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Performance Report
3HUIRUPDQFH 2YHUYLHZ IURP WKH &KLHI ([HFXWLYH
3HUIRUPDQFH 5HSRUW

Accountability Report
'LUHFWRUV¶ 5HSRUW
5HPXQHUDWLRQ 5HSRUW
6WDWHPHQW RI 'LUHFWRUV¶ 5HVSRQVLELOLWLHV
1RQ)LQDQFLDO 7UXVW &RGH RI *RYHUQDQFH
1RQ2YHUVLJKW)UDPHZRUN
6WDWHPHQW RI $FFRXQWLQJ 2IILFHU¶V 5HVSRQVLELOLWLHV
$QQXDO *RYHUQDQFH 6WDWHPHQW

Consolidated Financial Statements

3OHDVHVHOHFW WKH WDNHQ LQ EHIRUH VRFLDO GLV
SODFH

,I \RX ZRXOG OLNH IXUWKHU FRSLHV RI WKLV UHSRUW RU QHHG
WDSH SOHDVH FRQWDFW WKH &KLHI ([HFXWLYH¶V 'HSDUWPHQW

6DOLVEXU\ 1+``€ ñF•€ð•€H™PHQW ÀQJ JXLH• Tð JU J€ R F

:LOWVKLUH +HDOWK DQG &DUH ,W DOVR ZRUNV ZLWK 6WHULOH
GLVLQIHFWLRQ VHUYLFHV WR 6DOLVEXU\ 'LVWULFW +RVSLWDO D
DQG SD\UROO VHUYLFHV SURYLGH VXSSRUW IRU D QXPEHU RI OR

Our Role in the Bath, North East Somerset, Swindon and Wiltshire (BSW)
Sustainability and Transformation Partnership

'ULYHQ E\ WKH KHDOWK DQG FDUH QHHGV
RXU UROH LQ VXSSRUWLQJ V\VWHP
6ZLQGRQ DQG :LOWVKLUH %6: :H DUH ZRUNLQJ DFURVV WKH JH
DUHD ZKLFK LQFOXGHV SDUWV RI 'RUVHW DQG :HVW +DPSVKLUH
ZKLFK KHDOWK DQG FDUH LV GHOLYHUHG :H UHFRJQLVH WKDW
DSSURDFK ZLWK WKH 7UXVW¶V SULRULWLHV DQG SURPRWH UHOD
SDWKZD\V DQG 1+6 VWUXFWXUDO UHIRUP ZKLFK VXSSRUW VROXW

:LWK RXU SDUWQHUV LQ
RXWVWDQGLQJ H[SHULHQFH IRU HYHU\ SDWLHQW LQWHJUDWLQJ

` @u0 0

Performance Summary

Referral to Treatment

'XULQJ ZH KDYH DOVR XQGHUWDNHQ D UHFRQILJXUDWLRQ R
ZLWK SDWLHQWV QRZ EHLQJ FRQVLGHUHG XQGHU WKH QHZ
IRU SHRSOH IURP DFURVV WKH 6RXWKDHQVWQZKRSLQYHVFRUHGM
ZDUG UHFRQILJXUDWLRQ LV SDUW RI WKH ZLGHU WUDQVIRUPDWL
VWDQGDUG RI FDUH LQ UHVSRQVH WR SDWLHQWV¶ QHHGV DQG I

Innovation

7KH 7UXVW DJUHHG XSGDWHG 4XDOLW\ ,PSURYHPHQW DQG 'LJLW
QXPEHU RI SURMHFWV KDYH EH

Going Concern

7KH 7UXVW KDV VXEPLWWHG D ILQDQFLDO SODQ IRU WR 1
GHIWFS RVLWLRQ RI ... P DIWHU GHOLYHU\ RI D ... P VDYLQJV SUR
%RDUG RI 'LUHFWRUV DQG LV HPEHGGHG LQ WKH EXGJHW +RZHY
LPSDF&2 9R,' VLQFH ZKLFK WKH SD\PHQW UHJLPH DQG PHFKDQLV
FKDQJHG VLJQLILFDQWO\ )RU DFWLYLW\ DQG ILQDQFLDO SODQQ
SD\PHQW PHFKDQLVPV ZKLFK HQVXUHV DSSURSULDWH DFFHVV W

7KH %RDUG RI 'LUHFWRUV KDWKH DSSURSULDWHQHVV RI FRQWLQ
FRQFHUQ¶ EDVLV +DYLQJ UHYLHZHG WKH)LQDQFLDO 5HSRUWLQ
HYLGHQFH WKH %RDUGWRRQWH'QWHFWRWKH DFFRXQWV WR EH SUHSD
EDVLV¶ DOWKRXJK WKHUH UHPDLQV UHJXODWRU\ DQG ILQDQFLDO XQFHUWDLQW
FDVK SRVLWLRQ RI WKH 7UXVW

Quality Report

,Q UHVSRQVH WR UHGXFLQJ WKH EXU&2 9,' RQQDW1+6RQDXVWUDOLDQ FLXGHQV
QRW D UHTXLUHPHQW IRU 1+6)RXQGDWLRQ 7UXVWV WDRQLQQXDOX GH
UHSRUWV 7KH 7UXVW KDV VWLOO SURGXFHG D 4XDOLW\ 5HSRUW RQ
FRPSUHKHQVLYHRKYHDORLWZDEH SURYLVLRQ 7KLV ZLOO EH S„0S
DQQXDO UHSRUW

7KH 3HUIRUPDQFH 5HSRUW KDV EHHQ DSSURYHG E\ WKH 7UXVW 9

KWWS ZZZ VDOLVEXU\ QKV XN $ERXW8V 7UXVW%RDUG 'RFXPHQW
HFWRUV,QWHUHVWV GRF

NHS Improvement's Well Led Framework

7KH 7UXVW&RQGLG6HHSUHPHQW¶VHGOOPHZRUN LQ DUULYLQJ DW
HYDOXDWLRQ RI WKH RUJDQLVDWLRQ¶V SHUIRUPDQFH DQG LQ G
ERDUG DVVXUDQFH IUDPHZRUN DQG WKH JRYHUQDQFH RI TXDOLV

7KH &DUH 4XDOLW\ &RPPLVVLRQ XVQGHUDWRTXDQWLWDWLYHSHFW'HFRPE
DQG UDWHG WKH 7UXVW DV µ*RRG¶U H7KHV&HHIHFWLYHG HWKEWLHQ
OHDGHUVKLS D VWURQJ JRYHUQDQFH DQG WKH EHGGHG YDOXHV 7KH
FDSDFLW\ DQG FDSDELTXLDWLWRQ DHQDEHH FDJKH /HDGHUV XQGHU
WR TXDOLW\ DQG VXVWDLQDELOLSVUDQGKDEOHZH7KHUHLWKEDVOH DQ
WKH WUXVW DQG VWURQJ YDOXHV

'XULQJ WKH 7UXVW KDLFPQWHSURJQHVV OHLDFWLRQVSØEQO
NH\ IRFXV RQ TXDOLW\ LPSURYHPHQW OHDGHUVKLS GHYHORSPH
JRYHUQDQFH DUUDQJHPHQWV 7KHD%RHUGPEQW SJDQQLQJWKHE
)UDPHZRUN GXULQJ

7KH $QQXDO *RYHUQDQFH 6WDWHPHQW GHVFULEHV LQ IXUWKHU
VHUYLFHV OHUGH ZQHG TXDOLW\ JRYH$FFRQGHV 7KHE4XDTXDOLW\ LPS
LQ PRUH GHWDLO

Other disclosures

Modern Slavery Act 2019/2020 annual statement

$W WKH 7UXVW ZH DUH FRPPLWWHG WR HQVXULQJ WKDW QR PRG
LQ DQ\ SDUW RI RXU EXVLQHVV RU RXU VXSSO\ FKDLQ :H DUH IX
WRZDUGV RXU VHUYLFH XVHUV HPSOR\HHV DQG ORFDO FRPPXQL
HWKLFDO YDOXHV LQ DOO RI RXU EXVLQHVV GHDOLQJV DQG H[SH
GRE XVLQHVV ZLWK WR DGKHUH WR WKHVH VDPH SULQFLSOHV :H
KXPDQ WUDIILFNLQJ

Cost allocation and charging guidance Issued by HM Treasury

6DOLVEXU\ 1+6)RXQG 0

REMUNERATION REPORT

Chairman of the Remuneration Committee's Annual Statement on Remuneration

,Q DFFRUGDQFH ZLWK WKH UHTXLUHPHQWV RI 1+6 (QJODQG DQG
WKLV UHPXQHUDWLRQ UHSRUW FRQVLVWV RI WKH IROORZLQJ SD

- $Q $QQXDO 6WDWHPHQW RQ UHPXQHUDWLRQ
- 7KH 6HQLRU 0DQDJHU¶V 5HPXQHUDWLRQ
- 7KH $QQXDO 5HSRUW RQ UHPXQHUDWLRQ

$V WKH &KDLUPDQ RI WKH 5HPXQHUDWLRQ &RPPLWWHH , DP SOH
IRU

6HQLRU PDQDJHUV KDYH WKH DXWKRULW\ RU UHVSRQVLELOLW\ I
DFWLYLWLHV RI WKH 7UXVW DQG IRU 6DOLVEXU\ 1+6)RXQGDWLR
([HFXWLYH 'LUHFWRUV ,W LV LPSRUWDQW WR QRWH
WKH %RDUG KDV UHVSRQVLELOLW\ IRU VHWWLQJ WKH WHUPV
UHVSRQVLELOLW\ IRU VHWWLQJ WKH WHUPV
OLHV ZLWK WKH &RXQFLO RI *RYHUQRUV ZKLFK LV DGYLVHG E\

7KH 5HPXQHUDWLRQ &RPPLWWHH UHYLHZHG WKH VDODULHV DQG
([HFXWLYH 'LUHFWRUV6DODULHV DUH VHW LQ FRPSDULVRQ ZLWK
HTXLYDOHQW SRVWV ZLWKLQ WKH 1+6 $GYDQFHPHQW ZLWKLQ W
'LUHFWRUV LV EDVHG RQ VXFFHVVIXO DSSUDLVDO
HOHPHQW RI WKH ([HFXWLYH 'LUHFWRU¶V UHPXQHUDWLRQ 7KH
ZLWK WKH &KLHI ([HFXWLYH LQ UHYLHZLQJ HDFK ([HFXWLYH 'LU
DGYLVHV WKH FRPPLWWHH RQ WKH SHUIRUPDQFH RI WKH &KLHI

2019/2020 major decisions on remuneration

'XULQJ WKH 5HPXQHUDWLRQ DQG 1RPLQDWLRQV &RPPLWWHH
GHFLVLRQV DIIHFWLQJ UHPXQHUDWLRQ
IURP 1+6 (QJODQG DQG 1+6, PDSSURYHPHQW UHJDUGLQJ DQ DQQXDO
LQFUHDVH WKH XSOLIW ZDV DSSOLHG LQ OLQH ZLWK WKH UHFR

7KH FKDQJHV WR WKH 7UXVW¶V ([HFXWLYH WHDP GXULQJ

- 3DXO +DUJUHDYHV OHIW WKH 7UXVW RQ 6HSWHPEHU
- /\QQ /DFNHQPHQFHG HPSOR\PHQW ZLWK WKH 7UXVW DQ LQWHULP 'LUHFWRU 3HRSOH
- -DQH 5HLG OHIW KHU SRVLWLRQ DV 'LUHFWRU RQ 1RYHPEHU
- 0DUJDUHW (OHQRU VWDUWHG DV 1RQ'LUHFWRU RQ 1RYHPEHU
- 5DFKHO HJJDUZDO DQG 'DYLG %XFNOH[DFFHSWHG WKHLU UHVSHFWLYH 1RQ -DQXDU\ UHVSHFWLYHO\

Nick Marsden
Remuneration Committee Chairman
22 June 2020

Senior Managers' Remuneration Policy

7KH UHPXQHUDWLRQ RI VH
PDQDJHU¶ LV GHILQHG DV µWKRVH SHUVRQV LQ VHQLRU SRVLWL
GLUHFWLQJ RU FRQWUROOLQJ WKH PDMRU DFWLYLWLHV RI WKH
EH WKH ([HFXWLYH &RPPLWWHH RQ HPEHUV RI WKH %RDUG RI 'LUHFWRU

7KH UHPXQHUDWLRQ RI WKH &KLHI ([HFXWLYH DQG ([HFXWLYH 'L
0HGLFDO 'LUHFWRU LV GHWHUPLQHG E\ WKH &RPPLWWHH RQ WKH
DFFRXQW PDUNHW OHYHOV NH\ VNLOOV
7KH 6)óP I@H0

