North Bristol NHS Trust

Annual accounts for the year ended 31 March 2026

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Statement of the Chief Executive's responsibilities as the Accountable Officer of the Trust

The Chief Executive of NHS England has designated that the Chief Executive should be the Accountable Officer of the Trust. The relevant responsibilities of Accountable Officers are set out in the NHS Trust Accountable Officer Memorandum. These include ensuring that:

- there are effective management systems in place to safeguard public funds and assets and assist in the implementation of corporate governance
- value for money is achieved from the resources available to the Trust
- the expenditure and income of the Trust has been applied to the purposes intended by Parliament and conform to the authorities which govern them
- effective and sound financial management systems are in place and
- annual statutory accounts are prepared in a format directed by the Secretary of State to give a true and fair view of the state of affairs as at the end of the financial year and the income and expenditure, other items of comprehensive income and cash flows for the year.

As far as I am aware, there is no relevant audit information of which the Trust's auditors are unaware, and I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the entity's auditors are aware of that information.

To the best of my knowledge and belief, I have properly discharged the responsibilities set out in my letter of appointment as an Accountable Officer.



Signed:

Group Chief Executive
Date: 23 June 2026

Statement of Directors' responsibilities in respect of the accounts

The directors are required under the National Health Service Act 2006 to prepare accounts for each financial year. The Secretary of State, with the approval of HM Treasury, directs that these accounts give a true and fair view of the state of affairs of the Trust and of the income and expenditure, other items of comprehensive income and cash flows for the year. In preparing those accounts, the directors are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the Treasury
- make judgements and estimates which are reasonable and prudent
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts and
- prepare the financial statements on a going concern basis and disclose any material uncertainties over going concern.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction of the Secretary of State. They are also responsible for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors confirm to the best of their knowledge and belief they have complied with the above requirements in preparing the accounts.

The directors confirm that the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for patients, regulators and stakeholders to assess the NHS Trust's performance, business model and strategy.

By order of the Board

Name: Maria Kane



Signed:

Position: Group Chief Executive
Date: 23 June 2026

Name: Elizabeth Poskitt



Signed:

Position: Director of Finance
Date: 23 June 2026

Independent auditor's report to the directors of North Bristol NHS Trust

Report on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements of North Bristol NHS Trust (the 'Trust') for the year ended 31 March 2026, which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in taxpayers equity, the statement of cash flows and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Accounts Directions issued under Schedule 15 of the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2025-26.

In our opinion, the financial statements:

give a true and fair view of the financial position of the Trust as at 31 March 2026 and its expenditure and income for the year then ended;

have been properly prepared in accordance with international accounting standards as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2025-26; and

have been prepared in accordance with the requirements of the National Health Service Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law, as required by the Code of Audit Practice (2024) ("the Code of Audit Practice") approved by the Comptroller and Auditor General. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Demise of the organisation

In forming our opinion on the financial statements, which is not modified, we draw attention to note 1.28 to the financial statements, which indicates the Trust's intention to transfer services, staff, assets and liabilities to University Hospitals Bristol and Weston NHS Foundation Trust (UHBW) on 1 July 2026. This acquisition by UHBW was approved by NHS England on 4th June 2026 and the Secretary of State on 5th June 2026.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

In our evaluation of the directors' conclusions, and in accordance with the expectation set out within the Department of Health and Social Care Group Accounting Manual 2025-26 that the Trust's financial statements shall be prepared on a going concern basis, we considered the inherent risks associated with the continuation of services provided by the Trust. In doing so we had regard to the guidance provided in Practice Note 10: Audit of financial statements and regularity of public sector bodies in the United Kingdom (Revised 2024) on the application of ISA (UK) 570 Going Concern to public sector entities. We assessed the reasonableness of the basis of preparation used by the Trust and the Trust's disclosures over the going concern period.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Trust's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other information we are required to report on by exception under the Code of Audit Practice

Under the Code of Audit Practice published by the National Audit Office in November 2024 on behalf of the Comptroller and Auditor General (the Code of Audit Practice) we are required to consider whether the Corporate Governance Report does not comply with the requirements of the Department of Health and Social Care Group Accounting Manual 2025-26 or is misleading or inconsistent with the information of which we are aware from our audit. We are not required to consider whether the Corporate Governance Report addresses all risks and controls or that risks are satisfactorily addressed by internal controls.

We have nothing to report in this regard.

Opinion on other matters required by the Code of Audit Practice

In our opinion:

the parts of the Remuneration and Staff Report to be audited have been properly prepared in accordance with the requirements of the Department of Health and Social Care Group Accounting Manual 2025-26; and

based on the work undertaken in the course of the audit of the financial statements, the other information published together with the financial statements in the annual report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

Under the Code of Audit Practice, we are required to report to you if:

we issue a report in the public interest under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit; or

we refer a matter to the Secretary of State under Section 30 of the Local Audit and Accountability Act 2014 because we have reason to believe that the Trust, or an officer of the Trust, is about to make, or has made, a decision which involves or would involve the body incurring unlawful expenditure, or is about to take, or has begun to take a course of action which, if followed to its conclusion, would be unlawful and likely to cause a loss or deficiency; or

we make a written recommendation to the Trust under Section 24 of the Local Audit and Accountability Act 2014 in the course of, or at the conclusion of the audit.

We have nothing to report in respect of the above except on 16 May 2025 we made a referral to the Secretary of State under section 30(b) of the Local Audit and Accountability Act 2014 in relation to North Bristol NHS Trust's ongoing breach of its cumulative breakeven duty for the five-year period ending 31 March 2025 and 31 March 2026.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities in respect of the accounts, the directors are responsible for the preparation of the financial statements in the form and on the basis set out in the Accounts Directions and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they have been informed by the relevant national body of the intention to dissolve the Trust without the transfer of its services to another public sector entity.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (international accounting standards and the National Health Service Act 2006, as interpreted and adapted by the Department of Health and Social Care Group Accounting Manual 2025-26).

We enquired of management and the audit committee, concerning the Trust's policies and procedures relating to:

the identification, evaluation and compliance with laws and regulations;

the detection and response to the risks of fraud; and

the establishment of internal controls to mitigate risks related to fraud or non-compliance with laws and regulations.

- We enquired of management and the audit committee, whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.

We assessed the susceptibility of the Trust's financial statements to material misstatement, including how fraud might occur, evaluating management's incentives and opportunities for manipulation of the financial statements. This included the evaluation of the risk of management override of controls, revenue recognition and expenditure recognition. We determined that the principal risks were in relation to:

Journal entries posted by senior officers, journals not authorised, large value manual journals, large value journals posting credit entries to expenditure after the year end, deferred income journals and large journals posted by IT superusers;

The significant accounting estimates in the financial statements, including those related to the year-end accruals;

The recognition of income from non-patient care activities and variable income from patient care activities; and

Fraudulent expenditure recognition related to operating expenses.

- Our audit procedures involved:

evaluation of the design effectiveness of controls that management has in place to prevent and detect fraud;

journal entry testing, with a focus on large and unusual journals;

Testing payments made and invoices received in April 2026 to ensure these have been accounted for in the correct financial year.

Testing payments received and invoices raised in April 2026 to ensure these have been accounted for in the correct financial year.

Testing a sample of variable patient care income and non-patient care income transactions for compliance with the Group Accounting Manual 2025-26.

challenging assumptions and judgements made by management in its significant accounting estimates in respect of land and building valuations and significant accruals.

assessing the extent of compliance with the relevant laws and regulations as part of our procedures on the related financial statement item.

These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it.

We communicated relevant laws and regulations and potential fraud risks to all engagement team members, including the ongoing breach due to its cumulative deficit, the potential for fraud in revenue and expenditure recognition and the significant accounting estimates. We remained alert to any indications of non-compliance with laws and regulations, including fraud, throughout the audit.

The engagement partner's assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:

understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation

knowledge of the health sector and economy in which the Trust operates

understanding of the legal and regulatory requirements specific to the Trust including:

the provisions of the applicable legislation

NHS England's rules and related guidance

the applicable statutory provisions.

In assessing the potential risks of material misstatement, we obtained an understanding of:

The Trust's operations, including the nature of its income and expenditure and its services and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement.

The Trust's control environment, including the policies and procedures implemented by the Trust to ensure compliance with the requirements of the financial reporting framework.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Matter on which we are required to report by exception – the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

Under the Code of Audit Practice, we are required to report to you if, in our opinion, we have not been able to satisfy ourselves that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources for the year ended 31 March 2026.

We have nothing to report in respect of the above matter.

Responsibilities of the Accountable Officer

As explained in the Statement of the chief executive's responsibilities as the accountable officer of the Trust, the Chief Executive, as Accountable Officer, is responsible for putting in place proper arrangements for securing economy, efficiency and effectiveness in the use of the Trust's resources.

Auditor's responsibilities for the review of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources

We are required under Section 21(2A)(c) of the Local Audit and Accountability Act 2014 to be satisfied that the Trust has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources. We are not required to consider, nor have we considered, whether all aspects of the Trust's arrangements for securing economy, efficiency and effectiveness in its use of resources are operating effectively.

We have undertaken our review in accordance with the Code of Audit Practice, having regard to the guidance issued by the Comptroller and Auditor General in March 2026. This guidance sets out the arrangements that fall within the scope of 'proper arrangements'. When reporting on these arrangements, the Code of Audit Practice requires auditors to structure their commentary on arrangements under three specified reporting criteria:

- Financial sustainability: how the Trust plans and manages its resources to ensure it can continue to deliver its services;
- Governance: how the Trust ensures that it makes informed decisions and properly manages its risks; and
- Improving economy, efficiency and effectiveness: how the Trust uses information about its costs and performance to improve the way it manages and delivers its services.

We have documented our understanding of the arrangements the Trust has in place for each of these three specified reporting criteria, gathering sufficient evidence to support our risk assessment and commentary in our Auditor's Annual Report. In undertaking our work, we have considered whether there is evidence to suggest that there are significant weaknesses in arrangements.

Report on other legal and regulatory requirements – Delay in certification of completion of the audit

We cannot formally conclude the audit and issue an audit certificate for North Bristol NHS Trust for the year ended 31 March 2026 in accordance with the requirements of the Local Audit and Accountability Act 2014 and the Code of Audit Practice until we have completed the work necessary in relation to the Trust's consolidation schedules and we have received confirmation from the National Audit Office that the audit of the NHS group consolidation is complete for the year ended 31 March 2026. We are satisfied that this work does not have a material effect on the financial statements for the year ended 31 March 2026.

