



WALES **AUDIT** OFFICE
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Annual Audit Report 2013

Velindre NHS Trust

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Status of report

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The team who delivered the work comprised Matthew Coe, David Thomas, Tracy Veale, Elaine Matthews and Gillian Gillett.

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Summary report

1. This report summarises my findings from the audit work I have undertaken at Velindre NHS Trust (the Trust) during 2013.
2. The work I have done at the Trust allows me to discharge my responsibilities under the Public Audit (Wales) Act 2004 (the 2004 Act) in respect of the audit of accounts and the Trust's arrangements to secure efficiency, effectiveness and economy in its use of resources.
3. My audit work has focused on strategic priorities as well as the significant financial and operational risks facing the Trust, and which are relevant to my audit responsibilities. More detail on the specific aspects of my audit can be found in the separate reports I have issued during the year. These reports are discussed and their factual accuracy agreed with officers and presented to the Audit Committee. The reports I have issued are shown in [Appendix 1](#).
4. The factual accuracy of this report has been agreed with the Chief Executive and the Director of Finance. It will be presented to the Audit Committee in January 2014 and will then be presented to a subsequent Board meeting and a copy provided to every member of the Trust Board. We strongly encourage wider publication of this report by the Trust Board. Following Trust Board consideration, the report will also be made available to the public on the Wales Audit Office's own website (www.wao.gov.uk).
5. The key messages from my audit work are summarised under the following headings.

Section 1: Audit of accounts

6. I have issued an unqualified opinion on the 2012-13 financial statements of the Trust, although in doing so I have brought several issues to the attention of officers and the Audit Committee.
7. I have also concluded that:
 - the Trust's accounts were properly prepared and materially accurate;
 - the Trust had an effective control environment to reduce the risks of material misstatements to the financial statements but some areas could be strengthened; and
 - high level financial controls are operating effectively and form a reliable base for preparing the Trust's financial statements but some areas could be strengthened.
8. The Trust achieved financial balance at the end of 2012-13.

Section 2: Arrangements for securing efficiency, effectiveness and economy in the use of resources

9. I have reviewed the Trust's arrangements for securing efficiency, effectiveness and economy in the use of its resources. My work has involved gauging progress that has been made in addressing the areas for further development identified as part of last year's Structured Assessment work. Performance audit reviews have also been undertaken on specific areas of service delivery. This work has led me to draw the following conclusions.

The Trust continues to forecast a breakeven year-end position and recognises that more work is needed to identify future recurring cost savings schemes

10. The Trust achieved breakeven in 2012-13 and has set a balanced budget for 2013-14, predicting a breakeven year-end position despite some of the originally planned cost savings schemes being replaced by other schemes.
11. Annual financial planning and monitoring are firmly in place and the requirement to produce a three-year plan will provide impetus and an opportunity to produce longer-term recurring cost improvement plans (CIPs).

The Trust has arrangements in place to support good governance, is enhancing scrutiny of quality and safety, and is developing its arrangements to capture, manage and learn from user and staff experience

12. The Trust has sound arrangements in place to support good governance and is continuing to develop its assurance mechanisms, improve its management information, and update the risk strategy.
13. The Trust has set a clear direction and is developing supporting arrangements to capture and learn from information on user experience, incidents, complaints and staff concerns to support improvements in service quality and patient and donor experience.
14. The Trust's governance arrangements are supported by robust scrutiny of the quality and safety of services by the Quality and Safety Committee.
15. Further work is required to ensure the Trust makes effective use of the National Fraud Initiative to detect fraud.

My performance audit work has shown progress on many improvement areas and identified opportunities to secure better use of resources in a number of key areas

16. The Trust has made progress on many improvement areas identified in previous years' Structured Assessments although work is still in progress to complete all the actions from 2012.

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- 17.** The Trust provides unique services and is developing drivers to support the improved use of resources through benchmarking and service improvement activities as well as by strengthening its workforce and organisational development function.
 - 18.** My local work reviewing the Trust's approach to learning from user experience shows a genuine appetite to learn, while my local work on radiotherapy identified scope to improve the approach to delivering and developing services.
 - 19.** The assistance and co-operation of the Trust's staff and members during the audit are gratefully acknowledged.