Future Policy Table

Element of pay (Component)	How component supports short and long term strategic objective/goal of the Trust	Operation of the component	Performance metric used and time period
%DVLF VD	3URYLGHV D VWDE(,QGLYLGXDO SD UHFUXLWPHQW DQG ZLWKHQWDLQH GHVLJQHG WDNLQJ LQWR D FRQVLGQ WEDQG ZKLFK KDV D SRVLWLRQ LQ WKH OPDQRXPPDQG HPD[LPXP DQG D QHHG IRU D FRQVLVWHQW VDODU\ VFDOHV DSSURDFK WR OHDGHUVKLS HQG RI WKH)SDQDQ € ðH DW$ €€€ pÀYCW p0,• XPW 0P€PV @€ W 6WDELOLW\ H[SHULHQFH ´À UHSXWDWLRQ DQG ZLGHVSUHDG NQRZOHGJH RI ORFDO QHHGV DQG UHTXLUHPHQWV VXSSRUWV WKH 7UXVW¶V VKRUW WHUP VWUDWHJLF REMHFWLYHV RXWOLQHG LQ LWV DQQXDO SULRULWLHV DQG LWV ORQJ WHUP VWUDWHJLF JRDOV RI /RFDO 6HUYLFHWWLQJ WKH QHHGV RI WKH ORFDO SRSXODWLRQ E\ GHYHORSLQJ QHZ DQG LPSURYHG ZD\V RI ZRUNLQJ ZKLFK DOZD\V SXW SDWLHQWV DW WKH FHQWUH RI DOO ZH GR 6SHFLDOLVWS6HUYLFHV LQQRYDWLQJ WR VSHFLDOLVW FDUH GHOLYHULQJ RXWVWDQGLQJ RXWFRPHV IRU D ZLGHU SRSXODWLRQ ,QQRYDWLRQ DQG EHWWHU ZD\V RI ZRUNLQJ DOZD\V ORRNLQJ WR DFKLHYH H[FHOOHQFH DQG VXVWDLQDELOLW\ LQ KRZ RXU VHUYLFHV DUH GHOLYHUHG PDNLQJ D SRVLWLYH &RQWULEXWLRQ WR WKH ILQDQFLDO SRVLWLRQ RI WKH 7UXVW &DUHWUHDWLQJ RXU SDWLHQWV DQG WKHLU IDPLOLHV ZLWK FDUH NLQGQHVV DQG FRPSDVVLRQ DQG NHHS WKHP VDIH IURP DYRLGDEOH KDUP 3HRSOHDNLQJ WKH 7UXVW DQ RXWVWDQGLQJ SODFH WR ZRUN ZKHUH HYHU\RQHHG HOV Y VXSSRUWHG DQG HQJDJHG DQG DUH DEOH WR GHYHORS DV LQGLYLGXDOV DQG DV WHDPV	

	5HVRXUFH EHQHILWLQJ EHV RI RXU UHVRXUFHV WR DFKLHYH D ILQDQFLDOO\ VXVWDLQDEOH IXWXUH VHFXULQJ WKH EHVW RXWFRPHV ZLWKLQ DYDLODEOH		
%HQHILW	%HQHILWV LQ NLQG WKSHURYLVLRQ RI D FDU WUDLQLQJ RU DGGLWLRQDO SHQVLRQ FRQWULEXWLRQV ([HFXWLYH 'LUHFWRUV LQFOXGHV DQ\ DPRXQW UHFHLYHG %DVLF VDODU\ RQ KRZ WKLV FRPSRQHQW VXSSRUWV VKRUW DQG ORQJ WHUP VWUDWHJLF REMHFWLYH JRDO	6HH DERYH	VHH DERY
3HQVLRQ	3URYLGHV D VROLG &RQWULEXWLRQV ZL UHFUXLWPHQW DQG UHWHQWLRQ+R 3HQVLRQ E\ WKH 1 WRS OHDGHUV LQ VKDUHKROH 3HQVLRQ 6FKHPH 6XSSRUWV WKH 7UXVW¶V VKRUW WHUP VWUDWHJLF REMHFWLYHV RXWOLQHG LQ LWV DQQXDO SULRULWLHV DQG LWV ORQJ WHUP VWUDWHJLF JRDOV VWDWHG LQ WKH EDVLF VDODU\		

%RQXV

&DUD &KDU %DUNV	&KLHI ([HFXWL	&RPPHQFHG)HEUXDU	PRQWKV
&KULVWLQH %ODQVKDU	0HGLFDO 'LUHF	&RPPHQFHG 6HSWHP	PRQWKV

Disclosures in accordance with the Health and Social Care Act

Expenses for Senior Managers and Governors

Year	Number of Directors in Office	Number of Directors Reimbursed	Amount Reimburs702.1(r3 827.84]/Subtype090.6 Tm [3 1 4.06 252..r)2.96 665.16 68.

Non

Cara Charles -Barks
Chief Executive (Accounting Officer
22 June 2020

STAFF REPORT

Analysis of average staff costs (subject to audit)

	Total 2019/2020 £000	Permanently employed Total £000	Other Total £000
Salaries and wages	127,620		
Social security costs	12,149		
Pension cost - defined contribution plans employer's contributions to NHS pensions	14,860		
Paid by NHSE on provider's behalf (6.3%)	6,436		
Pension cost - other	37		
Temporary staff/agency contract staff	6,635		
Apprenticeship levy	619		
TOTAL STAFF COSTS	168,356		
Less: Costs capitalised as part of assets	(360)		
TOTAL STAFF COSTS IN OPERATING EXPENDITURE	167,996		

Analysis of average staff numbers (subject to audit)

	Total 2019/2020 number	Permanently employed 2019/2020 number	Other 2019/2020 number	Total 2018/19 number	Permanently employed 2018/19 number	Other 2018/19 number
Medical and Dental						
Administration and Estates						
Healthcare assistants and other support staff						
Nursing, midwifery & health visiting staff						
Scientific, therapeutic and tech nical staff						
Total						

7KH ILJXUH VKRZQ XQGHU WKH RWKHU FROXPQ UHODWHV WR RW
RUJDQLVDWLRQ VXFK DV VKRUW WHUP FRQWUDFW VWDII DJHQF
RYHUVHDV DQG LQZDUG VHFRQGPHQWV ZKHUH WKH RUJDQLVDWL
WKHLU FRVWV

7KH FRPSDUDWLYH QXPEHUV KDYH EHHQ UHVWDWHG WR EULQJ W
ZLWKLQ WKH HOHFWURQLF VWDII UHFRUG WKH 1+6 KXPDQ UHVR

:H DUH FXUUHQWO\ LQ WKH SURFHVV RI DJUHHLQJ RXW SDUW RI WKH HTXDOLW\ GLYHUVLW\ DQG LQFOXVLRQ SROLF\ 7KLV SROLF\ Z YDULRXV 'LYHUVLW\ *URXSV LQ WKH 7UXVW ZKLFK WKLV \HDU K (8 VWDII

2WKHU SROLFLHV ZKLFK KDYH EHHQ UHYLHZHG DQG UHYLVHG WK

- $VVLVWDQFH ZLWK 5HORFDWLRQ
- 3HUIRUPDQFH $SSUDLVDO
- 6WUHVV
- 3HWV DQG $QLPDOV LQ WKH +HDOWKFDUH VHWWLQJ QHZ
-)DVW 7UDFN $FFHVV WR +HDOWKFDUH
- $QQXDO /HDYH
- 6SHFLDO /HDYH
- 2UJDQLVDWLRQDO&KDQJH

$OO RI WKH 7UXVW SROLFLHV LQFOXGLQJ WKRVH FRQFHUQLQJ F

Consultancy Expenditure - Off Payroll Payments

Table 1: Off -payroll engagements longer than 6 months For all off -payroll engagements as of 31 March 2020, for more than £245 per day and that last longer than six months:	
	1 X P EU
1 X P E H U R I H [L V W L Q J H Q J D J H P H Q W V D V R I	16
2 I Z K L F K W K H Q X P E H U W K D W K D Y H H [L V W H G	
I R U O H V V W K D Q R Q H \ H D U D W W K H W L P H R I U	10
I R U E H W Z H H Q R Q H D Q G W Z R \ H D U V D W W K H \	3
I R U E H W Z H H Q D Q G \ H D U V D W W K H W L P H R	

Table 3: Off -payroll board member/senior official engagements For any off -payroll engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2019 and 31 March 2020	
1XPEHU RI RII SD\UROO HQJDJHPHQWV RI ERDUG PHPE VLJQLILFDQW ILQDQFLDO UHVSRQVLELOLW\ GXU	0
7RWDO QXPEHU RI LQGLYLGXDO RII SD\UROO HQJDJHPHQWV ZLWK ERDUG PHPEHUV DQG RU VHQLRU RIILFLDOV ZLWK ILQDQFLDO \HDU 7KLV ILJXUH SDUW ERW HQJDJHPHQWV	17

Staff Survey

)RU WKH 6XUYH\ WKH 7UXVW DFKLHYHG D UHVSRQVH UD GDWH DQG FRPSDULQJ YHU\ IDYRXUDEO\ ZLWK IRU WKH UHVSRQVH UDWH IRU DOO $FXWH 7UXVWV LQ ZDV

)RU WKH 6XUYH\ UHVXOWV ZHUH JURXSHG LQWR HOHYHQ NH\

‡ (TXDOLW\ 'LYHUVLW\ DQG ,QFOXVLRQ RXU VFRUH ZDV $E
‡ +HDOWK DQG :HOOEHLQJ RXU VFRUH ZDV $ERYH $YHUDJ
‡ ,PPHGLDWH 0DQDJHUV RXU VFRUH ZDV $ERYH $YHUDJH
‡ 0RUDOH RXU VFRUH ZDV $ERYH $YHUDJH
‡ 4XDOLW\ RI $SSUDLVDO YHUDXH VFRUH ZDV $
‡ 4XDOLW\ RI &DUH RXU VFRUH ZDV %HORZ $YHUDJH
‡ 6DIH (QYLURQPHQW %XOO\LQJ DQG +DUDVVPHQW RXU V
‡ 6DIH (QYLURQPHQW 9LROHQFH RXU VFRUH ZDV $ERYH $
‡ 6DIHW\ &XOWXUH RXU VFRUH ZDV $ERYH $YHUDJH
‡ 6WDII (QJDJHPHQW ZDV RXU VFRUH $YHUDJH
‡ 7HDP :RUNLQJ RXU VFRUH ZDV $YHUDJH

7KH 7UXVW VFRUH ZDV DERYH WKH QDWLRQDO DYHUDJH IRU HLJ

7KH)768* PHW ZLWK WKH UHJL

	+HDOWKFDUH $VV 3UDFWLWLRQHU	%XVLQHVV $GPLQLVV
	,QIUDVWUXFWXUH /HYHO	&KDUWHUHG 0DQDJH
	6HQLRU +HDOWKF :RUNHU	&RPPHUFLDO 3URFXU 6XSSO\
	7HDP /HDGHU 6XS	(QJLQHHULQJ 7HFKQ 0DLQWHQDQFH
		+HDOWK 3KDUPDF\ 6
		+HDOWKFDUH 3UDFWLWLRQ
		+HDOWKFDUH 6FLHQ
		+HDOWKFDUH 6FLHQ
		+HDOWKFDUH 6XSSR
		0DLQWHQDQFH DQG (QJLQHHULQJ 7HFKQ
		1XUVLQJ $VVRFLDWH
		2SHUDWLQJ 'HSDUWP 3UDFWLWLRQHU
		2SHUDWLRQDO 0DQDJHU
		6HQLRU +HDOWKFDU :RUNHU
		6HQLRU /HDGHU
		7HDP /HDGHU 6XSHU

Leadership and Development

7KH OHDGHUVKLS GHYHORSPHQW RIIHU DW WKH 7UXVW KDV EHH

&RDFK WR OHDG	+LJKO\	HJDUGHG SURJUDPPH 6)7 DFFUHGLWHG ZLWK W $FDGHP\
3HUVRQDO	FRDFKL	(VWDEOLVKHG QHWZRUN RI SODFH
$SSUDLVDOV		6KRUW FRXUVH XSVNLOOLQ KLJK TXDOLW\ DSSUDLVDO FRQYHUVD
&OLQLFDO /HDGHUVKI	%HVSRNH	G\ SURJUDPPH FOLQLFDO OHDGHUV FOLC SURIHVVLRQ HWF
%H	RQWKO\ OHDGHUVI	0DVWHUFODVVHV RQ D UDQ VSRQVRUHG E\ H[HFXWLYHV
0RQWKO\ OL VXSSRUW VHVVLRQV	HH¶7DEU	9DULHG WRSLFV SUHVHQWI VXSSRUW OLQH PDQDJHUV
/HDGHUVKLS $FDGHP\ SURJUDP	PRGV	1DWLRQDO DQG UHJLRQDO RUV WHW DII WR DFFHVV VRPH QDWLR UHVWULFWHG GXH WR FRVW

$ +HDG RI /HDUQLQJ DQG /HDGHUVKLS 'HYHORSPHQW KDV EHH ZLWK DQ DPELWLRXV VXLWH RI OHDGHUVKLS GHYHORSPH

- 9RO XQWHHUV
- 5HDO 7LPH)HHGEDFN
- 3/$&(DVVHVVPHQWV

7KH *RYHUQRUV UHYLHZ WKHLU ZRUNSODQ SURJUHVV DW HDFK PHHWLQJ DQG LQYLWH UHSRUWV
7KH\ DSSUHFLDWH WKDW VWDWXWRU\ UROHV DSDUW WKHLU SU
*RYHUQRUV DUH DOVR SDUW\ WR GLVFXVVLRQV DERXW HOHPHQW
WDNHQ DW PHHWLQJV RI WKH %RDUG DQG &RXQFLO RI *RYHUQRUV

7KH SXEOLF DQG VWDII PHPEHUV RI WKH &RXQFLO DUH HOHFWHG
PHPEHUVKLS WR VHUYH IRU WKUHH \HDUV DW D WLPH
PRUH WKDQ QLQH \HDUV LQ WRWDO

,Q DGGLWLRQ VRPH RI WKH RUJDQLVDWLRQV ZH ZRUN PRVW FOS
$Q DSSRLQWHG JRYHUQRU WKDW EHFRPHV D *RYHUQRU DSSRLQWHG LQ OLQH ZL
JRYHUQRU

7KH UHSUHVHQWDWLYHV RI SXEOLF FRQVWLWXHQFLHV PXVW PDN
JRYHUQRUV RQ WKH &RXQFLO RI *RYHUQRUV

7KH &RXQFLO RI *RYHUQRUV KROG IRXU PHHWLQJV D \HDU LQ D
$*0 DQG D MRLQW PHHWLQJ ZLWK WKH 7UXVW %RDUG WR UHYL

7KH JRYHUQRUV FDQYDVV RSLQLRQV RI WKH PHPEHUV DQG SXEO
DQG DW WKH $*0

Elected Governors – Public Constituency

1DPH	&RQVWLWXH	(OHFWI 5H HOHFW	7HUP RI 2IILFH	$WWHQ IURP PHHWLQ
9DFDQW	6DOLVEXU\	1 $	1 $	1 $
/XFLQGD +U	6DOLVEXU\	0D\	7KUHH \HDUV	
-DQ 6DQGHU	6DOLVEXU\	0D\	7KUHH \HDUV	
6LU 5D\PRQG	6RXWK :LOW 5XUDO	0D\	7KUHH \HDUV	
'U $ODVWDLU	6RXWK :LOW 5XUDO	0D\	7KUHHHDUV	
-HQQLIHU /L	6RXWK :LOW 5XUDO	0D\	7KUHH \HDUV	
:LOOLDP +R	6RXWK :LOW 5XUDO	0D\	7KUHH \HDUV	
-DPHV 5REHU	6RXWK :LOW 5XUDO	6HSW	1LQH PRQWKV	
-RKQ 3DUNH	1RUWK 'RUV	0D\	7KUHH \HDUV	
&KULVWLQH	1RUWK 'RUV	0D\	7KUHH \HDUV	
-RKQ 0DQJDQ /HDG	1HZ)RUHVW	)HE	7KUHH \HDUV	
9DFDQW	.HQQHW	1 $	1 $	1 $
	:HVW :LOWV	1 $	1 $	1 $