Use of our report

This report is made solely to the directors of the Trust, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the Trust's directors those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's directors as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Barber

Peter Barber, Key Audit Partner

for and on behalf of Grant Thornton UK LLP, Local Auditor

Bristol

23 June 2026

Statement of Comprehensive Income

	Note	2025/26 £000	2024/25 £000
Operating income from patient care activities	3	1,031,069	948,010
Other operating income	4	111,631	102,614
Operating expenses	7,9	(1,107,731)	(1,019,160)
Operating surplus/(deficit) from continuing operations		**34,969**	**31,464**
Finance income	11	3,050	3,405
Finance expenses	12	(58,270)	(64,210)
Net finance costs		**(55,220)**	**(60,805)**
Other gains / (losses)	13	-	82
Surplus / (deficit) for the year		**(20,251)**	**(29,259)**
Other comprehensive income			
Will not be reclassified to income and expenditure:			
Impairments	8	(3,283)	(1,920)
Revaluations	17	4,228	5,105
Total other comprehensive income for the period		**945**	**3,185**
Total comprehensive income / (expense) for the period		**(19,306)**	**(26,074)**

Statement of Financial Position

	Note	31 March 2026 £000	31 March 2025 £000
Non-current assets			
Intangible assets	14	17,689	12,818
Property, plant and equipment	15	560,753	552,926
Right of use assets	18	10,947	13,177
Other investments / financial assets	19	-	-
Receivables	20	940	1,073
Total non-current assets		**590,329**	**579,994**
Current assets			
Inventories	19	17,466	13,331
Receivables	20	59,792	49,212
Cash and cash equivalents	21	70,027	77,420
Total current assets		**147,285**	**139,963**
Current liabilities			
Trade and other payables	22	(129,269)	(123,028)
Borrowings	24	(26,685)	(25,179)
Provisions	25	(8,589)	(3,326)
Other liabilities	23	(10,893)	(11,749)
Total current liabilities		**(175,436)**	**(163,282)**
Total assets less current liabilities		**562,178**	**556,675**
Non-current liabilities			
Borrowings	24	(579,940)	(582,080)
Provisions	25	(1,078)	(1,276)
Other liabilities	23	(4,455)	(4,643)
Total non-current liabilities		**(585,473)**	**(587,999)**
Total assets employed		**(23,296)**	**(31,324)**
Financed by			
Public dividend capital		560,986	533,652
Revaluation reserve		76,025	75,080
Income and expenditure reserve		(660,307)	(640,056)
Total taxpayers' equity		**(23,296)**	**(31,324)**

Name Maria Kane

Signed



Position Group Chief Executive

Date 23 June 2026

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2026

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2025 - brought forward	**533,652**	**75,080**	**(640,056)**	**(31,324)**
Surplus/(deficit) for the year	-	-	(20,251)	**(20,251)**
Impairments	-	(3,283)	-	**(3,283)**
Revaluations	-	4,228	-	**4,228**
Public dividend capital received	27,334	-	-	**27,334**
Taxpayers' equity at 31 March 2026	**560,986**	**76,025**	**(660,307)**	**(23,296)**

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2025

	Public dividend capital	Revaluation reserve	Income and expenditure reserve	Total
	£000	£000	£000	£000
Taxpayers' equity at 1 April 2024 - brought forward	**485,167**	**71,895**	**(610,797)**	**(53,735)**
Surplus/(deficit) for the year	-	-	(29,259)	**(29,259)**
Impairments	-	(1,920)	-	**(1,920)**
Revaluations	-	5,105	-	**5,105**
Public dividend capital received	48,485	-	-	**48,485**
Taxpayers' equity at 31 March 2025	**533,652**	**75,080**	**(640,056)**	**(31,324)**

Information on reserves

Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. Additional PDC may also be issued to Trusts by the Department of Health and Social Care. A charge, reflecting the cost of capital utilised by the Trust, is payable to the Department of Health as the public dividend capital dividend.

Revaluation reserve

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse impairments previously recognised in operating expenses, in which case they are recognised in operating income. Subsequent downward movements in asset valuations are charged to the revaluation reserve to the extent that a previous gain was recognised unless the downward movement represents a clear consumption of economic benefit or a reduction in service potential.

Income and expenditure reserve

The balance of this reserve is the accumulated surpluses and deficits of the Trust.

Statement of Cash Flows

	Note	2025/26 £000	2024/25 £000
Cash flows from operating activities			
Operating surplus / (deficit)		34,969	31,464
Non-cash income and expense:			
Depreciation and amortisation	7.1	27,441	26,241
Net impairments	8	16,408	7,910
Income recognised in respect of capital donations	4	(4,513)	(458)
Amortisation of PFI deferred credit		(77)	(77)
(Increase) / decrease in receivables and other assets		(9,402)	253
(Increase) / decrease in inventories		(4,135)	(1,617)
Increase / (decrease) in payables and other liabilities		2,845	23,647
Increase / (decrease) in provisions		5,074	(1,115)
Net cash flows from / (used in) operating activities		**68,610**	**86,248**
Cash flows from investing activities			
Interest received		3,050	3,405
Purchase of intangible assets		(3,320)	(1,347)
Purchase of PPE and investment property		(48,428)	(64,775)
Sales of PPE and investment property		-	82
Receipt of cash donations to purchase assets		4,513	425
Net cash flows from / (used in) investing activities		**(44,185)**	**(62,210)**
Cash flows from financing activities			
Public dividend capital received		27,334	48,485
Capital element of lease rental payments		(2,312)	(1,840)
Capital element of PFI, LIFT and other service concession payments		(18,653)	(18,027)
Interest paid on lease liability repayments		(407)	(237)
Interest paid on PFI, LIFT and other service concession obligations		(37,780)	(37,677)
Net cash flows from / (used in) financing activities		**(31,818)**	**(9,296)**
Increase / (decrease) in cash and cash equivalents		**(7,393)**	**14,742**
Cash and cash equivalents at 1 April - brought forward		**77,420**	**62,678**
Cash and cash equivalents at 31 March	21	**70,027**	**77,420**

Notes to the Accounts

Note 1 Accounting policies and other information

Note 1.1 Basis of preparation

The Department of Health and Social Care 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 2025/26 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.

Accounting 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.

Note 1.2 Going concern

These accounts have been prepared on a going concern basis. The financial reporting framework applicable to NHS bodies, derived from the HM Treasury Financial Reporting Manual, defines that the anticipated continued provision of the entity's services in the public sector is normally sufficient evidence of going concern. The Directors have a reasonable expectation that this will continue to be the case.

While it has been announced that North Bristol NHS Trust will be acquired by University Hospitals Bristol and Weston NHS Foundation Trust on 1st July 2026, the Directors have a reasonable expectation that the entity's service (and accompanying assets) will continue after the transfer into a new organisation. Hence, the going concern criteria has been met.

Note 1.3 Consolidation NHS Charitable Fund

Historically, the Trust has voluntarily consolidated the financial results and position of its linked Charity within the Trust's annual accounts, notwithstanding that the Charity has not been material for group reporting purposes.

During the year, the Trust reviewed the requirement to consolidate the Charity in line with the principles of materiality and applicable group accounting guidance, the Trust has determined that consolidation of the Charity is no longer required. It was determined that the Charity is not material to the Trust's financial statements. There is no statutory or accounting requirement for consolidation where an entity is not material. Continued consolidation would add unnecessary complexity and audit burden to the Trust's accounts without improving the quality or usefulness of the financial statements.

Accordingly, with effect from 1 April 2025, the Trust has ceased consolidating the Charity's financial results and balances within its annual accounts.

Note 1.4 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, the income is deferred and recognised as a contract liability.

Payment terms are standard reflecting cross government principles. Significant terms include payment within 30 days.

Revenue from NHS contracts

The main source of income for the Trust is contracts with commissioners for health care services. Funding envelopes are set at an Integrated Care System (ICS) level. The majority of the Trust's NHS income is earned from NHS commissioners under the NHS Payment Scheme (NHSPS) which replaced the National Tariff Payment System on 1 April 2023. The NHSPS sets out rules to establish the amount payable to Trusts for NHS-funded secondary healthcare.

Aligned Payment and Incentive (API) contracts form the main payment mechanism under the NHSPS. In 2025/26 API contracts

contain both a fixed and variable element. Under the variable element, providers earn income for elective activity (both ordinary and day case), out-patient procedures, out-patient first attendances, diagnostic imaging and nuclear medicine and chemotherapy delivery activity. The precise definition of these activities is given in the NHSPS. Income is earned at NHSPS prices based on actual activity. The fixed element includes income for all other services covered by the NHSPS assuming an agreed level of activity. With 'fixed' in this context meaning not varying based on units of activity. Elements within this are accounted for as variable consideration under IFRS 15 as explained below.

High costs drugs and devices excluded from the calculation of national prices are reimbursed by NHS England and associate commissioners based on actual usage or at a fixed baseline in addition to the price of the related service.

In 2025/26 fixed payments were set at a level assuming the achievement of elective activity targets within Aligned Payment and Incentive (API) contracts. These payments are accompanied by a variable-element to adjust income for actual activity delivered on elective services. Where actual elective activity delivered differed from the agreed level set in the fixed payments, the variable element either increased or reduced the income earned by the Trust at a rate of 100% of the tariff price.

The Trust also receives income from commissioners under Commissioning for Quality Innovation (CQUIN) and Best Practice Tariff (BPT) schemes. Delivery under these schemes is part of how care is provided to patients. As such CQUIN and BPT payments are not considered distinct performance obligations in their own right; instead they form part of the transaction price for performance obligations under the overall contract with the commissioner and are accounted for as variable consideration under IFRS 15. Payment for CQUIN and BPT on non-elective services is included in the fixed element of API contracts. BPT earned on elective activity is included in the variable element of API contracts and paid in line with actual activity performed.

Where the relationship with a particular integrated care board is expected to be a low volume of activity (annual value below £0.5m), an annual fixed payment is received by the provider as determined in the NHSPS documentation. Such income is classified as 'other clinical income' in these accounts.