Detailed report

About this report

20. This Annual Audit Report to the Board members of the Trust sets out the key findings from the audit work that I have undertaken between December 2012 and November 2013.
21. My work at the Trust is undertaken in response to the requirements set out in the 2004 Act. That Act requires me to:
 - a) examine and certify the accounts submitted to me by the Trust, and to lay them before the National Assembly;
 - b) satisfy myself that the expenditure and income to which the accounts relate have been applied to the purposes intended and in accordance with the authorities which govern it; and
 - c) satisfy myself that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources.
22. In relation to (c), I have drawn assurances or otherwise from the following sources of evidence:
 - the results of audit work on the Trust's financial statements;
 - work undertaken as part of my latest Structured Assessment of the Trust, which examined the arrangements for financial management, governance and accountability, and management of resources;
 - the Trust's self-assessment against the Governance and Accountability module of the Standards for Health Services in Wales;
 - performance audit examinations undertaken at the Trust;
 - the results of the work of other external review bodies, where they are relevant to my responsibilities; and
 - other work, such as data matching exercises and certification of claims and returns.
23. I have issued a number of reports to the Trust this year. The messages contained in this Annual Audit Report represent a summary of the issues presented in these more detailed reports, a list of which is included in [Appendix 1](#).
24. The findings from my work are considered under the following headings:
 - audit of accounts; and
 - arrangements for securing efficiency, effectiveness and economy in the use of resources.
25. [Appendix 2](#) presents the latest estimate on the audit fee that I will need to charge to cover the actual costs of undertaking my work at the Trust, alongside the original fee that was set out in the Audit Outline.
26. Finally, [Appendix 3](#) sets out the audit risks highlighted in my Outline of Audit work 2013 and how they were addressed through the audit.

Section 1: Audit of accounts

27. This section of the report summarises the findings from my audit of the Trust's financial statements for 2012-13. These statements are the means by which the organisation demonstrates its financial performance and sets out its surplus or deficit, recognised gains and losses, and cash flows. Preparation of an organisation's financial statements is an essential element in demonstrating appropriate stewardship of public money.
28. In examining the Trust's financial statements, I am required to give an opinion on:
- whether they give a true and fair view of the financial position of the Trust and of its income and expenditure for the period in question;
 - whether they are free from material misstatement – whether caused by fraud or by error;
 - whether they are prepared in accordance with statutory and other applicable requirements, and comply with all relevant requirements for accounting presentation and disclosure;
 - whether that part of the Remuneration Report to be audited is properly prepared; and
 - the regularity of the expenditure and income.
29. In giving this opinion, I have complied with my Code of Audit Practice and the International Standards on Auditing (ISAs).
30. In undertaking this work, auditors have also examined the adequacy of the:
- Trust's internal control environment; and
 - financial systems for producing the financial statements.

I have issued an unqualified opinion on the 2012-13 financial statements of the Trust, although in doing so, I have brought several issues to the attention of officers and the Audit Committee

The Trust's accounts were properly prepared and materially accurate

31. The Trust prepared and monitored a realistic closure programme which enabled it to submit its draft accounts to the Welsh Government by the 3 May deadline. I completed the audit of the draft accounts and submitted the audited accounts to the Welsh Government by the 7 June deadline.
32. I found the information provided to support the financial statements to be relevant and reliable. I concluded that accounting policies and estimates were appropriate and financial statement disclosures unbiased, fair and clear. I acknowledged the improvements made by the finance department to the accounts preparation process this year and the positive impact that these have had.

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33. I identified a number of amendments to the financial statements which were agreed during the course of the audit. Although the number of amendments was low, scope to improve exists in some areas. Following discussions with the Trust, appropriate arrangements have now been put in place to strengthen these areas going forward.
34. I am required by ISA 260 to report issues arising from my work to those charged with governance before I issue my audit opinion on the accounts. My Financial Audit Engagement Lead reported these issues to the Trust's Audit Committee on 6 June 2013.
35. As part of my financial audit, I also undertook the following reviews:
- Whole of Government Accounts return – I concluded that the counterparty consolidation information was consistent with the financial position of the Trust at 31 March 2013 and the return was prepared in accordance with the Treasury's instructions; and
 - Summary Financial Statements and Annual Report – I concluded that the summary statements were consistent with the full statements and that the Annual Report was compliant with Welsh Government guidance.
36. My separate audit of the Charitable Funds financial statements has been completed and the ISA260 Report will be presented to the January 2014 Charitable Funds Committee.