Elected Governors -

G H F L V L R Q V W K D W D U H G H O H J D W H G W R W K H P D Q D J H P H Q W R I W K
Q R W O L P L W H G W R L Q V W U X F W L R Q V R Q E X G J H W D U \ F R Q W U R O F R

THE AUDIT COMMITTEE

	&RPPLWWHH 5	$WWHQGDQFH PHHWLQJV
3DXO .HPS	&KDLUPDQ	
0LFKDHO YDQ	1RQ([HFXWLYH 'LUHFWRU	
7DQLD %DNHU	1RQ([HFXWLYH 'LUHFWRU	
3DXO 0LOOHU	1RQ([HFXWLYH 'LUHFWRU	

The Work of the Audit Committee in Discharging its Responsibilities

7KH $XGLW &RPPLWWHH LV LQ SODFH WR SURYLGH WKH %RDUG Z
SURFHVVHV RYHUVHHQ E\ WKH %RDUG LWVHOI DQG E\ WKH)LQDQ
*RYHUQDQFH &RPPLWWHHV

7KH FRPPLWWHH LV VXSSRUWHG E\ WKH $SSRLQWHG $XGLWRU *
1RYHPEHU,Q 2FWREHU WKH &RXQFLO RI *RYHUQRUV DSSURYH
7KRUQWRQ DV WKH 7UXVW¶V ([WHUQDO $XGLWRU IRU WKH QH[W

'XULQJ WKH LQWHUQDO DXGLW VHUYLFH ZDV SURYLGHG E\ 3

7KH &RPPLWWHH KDV DQ DQQXDO ZRUN SURJUDPPH DV ZHOO DV
GXULQJ WKH \HDU ,W DOVR DJUHHV DQQXDO ZRUN SURJUDPPHV

7KH $XGLW &RPPLWWHH LV FKDUJHG ZLWK DVVLVWLQJ WKH %RDUG
UHVSRQVLELOH IR

- 0RQLWRULQJ WKH LQWHJULW\ RI WKH ILQDQFLDO VWDWHPHQ
  UHODWLQJ WR WKH 7UXVW¶V ILQDQFLDO SHUIRUPDQFH DQG
  MXGJHPHQWV FRQWDLQHG LQ WKHP
- $VVLVWLQJ WKH %RDUG LQ LWV RYHUVLJKW UHVSRQVLELOLWLHV D
  REMHFWLYH\ PRQLWRULQJ UHYLHZLQJ DQG UHSRUWLQJ WK
  SURFHVVHV IRU JRYHUQDQFH DVVXUDQFH DQG ULVN PDQDJ
  DQG VXSSRUWV WKURXJK LWV LQGHSHQGHQFH WKH DWWDLQ
- 5HYLHZV WKH HIIHFWLYHQHVV RI WKH 7UXVW¶V LQWHUQDO D
- x

		HDFK 1+6 IRXQGDWLR KDYH UHJLVWHUV RI JRYHUQRUV¶ DQG GLUHFWRUV¶ LQWHUHVWV ZKLFK DUH DYDLODEOH WR WKH $XEOLF DQ DOWHUQDWLYH GLVFORVXUH LV IRU WKH DQQXDO UHSRUW WR VLPSO\ VWDWH KRZ PHPEHUVWKH SXEOLF FDQ JDLQ DFFHVV WR WKH UHJLVWHUV LQVWHDG RI OLVWLQJ DOO WKH LQWHUHVWV LQ WKH DQQX UHSRUW 6HH DOVR $50 SDUDJUDSK DV GLUHFWRUV¶ UHSRUW UHTXLUHPHQW	

NHS OVERSIGHT FRAMEWORK

1+6 ,PSURQWHPW 1+6, 6LQJOH 2YHUVLJKW)UDPHZRUN SURYLGHV
SURYLGHUV DQG LGHQWLI\LQJ SRWHQWLDO VXSSRUW QHHGV
7KH IUDPHZRUN ORRNV DW ILYH WKHPHV

- 4XDOLW\ RI FDUH
-)LQDQFH DQG XVH RI UHVRXUFHV
- 2SHUDWLRQDO SHUIRUPDQFH
- 6WUDWHJLF FKDQJH
- /HDGHUVKLS DQG LPSURYHPHQW FDSDELOLW\ ZHOO

%DVHG RQ LQIRUPDWLRQ IURP WKHVH WKHPHV SURYLGHUV DUH
SURYLGHUV UHFHLYLQJ WKH PRVW VXSSRUW DQG µ ¶ UHIOHFWV
)RXQGDWLRQ 7UXVWV ZLOO RQO\ EH LQ VHJPHQWV RU ZKHUH L
VXVSHFWHG EUHDFKHV RI 7LWOH 9,, RI WKH 1+6 $FW UHQWO\ VHJPHQWHG DW D
HQIRUFHPHQW XQGHUWDNLQJV GXH WR WKH VXVSHFWHG EUHDFK
GHWHULRUDWLQJ ILQDQFLDO SRVLWLRQ

7KLV VHJPHQWDWLRQ LQIRUPDWLRQ LV WKH&7XUXVWV¶ VHJPHQWDWLRQ
LQIRUPDWLRQ IRU 1+6 7UXVWV DQG)RXQGDWLRQ 7UXVWV LV SXE

Finance and use of resources

7KH ILQDQFH DQG XVH RI UHVRXUFHV WKHPH LV EDVHG RQ WKH VF
ZKHUH µ ¶ UHIOHFWV WKH VWURQJHVW SHUIRUPDQFH 7KHVH VFF
VFRUH *LYHQ WKDW ILQDQFH DQG XVHLRIWUHVRXUFHVGLQJQQW
2YHUVLJKW)UDPHZRUN WKH VHJPHQWDWLRQ RI WKH 7UXVW GLV
RYHUDOO ILQDQFH VFRUH KHUH

Area	Metric	2019/2020 scores			
		Q4	Q3	Q2	Q1
Financial sustainability	Capital service capacity				
	Liquidity				
Financial efficiency	I&E margin				
Financial controls	Distance from financial plan				

Statement of the Accounting Officer’s Responsibilities

Statement of the Chief E xecutive's responsibilities , as the accounting officer of Salisbury NHS Foundation Trust

7 K H 1 + 6 $ F W V W D W X W H K D V L P S R V H G X S R Q W K H D F F R X Q W D Q W R I J U D Q W
7U X V W 7 K H U H O H Y D Q W U H V S R Q V L E L O L W L H V R I W K H D F F R X Q W L Q

ANNUAL GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

$V $FFRXQWLQJ 2IILFHU , KDYH UHVSRQVLELOLW\ IRU PDLQWDLQ
VXSSRUWV WKH DFKLHYHPHQW RI WKH 1+6 IRXQGDWLRQ WUXVW¶

DUUDQJHPHQWV 7KH 7UXVW¶V FDSDFLW\ WR KDQGOH ULVN ZDV &RPPLVVLRQ &4& ,QVSHFWLRQ ZKLFK UHSRUWHG RQ WKH 7UXVW¶V FDSDFLW\ V IRU LGHQWLI\LQJ ULVNV SODQQLQJ WR HOLPLQDWH RU UHGXFH XQH[SHFWHG´ 7KH &4& UDWHG WKH 7UXVW¶V RYHUDOO DSSURDFK WR ULVN PDQDJHPHQW DV FXOWXUH RI JRRG JRYHUQDQFH

7KH +HDG 5LVN 0DQDJHPHQW VXSSRUWV WKH ([HFXWLYH /HDG DQG VWDII DUH WUDLQHG DQG HTXLSSHG WR PDQDJH ULVN LQ D ZD\ D

- 7KH 7UXVW KDG D WUDQVIRUPDWLRQ SURJUDPPH ZLWK DVVR DQG PDQDJHPHQW SURYHPHQW SURFHVVHV
- 7KH HVWDEOLVKPHQW RI D KDUG WR UHFUXLW ZRUN VWUHDP VSHFLDOLWLHV ZKR DUH PRVW FKDOOHQJHG
- ,PSOHPHQWDWLRQ RI WKH ORQJHU WHUP GLJLWDO VWUDWHJ DQG FRQWURO LPSURYHPHQW SODQ
- 5REXVW FDSLWDO SULRULWLVDWLRQ SURFHVV WR HQVXUH U
- &RQWLQXDWLRQ RI SDLQHG DQG FDUH FDPSXV
- &RQWURO LQ SODFH IRU RYHUVLJKW DQG PRQLWRULQJ RI HYLGHQFHG ZLWK JRRG RXWFRPHV LQ \HDU

Major risks 2020/ 2021

$V ZH HQWHU WKH 7UXVW LV IRFXVVHG RQ HQDFWLQJ SO
D /È0 À H L

FDUH ZLOO IORXULVK 7KH 4XDOLW\ 5HSRUWV DSSUDLVH RQ XS WR ILYH GDQGHOLRQ GHVFULEH TXDOLW\ LPSURYHPHQWV DQG TXDOLW\ JRYHUQDQFH

7KH &KLHI ([HFXWLYH LV WKH $FFRXQWDEOH 2IILFHU IRU TXDOLW QXPEHU RI %RDUG REMHFWLYHV 7KH UHVSRQVLEOH RIILFHUV IR RQ FOLQLFDO HIIHFWLYHQHVV DQG WKH 'LUHFWRU RI 1XUVLQJ ZI H[SHULHQFH

7KH %RDUG DSSURYHG µ2XU 6WUDWHJ\ IRU ,PSURYHPHQW¶ DQG ,W LV UHFRJQLVHG WKDW 4, LV QRW D TXLFN IL[EXW D FRQ RYHU WLPH DQG LQYROYLQJ D FXOWXUDO VKLIW LQ ZD\V RI WKLQ RUJDQLVDWLRQ 'HOLYHU\ LV RYHUVHHQ E\ WKH 4, 6WHHULQJ *U

7KH 4, DUHDV RI IRFXV DQG ZRUN VWUHDPV FXUUHQWO\ XQGHUZ

- 'HYHORSPHQW RI DQ LQWHUQDO 6NLOO 6KDUH
- 'HYHORSPHQW RI D GUDJRQV GHQ LQLWLDWLYH
- 'HYHORSPHQW RI D ZDUG OHYHO DFFUHGLWDWLRQ SURJUDPP
- 5HFUXLWPHQW RI 4, FRDFKHV DQG DVVRFLDWHG WUDLQLQJ
- 'HYHORSPHQW RI 4, WUDLQLQJ ZRUNVKRSV
- ,QFOXVLRQ DW 7UXVW ZLGH LQGXFWLRQ
- 'HYHORSPHQW RI D ZHEVLWH
- 3XEOLFLW\ 0DUNHWLQJ

7KH 7UXVW KDV D UREXVW DSSURDFK WR WKH DVVHVVPHQW RI W SURJUDPPHV RQ WKH TXDOLW\ RI VHUYLFHV 7KH TXDOLW\ LPSDF VWUXFWXUHG ULVN DVVHVVPHQW XVLQJ D VWDQGDUG WHPSODW 7HDP VLJQ RII 7KLV LV WKHQ SUHVHQWHG DW WKH 4XDOLW\ 5HY 'LUHFWRU RI 1XUVLQJ PDNH WKH ILQDO DSSURYDO GHFLVLRQ 7K TXDOLW\ DQG WUDQJXODWLQJ LQIRUPDWLRQ SURYLGHG IUDPH VFKHPHV

'HOLYHU\ RI WKH 7UXVW¶V VWUDWHJLF REMHFWLYHV LV XQGHUS UHSRUW ZKLFK VHWV RXW WKH SURJUHVV PDGH DJDLQVW WKH SULRULWLHV VHOHFWHG IRU WKH SULRULWLHV PRQLWRUHG YLD &RPPLWWHH UHYLHZLQJ D VXLWH RI TXDOLW\ PHWULFV WKDW W LQGLFDWRUV

7KH ,QWHJUDWHG 3HUIRUPDQFH 5HSRUW ZKLFK FRPSULVHV RI G SHUIRUPDQFH ILQDQFH DQG ZRUNIRUFH KDV EHHQ UHFHLYHG E GHWDLO 7KURXJKWKHUH ZDV VLJQLILFDQW IRFXV RQ WKLV UHSR HIIHFWLYHQHVV RI UHSRUWLQJ YDULDQFHV LQ SHUIRUPDQFH DQ

'HGLFDWHG GDWD TXDOLW\ WHDPV SURGXFH GDWD TXDOLW\ ZLWKLQ F DSSURSULDWH WUDLQLQJ DQG JXLGDQFH WR VHUYLFH FROOHDJ UHJDUGLQJ GDWD TXDOLW\ LV SURYLGHG XVLQJ 686 GDVKERUG SHUIRUPDQFH LQGLFDWRUV DV UHSRUWHG LQ WKH DQQXDO 4XD DXGLWV FDUULHG RXW WKURXJKRXW WKH \HDU DQG WKHLU DQQXD DVVHVVPHQW UHYLHZ E\ LQWHUQDO DXGLW DQG H[WHUQDO DXGL