Elective recovery funding provides additional funding to integrated care boards to fund the commissioning of elective services within their systems. Trusts earn income for actual activity performed under API contract arrangements as explained above. The level of activity delivered by the Trust contributes to system performance and therefore the availability of funding to the Trust's commissioners.

Revenue from education and training

A large proportion of education and training income is received from Health Education England to fund various undergraduate and postgraduate courses, as well as continuous professional development and training and education opportunities. Where education contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For multi-year contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract. If obligations are not met, the income would be deferred.

Revenue from research contracts

Where research contracts fall under IFRS 15, revenue is recognised as and when performance obligations are satisfied. For some contracts, it is assessed that the revenue project constitutes one performance obligation over the course of the multi-year contract. In these cases it is assessed that the Trust's interim performance does not create an asset with alternative use for the Trust, and the Trust has an enforceable right to payment for the performance completed to date. It is therefore considered that the performance obligation is satisfied over time, and the Trust recognises revenue each year over the course of the contract.

Some research income alternatively falls within the provisions of IAS 20 for government grants. The objective of IAS 20 is to prescribe the accounting treatment for government grants and the disclosures about other government assistance. The Trust will recognise income when the grant conditions are met as set out by the funder when there is a potential clawback mechanism included within the terms.

NHS injury cost recovery scheme

The Trust receives income under the NHS injury cost recovery scheme, designed to reclaim the cost of treating injured individuals to whom personal injury compensation has subsequently been paid, for instance by an insurer. The Trust recognises the income when performance obligations are satisfied. In practical terms this means that treatment has been given, it receives notification from the Department of Work and Pension's Compensation Recovery Unit, has completed the NHS2 form and confirmed there are no discrepancies with the treatment. The income is measured at the agreed tariff for the treatments provided to the injured individual, less an allowance for unsuccessful compensation claims and doubtful debts in line with IFRS 9 requirements of measuring expected credit losses over the lifetime of the asset.

Note 1.5 Other forms of income Grants and donations

Government grants are grants from government bodies other than income from commissioners or Trusts for the provision of services. Where a grant is used to fund revenue expenditure it is taken to the Statement of Comprehensive Income to match that expenditure. Where the grant is used to fund capital expenditure, it is credited to the Statement of Comprehensive Income once conditions attached to the grant have been met. Donations are treated in the same way as government grants.

Apprenticeship service income

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 apprenticeship service account held by the Department for Education, the corresponding notional expense is also recognised at the point of recognition for the benefit.

Note 1.6 Expenditure on employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments such as social security costs and the apprenticeship levy are recognised in the period in which the service is received from employees. The cost of annual leave entitlement earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following period.

Pension costs

NHS Pension Scheme

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Both schemes are unfunded, defined benefit schemes that cover NHS employers, general practices and other bodies, allowed under the direction of Secretary of State for Health and Social Care in England and Wales. The scheme is not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as though it is a defined contribution scheme: the cost to the Trust is taken as equal to the employer's pension contributions payable to the scheme for the accounting period. The contributions are charged to operating expenses as and when they become due.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the operating expenses at the time the Trust commits itself to the retirement, regardless of the method of payment.

National Employment Savings Trust

Where staff are not eligible for or opt out of the NHS Pension Scheme, they are entitled to join the National Employment Savings Trust (NEST), as part of the auto enrolment into workplace pension schemes.

Employer's pension cost contributions are charged to operating expenses as and when they become due.

Note 1.7 Expenditure on other goods and services

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

Note 1.8 Property, plant and equipment Recognition

Property, plant and equipment is capitalised where:

- it is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow to, or service potential be provided to, the Trust
- it is expected to be used for more than one financial year
- the cost of the item can be measured reliably
- the item has cost of at least £5,000, or
- collectively, a number of items have a cost of at least £5,000 and individually have cost of more than £250, where the assets are functionally interdependent, had broadly simultaneous purchase dates, are anticipated to have similar disposal dates and are under single managerial control
- where the collective value of items is significant, the Group may be capitalised even where the individual value of some component items falls below £250

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

Subsequent expenditure

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

Measurement

Valuation

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

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:

- Assets held in their operational capacity and attached land – depreciated replacement cost on a modern equivalent asset (MEA) basis
- Other assets and remaining land - market value for existing use

For assets held in their operational capacity a 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 Hence, these 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 meeting the location requirements of the services being provided.

Valuation guidance issued by the Royal Institution 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.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees and, where capitalised in accordance with IAS 23, borrowings costs. Assets are revalued and depreciation commences when the assets are brought into use.

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

Assets under construction are measured at cost and the value of high cost assets under construction is reviewed annually.

Depreciation

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

Property, plant and equipment which has been reclassified as 'held for sale' cease to be depreciated upon the reclassification. Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Trust, respectively.

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 operating expenditure.

Revaluation losses are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to operating expenses.

Gains and losses recognised in the revaluation reserve are reported in the Statement of Comprehensive Income as an item of 'other comprehensive income'.

Impairments

In accordance with the GAM, impairments that arise from a clear consumption of economic benefits or of service potential in the asset are charged to operating expenses. A compensating transfer is made from the revaluation reserve to the income and expenditure reserve of an amount equal to the lower of (I) the impairment charged to operating expenses; and (ii) the balance in the revaluation reserve attributable to that asset before the impairment.

An impairment that arises from a clear consumption of economic benefit or of service potential is reversed when, and to the extent that, the circumstances that gave rise to the loss is reversed. Reversals are recognised in operating expenditure to the extent that

the asset is restored to the carrying amount it would have had if the impairment had never been recognised. Any remaining reversal is recognised in the revaluation reserve. Where, at the time of the original impairment, a transfer was made from the revaluation reserve to the income and expenditure reserve, an amount is transferred back to the revaluation reserve when the impairment reversal is recognised. Other impairments are treated as revaluation losses. Reversals of 'other impairments' are treated as revaluation gains.

De-recognition

Assets intended for disposal are reclassified as 'held for sale' once the criteria in IFRS 5 are met. The sale must be highly probable and the asset available for immediate sale in its present condition.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their fair value less costs to sell. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

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

Donated and grant funded assets

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

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

Private Finance Initiative (PFI) and Local Improvement Finance Trust (LIFT) transactions

PFI and LIFT transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM , are accounted for as 'on-Statement of Financial Position' by the Trust. Annual contract payments to the operator (the unitary charge) are apportioned between the repayment of the liability including the finance cost, the charges for services and lifecycle replacement of components of the asset.

Initial recognition

In accordance with HM Treasury's FReM, the underlying assets are recognised as property, plant and equipment, together with an equivalent liability. Initial measurement of the asset and liability are in accordance with the initial measurement principles of IFRS 16 (see leases accounting policy).

Subsequent measurement

Assets are subsequently accounted for as property, plant and equipment and/or intangible assets as appropriate.

The liability is subsequently reduced by the portion of the unitary charge allocated as payment for the asset and increased by the annual finance cost. The finance cost is calculated by applying the implicit interest rate to the opening liability and is charged to finance costs in the Statement of Comprehensive Income. The element of the unitary charge allocated as payment for the asset is split between payment of the finance cost and repayment of the net liability.

Where there are changes in future payments for the asset resulting from indexation of the unitary charge, the Trust remeasures the PFI liability by determining the revised payments for the remainder of the contract once the change in cash flows takes effect. The remeasurement adjustment is charged to finance costs in the Statement of Comprehensive Income.

The service charge is recognised in operating expenses in the Statement of Comprehensive Income.

Useful lives of property, plant and equipment

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life	Max life
	Years	Years
Buildings, excluding dwellings	5	98
Plant & machinery	1	44
Transport equipment	2	10
Information technology	2	15
Furniture & fittings	1	31

Note 1.9 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance controlled by the Trust. They are capable of being sold separately from the rest of the Trust's business or arise from contractual or other legal rights. Intangible assets 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.

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 only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use
- the Trust intends to complete the asset and sell or use it
- the Trust has the ability to sell or use the asset
- how the intangible asset will generate probable future economic or service delivery benefits, e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset
- adequate financial, technical and other resources are available to the Trust to complete the development and sell or use the asset and
- the Trust can measure reliably the expenses attributable to the asset during development

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 where it meets recognition criteria.

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. From 1 April 2025, subsequent measurement of intangible assets is at cost less amortisation.

Prior to 1 April 2025 the GAM recommended the use of an annual impairment/revaluation methodology. While Intangible Assets were subject to the annual valuation review, due to the lack of an active market, the Trust applied the depreciated replacement costs methodology based on the initial costs of the implementation (adjusted for any impairments due to reduced value in use). As a result, there were no related revaluation reserves built up that would require a transfer to I&E reserves on the transition date as recommended by GAM.

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

Impairments
Where indicators of impairment exist, the recoverable amount is assessed as the higher of its fair value and the cost to replace the service capacity. Where this is lower than the carrying value an impairment is recognised in expenditure. The recoverable amount of intangible assets under construction is assessed annually, irrespective of indicators of impairment.

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

Useful lives reflect the total life of an asset and not the remaining life of an asset. The range of useful lives are shown in the table below:

	Min life Years	Max life Years
Information technology	4	10
Software licences	3	10
Licences & trademarks	5	7

Note 1.10 Inventories

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

Note 1.11 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 three 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.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the Trust's cash management. Cash, bank and overdraft balances are recorded at current values.

Note 1.12 Financial assets and financial liabilities Recognition

Financial assets and financial liabilities arise where the Trust is party to the contractual provisions of a financial instrument, and as a result has a legal right to receive or a legal obligation to pay cash or another financial instrument. The GAM expands the definition of a contract to include legislation and regulations which give rise to arrangements that in all other respects would be a financial instrument and do not give rise to transactions classified as a tax by Office of National Statistics.

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

Classification and measurement

This includes the purchase or sale of non-financial items (such as goods or services), which are entered into in accordance with the Trust's normal purchase, sale or usage requirements and are recognised when, and to the extent which, performance occurs, i.e. when receipt or delivery of the goods or services is made.

Financial assets or financial liabilities in respect of assets acquired or disposed of through leasing arrangements are recognised and measured in accordance with the accounting policy for leases described below.

Financial assets are classified as subsequently measured at amortised cost, or fair value through other comprehensive income. Trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15 do not require to be initially measured at fair value.