The Trust had an effective control environment to reduce the risks of material misstatements to the financial statements but some areas could be strengthened

37. I reviewed the Trust's internal controls that I considered to be relevant to the audit to help me respond to risks of material misstatement. As part of this work I documented, evaluated and assessed the Trust's relevant financial systems, reviewed the local ICT infrastructure and the work of Internal Audit.
38. I did not identify any significant weaknesses in the Trust's relevant internal controls. Neither did I identify any significant weaknesses in the ICT infrastructure supporting the financial systems although some controls could be strengthened.
39. Following my review of the Audit and Assurance Service provided by the NHS Wales Shared Services Partnership, I concluded that the Audit and Assurance Service met the 2009 Internal Audit Standards for the NHS in Wales and that there are some key areas where improvements are required to achieve further consistency. The new Internal Audit Charter was adopted by the Trust on 13 February 2013 and other planned developments are already underway which will further improve the service provided to health bodies in Wales. This includes the preparation of an Internal Audit Quality Manual, on an all-Wales basis.

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40. The work that I have undertaken supports the external auditor's opinion on the financial statements. This does not constitute an assessment of internal audit under the new Public Sector Internal Audit Standards (PSIAS). Under PSIAS (which came into effect on 1 April 2013) organisations are required, every five years, to conduct an external assessment of internal audit. This goes beyond the work that external audit undertake to place reliance upon, or take assurance from, the work of internal audit.

High level financial controls are operating effectively and form a reliable base for preparing the Trust's financial statements but some areas could be strengthened

41. My work found that the main accounting system formed a reliable basis for preparing the financial statements, relevant controls were in place and were operating as intended.
42. My assessment of the Trust's budgetary control system overall gave us assurance that the control system was effective in identifying a potential material error or omission, and in leading to its correction. However, I recommended that:
- the budget should be uploaded to the ledger on a timely basis at the start of the financial year;
 - corporate monitoring reports should include significant movements in expenditure and income budgets even if there is no impact on the direct expenditure control limit (DECL);
 - the finance reports to the Board should include the correct DECL derived from the ledger, however the overall financial position was correctly reported; and
 - a training programme for budget holders should be developed and implemented.
43. The Trust promptly addressed the first three recommendations soon after they were made. The training programme is currently work in progress.

The Trust achieved financial balance at the end of 2012-13 after achieving savings of £3.1 million

44. The Trust achieved breakeven in 2012-13 despite narrowly missing their savings target. They brokered £400,000 back to the Welsh Government, which is a very positive result.
45. The Trust achieved 90 per cent of its savings through its robust plans whilst the remaining 10 per cent related to high risk areas which were covered by vacancies on a monthly basis. Of the £3.1 million savings achieved from the Trust's core activities, £2.1 million were recurring savings.

Section 2: Arrangements for securing efficiency, effectiveness and economy in the use of resources

- 46.** I have a statutory requirement to satisfy myself that NHS bodies have proper arrangements in place to secure efficiency, effectiveness and economy in the use of their resources. I have undertaken a range of performance audit work at the Trust over the last 12 months to help me discharge that responsibility. This work has involved:
- reviewing the Trust's financial management arrangements, including the progress being made in delivering cost saving plans and their contribution to achieving financial balance;
 - assessing the effectiveness of the Trust's governance arrangements through my Structured Assessment work, with a particular emphasis on quality governance and the robustness of arrangements for improving service user experience; and
 - progress against areas of development identified in previous years' Structured Assessment, the improved use of resources, and local work undertaken on radiotherapy and learning from user experience.
- 47.** The main findings from this work are summarised under the following headings.

The Trust continues to forecast a breakeven year-end position and recognises that more work is needed to identify recurring cost savings schemes

The Trust has set a balanced budget for 2013-14, predicting a breakeven year-end position despite some of the originally planned cost savings schemes being replaced by other schemes

- 48.** The Trust has effective arrangements in place to actively manage cost savings schemes with corrective measures.
- 49.** The Divisions identified savings schemes at the start of this financial year to support the breakeven position and cost savings schemes were categorised depending on their predicted achievability. Not all schemes are likely to be achieved, with some dependent on external factors, while for others management decisions have already been taken to postpone their implementation whilst identifying other savings schemes to ensure the projected year-end position. The month 7 position supports the projected year-end breakeven position, providing planned savings schemes for the rest of the year are achieved.