5LVNV WR GDWD TXDOLW\ DQG GDWD VHFXULW\ DUH FRQWLQXDO UHJLVWHU DQG VFRUHG DSSURSULDWHO\ 7KHVH DUH DOO PDQD DW WKH ,QIRUPDWLRQ 6WDQGDUGV *URXS DQG HVFDODWHG WR 7UXVW¶V)LQDQFH DQG 3HUIRUPDQFH &RPPLWWHH ZKHUH DSSUR

GHSDUWPHQWV ERWKROLQLQFDODDHGUHVRQVLEOH IRU SODQQLQ
DQG SXEOLF LQYROYHPHQW LQLWLDWLYHV ZKHUH DSSURSULDWH
SXEOLF HQJDJHPHQW UHSRUW ZKLFK LV UHSRUWHG WR 7UXVW %

:KHQ GHYHORSLQJ SODQV IRU VLJQLILFDQW VHUYLFH FKDQJHV V
PLJKW EHHIDFWWR HQVXUH WKH\ DUH FRQVXOWHG DQG KRZ WK
FRQVLGHUDWLRQ LQ GHYHORSLQJ SURSRVDOV IRU FKDQJH (TXD
SURFHVV 7KH 7UXVW ZRUNV FORVHO\ ZLWK SDWLHQWV DQG SXE
DQ\ FKDQJHV RQ SDWLHQWV LV PLQLPLVHG

7KH 7UXVW ZRUNV ZLWK WKH ORFDO +HDOWKZDWFK WR HQDEOH
RSSRUWXQLWLHV IRU WKH LQYROYHPHQW RI +HDOWKZDWFK LQ 7

7KH 7UXVW¶V &RXQFLOORJ H[WHUQDO TXDOLW\ DJHQGD WKURXJ
JURXSV DQG D QRPLQDWHG *RYHUQRU DWWHQGV WKH &OLQLFDO

7KH 7UXVW KDV DVVHVVHG FRPSOLDQFH ZLWK WKH 1+6 SURYLGH
HIIHFWLYH V\VWHPV DQG SURFHVVHV DUH LQ SODFH WR PDLQWD

- 7KH HIIHFWLYHQHVV RI JRYHUQDQFH VWUXFWXUHV
- 7KH UHVSRQVLELOLWLHV RI 'LUHFWRUV DQG VXEFRPPLWWHH
- 5HSRUWLQJ OLQHV DQG DFFRXQWDELOLWLHV EHWZHHQ WKH H[HFXWLYH
- 7KH VXEPLVVLRQ RI WLPHO\ DQG DFFXUDWH LQIRUPDWLRQ W WUXVW¶V DQQXDO
- 7KH GHJUHH DQG ULJRXU RI RYHUVLJKW WKH %RDUG KDV RY

7KHVH FRQGLWLRQV DUH GHWDLOHG ZLWKLQ WKH &RQVROLGDWHG DVVXUHG)LQDQFLDO 6WDWHPHQWV &RUSRUDWH *RYHUQDQFH DQG 3HUIRUPDQFH &RP UHYLHZHG WKH DVVHVVPHQW LQ GHWDLO DQG EURXJKW LWV ILQGLQJV RQ ULVNV KDG EHHQ LGHQWLILHG

,Q 2FWREH WKH 3HUIRUPDQFH :RUNIRUFH 6DIHW\ DQG 4XDOLW\ &RPPLWWHH H[LVWLQJ 1DWLRQDO 4XDOLW\ %RDUG 14% JXLGDQFH WKH IUD UHFRPPHQGDWLRQV WR HQVXUH WKDW WKH JRYHUQRUV VWUHQJWKHQ WKH GHOLYHU\ DFURVV DOO VWDII JURXSV DQG LQFOXGHV QHZ UHFRPPHQGDWLR UHSRUWLQJ IURP ZDUG WR ERDUG

5REXVW JRYHUQDQFH DUUDQJHPHQWV DUH ZHOO HVWDEOLVKHG LX UHVSRQVLEOH VHUYLFHV 7UXVW DQG VWDII JURXS

7KH IRXQGDWLRQ WUXVW KDV SXEOLVKHG LWV UHVXOWV DQG KRSLWDOLW\ GHILQHG E\ WKH WUXVW ZLWK ZLWKLQ WKH SDVW WZHOYH PRQWKV DV UHTXLUHG E\ WKH 6HFRQG 0DQDJXLGDQFH

$V DQ HPSOR\HU ZLWK VWDII HQWLWOHG WR PHPEHUVKLS RI WKH DUH LQ SODFH WR HQVXUH DOO HPSOR\HU REOLJDWLRQV FRQWD FRPSOLHG ZLWK 7KLV LQFOXGHV HQVXULQJ WKDW GHGXFWLRQV SD\PHQWV LQWR WKH 6FKHPH DUH LQ DFFRUGDQFH ZLWK WKH 6 6FKHPH UHFRUGV DUH DFFXUDWHO\ XSGDWHG LQ DFFRUGDQFH Z 5HJXODWLRQV

&RQWURO PHDVXUHV LQ SODFH WR HQVXUH WKDW DOO WKH RUJDQLVD GLYHUVLW\ DQG KXPDQ ULJKWV OHJLVODWLRQ DUH FRPSOLHG ZL

7KH IRXQGDWLRQ WUXVW KDV XQGHUWDNHQ ULVN DVVHVVPHQWV PDQDJHPHQW SODQ LQ SODFH ZKLFK WDNHV DFFRXQW RI 8. &OL WUXVW HQVXUHV WKDW LWV REOLJDWLRQV XQGHU WKH &OLPDWH UHTXLUHPHQWV DUH FRPSOLHG ZLWK

,Q WKH LPPHGLDWH &29,' 6KRUW 7HUP HQDFWHG LWV HPHUJHQF\ UH SODQV DQG SURWRFROV WKHVH ZLOO UHPDLQ LQ SODFH DV ORQ HQHQ LRQL 0WKHPpDLQ DLQD@@ p`UHV UU 7UXVW

SURDFWLYHO\ PDQDJLQJ DOO LWV UHVRXUFHV WKURXJK FOHDU
XQGHUSLQQHG E\ WKH 7UXVWV YDOXHV DQG EHKDYLRXUV WKURX

7KH 'HSXW\ &KLHI ([HFXWLYH 2IILFHU &(2 0HGLFDO 'LUHFWRU
7UXVWI 0PRDFWLYHO\ PDQD@€` W@€ VHFXULW\ DQG FRXIL p€ pLD

ZH XVH IRU 7UXVW UHSRUWLQJ 7KH DVVXUDQFH VFRULQJ KDV D
IRU NH\ 7UXVW FRPPLWWHH UHSRUWV DQG WKHVH DUH EHLQJ H[
LQGLFDWRUV $Q LPSOHPHQWDWLRQ SODQ WR VXSSRUW W
LPSURYHPHQW DQG RZQHP`WL5VÇ€ÀP

SDWLHQWV VHUYLFH XVHUV DQG VWDII DQG VWDNHKROGHUV FD
GHOLYHUHG DQG WKH HIIHFWLYH HFRQRPLF DQG HIILFLHQW XVH

2YHUDOO WKHUH LV LQ SODFH D G\QDPLF SURFHVV IRU WKH PDQ
UHYLHZHG DQG XSGDWHG UHJXODUO\ E\ WKH ([HFXWLYH 7HDP DQ
SODFH LQ WKH 7UXVW WR KHOS PH PHHW P\ UHVSRQVLELOLWLHV
KDV IDFHG WRJHWKHU ZLWK WKH DFWLRQV WDNHQ WR DGGUHVV
DQQXDO JRYHUQDQFH VWDWHPHQW 7KHUH ZHUH QR VLJQLILFDQ

Cara Charles -Barks
Chief Executive (Accounting Officer) Date: 22 June 2020

SALISBURY NHS FOUNDATION TRUST

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR TO 31 MARCH 2020

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67$7(0(17 2)),1$1&,$/ 326,7,21

&2162/,'$7(' 67$7(0(17 2) &+$1*(6 ,1 7$;3$<(

&2162/,'$7(' 67$7(0(17 2) &$6+)/2:6

127(6 72 7+($&&28176

FOREWORD TO THE ACCOUNTS

These consolidated accounts for the year ended 31 March 2020 have been prepared by Salisbury NHS Foundation Trust in accordance with paragraphs 24 and 25 of Schedule 7 to the National Health Service Act 2006.

Signed:

Cara Charles-Barks - Chief Executive

Date: 22 June 2020

: H LGHQWLI\ LQGLYLGXDOV WKURXJKRXW WKH 7UXVW¶V
IRU VHFXULQJ HIIHFWLYHQHVV LQ
UHVRXUFHV VHH 5HSRUW RQ RWKHU OHJDO DQG
VHFWLRQ

Key Audit Matter –Trust	How the matter was addressed in the audit – Trust
&KDUWHUHG 6XUYH\RUV 5,&6 W YDOXH RI LWV ODQG DQG EXLOGLQJV ZDV DV DW 0DUFK 7KH HIIHFW RI WKH &RYLG SDQGHPLF ZLOO DIIHFW FDUULHG RXW E\ WKH 7UXVW¶V YDOXHUV LQ SHUIRUPLQJ SURSHUWLHV FROOHFWLQJ HYLGHQWLDO GDWD VXFK DV YDOXHUV RI FRPSDUDEOH DVVHWV :H WKHUHIRUH LGHQWLILHG YDOXDWLRQ RI LQYHVWPHQW SURSHUWLHV DQG EXLOGLQJV DV D NH\ DXGLW PDWWHU VLJQLILFDQW ULVN ZKLFK ZDV RQH RI WKH PRVW VLJQLILFDQW DVVHVVHG ULVNV RI PDWHULDO PLVVWDWHPHQW	DVVHW UHJLVWHU 7KH 7UXVW¶V DFFRXQWLQJ SROLFLHV RI SURSHUW\ LQFOXGLQJ ODQG DQG EXLOGL WR WKH ILQDQFLDO VWDWHPHQWV DQG DV RI $V GLVFORVHG LQ QRWH WR WKH ILQD SURYLGH GLIILFXOW DQG DFFHVV WR RXW EUHDN RK &RYLG XHG XOF LQW DLQW PDUNHW $V D EDVXOW WKH 7UXVW¶V YD µPDWHULDO YDOXDWLRQ XQFHUWDLQW\¶ L ZKLFK DV DQ UHVXOW RI WKH ZL GDWHPHQW RI WKH YDOXHV LQ WK RU WKH PDWHULDOLW\ RI WKH 7UXVW¶V YDOXHV LQ WK 7KH 7UXVW KDV GLVFORVHG WKH HVWLPDW UHODWHG WR WKH YDOXDWLRQV RI ODQG DQ LQ QRWH WR WKH ILQDQFLDO VWDWHPHQWV HQJDJH DQ H[WHUQDO YDOXHU WR UHYDO DQG GZHOOLQJ DVVHWV DW WKH HQG RI W \HDU 7KH 7UXVW¶V YDOXHU SUHSDUHG WKHLU Y DFFRUGDQFH ZLWK WKH 5RD\DO ,QVWLWXWLRQ XVLQJ WKH LQIRUPDWLRQ WKDW ZDV DYDL YDOXDWLRQ GDWH LQ GHULYLQJ WKHLU H Key observations :H REWDLQHG VXIILFLHQW DXGLW DVVXUD ‡ WKH EDVLV RI WKH YDOXDWLRQ RI EXLOGLQJV ZDV DSSURSULDWH DQG ‡ WKH DVVXPSWLRQV DQG SURFHVVHV PDQDJHPHQW LQ GHWHUPLQLQJ WKH YDOXDWLRQ RI SURSHUW\ ZHUH UHD ‡ WKH YDOXDWLRQ RI ODQG DQG EXLO LQ WKH ILQDQFLDO VWDWHPHQWV L

Risk 2 Revenue recognition

7UXVWV DUH IDP @PDVLQILFW'UDO SU H0 VHUH WRe Å •U # p`L•PÀQ EqDHQW ••UV

V`L "9SURSHU€0UDVÀQLWLP ` p •X P HW

Key Audit Matter –Trust

How the matter was addressed in the audit – Trust

Key observations

:H REWDLQHG VXIILFLHQW DXGLW HYLGHQ

‡ WKH 7UXVW¶V DFFRXQWLQJ SROLFL
RI SDWLHQW FDUH DQG RWKHU RSH
FRPSO\ ZLWK WUHDWHG&XQWLQJ
0DQXDO r04DQ49C6D5A>17E04CQ35r04R6>4<O

,Q FRQQHFWLRQ ZLWK RXU DXGLW RI WKH ILQDQFLDO VWDWHPHQWV DQG LQ GRLQJ VR FRQVLGHU ZKHWKHU WKH RWKHU LQIRUPDWLRQ VWDWHPHQWV RU RXU NQRZOHGJH REWDLQHG GXULQJ WKH DXGLW KDYH EHHQ PDWHULDOO\ PLVVWDWHG ZKHWKHU WKHUH LV D PDWHULDO LQFRQVLVWHQF\ RU DSSDUHQW PDWHULDO PLVVWDWHPHQW RI WKH RWKHU LQIRUPDWLRQ ,I EDVHG RQ WKH ZRUN ZH KDYH SHUIRUPHG PLVVWDWHPHQW RI WKH RWKHU LQIRUPDWLRQ ZH DUH UHTXLUHG WR UHSRUW W

$V GHVFULEHG LQ WKH EDVLV IRU TXDOLILHG RSLQLRQ VHFWLRQ R DSSURSULDWH DXGLW HYLGHQFH ZH REWDLQHG IURP RXU DXGLW SURFHGXUHV DQG DVVHVVHG WKH DPRXQWV DQG GLVFORVXUHV LQ WKH ILQDQFLDO VWDWHPHQWV RI)LQDQFLDO LQVWLWXWLRQV DQG VSHFLDOLVHG DXGLW SURFHGXUHV