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.

Movements in the fair value of financial assets and liabilities in this category are recognised as gains or losses in the Statement of Comprehensive Income.

Impairment of financial assets

For all financial assets measured at amortised cost including lease receivables, contract receivables and contract assets or assets measured at fair value through other comprehensive income, the Trust recognises an allowance for expected credit losses.

The Trust adopts the simplified approach to impairment for contract and other receivables, contract assets and lease receivables, measuring expected losses as at an amount equal to lifetime expected losses. For other financial assets, the loss allowance is initially measured at an amount equal to 12-month expected credit losses (stage 1) and subsequently at an amount equal to lifetime expected credit losses if the credit risk assessed for the financial asset significantly increases (stage 2).

Expected credit losses are calculated and provided for based on different classes of financial asset. A detailed table of provision for debt losses is given in note 20.2.

For financial assets that have become credit impaired since initial recognition (stage 3), expected credit losses at the reporting date are measured as the difference between the asset's gross carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The Trust has not provided for any debts against DHSC organisations, in line with GAM 4.268-270.

Expected losses are charged to operating expenditure within the Statement of Comprehensive Income and reduce the net carrying value of the financial asset in the Statement of Financial Position.

Derecognition

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

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

Note 1.13 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration. An adaptation of the relevant accounting standard by HM Treasury for the public sector means that for NHS bodies, this includes lease-like arrangements with other public sector entities that do not take the legal form of a contract. It also includes peppercorn leases where consideration paid is nil or nominal (significantly below market value) but in all other respects meet the definition of a lease. The Trust does not apply lease accounting to new contracts for the use of intangible assets.

The Trust determines the term of the lease term with reference to the non-cancellable period and any options to extend or terminate the lease which the Trust is reasonably certain to exercise.

The Trust as a lessee

Recognition and initial measurement

At the commencement date of the lease, being when the asset is made available for use, the Trust recognises a right of use asset and a lease liability.

The right of use asset is recognised at cost comprising the lease liability, any lease payments made before or at commencement, any direct costs incurred by the lessee, less any cash lease incentives received. It also includes any estimate of costs to be incurred restoring the site or underlying asset on completion of the lease term.

The lease liability is initially measured at the present value of future lease payments discounted at the interest rate implicit in the lease. Lease payments includes fixed lease payments, variable lease payments dependent on an index or rate and amounts payable under residual value guarantees. It also includes amounts payable for purchase options and termination penalties where these options are reasonably certain to be exercised.

Where an implicit rate cannot be readily determined, the Trust's incremental borrowing rate is applied. This rate is determined by HM Treasury annually for each calendar year. A nominal rate of 4.81% applied to new leases commencing in 2025 and 5.32% to new leases commencing in 2026.

The Trust does not apply the above recognition requirements to leases with a term of 12 months or less or to leases where the value of the underlying asset is below £5,000, excluding any irrecoverable VAT. Lease payments associated with these leases are expensed on a straight line basis over the lease term or other systematic basis. Irrecoverable VAT on lease payments is expensed as it falls due.

Subsequent measurement

As required by a HM Treasury interpretation of the accounting standard for the public sector, the Trust employs a revaluation model for subsequent measurement of right of use assets, unless the cost model is considered to be an appropriate proxy for current value in existing use or fair value, in line with the accounting policy for owned assets. Where consideration exchanged is identified as significantly below market value, the cost model is not considered to be an appropriate proxy for the value of the right of use asset.

The Trust subsequently measures the lease liability by increasing the carrying amount for interest arising which is also charged to expenditure as a finance cost and reducing the carrying amount for lease payments made. The liability is also remeasured for changes in assessments impacting the lease term, lease modifications or to reflect actual changes in lease payments. Such remeasurements are also reflected in the cost of the right of use asset. Where there is a change in the lease term or option to purchase the underlying asset, an updated discount rate is applied to the remaining lease payments.

The Trust as a lessor

The Trust assesses each of its leases and classifies them as either a finance lease or an operating lease. 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.

Where the Trust is an intermediate lessor, classification of the sublease is determined with reference to the right of use asset arising from the headlease.

Finance leases

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Operating leases

Income from operating leases is recognised on a straight-line basis or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Note 1.14 Provisions

The Trust recognises a provision where it has a present legal or constructive obligation of uncertain timing or amount; for which it is probable that there will be a future outflow of cash or other resources; and a reliable estimate can be made of the amount. The amount recognised in the Statement of Financial Position is the best estimate of the resources required to settle the obligation. 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 from 31 March 2026:

		Nominal rate	Prior year rate
Short-term	Up to 5 years	3.64%	4.03%
Medium-term	After 5 years up to 10 years	4.22%	4.07%
Long-term	After 10 years up to 40 years	5.32%	4.81%
Very long-term	Exceeding 40 years	5.07%	4.55%

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 from 31 March 2026

	Inflation rate	Prior year rate
Year 1	2.5%	2.60%
Year 2	2.0%	2.30%
Into perpetuity	2.0%	2.00%

Early retirement provisions and injury benefit provisions both use the HM Treasury's post-employment benefits discount rate of 2.95% in real terms (prior year: 2.40%).

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 25.2 but is not recognised in the Trust's accounts.

Non-clinical risk pooling

The Trust participates in the Property Expenses Scheme and the Liabilities to Third Parties Scheme. Both are risk pooling schemes under which the Trust pays an annual contribution to NHS Resolution and in return receives assistance with the costs of claims arising. The annual membership contributions, and any excesses payable in respect of particular claims are charged to operating expenses when the liability arises.

Note 1.15 Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the entity's control) are not recognised as assets, but are disclosed in note 26 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 26, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability

Note 1.16 Public dividend capital

Public dividend capital (PDC) is a type of public sector equity finance based on the excess of assets over liabilities at the time of establishment of the predecessor NHS organisation. HM Treasury has determined that PDC is not a financial instrument within the meaning of IAS 32.

The Secretary of State can issue new PDC to, and require repayments of PDC from, the Trust. PDC is recorded at the value received.

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, with certain additions and deductions as defined in the PDC dividend policy issued by the Department of Health and Social Care.

This policy is available at https://www.gov.uk/government/publications/guidance-on-financing-available-to-nhs-trusts-and-foundation-trusts. [Accessed 16th April 2026].

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.

Note 1.17 Value added tax

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.

Note 1.18 Corporation tax

As an NHS Trust, North Bristol NHS Trust has determined that it is has no corporation tax liability.

Note 1.19 Climate change levy

Expenditure on the climate change levy is recognised in the Statement of Comprehensive Income as incurred, based on the prevailing chargeable rates for energy consumption.

Note 1.20 Third party assets

Assets belonging to third parties in which the Trust has no beneficial interest (such as money held on behalf of patients) are not recognised in the accounts. However, they are disclosed in a separate note to the accounts in accordance with the requirements of HM Treasury's FReM.

Note 1.21 Losses and special payments

Losses and special payments are items that Parliament would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way that individual cases are handled. Losses and special payments are charged to the relevant functional headings in expenditure on an accruals basis.

The losses and special payments note is compiled directly from the losses and compensations register which reports on an accrual basis with the exception of provisions for future losses.

Note 1.22 Gifts

Gifts are items that are voluntarily donated, with no preconditions and without the expectation of any return. Gifts include all transactions economically equivalent to free and unremunerated transfers, such as the loan of an asset for its expected useful life, and the sale or lease of assets at below market value.

Note 1.23 Transfers of functions from other NHS bodies

For functions that have been transferred to the Trust from another NHS body, the transaction is accounted for as a transfer by absorption. The assets and liabilities transferred are recognised in the accounts using the book value as at the date of transfer. The assets and liabilities are not adjusted to fair value prior to recognition. The net gain corresponding to the net assets transferred is recognised within income, but not within operating activities.

For property, plant and equipment assets and intangible assets, the cost and accumulated depreciation / amortisation balances from the transferring entity's accounts are preserved on recognition in the Trust's accounts. Where the transferring body recognised revaluation reserve balances attributable to the assets, the Trust makes a transfer from its income and expenditure reserve to its revaluation reserve to maintain transparency within public sector accounts.

Note 1.24 Early adoption of standards, amendments and interpretations

No new accounting standards or revisions to existing standards have been early adopted in 2025/26.

Note 1.25 Standards, amendments and interpretations in issue but not yet effective or adopted

IFRS 17 Insurance Contracts – IFRS 17 is applicable from 2025/26 and will be implemented retrospectively with a transition date of 1 April 2024 (restating comparatives).

The Trust's current contracts have been assessed for insurance components within the scope of IFRS 17 and no contracts have been identified as containing an insurance component.

IFRS 18 Presentation and Disclosure in Financial Statements - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

IFRS 19 Subsidiaries without Public Accountability: Disclosures - The Standard is effective for accounting periods beginning on or after 1 January 2027. The Standard is not yet UK endorsed and not yet adopted by the FReM. Early adoption is not permitted. The expected impact of applying the standard in future periods has not yet been assessed.

Changes to non-investment asset valuation – Following a thematic review of non-current asset valuations for financial reporting in the public sector, HM Treasury has made a number of changes to valuation frequency, valuation methodology and classification which are effective in the public sector from 1 April 2025 with a 5 year transition period. NHS bodies are adopting these changes to an alternative timeline.

Changes to subsequent measurement of intangible assets and PPE classification / terminology to be implemented for NHS bodies from 1 April 2025:

- Withdrawal of the revaluation model for intangible assets. Carrying values of existing intangible assets measured under a previous revaluation will be taken forward as deemed historic cost. Due to the lack of an active market, Intangible Assets have always been recognised as depreciated direct replacement cost, which means that this change has no impact on valuation or revaluation reserves
- Removal of the distinction between specialised and non-specialised assets held for their service potential. Assets will be classified according to whether they are held for their operational capacity. This change has not had an impact on the valuation of assets, however note 1.8 has been updated to reflect the above

From 2026/27 NHS bodies' valuation methodology will be a mandated quinquennial revaluation frequency (or rolling programme) supplemented by annual indexation in the intervening years. The requirement in IAS 16 to revalue an asset when its fair value differs materially from its carrying value is being withdrawn for the public sector. North Bristol NHS Trust has already adopted this methodology with support of the VO and therefore no impact is expected.

