3	(68,224)	(66,037)
Operating Profit		(26)	169
Net interest receivable	6	30	0
Profit for the financial year available for discretionary division among members		4	169
Other comprehensive income		0	0
Total comprehensive income		4	169

Cash Flow Statement
For the year ended 31 March 2023

	Note	2022/23 £000	2021/22 £000
Net cash inflow from operating activities			
Profit for the financial year		4	169
Adjustments for:			
Increase in creditors		475	158
Depreciation and amortisation		451	231
(Increase) / decrease in stock		(82)	(264)
(Increase) / decrease in debtors		2,373	(2,768)
Increase / (decrease) in provisions		(818)	4
Adjustment for net finance costs		(30)	0
Net cash flows from operating activities before transactions with members		2,373	(2,470)
Net cash from investing activities			
Purchase of plant, property and equipment		(559)	(352)
Purchase of intangible assets		(24)	(124)
		(583)	(476)
Net Cash from financing activities			
Interest received		30	0
Net increase / (decrease) in cash and cash equivalents		1,820	(2,946)
Cash and cash equivalents at 1 April		5,515	8,461
Cash and cash equivalents at 31 March		7,335	5,515

Statement of Changes in Equity

	Members capital classified as equity £000	Members other Interests £000	TOTAL £000
As at 01 April 2021	315	0	315
Profit for the financial year available for discretionary division amount members	169	0	169
As at 01 April 2022	484	0	484
Profit for the financial year available for discretionary division among members	4	0	4
As at 31 March 2023	488	0	488

Notes on pages 19 to 27 form part of the financial statements.

Notes to the Financial Statements
Year ended 31 March 2023

1. Accounting policies

The principal accounting policies used in the preparation of the financial statements, which have been consistently applied in the current and preceding financial years, are as follows:

1.1 Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102") and The Statement of Recommended Practice, 'Accounting by Limited Liabilities Partnerships' with the consideration that the LLP is a public benefit entity. The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

1.2 Going concern

The LLP is required to consider if the accounts should be prepared on a going concern basis and this expectation needs to be tested each year. It should be disclosed if there are material uncertainties in respect of events or conditions that may cast significant doubt on the entities ability to continue as a going concern and that it may therefore be unable to realise its assets and discharge its liabilities in the normal course of business. The delivery plan will be under review during 2023/24.

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

Commissioners have confirmed the extension of the core LLP contract through to 31 March 2025, with work ongoing with to consider arrangements after this date.

The LLP holds its principal contract to 31 March 2024 and has received formal notification from its commissioners that this principal contract will be renewed to 31 March 2025.

The Directors have prepared cash flow forecasts and performed a going concern assessment, which indicates that, in both the base and reasonably possible downsides, the LLP will require additional funds, through funding from its partner members, Royal United Hospitals Bath NHS Foundation Trust, Salisbury NHS Foundation Trust and Great Western Hospitals NHS Foundation Trust, to meet its liabilities as they fall due during the 12 month period from the date of approval of the financial statements, the going concern assessment period.

In considering the downside scenario it has been assumed that a further net increase in total non-pay costs of 2% could be incurred, reflecting the inflationary instability that still exists and equally that a potential 2% of income could be lost as discussions with the commissioner are not currently concluded. In assessing the downside scenario the impact is that in the event that this occurred this would mean running out of cash by June 2024, without remedial actions being implemented.

There are no other changes to liquidity impacting the going concern such as lending and there has not been any draw on external financial support as part of making the assessment.

The Members have indicated their intention to make available such funds as are needed by the LLP during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the LLP will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Notes to the Financial Statements
Year ended 31 March 2023

1.3 Turnover

Turnover represents amounts chargeable to customers for services provided during the year, based upon contractual arrangements with all customers, including other NHS bodies, and is recorded as earned under those contractual arrangements. Where services are invoiced in advance of the service being performed or delivered, then income is deferred until the service is carried out. Income is accrued where it has been earned by the performance of the service, but is not yet invoiced to the customer.