Matters on which we are required to report by exception

8QGHU WKH &RGH RI$XGLW3UDFWLFH WR UHSRUW WR \RX LI

- ZHL VVXHDSRUW LQ WKH SXEOLF LQWHUHVW XQGHU 6FKHGXOH LQ WKH FRXUVH RI RU DW WKH FRQFOXVLRQ RI WKH DXGLW
- ZH UHIHU D PDWWHU WR WKH UHJXODWRU XQGHU 6FKHGXOH EHFDXVH ZHKDYRQ WR EHOLHYH WKDW WKH 7UXVWL EDXGLWRU PDNH RIDKGH D GHFLVLRQVZKLFKXQGYLRODYHO WKH LQFXUULQJ XQODZIXOD EURXW WR WDNH D FRXUVH RI DFWLRQ ZKLFK FRQVLRQ ZRXOG EH XQODZIXO DQG OLNHO\ WR FDXVH D ORVV R

:H KDYH QRWKLQJ WR UHSRUW LQ UHVSHFW RI WKH DERYH PDWWHU

Responsibilities of the Accounting Officer and Those Charged with Governance for the financial statements

$V H[SODLQHGLQRWKHI6WDWHPHQWRI&KLHI([HFXWLYH¶V UHVSRQVLELOLW RIIILFHU VHW RXWWKRQ&KLHI([HFXWLYH DV $FFRXQWLQJ 2IILFHU LV UHVS RI WKH ILQDQFLDO VWDWHPHQWV LQ WKH IRUP DQG RQ WKH EDVLV 1+6 IRXQGDWLRQ WUXVW DQQXDOIRUHSERHUWLQVWUXFWLRQ WKDW WKH YLHZ DQG IRU VXFK LQWHUQDO FRQWURO DV WKH $FFRXQWLQJ 2II SUHSDUDWLRQ RI ILQDQFLDO VWDWHPHQWV WKDW DUH IUHH IURP P HUURU

,Q SUHSDULQJ WKH ILQDQFLDO VWDWHPHQWV WKH $FFRXQWLQJ 2I DQG WKH7UXVW fV 0 0 0 the

STATEMENT OF COMPREHENSIVE INCOME
For The Year Ended 31 March 2020

		Group		Trust	
					Restated
		2019/20	2018/19	2019/20	2018/19
	Note	£000	£000	£000	£000
Revenue from patient care activities	3	222,621	210,675	222,621	210,675
Other operating revenue	5	38,106	37,335	24,918	25,098
Operating expenses	7	(263,885)	(243,848)	(252,570)	(234,236)
OPERATING SURPLUS/ (DEFICIT)		(3,158)	4,162	(5,031)	1,537
FINANCE COSTS					
Finance income	12	454	346	265	198
Finance expense	13	(2,592)	(2,512)	(2,592)	(2,512)
PDC Dividends payable		(3,037)	(3,480)	(3,037)	(3,480)
NET FINANCE COSTS		(5,175)	(5,646)	(5,364)	(5,794)
Losses on disposal of assets	17	(72)	(11)	(72)	(11)
Share of profit/ (loss) of associates/ joint ventures	34	(15)	(147)	(15)	(147)
Movement in fair value of investment property	22	-	-	-	-
Movement in fair value of other investments	18	(986)	282	-	-
RETAINED DEFICIT FOR THE YEAR		(9,406)	(1,360)	(10,482)	(4,415)
OTHER COMPREHENSIVE INCOME:					
Items that will not be reclassified to income and expenditure					
Revaluations	17	(441)	4,706	(444)	4,659
Items that may be reclassified to income and expenditure					
Fair Value gains/ (losses) on Available-for-sale financial investments	18	-	-	-	-
TOTAL COMPREHENSIVE INCOME/(EXPENSE) FOR THE YEAR		(9,847)	3,346	(10,926)	244
NOTE: ALLOCATION OF PROFIT/(LOSSES) FOR THE YEAR					
(a) Surplus/(Deficit) for the period attributable to:					
(i) Minority interest, and		8	7	-	-
(ii) Owners of Salisbury NHS Foundation Trust		(9,414)	(1,367)	(10,482)	(4,415)
TOTAL		(9,406)	(1,360)	(10,482)	(4,415)
(b) Total comprehensive income/ (expense) for the year attributable to:					
(i) Minority interest, and		8	7	-	-
(ii) Owners of Salisbury NHS Foundation Trust		(9,855)	3,339	(10,926)	244
TOTAL		(9,847)	3,346	(10,926)	244

The notes on pages 5 to 49 form an integral part of these financial statements.
All revenue and expenditure is derived from continuing operations.

	Note	31 March 2020 £000	Restated 31 March 2019 £000	Restated 1 April 2018 £000	31 March 2020 £000	Restated 31 March 2019 £000	Restated 1 April 2018 £000
NON-CURRENT ASSETS							
Intangible assets	16	8,828	8,390	9,899	8,828	8,390	9,899
Property, plant and equipment	17	140,083	142,250	136,417	137,635	139,579	133,647
Investments in subsidiaries	33	-	-	-	5	5	5
Investments in joint ventures	34	88	103	250	88	103	250
Investments	18	6,319	7,059	6,779	-	-	-
Other financial assets	19	2,299	2,204	2,123	4,982	3,340	3,721
Receivables	21	649	-	-	649	-	-
Total non-curre nt assets		158,266	160,006	155,468	152,187	151,417	147,522
CURRENT ASSETS							
Inventories	20	7,514	6,770	6,214	5,892	4,840	4,807
Receivables	21	15,575	23,555	14,726	13,894	22,761	14,063
Investments	18	133	201	44	-	-	-
Other financial assets	19	-	-	-	-	962	462
Non-current assets held for sale	22	-	-	570	-	-	570
Cash and cash equivalents	23	16,145	12,516	10,370	9,087	7,476	7,780
Total current assets		39,367	43,042	31,924	28,873	36,039	27,682
Total assets		197,633	203,048	187,392	181,060	187,456	175,204
CURRENT LIABILITIES							
Trade and other payables	24	(29,191)	(24,929)	(24,457)	(27,799)	(23,439)	(23,269)
Borrowings	25	(22,784)	(1,695)	(1,164)	(22,784)	(1,695)	(1,164)
Provisions	26	(198)	(713)	(292)	(198)	(713)	(292)
TOTAL CURRENT LIABILITIES		(52,173)	(27,337)	(25,913)	(50,781)	(25,847)	(24,725)
TOTAL ASSETS LESS CURRENT LIABILITIES		145,460	175,711	161,479	130,279	161,609	150,479
NON-CURRENT LIABILITIES							
Borrowings	25	(20,271)	(42,897)	(33,306)	(20,271)	(42,897)	(33,306)
Provisions	26	(1,144)	(275)	(320)	(1,144)	(275)	(320)
TOTAL NON CURRENT LIABILITIES		(21,415)	(43,172)	(33,626)	(21,415)	(43,172)	(33,626)
TOTAL ASSETS EMPLOYED		124,045	132,539	127,853	108,864	118,437	116,853
FINANCED BY:							
TAXPAYERS' EQUIT Y							
Minority Interest		50	42	35	-	-	-
Public dividend capital	35	58,650	57,297	55,957	58,650	57,297	55,957
Revaluation reserve							

	Public dividend capital (PDC)	Restated Income and expenditure reserve	Restated Revaluation reserve	Minority interest	Restated NHS Charitable Funds reserve	Total taxpayers' equity
	£000	£000	£000	£000	£000	£000
Balance at 1 April 2018 as previously stated	55,957	2,968	54,827	35	14,066	127,853
Prior year adjustment	-	1,562	2,341	-	(3,903)	-
Taxpayers' and Others' Equity at 1 April 2018	55,957	4,530	57,168	35	10,163	127,853
Changes in taxpayers' equity for 2018/19						
5HWDLQHG VXUSOXV GHILFLW IRU WKH \HDU						(1,360)
2WKHU UHFRJQLVHG JDLQV DQG ORVVHV						-
1HW JDLQ ORVV RQ UHYDOXDWLRQ RI SURSHUW\ SODQW DQG HTXLSPHQW						4,659
7UDQVIHUV EHWZHHQ UHVHUYHV						-
5HYDOXDWLRQV DQG LPSDLUPHQWV FKDULWDEOH IXQG DVVHWV						47
)DLU 9DOXH JDLQV ORVVHV RQ $YDLODEOH IRU VDOH ILQDQFLDO LQYHVWPHQWV						-
2WKHU UHVHUYH PRYHPHQWV						-
3XEOLF GLYLGHQG FDSLWDO UHFHLYHG LQ \HÐU	-		-		-	1,340
Balance at 31 March 201						

	Note	2020 £000	2019 £000	2020 £000	2019 £000
CASH FLOWS FROM OPERATING ACTIVITIES					
Total operating surplus/ (deficit)		(3,158)	4,162	(5,031)	1,537
NON-CASH INCOME AND EXPENSE					
Depreciation and amortisation charge	7	11,204			

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

NHS Improvement, in exercising the statutory functions conferred on Monitor, has directed that the financial statements of the Trust shall meet the accounting requirements of the Department of Health and Social Care Group Accounting Manual (GAM), which shall be agreed with HM Treasury. Consequently, the following financial statements have been prepared in accordance with the GAM 2019/20 issued by the Department of Health and Social Care. The accounting policies contained in the GAM follow International Financial Reporting Standards to the extent that they are meaningful and appropriate to the NHS, as determined by HM Treasury, which is advised by the Financial Reporting Advisory Board. Where the GAM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Trust for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. These have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accountin g convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets, inventories and certain financial assets and financial liabilities.

1.2 Goin g concern

The NHS Foundation Trust Annual Reporting Manual 2019/20 states that financial statements should be prepared on a going concern basis unless management either intends to apply to the Secretary of State for the dissolution of the Trust without the transfer of the services to another entity, or has no realistic alternative but to do so.

It should be disclosed if there is a material uncertainty related to events or conditions that may cast significant doubt on the entity's 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.

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. The affected loans totalling £21.2m are classified as current liabilities within these financial statements. As the repayment of these loans will be funded through the issue of PDC, this does not present a going concern risk for the Trust.

The Trust submitted its draft plan to NHS I on 5/3/20, following approval by Trust Board. The draft plan sets out a deficit position of £15m for the year ending 31 March 2021. This does not include any central funding as the Trust was not able to sign up to its control total.

Plans for 2020/21 were not formally agreed with DHSC due to the advent of Covid-19. Nationally devised contracts are in place for the period to 31st July 2020 which provide assurance of sufficient income to meet all operating costs in the period. The Directors have a reasonable expectation that any shortfall in earned income over expenditure for the remainder of the year will be met in the form of revenue support from DHSC. Whilst historically such support has been in the form of loans, following the announcement that all existing loans will be repaid using the issue of Public Dividend Capital (PDC), the Trust expects to receive additional PDC in 2020/21 to meet the deficit, but this has yet to be formally approved.

After making enquiries and considering the matters described above, there are no plans to transfer the service elsewhere and the Directors have a reasonable expectation that the Trust will secure adequate resources to continue in operational existence for the foreseeable future. Based on this assessment the Directors believe that it remains appropriate to prepare the accounts on a going concern basis. However, the matters referred to above represent a material uncertainty that may cast significant doubt on the Trust’s ability to continue as a going concern and, therefore, to continue realising its assets and discharging its liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Critical accounting estimates and judgements

International accounting standard IAS1 requires estimates, assumptions and judgements to be continually evaluated and to be based on historical experience and other factors including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The purpose of evaluation is to consider whether there may be a significant risk of causing material adjustment to the carrying value of assets and liabilities within the next financial year, compared to the carrying value in these accounts. The following significant assumptions and areas of estimation and judgement have been considered in preparing these financial statements.

The value of land, buildings and dwellings is £113.0 million (2019: £115.8m): This is the most significant estimate in the accounts and is based on the professional judgements of the Trust and Charity's independent valuers with extensive knowledge of the physical estate and market factors. The value does not take into account potential future changes in market value which cannot be predicted with any certainty.

Depreciation of buildings and dwellings is based on the estimated economic lives of those assets as determined by professional valuers. Depreciation of all other property, plant and equipment together with the amortisation of intangibles assets is based on the Trust's judgement of the remaining useful economic lives of the assets. The lives used for amortisation and depreciation purposes are disclosed in note 1.8 and 1.9 respectively.

1.4 Basis of Consolidation

1.4.1 NHS Charitable Fund

The Trust is the Corporate Trustee to Salisbury District Hospital Charitable Fund. The Trust has assessed its relationship to the charitable fund and determined it to be a subsidiary because the Trust is exposed to, or has rights to, variable returns and other benefits for itself, patients and staff from its involvement with the charitable fund and has the ability to affect those returns and other benefits through its power over the fund.

The consolidation is for reporting purposes only and does not affect the charity's legal and regulatory independence and day to day operations.

The charitable fund’s statutory accounts are prepared to 31 March in accordance with the UK Charities Statement of Recommended Practice (SORP) which is based on UK Financial Reporting Standard (FRS) 102. On consolidation, necessary adjustments are made to the charity’s assets, liabilities and transactions to:

- recognise and measure them in accordance with the Trust's accounting policies; and
- eliminate intra-group transactions, balances, gains and losses.

Charitable donations and assets are maintained and administered separately and distinctly from those of the Trust by Charitable Trustees. By virtue of the fact that the patients and staff of Salisbury District Hospital are the beneficiaries of the charity's fundraising activities HM Treasury has mandated that the Trust must consolidate the charity's financial data to comply with International Financial Reporting Standards.

The key accounting policies of the charitable funds are included below in the relevant sections to which they relate.

1.4.2 Subsidiaries

Subsidiary entities are those over which the Trust is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The income, expenses, assets, liabilities, equity and reserves of subsidiaries are consolidated in full into the appropriate financial statement lines. The capital and reserves attributable to minority interests are included as a separate item in the Statement of Financial Position.

The amounts consolidated are drawn from the published financial statements of the subsidiaries for the previous year together with draft figures for the current year.

Where subsidiaries’ accounting policies are not aligned with those of the Trust (including where they report under UK FRS 102) then amounts are adjusted during consolidation where the differences are material. Inter-entity balances, transactions and gains/losses are eliminated in full on consolidation.