The current accounting policy for property assets measures the cost of replacing the service potential using a 'modern equivalent asset'. The option of using the alternative site assumption will be withdrawn from 2028/29, however there will be no impact for the Trust.

Note 1.26 Critical judgements in applying accounting policies

The following are the judgements, apart from those involving estimations (see below) that management has made in the process of applying the trust accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

An assessment of the Trust's Private Finance Initiative (PFI) scheme has been made and it has been determined that the PFI scheme in respect of the main hospital building should be accounted for as an on Statement of Financial Position asset under IFRIC 12. This is on the grounds that the Trust controls, or regulates through contract and key performance indicators, what services the PFI operator must provide with the property, to whom it must provide them and at what price. The Trust will control the residual interest in the building at the end of the contract term. The impact on the accounts is that the PFI buildings are included in the accounts as property, plant and equipment, and a financial liability is recognised relating to the remaining term of the PFI contract. This is referred to in note 1.8 of the accounting policy. The PFI assets are valued at £299,383 as at 31 March 2026, as per note 15.3.

The PFI assets have been valued net of VAT, as the VAT is recoverable. In the event of an instant rebuild requirement, the default position of the contract is that the PFI operator would reinstate the building, which would remain VAT recoverable. The PFI contract is in place until 30 September 2045 and therefore it is considered reasonable to assume VAT recovery for the foreseeable future. The impact of VAT if the decision had been made to value the assets gross of VAT would be an increase in the valuation of the asset by £59.9m. This is referred to in note 1.8 of the accounting policy.

The value of the PFI liability was £595,301k (2024/25 £593,862k), further details can be found in note 24.2.

The Group Accounting Manual provides flexibility to bodies to select the most appropriate valuation methodology, and as detailed in note 1.8, the Trust has chosen to value its land and specialised assets applying hypothetical Modern Equivalent Asset (MEA). An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. The MEA was applied to reflect the post-pandemic view of a modern NHS estates in line with recently completed buildings.

Historically, the Trust has voluntarily consolidated the financial results and position of its linked Charity within the Trust's annual accounts, notwithstanding that the Charity has not been material for group reporting purposes.

During the year, the Trust reviewed the requirement to consolidate the Charity in line with the principles of materiality and applicable group accounting guidance, the Trust has determined that consolidation of the Charity is no longer required. It was determined that the Charity is not material to the Trust's financial statements. There is no statutory or accounting requirement for consolidation where an entity is not material. Continued consolidation would add unnecessary complexity and audit burden to the Trust's accounts without improving the quality or usefulness of the financial statements.

Accordingly, with effect from 1 April 2025, the Trust has ceased consolidating the Charity's financial results and balances within its annual accounts.

Note 1.27 Sources of estimation uncertainty

The following are assumptions about the future and other major sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year:

Modern equivalent asset valuation of property - as detailed in note 1.8 items of property are periodically revalued to ensure that their book values are not materially different from their current values. During the year the District Valuation Service provided the Trust with a valuation of its land and building assets and an assessment of their remaining useful economic lives. Specialised assets and attached land are valued on a depreciated replacement cost basis using hypothetical modern equivalent assets (MEA). An MEA basis assumes that the asset will be replaced with a modern asset of equivalent capacity and meeting the location requirements of the services being provided. The value of land and buildings held under this valuation method is £464,121k.

Future revaluations may result in further material changes to the carrying values of non-current assets. Many factors drive property values including BCIS (all price) Tender Price Index (TPI) and the BCIS Location Factor, as detailed in note 17. Based on sensitivity analysis for these factors, the value could vary to a range of -£13.7m (-2.9%) to +£6.8m (+1.5%).

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates and the estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Note 1.28 Subsequent events after the reporting period

In June 2026, the Trust announced that the NBT and UHBW Board's have approved the acquisition of North Bristol NHS Trust by University Hospitals Bristol and Weston NHS Foundation Trust, with completion scheduled for 1 July 2026. Approval was granted by NHS England on 4 June 2026, followed by The Secretary of State on 5 June 2026. As a result of this transaction, the Trust's services, staff, assets and liabilities will be transferred to the newly formed organisation (Bristol NHS Foundation Trust), after which North Bristol NHS Trust will cease to exist. The impact of this event has been considered and as the services and related assets are expected to transfer in full to the new organisation, there is no impact on the amounts recognised in these accounts (as set out in Note 1.2).

Note 2 Operating Segments

The Trust is managed by the Board of Directors, which is made up of Executive and Non-Executive Directors. The Non-Executive Directors bring expertise to the Trust and provide advice and challenge to the Executive Directors. The Executive Directors have responsibility for the day to day running of the Trust. The Board is therefore considered to be the chief operating decision maker of the Trust.

The Board receives regular reports on the financial performance and financial position of the Trust. These include a Statement of Comprehensive Income and a Statement of Financial Position, which are provided on a 'whole Trust' basis. It is therefore considered that the Trust has just one reportable operating segment, a healthcare segment. There are no other segments that constitute 10% or more of the Trust's operations.

Historically, the Trust has voluntarily consolidated the financial results and position of its linked Charity within the Trust's annual accounts, notwithstanding that the Charity has not been material for group reporting purposes.

During the year, the Trust reviewed the requirement to consolidate the Charity in line with the principles of materiality and applicable group accounting guidance, the Trust has determined that consolidation of the Charity is no longer required. It was determined that the Charity is not material to the Trust's financial statements. There is no statutory or accounting requirement for consolidation where an entity is not material. Continued consolidation would add unnecessary complexity and audit burden to the Trust's accounts without improving the quality or usefulness of the financial statements.

Accordingly, with effect from 1 April 2025, the Trust has ceased consolidating the Charity's financial results and balances within its annual accounts.

Note 3 Operating income from patient care activities

All income from patient care activities relates to contract income recognised in line with accounting policy 1.4.

Note 3.1 Income from patient care activities (by nature)

	2025/26	2024/25
	£000	£000
Acute services		
Income from commissioners under API contracts - variable element*	196,233	175,853
Income from commissioners under API contracts - fixed element*	687,592	633,421
High cost drugs income from commissioners	84,095	77,024
Other NHS clinical income	6,330	5,786
All services		
Private patient income	2,204	2,635
National pay award central funding**	-	1,939
Additional pension contribution central funding***	39,808	37,434
Other clinical income****	14,806	13,918
Total income from activities	**1,031,069**	**948,010**

*Aligned payment and incentive contracts are the main form of contracting between NHS providers and their commissioners. More information can be found in the 2025/26 NHS Payment Scheme documentation.

https://www.england.nhs.uk/pay-syst/nhs-payment-scheme/
[Accessed 23rd April 2026]

**Additional funding was made available directly to providers by NHS England in 2024/25 for implementing the backdated element of pay awards where government offers were finalised after the end of the 2023/24 financial year. NHS Payment Scheme prices and API contracts are updated for the weighted uplift in in-year pay costs when awards are finalised.

***Increases to the employer contribution rate for NHS pensions since 1 April 2019 have been funded by NHS England. NHS providers continue to pay at the former rate of 14.38% with the additional amount being paid over by NHS England on providers' behalf. The full cost of employer contributions (23.7%) and related NHS England funding (9.4%) have been recognised in these accounts.

**** Other NHS Clinical Income consists of two income streams –

1. Block income of £5,395k (£4,254k in 2024/25), which represents a fixed funding level for all non-API patient activity transacted by commissioning bodies, and;
2. Mass Vaccination project related income of £936k (£1,532k in 2024/25).

Note 3.2 Income from patient care activities (by source)

	2025/26	2024/25
Income from patient care activities received from:	**£000**	**£000**
NHS England	180,006	368,197
Integrated care boards	834,053	563,260
Non-NHS: private patients	2,204	2,635
Non-NHS: overseas patients (chargeable to patient)	2,077	1,481
Injury cost recovery scheme	3,174	2,935
Non NHS: other	9,555	9,502
Total income from activities	**1,031,069**	**948,010**
Of which:		
Related to continuing operations	1,031,069	948,010

In 2025/26, NHS England delegated commissioning responsibility for a number of specialised services to Integrated Care Boards. South West Delegated Specialised Services operate under the Principal Commissioner model, with Somerset ICB hosting the arrangement, therefore all income was recorded under Somerset ICB for delegated services shifting from Specialised Commissioning

Note 3.3 Overseas visitors (relating to patients charged directly by the provider)

	2025/26	2024/25
	£000	£000
Income recognised this year	2,077	1,481
Cash payments received in-year	430	410
Amounts added to provision for impairment of receivables	1,627	1,130
Amounts written off in-year	911	562

Note 4 Other operating income

	2025/26			2024/25		
	Contract income	Non-contract income	Total	Contract income	Non-contract income	Total
	£000	£000	£000	£000	£000	£000
Research and development	17,637	-	**17,637**	15,229	-	**15,229**
Education and training	29,936	1,758	**31,694**	27,301	1,694	**28,995**
Non-patient care services to other bodies	14,984	-	**14,984**	14,331	-	**14,331**
Income in respect of employee benefits accounted on a gross basis	8,803	-	**8,803**	7,625	-	**7,625**
Receipt of capital grants and donations and peppercorn leases*	-	4,513	**4,513**	-	458	**458**
Charitable and other contributions to expenditure	-	1,250	**1,250**	-	1,101	**1,101**
Revenue from operating leases	-	1,705	**1,705**	-	1,815	**1,815**
Amortisation of PFI deferred income / credits	-	77	**77**	-	77	**77**
Other income	30,968	-	**30,968**	32,983	-	**32,983**
Total other operating income	**102,328**	**9,303**	**111,631**	**97,469**	**5,145**	**102,614**
Of which:						
Related to continuing operations			111,631			102,614

In 2025/26 the Trust received £4,513k which related to £3,835k of grant funding for decarbonisation schemes, £355k towards a clinical research centre and £323k of charitable contributions towards clinical equipment. In 2024/25, the Trust received £458k in donations and grants to support capital expenditure, of which £362k was from North Bristol NHS Trust Charitable Fund, of this £33k was a non-cash donation of clinical equipment. Of the remaining £96k, £34k were other charitable contributions towards clinical equipment from Crohn's & Colitis UK (£20k) and Breast Cancer Unit Support Trust (£14k), and £62k was grant funding for equipment required for a clinical study. More information can be found in note 16.