1.4 Expenditure on other goods and services

Expenditure on goods and services is recognised when, and to the extent that, they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in operating expenses except where it results in the creation of a non-current asset such as property, plant and equipment.

Notes to the Financial Statements
Year ended 31 March 2023

1.5 Employee benefits

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable public bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the public body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that “the period between formal valuations shall be four years, with approximate assessments in intervening years”.

1.6.1 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the LLP
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250,

Where a large asset, for example a building, includes a number of components with significantly different asset lives, e.g., plant and equipment, then these components are treated as separate assets and depreciated over their own useful lives.

Subsequent expenditure

Subsequent expenditure relating to an item of property, plant and equipment is recognised as an increase in the carrying amount of the asset when it is probable that additional future economic benefits or service potential deriving from the cost incurred to replace a component of such item will flow to the enterprise and the cost of the item can be determined reliably. Where a component of an asset is replaced, the cost of the replacement is capitalised if it meets the criteria for recognition above. The carrying amount of the part replaced is de-recognised. Other expenditure that does not generate additional future economic benefits or service potential, such as repairs and maintenance is charged to the Statement of Comprehensive Income in the period in which it is incurred.

Measurement

Valuation

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Notes to the Financial Statements
Year ended 31 March 2023

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful lives in a manner consistent with the consumption of economic or service delivery benefits. Freehold land is considered to have an infinite life and is not depreciated.

Useful Life of Assets	Years
Medical Equipment	3 - 5
Furniture and fittings	5 -10
IT Hardware and Software	3 - 5

Impairments

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised.

Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposals are reclassified as 'held for sale' once all of the following criteria are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their fair value less costs to sell. Depreciation ceases to be charged. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'held for sale' and instead is retained as an operational asset and the asset's useful life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

Donated and grant funded assets

Donated and grant funded property, plant and equipment assets are capitalised at their fair value on receipt. The donation/grant is credited to income at the same time, unless the donor has imposed a condition that the future economic benefits embodied in the grant are to be consumed in a manner specified by the donor, in which case, the donation/grant is deferred within liabilities and is carried forward to future financial years to the extent that the condition has not yet been met.

The donated and grant funded assets are subsequently accounted for in the same manner as other items of property, plant and equipment .

Notes to the Financial Statements
Year ended 31 March 2023

1.6.2 Intangible Assets

Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the LLP's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the LLP and where the cost of the asset can be measured reliably.

Software

Software which is integral to the operation of hardware, e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware, e.g. application software, is capitalised as an intangible asset.

Measurement

Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets are measured at current value in existing use. Where no active market exists, intangible assets are valued at the lower of depreciated replacement cost and the value in use where the asset is income generating. Revaluations gains and losses and impairments are treated in the same manner as for property, plant and equipment. An intangible asset which is surplus with no plan to bring it back into use is valued at fair value where there are no restrictions on sale at the reporting date and where they do not meet the definitions of investment properties or assets held for sale.

Intangible assets held for sale are measured at the lower of their carrying amount or fair value less costs to sell.

Amortisation

Intangible assets are amortised over their expected useful lives in a manner consistent with the consumption of economic or service delivery benefits.

1.7 Stock

Stock is valued at the lower of cost and net realisable value. The cost of inventories is measured using the first in, first out (FIFO) method.

An Asset Register was introduced last year and Material Management is now being used which has improved the stock control and ensured a more accurate stock register is being kept.

1.8 Cash and cash equivalents

Cash and cash equivalents comprise all cash balances.

1.9 Financial instruments and financial liabilities

Financial assets and financial liabilities which arise from contracts for the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the LLP's normal sale or usage requirements, are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made. These assets and liabilities are categorised as fair value through income and expenditure and loans and debtors.

All financial assets are de-recognised when the rights to receive cash flows from the assets have expired or the LLP has transferred substantially all of the risks and rewards of ownership.

Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

The LLP's loans and receivables comprise: cash; debtors; and creditors.

Notes to the Financial Statements
Year ended 31 March 2023

2. Turnover

	2022/23	2021/22
	£000	£000
CCG Income	61,743	61,682
Centrally Funded additional Employer Contributions	2,126	2,029
Local Authorities Income	955	875
NHS Trust and FT Income	456	794
Training and Education	842	439
Other	2,076	387
	68,198	66,206

The employer contribution rate for NHS pensions increased from 14.3% to 20.6% (excluding administration charge) from 1st April 2019. Since 2019/20, NHS providers have continued to pay over contributions at the former rate with the additional amount being paid over by NHS England on providers' behalf. The full cost and related funding have been recognised in these accounts.

3. Total operating expenditure

	2022/23	2021/22
	£000	£000
Staff costs (note 5)	51,780	47,399
Chair and Non-Executive Costs	62	61
Commissioned Service Costs	471	433
Other operating charges comprising:-		
Clinical and general goods and services	7,726	10,097
Premises and establishment costs	6,853	6,981
Depreciation and amortisation	452	335
Other operating charges	880	731
	68,224	66,037

4. Operating profit

	2022/23	2021/22
	£000	£000
Operating profit is after charging :		
Auditor's remuneration	26	35
Audit of these financial statements	26	35

5. Staff costs and employee information

	2022/23	2021/22
	£000	£000
Employee costs during the year amounted to:		
Wages and salaries	38,588	34,256
Social security costs	3,601	3,146
Pension costs	4,894	6,679
Temporary staff	4,527	3,160
Apprenticeship levy	170	158
	51,780	47,399

The staff costs consist of amounts relating to both clinical and non-clinical personnel. The highest paid role was the Managing Director, the total costs; including employer's on-costs, amounting to £184k (2021/22: £151k).

Included within the Employers' contribution to the NHS pension is £2.1m notional expenditure relating to the 6.3% additional employer contributions borne centrally (£2.0m, 2021/22).

Notes to the Financial Statements
Year ended 31 March 2023

Average Headcount Numbers

	2022/23	2021/22
	No.	No.
Medical Staff	2	3
Nursing staff	351	353
Allied Health Professionals	296	300
Other clinical staff	342	339
Admin and clerical staff	251	249
	1,242	1,244

6. Net interest receivable

	2022/23	2021/22
	£000	£000
Bank interest receivable	30	0
Net interest receivable	30	0

7. Members' share of profits

The average number of members during the year was 3 (2021/22 3)

No profits were distributed to members for the year to 31 March 2023 (31 March 2022: £nil)

8. Members' remuneration charged as an expense

Members did not receive any remuneration in respect to Wiltshire Health and Care LLP.

9. Profit of the Limited Liability Partnership

The profit for the year available for discretionary division among the members reflected in the individual profit and loss account of the LLP for the year ended 31 March 2023 was £4k (2022: £169k).

10. Tangible assets

	Information Technology	Plant and Machinery	Total
Cost or valuation			
At 1 April 2021	643	199	842
Additions	368	(16)	352
At 31 March 2022	1,011	183	1,194
At 1 April 2022	1,011	183	1,194
Additions	415	144	559
At 31 March 2023	1,426	327	1,753
Depreciation			
At 1 April 2021	(225)	(62)	(287)
Charge for the year	(242)	21	(221)
Impairment	0	0	0
At 31 March 2022	(467)	(41)	(508)
At 1 April 2022	(467)	(41)	(508)
Charge for the year	(329)	(79)	(408)
Impairment	0	0	0
At 31 March 2023	(796)	(120)	(916)
Carrying amount			
At 1 April 2021	418	137	555
At 31 March 2022	544	142	686
At 31 March 2023	630	207	837