Annual financial planning and monitoring are firmly in place and the requirement to produce a three-year plan will provide impetus and an opportunity to produce longer-term recurring cost improvement plans

50. The Trust has a sound process for monitoring in-year budgets, producing annual finance plans and monthly finance reports for the Board.
51. There is good involvement of senior finance staff in Divisional budget setting and finance groups provide the right level of support to budget holders.
52. Plans are in progress to bring the financial planning cycle further forward, including the earlier identification of savings plans and the requirement to produce a three-year financial plan will assist this.
53. The Trust still has a reliance on short-term non-recurring savings and recognises that, although the position has improved over the last few years, it is important to have a recurrently balanced financial plan and is building this into its three year planning.
54. The financial information reported to the Board is consistent with that which is submitted to the Welsh Government.
55. The financial impact of usual staff turnover and subsequent vacancies at the Cancer Centre continues to contribute to the Trust's positive financial position. My staff's observation at the Planning and Performance Committee gave assurance that the situation is appropriately monitored with management action being taken where necessary to ensure there is no risk to service delivery.

The Trust's overall governance arrangements are sound, with work underway to enhance scrutiny of quality and safety, and to develop arrangements to capture and learn from user and staff experience

The Trust has sound arrangements in place to support good governance and is continuing to develop its assurance mechanisms, improve its management information, and update the risk strategy

56. The Trust's Board has continued to develop its assurance mechanisms and internal controls and is confident, although not complacent, that it has appropriate processes in place that are continuing to improve.
57. The Trust has made significant progress on producing an Integrated Quality and Performance Storyboard (IQPS) which is easy to understand and contains appropriate performance indicators, although it could contain more information on actions that will be taken, who is responsible and a simple visual to track progress.
58. The Trust has considerably strengthened its executive capacity and has produced appropriate strategic documents to set its direction in the short to medium term. There is a clear focus on the challenge of funding and developing a new cancer campus and providing an all-Wales blood service.

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59. Improvements have been made to the Trust's risk assessment processes and risk registers are scrutinised during committee sessions. Further work is still required to update the risk strategy as recommended from our previous structured assessment work.
 60. Expected information backup controls are in place for most areas of the Welsh Blood Service and Velindre Cancer Centre. Controls to check the completeness and accuracy of backups could be improved by introducing a regular testing schedule.

The Trust has set a clear direction and is developing supporting arrangements to capture and learn from information on user experience, incidents, complaints and staff concerns to support improvements in service quality and patient and donor experience

61. The Trust has made it a high priority to develop appropriate systems to capture user experience, listen to staff concerns and address user concerns and incidents. An Assistant Director of Nursing is being appointed to further develop the Trust's approach as a component of a robust quality assurance system.
62. The Trust has well embedded policies and operational procedures for reporting incidents and has initiated a number of mechanisms for gathering feedback from service users. Procedures for responding to complaints and concerns raised by service users are also being strengthened.
63. The Trust has arrangements in place to promote an organisational culture that supports learning and improvement and can draw on its award winning forum for learning from clinical incidents to promote learning across the organisation.
64. The Trust has adopted the all-Wales raising concerns (whistleblowing) policy and plans to roll out training to all staff during 2014. Our interviews found staff are confident that they can and do raise issues about other staff and that managers respond appropriately.

The Trust's governance arrangements are supported by robust scrutiny of the quality and safety of services by the Quality and Safety Committee

65. Quality and safety are integral to the Board assurance framework and management of risk and are underpinned by good quality and safety information.
66. The Trust's Quality and Safety Committee operates openly and with good and robust engagement by independent members, executives and representatives of staff and service users. The Committee makes good use of presentations by staff.
67. The Trust followed a robust process to produce an honest first Annual Quality Statement (AQS) with good coverage of key areas. The Trust plans to refresh and revise the AQS next year once new guidance from the Welsh Government is issued.

Further work is required to ensure the Trust makes effective use of the National Fraud Initiative to detect fraud

68. The National Fraud Initiative (NFI) is a biennial data-matching exercise that helps detect fraud and overpayments. It matches data across organisations and systems to help public bodies identify potentially fraudulent or erroneous claims and transactions. The Auditor General for Wales conducts data matching exercises in Wales under statutory powers contained in Part 3A of the Public Audit (Wales) Act 2004. The NFI is a highly effective tool in detecting and preventing fraud and overpayments, and helping organisations to strengthen their anti-fraud and corruption arrangements.
69. Participating bodies submitted data to the current NFI exercise in October 2012. The data was matched and the outcomes were released to participating bodies in January 2013.
70. The Trust continues to engage in NFI but has not made effective progress in all areas. Investigations regarding payroll data matching are much further progressed than those regarding creditor data matches. I found that only:
- two of the five key reports have been investigated;
 - 10 of the remaining eleven reports generated by the NFI exercise have no evidence of investigations having taken place; and
 - only three of the total 284 recommended matches have been investigated.
71. **Exhibit 2** summarises the progress made against each of the five key reports generated by the NFI data matching exercise as at November 2013.