Note 5.1 Additional information on contract revenue (IFRS 15) recognised in the period

	2025/26	2024/25
	£000	£000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	1,044	2,844

Note 6 Operating leases - North Bristol NHS Trust as lessor

This note discloses income generated in operating lease agreements where North Bristol NHS Trust is the lessor.

Note 6.1 Operating lease income

	2025/26	2024/25
	£000	£000
Lease receipts recognised as income in year:		
Minimum lease receipts	1,705	1,815
Total in-year operating lease income	**1,705**	**1,815**

Note 6.2 Future lease receipts

	31 March 2026	31 March 2025
	£000	£000
Future minimum lease receipts due in:		
- not later than one year	850	1,893
- later than one year and not later than two years	808	924
- later than two years and not later than three years	798	882
- later than three years and not later than four years	798	882
- later than four years and not later than five years	745	882
- later than five years	15,771	18,027
Total	**19,770**	**23,490**

Note 7.1 Operating expenses

	2025/26	2024/25
	£000	£000
Purchase of healthcare from NHS and DHSC bodies	10,610	8,002
Purchase of healthcare from non-NHS and non-DHSC bodies	29,279	22,174
Staff and executive directors costs	690,715	640,350
Remuneration of non-executive directors	175	154
Supplies and services - clinical (excluding drugs costs)	120,745	111,883
Supplies and services - general	12,760	12,413
Drug costs (drugs inventory consumed and purchase of non-inventory drugs)	86,378	76,982
Consultancy costs	129	865
Establishment	6,885	6,723
Premises	44,947	46,494
Transport (including patient travel)	4,390	4,037
Depreciation on property, plant and equipment	23,608	22,607
Amortisation on intangible assets	3,833	3,634
Net impairments*	16,408	7,910
Movement in credit loss allowance: contract receivables / contract assets	3,301	1,601
Increase/(decrease) in other provisions**	655	(438)
Change in provisions discount rate(s)	-	1
Fees payable to the external auditor		
audit services- statutory audit***	264	134
other auditor remuneration (external auditor only)	-	-
Internal audit costs	97	149
Clinical negligence	22,507	22,654
Legal fees	367	281
Insurance (as a policy holder)	143	103
Research and development	6,830	5,975
Education and training	4,594	6,620
Expenditure on short term leases	374	301
Charges to operating expenditure for on-SoFP IFRIC 12 schemes (e.g. PFI / LIFT)	8,664	8,315
Hospitality	86	83
Other	8,987	9,153
Total	**1,107,731**	**1,019,160**
Of which:		
Related to continuing operations	1,107,731	1,019,160
Related to discontinued operations	-	-

* Further details on the impairment can be found in Notes 8 and 17.
** Other provisions relate to those provisions not captured elsewhere within operating expenditure. The movement in provisions can be found in note 25.1.
*** Audit fees are at gross of VAT value (£220k net).

Note 7.2 Other auditor remuneration

There was no other auditor remuneration paid to the external auditor for 2024/25 or 2025/26.

Note 7.3 Limitation on auditor's liability

The limitation on auditor's liability for external audit work is £330k (2024/25: £176k).

Note 8 Impairment of assets

	2025/26	2024/25
	£000	£000
Net impairments charged to operating surplus / deficit resulting from:		
Loss or damage from normal operations	-	110
Changes in market price*	16,408	7,800
Total net impairments charged to operating surplus / deficit	**16,408**	**7,910**
Impairments charged to the revaluation reserve**	3,283	1,920
Total net impairments	**19,691**	**9,830**

* Changes in the market price is driven mostly by the revaluation of estates in both financial years.
** The impairments are driven by the annual valuation and in the first instance charged to the relevant revaluation reserve where one exists.

Note 9 Employee benefits

	2025/26	2024/25
	Total	Total
	£000	£000
Salaries and wages	516,128	485,853
Social security costs	66,254	50,996
Apprenticeship levy	2,497	2,375
Employer's contributions to NHS pensions	100,757	94,682
Termination benefits	995	515
Temporary staff (including agency)	7,105	8,889
Total gross staff costs	**693,736**	**643,310**
Recoveries in respect of seconded staff	-	-
Total staff costs	**693,736**	**643,310**
Of which		
Costs capitalised as part of assets	3,021	2,960

Note 9.1 Retirements due to ill-health

During 2025/26 there were 6 early retirements from the Trust agreed on the grounds of ill-health (12 in the year ended 31 March 2025). The estimated additional pension liabilities of these ill-health retirements is £240k (£956k in 2024/25).

These estimated costs are calculated on an average basis and will be borne by the NHS Pension Scheme.

Note 10 Pension costs

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

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

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2026, is based on valuation data as at 31 March 2023, updated to 31 March 2026 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 Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and 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 (funding) valuation

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

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 at23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

Note 11 Finance income

Finance income represents interest received on assets and investments in the period.

	2025/26	2024/25
	£000	£000
Interest on bank accounts	3,050	3,405
Total finance income	**3,050**	**3,405**

Note 12 Finance expenditure

Finance expenditure represents interest and other charges involved in the borrowing of money or asset financing.

	2025/26	2024/25
	£000	£000
Interest expense:		
Interest on lease obligations	407	237
Finance costs on PFI, LIFT and other service concession arrangements:		
Main finance costs	37,780	37,677
Remeasurement of the liability resulting from change in index or rate*	20,092	26,306
Total interest expense	**58,279**	**64,220**
Unwinding of discount on provisions	(9)	(10)
Total finance costs	**58,270**	**64,210**

* The value of the remeasurement of the liability is dependent on the 12 month RPI change to the February preceding the start of the financial year.

Note 13 Other gains / (losses)

	2025/26	2024/25
	£000	£000
Gains on disposal of assets	-	82
Total gains / (losses) on disposal of assets	**-**	**82**

Note 14.1 Intangible assets - 2025/26

	Software licences	Licences & trademarks	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000	£000
Cost at 1 April 2025 - brought forward *	**8,594**	**228**	**16,872**	**2,316**	**28,010**
Additions	147	-	197	2,976	**3,320**
Reclassifications	561	-	5,524	(701)	**5,384**
Disposals / derecognition	(82)	(40)	(164)	-	**(286)**
Cost at 31 March 2026	**9,220**	**188**	**22,429**	**4,591**	**36,428**
Amortisation at 1 April 2025 - brought forward	**7,242**	**181**	**7,769**	**-**	**15,192**
Provided during the year	474	23	3,336	-	**3,833**
Disposals / derecognition	(82)	(40)	(164)	-	**(286)**
Amortisation at 31 March 2026	**7,634**	**164**	**10,941**	**-**	**18,739**
Net book value at 31 March 2026	**1,586**	**24**	**11,488**	**4,591**	**17,689**
Net book value at 1 April 2025	**1,352**	**47**	**9,103**	**2,316**	**12,818**

* From 1 April 2025, the option to apply the revaluation model in IAS 38 to intangible assets has been withdrawn prospectively. Where assets were previously revalued, the carrying value at the transition date was carried forward as 'deemed cost'.

Note 14.2 Intangible assets - 2024/25

	Software licences	Licences & trademarks	Internally generated information technology	Intangible assets under construction	Total
	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - as previously stated	**8,261**	**228**	**16,581**	**1,997**	**27,067**
Additions	715	-	-	610	**1,325**
Reclassifications	-	-	291	(291)	**-**
Disposals / derecognition	(382)	-	-	-	**(382)**
Valuation / gross cost at 31 March 2025	**8,594**	**228**	**16,872**	**2,316**	**28,010**
Amortisation at 1 April 2024 - as previously stated	**7,176**	**150**	**4,615**	**-**	**11,941**
Provided during the year	448	31	3,154	-	**3,633**
Disposals / derecognition	(382)	-	-	-	**(382)**
Amortisation at 31 March 2025	**7,242**	**181**	**7,769**	**-**	**15,192**
Net book value at 31 March 2025	**1,352**	**47**	**9,103**	**2,316**	**12,818**
Net book value at 1 April 2024	**1,085**	**78**	**11,966**	**1,997**	**15,126**

Note 15.1 Property, plant and equipment - 2025/26

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation/gross cost at 1 April 2025 - brought forward	**17,717**	**419,498**	**59,570**	**104,054**	**635**	**22,054**	**7,948**	**631,476**
Additions	-	4,379	27,300	12,103	20	5,295	716	**49,813**
Impairments	-	(26,979)	-	-	-	-	-	**(26,979)**
Revaluations	1,330	202	-	-	-	-	-	**1,532**
Reclassifications	-	48,536	(62,878)	8,890	-	68	-	**(5,384)**
Disposals / derecognition	-	-	-	(1,705)	-	(3,242)	(194)	**(5,141)**
Valuation/gross cost at 31 March 2026	**19,047**	**445,636**	**23,992**	**123,342**	**655**	**24,175**	**8,470**	**645,317**
Accumulated depreciation at 1 April 2025 - brought forward	**-**	**288**	**-**	**55,242**	**422**	**15,765**	**6,833**	**78,550**
Provided during the year	-	10,253	-	8,476	39	2,220	151	**21,139**
Impairments	-	(7,288)	-	-	-	-	-	**(7,288)**
Revaluations	-	(2,696)	-	-	-	-	-	**(2,696)**
Disposals / derecognition	-	-	-	(1,705)	-	(3,242)	(194)	**(5,141)**
Accumulated depreciation at 31 March 2026	**-**	**557**	**-**	**62,013**	**461**	**14,743**	**6,790**	**84,564**
Net book value at 31 March 2026	**19,047**	**445,079**	**23,992**	**61,329**	**194**	**9,432**	**1,680**	**560,753**
Net book value at 1 April 2025	**17,717**	**419,210**	**59,570**	**48,812**	**213**	**6,289**	**1,115**	**552,926**