Notes to the Financial Statements
Year ended 31 March 2023

11. Intangible assets

	Software Licences £000	Total £000
Cost or valuation		
At 1 April 2021	28	28
Additions	124	124
At 31 March 2022	152	152
At 1 April 2022	152	152
Additions	24	24
At 31 March 2023	176	176
Depreciation		
At 1 April 2021	(7)	(7)
Charge for the year	(10)	(10)
Impairment	0	0
At 31 March 2022	(17)	(17)
At 1 April 2022	(17)	(17)
Charge for the year	(43)	(43)
Impairment	0	0
At 31 March 2023	(60)	(60)
Carrying amount		
At 1 April 2021	21	21
At 31 March 2022	135	135
At 31 March 2023	116	116

12. Debtors

	2022/23 £000	2021/22 £000
Trade debtors	2,034	3,640
Other receivables	0	0
Accrued Income	1,534	2,480
Prepayments	456	277
	4,024	6,397

All amounts are due within one year.

13. Stock

	2022/23 £000	2021/22 £000
Medical supplies and wheelchairs	742	660
	742	660

14. Cash and cash equivalents

	2022/23 £000	2021/22 £000
Cash at bank and in hand	7,335	5,515

15. Creditors: amounts falling due within one year

	2022/23 £000	2021/22 £000
Trade payables	2,952	993
Other payables	13	16
VAT	11	11
Other taxes, social security	802	748
Pension liabilities	658	616
Deferred income	903	1,486
Accruals	7,139	8,133
	12,478	12,003

Notes to the Financial Statements
Year ended 31 March 2023

16. Provisions

	2022/23 £000	2021/22 £000
Opening Balance	906	902
Utilised during the year	(818)	4
Closing Balance	88	906

17. Operating Leases

	2022/23 £000	2021/22 £000
Operating lease expense	0	1,603
Minimum lease payments	0	1,603

	2022/23 £000	2021/22 £000
Operating lease expense	0	1,592
not later than one year;	0	30
later than one year and not later than five years;	0	0
later than five years	0	1,622

This note discloses costs and commitments incurred in operating lease arrangements where Wiltshire Health and Care LLP is the lessee.

The Premises charges are agreed on an annual rolling contract with no long term commitment. The future years premises costs are based on our expected committed as final contracts have not been agreed.

18. Total members' interests

On the creation of the LLP and during the 12 months to 31st March 2023 no Member made any financial investment into the LLP. Members have not received any revenue or capital remuneration.

19. Employee benefits

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows.

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and are accepted as providing suitably robust figures for financial reporting purposes. The valuation of scheme liability as at 31st March 2023 is based on valuation data as 31st March 2020, updated to with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

Notes to the Financial Statements
Year ended 31 March 2023

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019. The Department of Health and Social Care laid Scheme Regulations in 2019 confirming the employer contribution rate to be 20.68% of pensionable pay.

The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap set following the 2012 valuation. Following a judgement from the Court of Appeal in December 2018 Government announced a pause to that part of the valuation process pending conclusion of the continuing legal process .

20. Related parties

	2022/23	2021/22
	£000	£000
Expenditure		
Royal United Hospitals Bath NHS Foundation Trust	1,542	1,333
Great Western Hospitals NHS Foundation Trust	602	915
Salisbury NHS Foundation Trust	685	684
	2,829	2,932
	2022/23	2021/22
	£000	£000
Income		
Royal United Hospitals Bath NHS Foundation Trust	129	492
Great Western Hospitals NHS Foundation Trust	39	1
Salisbury NHS Foundation Trust	227	238
	395	732

21. Financial instruments

Carrying amount of financial instruments

The carrying amounts of the financial assets and liabilities include:

	2022/23	2021/22
	£000	£000
Assets measured at fair value through profit or loss	2,034	3,640
Liabilities measured at fair value through profit or loss	(4,436)	(2,384)
	(2,402)	1,256

22. Events after the reporting period

None noted.