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Basis of Consolidation (continued)

Unless otherwise stated the notes to the accounts refer to the Group and not the Trust. Where the Trust's balances are materially different, these are stated separately.

1.4.3 Associates

Associate entities are those over which the Trust has the power to exercise a significant influence. Associate entities are recognised in the Trust's financial statement using the equity method. The investment is initially recognised at cost. It is increased or decreased subsequently to reflect the Trust's share of the entity's profit or loss or other gains and losses (e.g. revaluation gains on the entity's property, plant and equipment) following acquisition. It is also reduced when any distribution, e.g., share dividends are received by the Trust from the associate.

1.4.4 Joint ventures

Joint ventures are arrangements in which the Trust has joint control with one or more other parties, and where it has the rights to the net assets of the arrangement.

Joint ventures are accounted for using the equity method.

1.5 Income Recognition

1.5.1 Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. The GAM expands the definition of a contract to include legislation and regulations which enables an entity to receive cash or another financial asset that is not classified as a tax by the Office of National Statistics (ONS).

Revenue in respect of goods/services provided is recognised when (or as) performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the year end, the Trust accrues income relating to performance obligations satisfied in that year. Where the Trust's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised.

Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period,
Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. A performance obligation relating to delivery of a spell of health care is generally satisfied over time as healthcare is received and consumed simultaneously by the customer as the Trust performs it. The customer in such a contract is the commissioner, but the customer benefits as services are provided to their patient. Even where a contract could be broken down into separate performance obligations, healthcare generally aligns with paragraph 22(b) of the Standard entaecong a delivery of a series of goods or services that are substantially the same and have a similar pattern of transfer. At the year end, the Trust accrues income relating to activoee delivered in that year, where a patient care spell is incomplete. This accrual is disclosed as a contract receivable as entitlement to payment for work completed is usually only dependent on the passage of time.

Revenue is recognised to the extent that collection of consideration is probable. Where contract challenges from commissioners are expected to be upheld, the Trust reflects this in the transaction price and derecognises the relevant

1. ACCOUNTING POLICIES (CONTINUED)

1.5 Income Reco gnition (continued)

Apprenticeship service incom e
The value of the benefit received when accessing funds from the Government's apprenticeship service is recognised as income at the point of receipt of the training service. Where these funds are paid directly to an accredited training provider from the Trust's Digital Apprenticeship Service (DAS) account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit

Income received by the Charit y
Charitable incoming resources are recognised once the charity has entitlement to the resources, it is certain that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Legacy income is accounted for within the charity as incoming resources, either upon receipt, or where the receipt of the legacy is probable; this will be once confirmation has been received from the representatives of the estate(s) that payment of the legacy will be made, or property transferred, and once all conditions attached to the legacy have been fulfilled.

1.6 Expenditure on employee benefits

1.6.1 Short-term employee benefits

1. ACCOUNTING POLICIES (CONTINUED)

1.7 Expenditure on 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.

1.8 Intangible assets

1.8.1 Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Trust'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 Trust and where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Internally generated intangible assets

Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised when it meets the requirements set out in IAS 38.

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.

1.8.2 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 (DRC) and the value in use where the asset is income generating. The Trust uses historic cost less depreciation as an approximation of DRC. 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.

Amortisation

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

Useful lives of intangible assets

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES (CONTINUED)

1.9 Property, plant and equipment

1.9.1 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 will be supplied to, the Trust;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- 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 a cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or
- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

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.

1.9.2 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.

Assets are measured subsequently at valuation. Assets which are held for their service potential and are in use (i.e. operational assets used to deliver either front line services or back office functions) are measured at their current value in existing use. Assets that were most recently held for their service potential but are surplus with no plan to bring them back into use are measured 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.

Revaluations of property, plant and equipment are performed with sufficient regularity to ensure that carrying values are not materially different from those that would be determined at the end of the reporting period. Current values in existing use are determined as follows:

- Land and non-specialised buildings – market value for existing use.
- Specialised buildings – depreciated replacement cost on a modern equivalent asset basis.

For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost (DRC) on a modern equivalent asset (MEA) basis. An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and location requirements of the services being provided.

Valuation guidance issued by the Royal Institute of Chartered Surveyors states that valuations are performed net of VAT where the VAT is recoverable by the entity. This basis has been applied to the trust's Private Finance Initiative (PFI) scheme where the construction is completed by a special purpose vehicle and the costs have recoverable VAT for the trust.

1. ACCOUNTING POLICIES (CONTINUED)

1.9

The valuation exercise was carried out in March 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 (‘Red Book’), the valuer has declared a ‘material valuation uncertainty’ in the valuation report. This is on the basis of uncertainties in markets caused by COVID-19. The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Trust.

Extract from valuers report:

7KH RXWEUHDN RI WKH 1RYHO &RURQDYLUXV &29,' GHFODUHG E\ WKH 3DQGHPLF´ RQ WKH WK 0DUFK KDV LPSDFWHG JOREDO ILQDQFLDO PDUNH E\ PDQ\ FRXQWULHV 0DUNHW DFWLYLW\ LV EHLQJ LPSDFWHG LQ PDQ\ VHFWR FDQ DWWDFK OHVV ZHLJKW WR SUHYLRXV PDUNHW HYLGHQFH IRU FRPSDULVR FXUUHQW UHVSRQVH WR &29,' PHDQV WKDW ZH DUH IDFHG ZLWK DQ XQSUHF D MXGJHPHQW 2XU YDOXDWLRQ LV WKHUHIRUH UHSRUWHG DV EHLQJ VXEMHF DQG 93*$ RI WKH 5,&6 9DOXDWLRQ ± *OREDO 6WDQGDUGV &RQVHTXHQWO FDXWLRQ ± VKRXOG EH DWWDFKHG WR RXU YDOXDWLRQ WKDQ ZRXOG QRUPDO &29,' PLJKW KDYH RQ WKH UHDO HVWDWH PDUNHW ZH UHFRPPHQG WKDW

1. ACCOUNTING POLICIES (CONTINUED)

1.9

Revaluation gains and losses

Revaluation gains are recognised in the revaluation reserve, except where, and to the extent that, they reverse a revaluation decrease that has previously been recognised in operating expenses, in which case they are recognised in

1. ACCOUNTING POLICIES (CONTIN1. A [(1.)-b)

1. ACCOUNTING POLICIES (CONTINUED)

1.10 Investments

Investments in subsidiary undertakings, associates and joint ventures are treated as fixed asset investments and stated at cost.

Deposits and other investments that are readily convertible into known amounts of cash at or close to their carrying amounts are treated as liquid resources in the cash flow statement.

Investments in quoted stocks, shares, gilts and alternative investments are included in the Statement of Financial Position at mid-market price, ex-dividend.

All gains and losses are taken to the Statement of Comprehensive Income as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (or purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or value at purchase date if later).

1.11 Borrowin g costs

Borrowing costs are recognised as expenses as they are incurred.

1.12 Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of inventories is measured on the First In, First Out (FIFO) method. Work-in-progress comprises goods in intermediate stages of production. The Laundry stock value is based on the original cost less an adjustment to reflect usage, over a three year life (except for Towels and Scrub Suits which have a two year life), in determining an approximation of net realisable value.

1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1. ACCOUNTING POLICIES (CONTINUED)

1.14.3 Financial assets and financial liabilities at amortised cost

Financial assets and financial liabilities at amortised cost are those held with the objective of collecting contractual cash flows and where cash flows are solely payments of principal and interest. This includes cash equivalents, contract and other receivables, trade and other payables, rights and obligations under lease arrangements and loans receivable and payable.

After initial recognition, these financial assets and financial liabilities are measured at amortised cost using the effective interest method less any impairment (for financial assets). The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial asset or financial liability to the gross carrying amount of a financial asset or to the amortised cost of a financial liability.

Interest revenue or expense is calculated by applying the effective interest rate to the gross carrying amount of a financial asset or amortised cost of a financial liability and recognised in the Statement of Comprehensive Income and a financing income or expense. In the case of loans held from the Department of Health and Social Care, the effective interest rate is the nominal rate of interest charged on the loan.

Financial assets and financial liabilities at fair value through income and expenditure

Financial assets measured at fair value through profit or loss are those that are not otherwise measured at amortised cost or at fair value through other comprehensive income. This category also includes financial assets and liabilities acquired principally for the purpose of selling in the short term (held for trading) and derivatives. Derivatives which are embedded in other contracts, but which are separable from the host contract are measured within this category.

1. ACCOUNTING POLICIES (CONTINUED)

1.15 Leases

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases.

1.15.1 The Trust as lessee

Finance leases

1. ACCOUNTING POLICIES (CONTINUED)

1.16 Provisions (Continued)

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using HM Treasury's discount rates effective for 31 March 2020:

HM Treasury provides discount rates for general provisions on a nominal rate basis. Expected future cash flows are therefore adjusted for the impact of inflation before discounting using nominal rates. The following inflation rates are set by HM Treasury, effective 31 March 2020:

Early retirement provisions and injury benefit provisions both use the HM Treasury's pension discount rate of minus 0.5% in real terms.

Clinical negligence costs

NHS Resolution operates a risk pooling scheme under which the Trust pays an annual contribution to NHS Resolution, which, in return, settles all clinical negligence claims. Although NHS Resolution is administratively responsible for all clinical negligence cases, the legal liability remains with the Trust. The total value of clinical negligence provisions carried by NHS Resolution on behalf of the Trust is disclosed at note 26 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

1. ACCOUNTING POLICIES (CONTINUED)

1.18 Public dividend capital (continued)

A charge, reflecting the cost of capital utilised by the Trust, is payable as public dividend capital dividend. The charge is calculated at the rate set by HM Treasury (currently 3.5%) on the average relevant net assets of the Trust during the financial year. Relevant net assets are calculated as the value of all assets less the value of all liabilities, except for

(i) donated assets (including lottery funded assets);
(ii) assets purchased in response to COVID 19;
(iii) average daily cash balances held with the Government Banking Service (GBS) and National Loans Fund (NLF) deposits, excluding cash balances held in GBS accounts that relate to a short-term working capital facility; and
(iv) any PDC dividend balance receivable or payable.

In accordance with the requirements laid down by the Department of Health and Social Care (as the issuer of PDC), the dividend for the year is calculated on the actual average relevant net assets as set out in the “pre-audit” version of the annual accounts. The dividend calculated is not revised should any adjustment to net assets occur as a result the audit of the annual accounts.

1.19 Value Added Ta x

Most of the activities of the Trust are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.20 Corporation Ta x

1. ACCOUNTING POLICIES (CONTINUED)

1.26

1.27 Prior Year Adjustment

2. Segmental Analysis

Group and Trust

The business activities of the Group can be summarised as that of 'healthcare'. The Trust's activities comprise five key operating areas where costs are closely monitored during the year. The chief operating decision maker for Salisbury NHS Foundation Trust is the Trust Board. Key decisions are agreed at monthly Board meetings and sub-

3 Revenue From Patient Care Activities

3.1 Revenue by Type

	2020 £000	2019 £000
Elective revenue	34,065	34,676
Non-elective revenue	69,791	56,688
Outpatient revenue	31,827	31,018
A & E revenue	8,732	6,813
High cost drugs income from commissioners	18,515	15,365
Other types of activity revenue	42,230	54,512
Total revenue at full tariff	205,160	199,072
Private patient revenue	2,118	2,390
Agenda for Change pay award central funding from DHSC	-	2,571
Additional pension contribution centrally funded	6,436	-
Other clinical income	8,907	6,642
Total income from patient care activities	222,621	210,675

3.2 Revenue by Source

	2020 £000	2019 £000
NHS England	49,762	42,952
Clinical commissioning groups	160,927	152,636
Department of Health and Social Care	19	2,586
Other 0 Td2,6		

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7. Operating Expenses

Operating expenses comprise:

				Restated
	2020	2019	2020	2019
	£000	£000	£000	£000
Purchase of healthcare from NHS and DHSC bodies	3,684	3,510	3,684	3,510
Purchase of healthcare from non-NHS and non-DHSC bodies	3,493	1,908	3,493	1,908
Staff and executive directors costs	167,996	151,738	161,751	146,045
Non-executive directors	142	146	142	146
Supplies and services – clinical (excluding drugs costs)	22,869	22,847	22,714	22,847
Supplies and services - general	4,824	3,423	3,511	3,305
Drugs costs (drugs inventory consumed and purchase of non-inventory drugs)	21,222	20,816	21,222	20,816
Consultancy	322	203	322	203
Establishment	2,762	2,305	2,762	2,305
Premises	10,773	10,711	9,973	9,892
Transport	2,171	1,895	1,587	1,230
Depreciation	9,151	7,270	8,868	6,990
Amortisation	2,053	2,261	2,053	2,261
Impairments net of (reversals)	19	1,203	19	1,203
Increase/(decrease) in impairment of receivables	32	168	32	168
Provisions arising /(released) in year	(37)	480	(37)	480
Operating lease expenditure (net)	92	75	134	116
Audit services - statutory audit	82	69	82	69
Fees payable to61 2 the Trust'sit				

NOTES TO THE ACCOUNTS

9. Staff costs and numbers

9.1 Staff costs

Group	Total 2020 £000	Permanently Employed 2020 £000	Other 2020 £000	Total 2019 £000	Permanently Employed 2019 £000	Other 2019 £000
Salaries and wages	127,620	127,620	-	118,749	118,749	-
Social Security Costs	12,149	12,149	-	10,626	10,626	-
Apprenticeship levy	619	619	-	573	573	-
Employer contributions to NHSPA	14,860	14,860	-	13,866	13,866	-
Employer contributions to NHSPA paid by NHSE on provider's behalf (6.3%)	6,436	6,436	-	-	-	-
Other pension costs	37	37	-	20	20	-
Agency and contract staff	6,635	-	6,635	8,431	-	8,431
	168,356	161,721	6,635	152,265	143,834	8,431
Less: costs of staff capitalised	(360)	(360)	-	(527)	(527)	-
	167,996	161,361	6,635	151,738	143,307	8,431

The staff costs capitalised in 2019-20 and 2018-19 relate to staff engaged in the design and implementation of building and IT projects as part of the Trust's capital programme.