Exhibit 2: NFI data matching exercise – key report progress November 2013

Key Report	Progress made as at 30 November 2013
66 – Payroll	100 per cent of the report being investigated (45 matches of which two recommended for investigation)
70 – Payroll	100 per cent of the report investigated (one match of which one recommended for investigation)
80 – Payroll and creditors	No investigations taken place (115 matches of which 37 recommended for follow-up)
707 – Creditors	No investigations taken place (two matches of which nil recommended for investigation)
708 – Creditors	No investigations taken place (873 matches of which 192 recommended for investigation)

My performance audit work has shown both progress against areas previously identified for improvement as well as opportunities to secure better use of resources in a number of other key areas

The Trust has made progress on many improvement areas identified in previous years' Structured Assessments although work is still in progress to complete all the actions from 2012

72. Now that the Trust has acquired communications expertise, it is reviewing its internal and public communications strategies as well as arrangements for independent members to access Trust computer systems.
73. Ways of improving leadership and communications for Caldicott Guardians and Information Governance Leads to support Caldicott improvement are still under consideration. Plans to review the development of staff guidance and training to meet Caldicott confidentiality requirements have been agreed by the IG&IM&T Committee and are expected to be completed by January 2014.
74. Management of the asset base has been strengthened by new appointments and progress is being made to improve the physical estate although significant backlog maintenance remains which impacts on patient experience and dignity. The recommendation to deliver the estate appraisal has been put back to May 2014 to support the development of the estates strategy for 2014-15.

The Trust is developing drivers to support the improved use of resources through benchmarking and service improvement activities as well as by strengthening its workforce and organisational development function

75. The safety of the Welsh Blood Service remains excellent as judged by the Medicines and Healthcare products Regulatory Agency (MHRA). The Welsh Blood Service is continuing to implement its challenging and ambitious modernisation programme while also managing various challenges for the service including significant and unforeseen fluctuations in demand.
76. Velindre Cancer Centre has continued to perform well against access targets for both radiotherapy and chemotherapy as part of the provision of timely treatments for patients along their treatment pathway, although there are challenges with the increasing complexity of treatments that are becoming available.
77. Work is underway to develop benchmarks with other cancer centres to support improvements in service delivery. The Trust has undertaken some benchmarking, for example, on ward staffing which shows that Velindre Cancer Centre's position is generally positive although the report urges caution in interpretation.

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78. The Trust is developing collaborative links with a number of academic institutions for support in R & D activities in building capacity and capability for nurses and AHPs and are keen to explore opportunities with Cardiff Business School to enhance learning arising from the increasing body of knowledge in the field of Improvement Science. The Trust anticipates that such opportunities will support them in their local improvement programmes to improve safety, quality, experience and efficiency in service delivery.
 79. The Trust's three-year plan states that it will review the clinical workforce, increase numbers of non-medical prescribers, increase homecare services and increase staff numbers to meet improved radiotherapy services. These plans are clearly costed and set within a tight financial environment which will continue to be challenging.
 80. The Trust has reviewed the workforce and organisational development function and is implementing a range of improvement actions.
 81. Even though the staff survey is generally positive, the Trust has set up a staff survey working group and is acting on areas of concern.

My local work reviewing the Trust's approach to learning from user experience shows a genuine appetite to learn, while my local work on radiotherapy identified scope to improve the approach to delivering and developing services

82. The Trust has a genuine appetite to learn from users and much work is ongoing to improve mechanisms for gathering feedback. A more formalised approach is now needed to explore more varied ways of collecting and scrutinising feedback and this needs to strike the right balance between central co-ordination and local ownership.
83. The Trust has scope to improve its approach to delivering and developing radiotherapy services by more clearly identifying the future shape of these services within the context of the Cancer Centre, strengthening performance management arrangements and undertaking a detailed analysis of the radiotherapy patient pathway.