(Letterhead of the Entity)

KPMG LLP
66 Queen Square
Bristol
BS1 4BE

[Date]

Dear Rees

This representation letter is provided in connection with your audit of the financial statements of Wiltshire Health & Care LLP (“the Company”), for the year ended 31 March 2023, for the purpose of expressing an opinion:

- i. as to whether these financial statements give a true and fair view of the state of the Company’s affairs as at 31 March 2023 and of the Company’s profit or loss for the financial year then ended;
- ii. whether the financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice (including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (“FRS 102”); and
- iii. whether the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

These financial statements comprise the Balance Sheet, the Profit and Loss Account, the Statement of Other Comprehensive Income, the Cash Flow Statement and notes, comprising a summary of significant accounting policies and other explanatory notes.

The Members confirm that the Company meets the definition of a qualifying entity and meets the criteria for applying the disclosure exemptions with FRS 102.

The Members confirm that the representations it makes in this letter are in accordance with the definitions set out in the Appendix to this letter.

The Members confirm that, to the best of its knowledge and belief, having made such inquiries as it considered necessary for the purpose of appropriately informing itself:

Financial statements

1. The Members have fulfilled its responsibilities, as set out in the terms of the audit engagement dated 31 March 2023, for the preparation of financial statements that:
 - i. give a true and fair view of the state of the Company’s affairs as at the end of its financial year and of its profit or loss for that financial year;
 - ii. have been properly prepared in accordance with UK Generally Accepted Accounting Practice (including FRS 102); and
 - iii. have been prepared in accordance with the requirements of the Companies Act 2006.

The financial statements have been prepared on a going concern basis.

2. The methods, the data and the significant assumptions used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.
3. All events subsequent to the date of the financial statements and for which section 32 of FRS 102 requires adjustment or disclosure have been adjusted or disclosed.
4. The effects of uncorrected misstatements are immaterial, both individually and in aggregate, to the financial statements as a whole.

Information provided

5. The Members have provided you with:
 - access to all information of which it is aware, that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from the Members for the purpose of the audit; and
 - unrestricted access to persons within the Company from whom you determined it necessary to obtain audit evidence.
6. All transactions have been recorded in the accounting records and are reflected in the financial statements.
7. The Members confirm the following:
 - i) The Members have disclosed to you the results of its assessment of the risk that the financial statements may be materially misstated as a result of fraud.

Included in the Appendix to this letter are the definitions of fraud, including misstatements arising from fraudulent financial reporting and from misappropriation of assets.

- ii) The Members have disclosed to you all information in relation to:
 - a) Fraud or suspected fraud that it is aware of and that affects the Company and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements; and
 - b) allegations of fraud, or suspected fraud, affecting the Company's financial statements communicated by employees, former employees, analysts, regulators or others.

In respect of the above, the Members acknowledge their responsibility for such internal control as it determines necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In particular, the Members acknowledge their responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and error, and we believe we have appropriately fulfilled those responsibilities.

8. The Members 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 financial statements.
9. The Members have disclosed to you and have appropriately accounted for and/or disclosed in the financial statements, in accordance with section 21 of FRS 102 all known actual or possible litigation and claims whose effects should be considered when preparing the financial statements.
10. The Members have disclosed to you the identity of the Company's related parties and all the related party relationships and transactions of which it is aware. All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with section 33 of FRS 102.

Included in the Appendix to this letter are the definitions of both a related party and a related party transaction as we understand them and as defined in FRS 102.

11. The Members confirm that:

- a) The financial statements disclose all of the matters that are relevant to the Company's ability to continue as a going concern, including the key risk factors, assumptions made and uncertainties surrounding the Company's ability to continue as a going concern as required to provide a true and fair view and to comply with FRS 102.
- b) No material uncertainties related to events or conditions exist that may cast significant doubt upon the ability of the Company to continue as a going concern.