Trust	Total 2020 £000	Permanently Employed 2020 £000	Other 2020 £000	Total 2019 £000	Permanently Employed 2019 £000	Other 2019 £000
Salaries and wages	122,799	122,799	-	114,563	114,563	-
Social Security Costs	12,149	12,149	-	10,626	10,626	-
Apprenticeship levy	619	619		573	573	
Employer contributions to NHSPA	14,818	14,818	-	13,822	13,822	-
Employer contributions to NHSPA paid by NHSE on provider's behalf (6.3%)	6,436	6,436	-	-	-	-
Other pension costs	35	35	-	18	18	-
Agency and contract staff	5,235	-	5,235	6,970	-	6,970
	162,091	156,856	5,235	146,572	139,602	6,970
Less: costs of staff capitalised	(360)	(360)	-	(527)	(527)	-
	161,731	156,496	5,235	146,045	139,075	6,970

9.2 Average number of persons employed - WTE basi s

Group	Total 2020 Numbe r	Permanently Employed 2020 Numbe r	Other 2020 Numbe r	Total 2019 Number	Permanently Employed 2019 Number	Other 2019 Number
Medical and dental	413	405	8	400	392	8
Administration and estates	1,103	1,044	59	1,078	1,007	71
Healthcare assistants & other support staff	699	693	6	671	662	9
Nursing, midwifery & health visiting staff	942	919	23	885	834	51
Scientific, therapeutic and technical staff	441	424	17	435	419	16
Total	3,598	3,485	113	3,469	3,314	155

Trust	Total 2020 Numbe r	Permanently Employed 2020 Numbe r	Other 2020 Numbe r	Total 2019 Number	Permanently Employed 2019 Number	Other 2019 Number
Medical and dental	413	405	8	400	392	8
Administration and estates	1,016	1,009	7	963	952	11
Healthcare assistants & other support staff	698	692	6	671	662	9
Nursing, midwifery & health visiting staff	942	919	23	885	834	51
Scientific, therapeutic and technical staff	433	418	15	419	403	16
Total	3,502	3,443	59	3,338	3,243	95

The figure shown under the 'Other' column relates to agency staff, disclosed under the operational areas where they worked.

9. Staff costs and numbers (continued)

9.3 Directors' remuneration

	2020	2019
	£000	£000
Salaries and wages	965	930
Social Security Costs	118	113
Employer contributions to Pension Schemes	108	109
Employer contributions to NHSPA paid by NHSE on provider's behalf (6.3%)	47	-
	1,238	1,152

The total number of Directors accruing benefits under pension schemes is 6 (2019: 6). The Directors Remuneration only relates to the Group.

9.4 Staff departure costs

Group and Trust

	2020	2020	2019	2019
Exit package cost band				
< £10,000	-	4	1	1
£10,001 - £25,000	-	1	-	2
Total number of exit packages by type	-	5	1	3
	£000	£000	£000	£000
Total resource costs	-	24	3	34

There were no non-compulsary departure payments (2019: nil).

10 Pension costs

10.1 NHS Pension Schemes

NOTES TO THE ACCOUNTS

10.1 Pension costs (continued)

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 is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2020, is based on valuation data as at 31 March 2019, updated to 31 March 2020 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.

b) Full actuarial (fundin g) 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 to 20.6%, and the Scheme Regulations were amended accordingly.

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 judgment 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.

11. Retirements due to ill-health

Early payment of a pension, with enhancement, is available to members of the scheme who are permanently incapable of fulfilling their duties effectively through illness or infirmity. A death gratuity of twice final year's pensionable pay for death in service, and five times their annual pension for death after retirement is payable.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to the employer.

Members can purchase additional service in the NHS Scheme and contribute to money purchase AVC's run by the Scheme's approved providers or by other Free Standing Additional Voluntary Contributions (FSAVC) providers.

During the year to 31 March 2020 there were 2 (2019: nil) early retirements from the Trust on the grounds of ill-health. The estimated additional pension liabilities of these ill-health retirements will be £114k (2019: £nil). The cost of the 2020 ill-health retirements will be borne by the NHS Business Services Authority -Pensions Division.

16. Intangible Asset s

16.1 Intangible assets at the balance sheet date comprise the following elements :

Group and Trust

	Assets under	Software Licences	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2019	201	14,124	14,325
Additions - purchased	2,436	-	2,436
Additions - donated	-	55	55
Impairments charged to operating expenses	-	-	-
Reclassifications	(1,000)	1,000	-
Disposals	-	-	-
At 31 March 202 0	1,637	15,179	16,816
Amortisation			
At 1 April 2019	-	5,935	5,935
Provided during the period	-	2,053	2,053
Impairments charged to operating expenses	-	-	-
Disposals	-	-	-
Amortisation at 31 March 202 0	-	7,988	7,988
Net book value at 31 March 202 0			
- Purchased at 31 March 2020	1,637	7,137	8,774
- Donated at 31 March 2020	-	54	54
Total at 31 March 202 0	1,637	7,191	8,828
Cost or valuation			
At 1 April 2018	2,364	11,527	13,891
Additions - purchased	923	-	923
Additions - donated	-	25	25
Impairments charged to operating expenses	(123)	(85)	(208)
Reclassifications	(2,963)	2,963	-
Disposals	-	(306)	(306)
At 31 March 201 9	201	14,124	14,325
Amortisation			
At 1 April 2018	-	3,992	3,992
Provided during the period	-	2,261	2,261
Impairments charged to operating expenses	-	(12)	(12)
Disposals	-	(306)	(306)
Amortisation at 31 March 201 9	-	5,935	5,935
Net book value at 31 March 201 9			
- Purchased at 31 March 2019	201	8,164	8,365
- Donated at 31 March 2019	-	25	25
Total at 31 March 201 9	201	8,189	8,390

17. Property, plant and equipment

Group

17.1 Property, Plant and equipment at the balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2019	1,170	106,121	8,520	138	68,836	361	12,337	3,769	201,252
Additions - purchased	-	421	-	6,487	57	-	-	-	6,965
Additions - donated	-	-	-	-	467	-	-	84	551
Impairments	-	-	-	(19)	-	-	-	-	(19)
Reclassifications	-	379	206	(3,165)	1,888	-	658	34	-
Revaluation	545	(3,393)	(933)	-	-	-	-	-	(3,781)
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(734)	-	-	(5)	(739)
At 31 March 2020	1,715	103,528	7,793	3,441	70,514	361	12,995	3,882	204,229
Accumulated depreciation									
At 1 April 2019	-	-	-	-	50,042	320	6,468	2,172	59,002
Provided during the period	-	3,102	238	-	3,927	12	1,565	307	9,151
Revaluation	-	(3,102)	(238)	-	-	-	-	-	(3,340)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(664)	-	-	(3)	(667)
Accumulated depreciation at 31 March 2020	-	-	-	-	53,305	332	8,033	2,476	64,146
Net book value at 31 March 2019									
Owned	1,170	85,762	8,520	138	16,084	41	4,011	1,309	117,035
Finance leased	-	-	-	-	188	-	1,845	-	2,033
On balance sheet PFI	-	19,269	-	-	-	-	-	-	19,269
Donated	-	1,090	-	-	2,522	-	13	288	3,913
Total at 31 March 2019	1,170	106,121	8,520	138	18,794	41	5,869	1,597	142,250
Net book value at 31 March 2020									
Owned	1,5shalue at 138		18,794		3615,8631,597	-	12 0550Finance 33lue at 31 M1on at 31 Mar		188
	On bala1,6 (13)T PFI								

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Group

17.2 Property, plant and equipment at the previous balance sheet date comprise the following elements:

	Freehold land	Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2018	1,155	102,048	8,486	1,281	66,057	361	19,798	3,661	202,847
Additions - purchased	-	-	-	8,995	134	-	-	-	9,129
Additions - donated	-	7	-	-	132	-	6	37	182
Impairments	-	-	-	(903)	-	-	-	-	(903)
Reclassifications	-	1,537	-	(9,235)	3,436	-	4,191	71	-
Revaluation	15	2,567	34	-	-	-	-	-	2,616
Disposals	-	(38)	-	-	(923)	-	(11,658)	-	(12,619)
At 31 March 2019	1,170	106,121	8,520	138	68,836	361	12,337	3,769	201,252
Accumulated depreciation									
At 1 April 2018	-	38	-	-	47,064	311	17,158	1,859	66,430
Provided during the period	-	1,921	169	-	3,890	9	968	313	7,270
Revaluation	-	(1,921)	(169)	-	-	-	-	-	(2,090)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	(38)	-	-	(912)	-	(11,658)	-	(12,608)
Accumulated depreciation at 31 March 2019	-	-	-	-	50,042	320	6,468	2,172	59,002
Net book value at 31 March 2018									
Owned	1,155	81,835	8,546	1,281	15,865	50	2,616	1,494	112,842
Finance leased	-	-	-	-	211	-	-	-	211
On-SoFP PFI	-	19,049	-	-	-	-	-	-	19,049
Donated	-	1,066	-	-	2,917	-	24	308	4,315
Total at 31 March 2018	1,155	101,950	8,546	1,281	18,993	50	2,640	1,802	136,417
Net book value at 31 March 2019									
Owned	1,170	85,762	8,520	138	16,084	41	4,011	1,309	117,035
Finance leased	-	-	-	-	188	-	1,845	-	2,033
On-SoFP PFI	-	19,269	-	-	-	-	-	-	19,269
Donated	-	1,090	-	-	2,522	-	13	288	3,913
Total at 31 March 2019	1,170	106,121	8,520	138	18,794	41	5,869	1,597	142,250

On 31 March 2019 Cushman and Wakefield reviewed the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their current value at that date.

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

Trust

17.3 Property, Plant and equipment at the balance sheet date comprise the following elements:

	Freehold land	Restated Freehold buildings excluding dwellings	Freehold dwellings	Assets under construction and payments on account	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Restated Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation									
At 1 April 2019	390	106,121	7,555	138	65,458	339	12,337	3,769	196,107
Additions - purchased	-	421	-	6,487	-	-	-	-	6,908
Additions - donated	-	-	-	-	467	-	-	84	551
Impairments	-	-	-	(19)	-	-	-	-	(19)
Reclassifications	-	379	206	(3,165)	1,888	-	658	34	-
Revaluation	550	(3,393)	(908)	-	-	-	-	-	(3,751)
Transfer to assets held for sale	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(734)	-	-	(5)	(739)
At 31 March 2020	940	103,528	6,853	3,441	67,079	339	12,995	3,882	199,057
Accumulated depreciation									
At 1 April 2019	-	-	-	-	47,586	302	6,468	2,172	56,528
Provided during the period	-	3,102	205	-	3,681	8	1,565	307	8,868
Revaluation	-	(3,102)	(205)	-	-	-	-	-	(3,307)
Impairments	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(664)	-	-	(3)	(667)
Accumulated depreciation at 31 March 2020	-	-	-	-	50,603	310	8,033	2,476	61,422
Net book value at 31 March 2019									
Owned	390	81,591	7,555	138	15,162	37	4,011	1,309	110,193
Finance leased	-	-	-	-	188	-	1,845	-	2,033
On balance sheet PFI	-	19,269	-	-	-	-	-	-	19,269
Donated	-	5,261	-	-	2,522	-	13	288	8,084
Total at 31 March 2019	390	106,121	7,555	138	17,872	37	5,869	1,597	139,579
Net book value at 31 March 2020									
Owned	940	77,636	6,853	3,441	13,814	29	3,493	1,098	107,304
Finance leased	-	-	-	-	165	-	1,457	-	1,622
On-SoFP PFI	-	20,622	-	-	-	-	-	-	20,622
Donated	-	5,270	-	-	2,497	-	12	308	8,087
Total at 31 March 2020	940	103,528	6,853	3,441	16,476	29	4,962	1,406	137,635

On 31 March 2020 Gerald Eve LLP revalued the Trust's land, buildings and dwellings on a Modern Equivalent Asset basis in accordance with the guidance included in the Royal Institution of Chartered Surveyors Valuation Standards. As a result, these assets were revalued to bring them to their current value at that date. (see Note 17.5 Valuation Report)

NOTES TO THE ACCOUNTS

17. Property, plant and equipment (continued)

17.5 Valuation Report

Gerald Eve performed the estate valuation exercise between February and April 2020 with a valuation date of 31 March 2020. In applying the Royal Institute of Chartered Surveyors (RICS) Valuation Global Standards 2020 (Red Book), the valuer has declared a 'material valuation uncertainty' in the valuation report. This is due to the impact of markets caused by the outbreak of Novel Coronavirus (Covid 19). The values in the report have been used to inform the measurement of property assets at valuation in these financial statements. With the valuer having declared this material valuation uncertainty, the valuer has continued to exercise professional judgement in providing the valuation and this remains the best information available to the Group.

Group and Trust

17.6 Net Book Value of Assets Held Under Finance Leases

	Plant & Machinery £000	Information technology £000	On-SoFP PFI £000	Total £000
Cost or valuation				
At 1 April 2019	844	1,943	19,269	22,056
Additions - Purchased	-	-	421	421
Revaluations	-	-	932	932
At 31 March 2020	844	1,943	20,622	23,409
Accumulated depreciation				
At 1 April 2019	656	97	-	753
Provided during the period	23	389	468	880
Revaluation	-	-	(468)	(468)
Accumulated depreciation at 31 March 2020	679	486	-	1,165
Net book value at 31 March 2020				
- Purchased	165	1,457	20,622	22,244
Total at 31 March 2020	165	1,457	20,622	22,244
Cost or valuation				
At 1 April 2018	844	-	19,049	19,893
Additions - purchased	-	1,943	366	2,309
Revaluation	-	-	(146)	(146)
At 31 March 2019	844	1,943	19,269	22,056
Accumulated depreciation				
At 1 April 2018	633	-	-	633
Provided during the period	23	97	288	408
Revaluation	-	-	(288)	(288)
Accumulated depreciation at 31 March 2019	656	97	-	753
Net book value at 31 March 2019				
- Purchased	188	1,846	19,269	21,303
Total at 31 March 2019	188	1,846	19,269	21,303

18. Investments

Non-current	Group		Trust	
	2019/20 £000	2018/19 £000	2019/20 £000	2018/19 £000
Carrying value at 1 April	7,059	6,779	-	-
Additions	3,949	2,658	-	-
Fair value (losses)/ gains taken to I & E	(986)	282	-	-
Fair value movements taken to OCI	-	-	-	-
Disposals	(3,703)	(2,660)	-	-
Carrying value at 31 March	6,319	7,059	-	-
Current				
Financial assets designated at amortised cost	133	201	-	-

Non-current investments represents an investment portfolio managed by HSBC Private Bank (UK) Limited on behalf of the charitable fund.