Note 15.2 Property, plant and equipment - 2024/25

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - as previously stated	**17,117**	**418,047**	**25,220**	**97,271**	**635**	**20,701**	**7,886**	**586,877**
Additions	-	5,555	49,041	9,514	-	1,430	330	**65,870**
Impairments	-	(17,204)	-	(110)	-	-	-	**(17,314)**
Revaluations	341	2,713	-	-	-	-	-	**3,054**
Reclassifications	259	10,387	(14,691)	3,904	-	-	141	**-**
Disposals / derecognition	-	-	-	(6,525)	-	(77)	(409)	**(7,011)**
Valuation/gross cost at 31 March 2025	**17,717**	**419,498**	**59,570**	**104,054**	**635**	**22,054**	**7,948**	**631,476**
Accumulated depreciation at 1 April 2024 - as previously stated	**-**	**-**	**-**	**54,142**	**359**	**12,837**	**7,096**	**74,434**
Provided during the year	-	9,823	-	7,625	63	3,005	146	**20,662**
Impairments	-	(7,484)	-	-	-	-	-	**(7,484)**
Revaluations	-	(2,051)	-	-	-	-	-	**(2,051)**
Disposals / derecognition	-	-	-	(6,525)	-	(77)	(409)	**(7,011)**
Accumulated depreciation at 31 March 2025	**-**	**288**	**-**	**55,242**	**422**	**15,765**	**6,833**	**78,550**
Net book value at 31 March 2025	**17,717**	**419,210**	**59,570**	**48,812**	**213**	**6,289**	**1,115**	**552,926**
Net book value at 1 April 2024	**17,117**	**418,047**	**25,220**	**43,129**	**276**	**7,864**	**790**	**512,443**

Note 15.3 Property, plant and equipment financing - 31 March 2026

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	19,047	140,605	23,992	57,703	194	9,425	1,676	**252,642**
On-SoFP PFI contracts and other service concession arrangements	-	299,265	-	-	-	-	-	**299,265**
Owned - donated/granted	-	5,209	-	3,626	-	7	4	**8,846**
Total net book value at 31 March 2026	**19,047**	**445,079**	**23,992**	**61,329**	**194**	**9,432**	**1,680**	**560,753**

Note 15.4 Property, plant and equipment financing - 31 March 2025

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Owned - purchased	17,717	108,899	59,570	44,789	211	6,287	1,111	**238,584**
On-SoFP PFI contracts and other service concession arrangements	-	304,835	-	-	-	-	-	**304,835**
Owned - donated/granted	-	5,476	-	4,023	2	2	4	**9,507**
Total net book value at 31 March 2025	**17,717**	**419,210**	**59,570**	**48,812**	**213**	**6,289**	**1,115**	**552,926**

Note 15.5 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2026

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease		9,050						**9,050**
Not subject to an operating lease	19,047	436,029	23,992	61,329	194	9,432	1,680	**551,703**
Total net book value at 31 March 2026	**19,047**	**445,079**	**23,992**	**61,329**	**194**	**9,432**	**1,680**	**560,753**

Note 15.6 Property plant and equipment assets subject to an operating lease (Trust as a lessor) - 31 March 2025

	Land	Buildings excluding dwellings	Assets under construction	Plant & machinery	Transport equipment	Information technology	Furniture & fittings	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Subject to an operating lease	-	8,974	-	-	-	-	-	**8,974**
Not subject to an operating lease	17,717	410,236	59,570	48,812	213	6,289	1,115	**543,952**
Total net book value at 31 March 2025	**17,717**	**419,210**	**59,570**	**48,812**	**213**	**6,289**	**1,115**	**552,926**

Note 16 Donations of property, plant and equipment

In 2025/26 the Trust received £4,513k which related to £3,835k of grant funding for decarbonisation schemes, £355k towards a clinical research centre and £323k of charitable contributions from North Bristol NHS Trust Charitable Fund towards clinical equipment.

In 2024/25, the Trust received £458k in donations and grants to support capital expenditure, of which £362k was from North Bristol NHS Trust Charitable Fund, of this £33k was a non-cash donation of clinical equipment. Of the remaining £96k, £34k were other charitable contributions towards clinical equipment from Crohn's & Colitis UK (£20k) and Breast Cancer Unit Support Trust (£14k), and £62k was grant funding for equipment required for a clinical study.

Note 17 Revaluations of property, plant and equipment

The District Valuer, who is a member of the RICS and is independent of the Trust, undertook a valuation of the Trust's land and buildings as at 31 March 2026. These were previously valued as at 31 March 2025. The valuations were carried out in accordance with the RICS Appraisal and Valuation Manual in so far as these terms are consistent with the agreed requirements of the Department of Health & Social Care and HM Treasury. The valuations were undertaken in accordance with the Trust's accounting policy (see note 1) and on a consistent basis with valuations in previous periods.

The valuation has been conducted on the assumption that the assets would be consolidated on Southmead Hospital site if applicable.

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.

The valuation contributed to an overall downward valuation by £15,463k, which was a net of £945k upward revaluation reserve movement (broken down as a £4,228k upwards revaluation and a £3,283k impairment) and £16,408k as an impairment against the operating surplus. For comparison, in 2024/25, there was an downward valuation of £4,615k, which was a net of £5,105k upward revaluation reserve, £1,920k impairment against revaluation reserve and £7,800k impairment against operating surplus. This change was a result of refreshing the Modern Equivalent Asset (MEA) model. In 2025/26, the overall increase in valuation is due to the value added to the Trust's estate which relates to the inclusion of the Princess Royal Bristol Surgical Centre.

Note 18.1 Right of use assets - 2025/26

	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Intangible assets	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2025 - brought forward	**5,982**	**7,635**	**1,132**	**2,967**	**36**	**17,752**	**4,413**
Additions	-	-	239	-	-	**239**	-
Valuation/gross cost at 31 March 2026	**5,982**	**7,635**	**1,371**	**2,967**	**36**	**17,991**	**4,413**
Accumulated depreciation at 1 April 2025 - brought forward	**1,359**	**1,409**	**830**	**941**	**36**	**4,575**	**660**
Provided during the year	558	1,027	260	624	-	**2,469**	290
Accumulated depreciation at 31 March 2026	**1,917**	**2,436**	**1,090**	**1,565**	**36**	**7,044**	**950**
Net book value at 31 March 2026	**4,065**	**5,199**	**281**	**1,402**	**-**	**10,947**	**3,463**
Net book value at 1 April 2025	**4,623**	**6,226**	**302**	**2,026**	**-**	**13,177**	**3,753**
Net book value of right of use assets leased from other NHS providers							2,952
Net book value of right of use assets leased from other DHSC group bodies							511

Note 18.2 Right of use assets - 2024/25

	Property (land and buildings)	Plant & machinery	Transport equipment	Information technology	Intangible assets	Total	Of which: leased from DHSC group bodies
	£000	£000	£000	£000	£000	£000	£000
Valuation / gross cost at 1 April 2024 - brought forward	**5,441**	**3,085**	**1,025**	**8,386**	**3,103**	**21,040**	**4,153**
Additions	851	4,550	107	-	-	**5,508**	570
Disposals / derecognition	(310)	-	-	(5,419)	(3,067)	**(8,796)**	(310)
Valuation/gross cost at 31 March 2025	**5,982**	**7,635**	**1,132**	**2,967**	**36**	**17,752**	**4,413**
Accumulated depreciation at 1 April 2024 - brought forward	993	961	510	5,735	3,102	**11,301**	561
Provided during the year	552	448	320	625	1	**1,946**	285
Disposals / derecognition	(186)	-	-	(5,419)	(3,067)	**(8,672)**	(186)
Accumulated depreciation at 31 March 2025	**1,359**	**1,409**	**830**	**941**	**36**	**4,575**	**660**
Net book value at 31 March 2025	**4,623**	**6,226**	**302**	**2,026**	**-**	**13,177**	**3,753**
Net book value at 1 April 2024	**4,448**	**2,124**	**515**	**2,651**	**1**	**9,739**	**3,592**
Net book value of right of use assets leased from other NHS providers							3,154
Net book value of right of use assets leased from other DHSC group bodies							599

Note 18.3 Revaluations of right of use assets

The majority of Right of Use (RoU) assets relate to IT equipment, transport equipment or plant and machinery that have short useful lives or low values, or both. Hence, the depreciated historic costs have been considered not to be materially different from the current value in the existing use. The remainder of RoU assets were reviewed to identify any signs of upward revaluation or impairments, such as changes to lease contract and agreements, changes in use or changes to assets themselves (for example, improvement and modifications or signs significant damage beyond natural "wear and tear"). As a result of the reviews no changes were made to the value of RoU assets.

Note 18.4 Reconciliation of the carrying value of lease liabilities

Lease liabilities are included within borrowings in the statement of financial position. A breakdown of borrowings is disclosed in note 24.1.

	2025/26	2024/25
	£000	£000
Carrying value at 1 April	**13,396**	**9,852**
Prior period adjustments		-
Carrying value at 1 April - restated	**13,396**	**9,852**
Lease additions	239	5,508
Interest charge arising in year	407	237
Early terminations	-	(124)
Lease payments (cash outflows)	(2,719)	(2,077)
Carrying value at 31 March	**11,323**	**13,396**

Lease payments for short term leases, leases of low value underlying assets and variable lease payments not dependent on an index or rate are recognised in operating expenditure.

These payments are disclosed in Note 7.1. Cash outflows in respect of leases recognised on-SoFP are disclosed in the reconciliation above.

During the reporting period no income was recorded for subleasing right-of-use assets.

Note 18.5 Maturity analysis of future lease payments

	Total	Of which leased from DHSC group bodies:	Total	Of which leased from DHSC group bodies:
	31 March 2026	31 March 2026	31 March 2025	31 March 2025
	£000	£000	£000	£000
Undiscounted future lease payments payable in:				
- not later than one year;	2,539	306	2,691	314
- later than one year and not later than five years;	6,585	1,141	7,842	1,165
- later than five years.	3,516	2,609	4,632	2,891
Total gross future lease payments	**12,640**	**4,056**	**15,165**	**4,370**
Finance charges allocated to future periods	(1,316)	(515)	(1,768)	(572)
Net lease liabilities at 31 March 2026	**11,324**	**3,541**	**13,397**	**3,798**
Of which:				
Leased from other NHS providers		3,008		3,199
Leased from other DHSC group bodies		533		599

Note 18.6 Leases - other information

Operating lease income and future receipts equates to £21,475k as per note 6.1 (current year income of £1,705k) and note 6.2 (future years income of £19,770k). Of this, £2,763k relates to DHSC Bodies.

Operating lease expenditure recognised in year relating to short term leases was £374k, as per note 7.1. The total future commitment on short-term leases equates to £380k.

There were no risks to future cash outflows identified that were not included in the leases liabilities.