Appendix 1

Reports issued since my last Annual Audit Report

Report	Date
Financial audit reports	
Interim Audit Report	April 2013
Opinion on the Financial Statements	June 2013
Audit of the Financial Statements Report	September 2013
Performance audit reports	
Radiotherapy staffing review	February 2013
User experience	September 2013
Structured assessment 2013: High Level Summary of Findings	December 2013
Overview of the Arrangements for Information Backup	December 2013
Other reports	
Outline of Audit Work 2013	April 2013
NHS Performance work protocol	December 2013

There are also a number of performance audits that are still underway at the Trust. These are shown below, with estimated dates for completion of the work.

Report	Estimated completion date
IT Disaster Recovery and Business Continuity (DRBC)	February 2014
Clinical coding	February 2014

Appendix 2

Audit fee

The Outline of Audit Work for 2013 set out the proposed audit fee of £197,568 (excluding VAT). My latest estimate of the actual fee is in accordance with the fee set out in the outline.

In addition to the fee set out above, the audit work undertaken in respect of the shared services provided to the Trust by the Shared Services Partnership was £790.

My proposed fee of £8,167 for the audit of the Trust's Charitable Funds was set out in a separate Outline of Audit Work for 2013 for the Velindre NHS Trust Charitable Funds. My latest estimate of the actual fee for this work is in accordance with the fee set out in the outline.

Appendix 3

Financial audit risks

My Outline of Audit Work 2013 set out the key financial audit risks for 2013. The table below lists these risks and sets out how they were addressed as part of the audit.

Financial Audit risk	Work done and outcome
<p>The timetable for producing and certifying the annual accounts is increasingly demanding this year. The Trust will need to put in place appropriate arrangements to:</p> <ul style="list-style-type: none">• prepare two sets of memoranda accounts for the Welsh Risk Pool and NHS Wales Shared Services Partnership;• prepare a consolidated set of financial statements for the Trust;• ensure adequate working papers are provided for audit on a timely basis; and• ensure analytical review variances are adequately explained and supported by appropriate documentary evidence on a timely basis.	<p>The Trust submitted its draft accounts to Welsh Government in accordance with the required timetable. The audit of the financial statements 2012-13 concluded that the Trust's accounts presented a true and fair view of its financial position as at 31 March 2013 and of its net operating costs for the financial year in question.</p>
<p>The annual accounts are compiled under International Financial Reporting Standards (IFRS) and NHS Manual for Accounts.</p> <p>The Trust must have a full understanding of these requirements, keeping up to date with changes and ensuring that risks and issues are identified and dealt with appropriately.</p> <p>On 1 June 2012, NHS Wales Shared Services Partnership transferred to the Trust. The Trust must properly account for the transfer in its annual accounts using absorption accounting and must prepare enhanced segmental reporting notes to the accounts.</p>	<p>The audit of the financial statements 2012-13 concluded that the Trust's accounts presented a true and fair view of its financial position as at 31 March 2013 and of its net operating costs for the financial year in question. Adequate working papers were provided for audit purposes and analytical review variances were adequately explained and supported, although further improvements have been recommended. I also identified a number of adjustments to the draft accounts that were corrected during the audit.</p>
<p>The Trust has a duty to ensure that robust accounting records and internal controls are in place to ensure the regularity and lawfulness of transactions.</p> <p>The Trust is responsible for processing the transactions of the Welsh Risk Pool through its financial ledger.</p>	<p>The audit of the Trust's financial systems concluded that the Trust has appropriate internal controls in place to ensure that the financial statements are free from material misstatement although the audit identified some areas required strengthening.</p>

Financial Audit risk

The **financial duty** of the Trust is to ensure it breaks even for the period and on an ongoing basis. The Trust must ensure good financial management in the period to meet its own financial targets for 2012-13.

Strong financial governance arrangements are required for the Trust to ensure procedures and arrangements are in place to manage its finances in accordance with the guidance in the Welsh Government's e-governance manual.

The Trust hosts two large organisations – NHS Wales Informatics Service and NHS Wales Shared Services Partnership. The Trust's Accountable Officer will need to obtain satisfactory levels of assurance from the accountable officers of these two hosted organisations before the Annual Governance Statement can be signed.

Work done and outcome

The Trust met each of the three financial targets for 2012-13.

My audit of financial systems, the financial statements and my review of the Trust's Annual Governance Statement found that the Trust's financial governance arrangements are working effectively to meet objectives, deliver improvements, maintain probity and avoid conflicts of interest.



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