Current asset investments are the cash balances held by HSBC Private Bank (UK) Limited on behalf of the charitable fund and represents dividend income, interest income and the proceeds of fixed asset investment disposals which have not yet been reinvested.

NOTES TO THE ACCOUNTS

21. Trade and other receivables (continued)

The majority of transactions are with Clinical Commissioning Groups (CCGs) or NHS England's Specialist Commissioners, as commissioners for NHS patient care services. As CCGs and Specialist Commissioners are funded by government to buy NHS patient care services, no credit scoring of them is considered necessary.

At the year end, the Trust was owed £nil (2019 £4.4m) relating to the Provider Sustainability Fund.

The average credit period taken on sale of goods is 21.7 days (2019: 27.4 days). No interest is charged on trade receivables.

21.3 Allowance for credit losses - 2019/2 0

	Group		Trust	
	receivables and contract assets £000	All other receivables £000	receivables and contract assets £000	All other receivables £000
Allowance for credit losses at 1 April 2019 - brought forward	1,547	-	1,547	-
New allowances arising	32	-	32	-
Utilisation of allowances (write offs)	(10)	-	(10)	-
Balance at 31 March 2020	1,569	-	1,569	-

An allowance for impairment is made where there is an identifiable event which, based on previous experience, is evidence that the monies will not be recovered in full.

21.4 Allowance for credit losses - 2018/1 9

	Group		Trust	
	receivables and contract assets £000	All other receivables £000	receivables and contract assets £000	All other receivables £000
Allowance for credit losses at 1 April 2018 - brought forward (before IFRS 9 and IFRS 15 implementation)	-	1,455	-	1,455
Impact of implementing IFRS 9 (and IFRS 15) on 1	1,455	(1,455)	1,455	(1,455)
New allowances arising	168	-	168	-
Utilisation of allowances (write offs)	(76)	-	(76)	-
Balance at 31 March 2019	1,547	-	1,547	-

22.

	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Balance at beginning of year	-	570	-	570
Assets classified as held for sale in the year	-	-	-	-
Assets sold in the year	-	(570)	-	(570)
Balance at end of year	-	-	-	-

23. Cash and cash equivalent s

	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Balance at beginning of year	12,516	10,370	7,476	7,780
Net change in year	3,629	2,146	1,611	(304)
Balance at end of year	16,145	12,516	9,087	7,476
Made up of:				
Cash with Government Banking Service	8,969	7,374	8,969	7,374

NOTES TO THE ACCOUNTS

24. Trade and other payables (continued)

Included in 'Other' payables is £2.1m (2019: £2.0m) oustanding pension contributions due to the NHS Pension Agency, £0.6m (2019: £0.6m) in respect of enhancements (e.g. unsociable hours, overtime, work performed whilst on-call) earned in March but not paid until April, £0.2m (2019: £0.2m) payable to bank staff for work performed in March and £0.2m (2019: £0.3m) due for agency staff, holiday pay £0.5m (2019: £0.1m), £1.0m (2019: £1.1m) for other payroll accruals, £0.6m (2019: £0.6m) drugs accrual and £0.4m (2019: £0.3m) PFI accrual.

All Trade and other payables are current liabilities.

25. Borrowings

Group and Trust	Current		Non-current	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£000	£000	£000	£000
Obligations under finance leases	434	434	726	1,160
Amounts due under PFI (note 30)	479	468	16,701	17,180
Capital loans from Department of Health and Social Care (DHSC)	652	655	2,844	3,475
Revenue support / working capital loans from DHSC	21,219	138	-	21,082
Other loans	-	-	-	-
	22,784	1,695	20,271	42,897

The finance leases relate to the purchase of medical equipment and hardware infrastructure. Both are for a term of 5 years. For the year ended 31 March 2020 the effective borrowing rates were 3.4% and 5.1% respectively. Interest rates are fixed at the contract date.

The capital loan from the Department of Health and Social Care is unsecured and for a 10 year period, repayable in equal instalments commencing on 18 May 2016. Interest is payable on the loan at a rate of 1.64% pa.

Department of Health and Social Care revenue support/ working capital loans taken out during 2017-18 and 2018-19 were repayable at the end of three year periods from the inception date of each loan; interest accruing at 1.5% - 3.5% per annum and payable twice yearly. However, after the reporting date (see note 38) DHSC, NHSE and NHSI announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. Outstanding interim loans totalling £21,219k as at 31 March 2020 in these financial statements have been classified as current as they will be repayable within 12 months.

Amounts payable under finance leases:	Minimum lease payments		Present value of minimum lease payments	
	2020	2019	2020	2019
	£000	£000	£000	£000
Within one year	459	459	434	434
Between one and five years	765	1,223	726	1,160
After five years	-	-	-	-
	1,224	1,682	1,160	1,594
Less finance charges allocated to future periods	(64)	(88)		
	1,160	1,594		
Included within:				
Current borrowings			434	434
Non-current borrowings			726	1,160
			1,160	1,594

NOTES TO THE ACCOUNTS

26. Provisions for liabilities and charges

Group and Trust	Current		Non-current	
	31 March 2020 £000	31 March 2019 £000	31 March 2020 £000	31 March 2019 £000
Pensions - early departure costs	24	28	-	20
Pensions - injury benefits	23	22	250	255
Legal claims	151	388	-	-
Clinician pension tax reimbursement	-	-	649	-
Other	-	275	245	-
	198	713	1,144	275

	Pensions - Early departure costs £000	Pensions - Injury benefits £000	Legal claims £000	Clinician pension tax £000	Other £000	Total £000
At 1 April 2019	48	277	388	-	275	988
Change in the discount rate	-	12	-	-	-	12
Arising during the year	12	6	110	649	-	777
Utilised during the year	(24)	(23)	(194)	-	(30)	(271)
Reversed unused	(12)	-	(153)	-	-	(165)
Unwinding of discount	-	1	-	-	-	1
At 31 March 2020	24	273	151	649	245	1,342
Expected timing of cash flows:						
Within 1 year	24	23	151	-	-	198
1 - 5 years	-	91	-	649	-	740
5-10 years	-	159	-	-	245	404
	24	273	151	649	245	1,342

Pension provisions arise from early retirements which do not result from ill health. These liabilities are not funded by the NHS Pension Scheme.

Legal claims relate to the Trust's provision for personal injury, employee claims and a claim brought by a supplier outstanding at 31 March 2020. These are based on valuation reports provided by the Trust's legal advisers.

Clinician pension tax reimbursement provision arises in respect of clinicians who are members of the NHS Pension Scheme, and who as a result of work undertaken, face a tax charge in respect of the growth of their NHS pension benefits above their pension savings annual allowance threshold. Government policy is that the Trust will reimburse the NHS Pension Scheme on the retirement of the clinician in exchange for the Scheme paying the additional tax due.

Other provisions relate to the early termination of a supplier contract and additional tax liabilites following revised guidance by HMRC.

£76.2m is included in the provisions of NHS Resolution (previously the NHS Litigation Authority) at 31 March 2020 in respect of clinical negligence liabilities of the Trust (2019: £87.3m).

27. Capital and other commitment s

Capital commitments - Group and Trus

NOTES TO THE ACCOUNTS

30. Private Finance Initiative Schemes (PFI) (continued)

30.2 PFI scheme - Char ge to o peratin g expense in Statement of Com prehensive Income

	Group and Trust	
	2020	2019
	£000	£000
Amounts included within operating expenses in respect of the 'service' element of PFI schemes deemed to be on-Statement of Financial Position	1,074	1,020
Depreciation of PFI asset	468	288
Net charge to operating expenses	1,542	1,308

30.3 PFI scheme - Analysis of amounts payable to service concession operator

	Group and Trust	
	2020	2019
	£000	£000
Interest	1,161	1,193
Repayment of finance lease liability	468	488
Service element	1,074	1,020
Capital lifecycle maintenance	420	366
Contingent rent	767	726
Unitary payment payable to service concession operator	3,890	3,793

30.4 Annual commitments under Private Finance Transactions - On Statement of Financial Position

The Trust is committed to make the following service payments on the PFI:	2020	2019
	£000	£000
Due within one year	1,110	1,074
Due within 2 to 5 years	4,520	4,502
Due after 5 years	13,163	14,344
	18,793	19,920

The annual charge will be indexed each year. Indexation will be increased in line with the Retail Price Index.

Imputed finance lease obligations comprise:	Minimum lease payments		Present value of minimum lease payments	
	2020	2019	2020	2019
	£000	£000	£000	£000
Rentals due within one year	1,609	1,629	479	468
Rentals due within 2 to 5 years	6,751	6,623	2,601	2,315
Rentals due thereafter	20,242	21,979	14,100	14,865
	28,602	30,231	17,180	17,648
Less: interest element	(11,422)	(12,583)		
Total	17,180	17,648		

30.5 Total future payments committed in respect of PFI

	2020	2019
	£000	£000
Total	76,114	80,221
of which due:		
Within one year	3,977	3,891
Within 2 to 5 years	16,927	16,561
Due thereafter	55,210	59,769
Total	76,114	80,221

31. Financial instruments

31.1

	2020	2019

31. Financial instruments (continued)

31.6

Group	Held at amortised cost	Held at fair value through I&E	Held at fair value through OCI	Total

31. Financial Instruments (

31.

33. Investment in subsidiar y (continued)

33.2 Salisbury Trading Limited

Shares at cost	Trust £
At 31 March 2020 and 31 March 2019	1

33.3 Replica 3DM Limited

34. Investment in Joint Ventures

34.1 Sterile Supplies Limited

Group and Trust	2020 £000	2019 £000
Shares at cost	250	250

NOTES TO THE ACCOUNTS

35. Movements on Public Dividend Capital

Group and Trust	2020	2019
	£000	£000
Public Dividend Capital at 1 April	57,297	55,957
New public dividend capital received	1,353	1,340
Public Dividend Capital at 31 March	58,650	57,297

36. Charitable fund balances

Group onl y	2020	Restated 2019
	£000	£000
Restricted funds	9,027	8,304
Unrestricted funds	4,895	4,715
Endowment funds	9	9
	13,931	13,028

Restricted funds are funds that are to be used in accordance with specific restrictions imposed by the donor, or where the donor has restricted the use of their donation to a specified ward, patients', nurses' or project fund. Where the restriction requires the gift to be invested to produce income but the trustees have the power to spend the capital, it is classed as expendable endowment.

Unrestricted income funds comprise those funds that the Trustee is free to use for any purpose in furtherance of the charitable objects. Unrestricted funds include general funds, where the donor has not specified or restricted the use the Charity may make of their donation. General funds additionally generate income from Gift Aid, investment income, interest and donations given specifically to cover running costs.

Endowment funds are funds which the trustees are required to invest or to keep and use for the Charity's purposes.

37. Prior year adjustmen t

The accounts have been restated to incorporate the impact of removing properties built on the Salisbury District Hospital site from the Charity's accounts and accounting for them as donated assets in the Trust's books of account. Salisbury NHS Foundation Trust owns the land on which the properties have been constructed, controls their use, operation and receives the benefits from them. On this basis it is considered they should be included with the Trust's accounts.

The change in accounting treatment has not impacted on the Group's consolidated position as the Charity is treated as a subsidiary, as indicated in accounting policy note 1.4.1.

The effect of this prior period adjustment is shown below:

Reconciliation of net reserves

	Group		Trust	
	Restated At 31 March 2019 £'000	Restated At 1 April 2018 £'000	Restated At 31 March 2019 £'000	Restated At 1 April 2018 £'000
Income andExpenditureReserve				
Reserves previously reported	(1,040)	2,968	(2,072)	2,166
Adjustments:				
Cost of buildings donated	1,562	1,562	1,562	1,562
Depreciation charged in year	(177)	-	(177)	-
Restated reserves	345	4,530	(687)	3,728

NOTES TO THE ACCOUNTS

37. Prior year adjustment (continued)

	Restated At 31 March 2019 £'000	Restated At 1 April 2018 £'000
Revaluation Reserver Group and Trust		
Reserves previously reported	59,041	54,827
Adjustments:		
Buildings valuation reserve transferreed	2,341	2,341
Revaluation adjustment in year	445	-
Restated reserves	61,827	57,168

	Restated At 31 March 2019 £'000	Restated At 1 April 2018 £'000
Charitable funds		
Trust funds previously reported	17,199	14,066
Adjustments:		
Cost of buildings donated	(1,562)	(1,562)
Buildings valuation reserve transferred	(2,341)	(2,341)
Depreciation charge in year - reversed	177	-
Gain on revaluation of buildings - reversed	(445)	-
Net movement of funds for year restated	13,028	10,163

Property, plant and equipmen t

38. Events after the reporting period

On 2 April 2020, the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement announced reforms to the NHS cash regime for the 2020/21 financial year. During 2020/21 existing DHSC interim revenue and capital loans as at 31 March 2020 will be extinguished and replaced with the issue of Public Dividend Capital (PDC) to allow the repayment. Given this relates to liabilities that existed at 31 March 2020, DHSC has updated its Group Accounting Manual to advise this is considered an adjusting event after the reporting period for providers. Outstanding interim loans totalling