

Report to: Trust Board, 7 June 2012

Title	Annual Report and Annual Accounts 2011/12
Sponsoring Executive Director	Neil Nisbet, Finance Director
Main Authors and Contributors	Adrian Osborne, Communications Director Chris Benham, Assistant Director: Financial Accounting Tricia Titley, Head of Planning Liz Walton, Deputy Head of Human Resources John Ellis-Tipton, Estates Manager (Environment and Risk) Paul Hodson, Head of Contracts and Performance Claire Jowett, Chief Compliance Officer
Purpose	To approve the Annual Report and Annual Accounts 2011/12
Previously considered by	The Annual Report and Annual Accounts 2011/12 has previously been considered by the Audit Committee on 7 June 2012, Trust External Auditors and Trust Directors. The Annual Governance Statement, which forms part of the Annual Report and Annual Accounts 2011/12 , has previously been considered by the Audit Committee on 19 April 2012, by Internal and External Audit and by the Trust Directors The Annual Accounts, which form part of the Annual Report and Annual Accounts 2011/12 , have been subject to review by the Audit Committee on 10 May 2012 and by External Audit, with final review by External Audit currently under way.

Executive Summary

This paper presents the **Annual Report and Annual Accounts 2011/12** for The Shrewsbury and Telford Hospital NHS Trust.

NHS Trusts are required to produce an Annual Report and Annual Accounts in accordance with guidance set out in the NHS Finance Manual: Manual for Accounts.

In addition, this year's report supports our transition to NHS Foundation Trust status by incorporating significant elements of annual reporting guidance for NHS Foundation Trusts. This includes the Quality Report (which will be included in the bound and published Annual Report at the Annual General Meeting), enhanced information about sustainability, and further information about the employees of the Trust including a diversity profile and staff survey results.

The **Annual Report and Annual Accounts 2011/12** is presented to the Trust Board for

approval, and subject to this the Directors' signatures and independent auditors' statement will be included in the printed document for presentation to the Annual General Meeting in September 2012.

The **Annual Report and Annual Accounts 2011/12** comprises the Annual Report (including the Remuneration Report), the Quality Report and the Annual Accounts (including the Annual Governance Statement):

- The **Annual Report** has been produced in accordance with guidance set out in the NHS Finance Manual: Manual for Accounts, and additionally to reflect guidance for NHS Foundation Trusts. It has been reviewed by the Trust Directors, External Audit and Audit Committee.
- The inclusion of a **Quality Report** is mandatory for NHS Foundation Trusts at the point of approval of the Annual Report and Annual Accounts. This is not mandatory for NHS Trusts. The Quality Report mirrors the statutory Quality Account, but the latter document is additionally subject to review and scrutiny by key partners and approval by the Board before the end of June this year. As part of our transition to NHS Foundation Trust:
 - this year the Quality Account will be incorporated following approval by the Trust Board on 28 June and included as an Appendix in the bound and published Annual Report and Annual Accounts at the Trust Annual General Meeting on 13 September 2012
 - next year the Quality Report will be included at the point of approval of the Annual Report and Annual Accounts 2012/13
- The **Annual Governance Statement** (AGS) forms part of the annual accounts and replaces the Statement of Internal Control (SIC). The Department of Health guidance requires the AGS to be completed in line with the submission requirements for the annual accounts: the Trust's auditors are required to send signed original copies of the governance statement to the Department of Health (DH) by 11 June 2012. It has been amended slightly from the version reviewed by the Audit Committee on 19 April 2012 to incorporate feedback received from External Audit on 30 May 2012. A schedule of changes has been reviewed by the Audit Committee on 7 June 2012.
- The **Annual Accounts** have been produced in accordance with guidance set out in the NHS Finance Manual: Manual for Accounts. They have been reviewed by the Special Audit Committee on 10 May 2012 and by External Audit. Final review by External Audit is currently under way.

Final External Audit and review is currently way and an oral report will be provided at the meeting on any final amendments. Subject to this final review the Management Representation Letter will be provided by External Audit and presented to the meeting on 7 June 2012.

Related SATH Objectives	SATH Sub-Objectives
The Annual Report and Annual Accounts 2011/12 relates to all Trust objectives	The Annual Report and Annual Accounts 2011/12 relates to all Trust sub-objectives, and specifically to CO:D4 "Develop a clinically led organisation and build capacity and capability for the future" and CO:C5 "Meet

	regulatory requirements and healthcare standards”.
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Risk and Assurance Issues	<p>The <i>Annual Report and Annual Accounts 2011/12</i> supports openness in risk and assurance through publication of the Annual Governance Statement within the Annual Accounts. Specifically, the Annual Governance Statement describes the systems in place throughout the year to manage risk and gain assurance</p> <p>In approving the <i>Annual Report and Annual Accounts 2011/12</i> members of the Trust Board are confirming to the best of their knowledge and belief that there is no relevant audit information of which the Trust’s auditors are unaware and that members of the Trust Board have taken the steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the Trust’s auditors are aware of that information.</p>
Equality and Diversity Issues	<p>The <i>Annual Report and Annual Accounts 2011/12</i> refers to our goals for improving equality and embracing diversity, particularly in relation to our employment practice. This year we have included a diversity profile of the Trust’s employees.</p>
Legal and Regulatory Issues	<p>The <i>Annual Report and Annual Accounts 2011/12</i> supports statutory reporting in line with the Companies Act 2006 and related guidance and legislation. When we are established as an NHS Foundation Trust the full annual report and statutory accounts must be laid before parliament before the end of June following the reporting year.</p>

Action required by the Trust Board	
<p>The Trust Board is asked to:</p> <ul style="list-style-type: none"> • Note the oral report on the final review of the Annual Report and Annual Accounts 2011/12 including by External Audit, and the presentation of the Management Representation Letter, and subject to this • Approve the Annual Report and Annual Accounts 2011/12, including the Annual Governance Statement. 	