12. On the basis of the process established by the Members and having made appropriate enquiries, the Board is satisfied that the actuarial assumptions underlying the valuation of defined benefit obligations are consistent with its knowledge of the business and in accordance with the requirements of section 28 of FRS 102.

The Board further confirms that:

- a) all significant retirement benefits, including any arrangements that are:
 - statutory, contractual or implicit in the employer's actions;
 - arise in the UK and the Republic of Ireland or overseas;
 - funded or unfunded; and
 - approved or unapproved,have been identified and properly accounted for; and
- b) all plan amendments, curtailments and settlements have been identified and properly accounted for.

This letter was tabled and agreed at the meeting of the Members on 13 June.

Yours faithfully,

[Sig]

Shirley-Ann Carvill
Managing Director

Appendix to the Board Representation Letter of Wiltshire Health & Care LLP: Definitions

Criteria for applying the disclosure exemptions within FRS 102

- The Company discloses in the notes to its financial statements:
 - a) A brief narrative summary of the disclosure exemptions adopted; and
 - b) The name of the parent of the group in whose consolidated financial statements its financial statements are consolidated, and from where those financial statements may be obtained

Financial Statements

A complete set of financial statements (before taking advantage of any of the FRS 102 exemptions) comprises:

- a Balance Sheet as at the end of the period;
- a Profit and Loss account for the period;
- a statement of other comprehensive income for the period;
- a statement of changes in equity for the period;
- a cash flow statement for the period
- notes, comprising a summary of significant accounting policies and other explanatory information.

FRS 102 permits an entity either to present (i) separately a Profit and Loss account and a Statement of Other Comprehensive Income or (ii) a combined Profit and Loss Account and Other Comprehensive Income.

Material Matters

Certain representations in this letter are described as being limited to matters that are material.

FRS 102 states that:

Omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions of users taken on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances. The size or nature of the item, or combination of both, could be the determining factor.

Fraud

Fraudulent financial reporting involves intentional misstatements including omissions of amounts or disclosures in financial statements to deceive financial statement users.

Misappropriation of assets involves the theft of an entity's assets. It is often accompanied by false or misleading records or documents in order to conceal the fact that the assets are missing or have been pledged without proper authorisation.

Error

An error is an unintentional misstatement in financial statements, including the omission of an amount or a disclosure.

Prior period errors are omissions from, and misstatements in, the entity's financial statements for one or more prior periods arising from a failure to use, or misuse of, reliable information that:

- a) was available when financial statements for those periods were authorised for issue; and
- b) could reasonably be expected to have been obtained and taken into account in the preparation and presentation of those financial statements.

Such errors include the effects of mathematical mistakes, mistakes in applying accounting policies, oversights or misinterpretations of facts, and fraud.

Management

For the purposes of this letter, references to "management" should be read as "management and, where appropriate, those charged with governance".

Qualifying Entity

A member of a group where the parent of that group prepares publicly available consolidated financial statements which are intended to give a true and fair view (of the assets, liabilities, financial position and profit or loss) and that member is included in the consolidation by means of full consolidation.

Related Party and Related Party Transaction

Related party:

A related party is a person or entity that is related to the entity that is preparing its financial statements (referred to in FRS 102 as the "reporting entity").

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - i. has control or joint control over the reporting entity;
 - ii. has significant influence over the reporting entity; or
 - iii. is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions apply:

- i. The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- ii. One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- iii. Both entities are joint ventures of the same third party.
- iv. One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- v. The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity.
- vi. The entity is controlled, or jointly controlled by a person identified in (a).
- vii. A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- viii. The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Related party transaction:

A transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

**Wiltshire Health and Care (“WHC”)
Board Meeting**

Item 5

Any other business

VERBAL

**Wiltshire Health and Care (“WHC”)
Board Meeting**

Date of Next Meeting

Full Board Meeting:

Friday 8 September 2023
10:00-13:00
Bevan Board Room, Jenner House