Note 19 Inventories

	31 March 2026	31 March 2025
	£000	£000
Drugs	4,874	3,398
Consumables	12,591	9,933
Total inventories	**17,466**	**13,331**
of which:		
Held at fair value less costs to sell	-	-

Inventories recognised in expenses for the year were £207,123k (2024/25: £188,865k). Write-down of inventories recognised as expenses for the year were £0k (2024/25: £0k).

Note 20.1 Receivables

	31 March 2026	31 March 2025
	£000	£000
Current		
Contract receivables	55,286	46,593
Allowance for impaired contract receivables / assets	(13,090)	(10,890)
Prepayments (non-PFI)	11,057	8,041
PFI lifecycle prepayments	2,095	1,050
VAT receivable	4,397	4,351
Other receivables	47	67
Total current receivables	**59,792**	**49,212**
Non-current		
Other receivables	940	1,073
Total non-current receivables	**940**	**1,073**
Of which receivable from NHS and DHSC group bodies:		
Current	18,791	17,138
Non-current	940	1,073

Note 20.2 Allowances for credit losses

	2025/26	2024/25
	Contract receivables and contract assets £000	Contract receivables and contract assets £000
Allowances as at 1 April - brought forward	**10,890**	**9,633**
New allowances arising	5,166	3,887
Changes in existing allowances	233	225
Reversals of allowances	(2,098)	(2,511)
Utilisation of allowances (write offs)	(1,101)	(344)
Allowances as at 31 Mar 2026	**13,090**	**10,890**

Allowances for credit losses are calculated by class of debtor and risk assessed for each asset class. A detailed table is provided in note 20.3.
The principles of the calculation remain the same at 31 March 2026 as at 31 March 2025.

The Trust's definition of default is any debt which exceeds its terms of payment. The standard credit terms are 30 days from the date of invoice. Debts are written off when there is no reasonable expectation of recovery and all routes available for attempting recovery have been exhausted.

Note 20.3 Exposure to credit risk

Expected credit losses are calculated and provided for based on different classes of financial asset.
Debt provision table by classification of debtor.
Percentage and Amount provision by class of debtor and debtor days.

	Debtor days						
Class of Debtor	**0-30 days**	**31-60 days**	**61-90 days**	**91-180 days**	**181-360 days**	**>360 days**	**Total**
Non-NHS receivables (£000)	210	439	496	631	924	2,402	5,102
Non-NHS receivables (%)	14%	25%	33%	41%	57%	96%	49%
Private and Overseas Patients (£000)	103	261	560	377	305	4,109	5,715
Private and Overseas Patients (%)	85%	90%	92%	93%	95%	99%	97%
Staff (£000)	0	0	0	0	0	5	5
Staff (%)	0%	0%	0%	0%	0%	100%	100%
RTA (£000)	54	79	63	213	384	1,475	2,268
RTA (%)	25%	25%	25%	25%	25%	25%	25%
Total (£000)	367	779	1,119	1,221	1,613	7,991	13,090
Total (%)	19%	33%	47%	44%	46%	63%	51%

The majority of the Trust's and Group's revenue comes from contracts with other public sector bodies. The private and overseas patient area does have a credit loss risk and is reflected in the above table. In addition to the above, specific identified high risk debt has been provided for in full.

Note 21 Cash and cash equivalents movements

Cash and cash equivalents comprise cash at bank, in hand and cash equivalents. Cash equivalents are readily convertible investments of known value which are subject to an insignificant risk of change in value.

	2025/26	2024/25
	£000	£000
At 1 April	**77,420**	**62,678**
Net change in year	(7,393)	14,742
At 31 March	**70,027**	**77,420**
Broken down into:		
Cash at commercial banks and in hand	15	13
Cash with the Government Banking Service	70,012	77,407
Total cash and cash equivalents as in SoFP	**70,027**	**77,420**
Total cash and cash equivalents as in SoCF	**70,027**	**77,420**

Note 21.1 Third party assets held by the Trust

In 2025/26, North Bristol NHS Trust held no cash and cash equivalents which relate to monies held by the Trust on behalf of patients or other parties (£0k in 2024/25).

Note 22 Trade and other payables

	31 March 2026	31 March 2025
	£000	£000
Current		
Trade payables	62,157	57,002
Capital payables	8,050	5,620
Accruals	35,589	39,442
Social security costs	7,270	5,786
Other taxes payable	6,978	6,368
Pension contributions payable	8,496	7,934
Other payables	729	876
Total current trade and other payables	**129,269**	**123,028**
Of which payables from NHS and DHSC group bodies:		
Current	10,696	4,990

Note 23 Other liabilities

	31 March 2026	31 March 2025
	£000	£000
Current		
Deferred income: contract liabilities	10,816	11,672
Deferred PFI credits / income	77	77
Total other current liabilities	**10,893**	**11,749**
Non-current		
Deferred income: contract liabilities	3,019	3,130
Deferred PFI credits / income	1,436	1,513
Total other non-current liabilities	**4,455**	**4,643**

Note 24.1 Borrowings

	31 March 2026	31 March 2025
	£000	£000
Current		
Lease liabilities	2,204	2,283
Obligations under PFI, LIFT or other service concession contracts	24,481	22,896
Total current borrowings	**26,685**	**25,179**
Non-current		
Lease liabilities	9,120	11,114
Obligations under PFI, LIFT or other service concession contracts	570,820	570,966
Total non-current borrowings	**579,940**	**582,080**

Note 24.2 Reconciliation of liabilities arising from financing activities

	Lease Liabilities	PFI and LIFT schemes	Total
	£000	£000	£000
Carrying value at 1 April 2025	**13,396**	**593,862**	**607,258**
Cash movements:			
Financing cash flows - payments and receipts of principal	(2,312)	(18,653)	**(20,965)**
Financing cash flows - payments of interest	(407)	(37,780)	**(38,187)**
Non-cash movements:			
Additions	239	-	**239**
Remeasurement of PFI / other service concession liability resulting from change in index or rate		20,092	**20,092**
Application of effective interest rate	407	37,780	**38,187**
Carrying value at 31 March 2026	**11,323**	**595,301**	**606,624**

	Lease Liabilities	PFI and LIFT schemes	Total
	£000	£000	£000
Carrying value at 1 April 2024	**9,852**	**585,583**	**595,435**
Prior period adjustment	-	-	**-**
Carrying value at 1 April 2024 - restated	**9,852**	**585,583**	**595,435**
Cash movements:			
Financing cash flows - payments and receipts of principal	(1,840)	(18,027)	**(19,867)**
Financing cash flows - payments of interest	(237)	(37,677)	**(37,914)**
Non-cash movements:			
Additions	5,508	-	**5,508**
Remeasurement of PFI / other service concession liability resulting from change in index or rate		26,306	**26,306**
Application of effective interest rate	237	37,677	**37,914**
Early terminations	(124)	-	**(124)**
Carrying value at 31 March 2025	**13,396**	**593,862**	**607,258**

Note 25.1 Provisions for liabilities and charges analysis

	Pensions: early departure costs	Legal claims	Re-structuring	Other	Total
	£000	£000	£000	£000	£000
At 1 April 2025	**393**	**331**	**80**	**3,798**	**4,602**
Change in the discount rate	-	-	-	(76)	**(76)**
Arising during the year	119	363	317	4,717	**5,516**
Utilised during the year	(175)	(64)	-	(46)	**(285)**
Reversed unused	-	(144)	-	-	**(144)**
Unwinding of discount	(9)	-	-	63	**54**
At 31 March 2026	**328**	**486**	**397**	**8,456**	**9,667**
Expected timing of cash flows:					
- not later than one year;	190	486	397	7,516	**8,589**
- later than one year and not later than five years;	138	-	-	114	**252**
- later than five years.	-	0	-	826	**826**
Total	**328**	**486**	**397**	**8,456**	**9,667**

Note 25.2 Clinical negligence liabilities

At 31 March 2026, £230,759k was included in provisions of NHS Resolution in respect of clinical negligence liabilities of North Bristol NHS Trust (31 March 2025: £238,863k).

Note 26 Contingent assets and liabilities

£55k (2024/25 £26k) contingent liability relates to the assessed potential liability advised by NHS Resolution on claims currently in progress where a contribution may become liable. There were no contingent assets recognised by the Trust in 2025/26.

Note 27 Contractual capital commitments

	31 March 2026	31 March 2025
	£000	£000
Property, plant and equipment	5,805	5,682
Total	**5,805**	**5,682**

Note 28 Other financial commitments

The Trust is committed to making payments under non-cancellable contracts (which are not leases, PFI contracts or other service concession arrangement), analysed by the period during which the payment is made:

	31 March 2026	31 March 2025
	£000	£000
not later than 1 year	2,151	2,106
after 1 year and not later than 5 years	9,085	8,902
paid thereafter	18,136	20,665
Total	**29,372**	**31,673**

Note 29 On-SoFP PFI, LIFT or other service concession arrangements

A contract for the development of the new hospital was signed by the Trust and its PFI partner, The Hospital Company (Southmead) Limited on 25 February 2010. The purpose of the scheme was to deliver a modern, state of the art hospital facility on the Southmead site, which the Trust moved into on 26 March 2014 and which has been fully operational since May 2014.

Under IFRIC 12, the PFI scheme is deemed to be on the Statement of Financial Position, meaning that the hospital is treated as an asset of the Trust, being acquired under a finance lease. In addition to the above the PFI partner constructed a multi-storey car park as part of the PFI contract which was completed and has been operating since January 2011. This is accounted for in the same way as the hospital.

A final phase of the project with a capital value of £6,553k completed in 2016.

The total construction cost recognised in the accounts to date in relation to these two assets is £299,383k.

An annual unitary payment is payable to our PFI partner. This payment is subject to RPI based indexation in common with most other PFI schemes. Under the contract, the PFI partner provides a facilities management service along with associated services including pest control and grounds and utilities management. The contractual service charge for 2025/26 was £8,664k. As well as being subject to movements in RPI, this element can change as a result of service or performance variations. During the course of 2024/25 the Trust has utilised the contractual mechanisms relating to performance to secure reductions in the payments made to the contractor.

Note 29.1 On-SoFP PFI, LIFT or other service concession arrangement obligations

The following obligations in respect of the PFI, LIFT or other service concession arrangements are recognised in the statement of financial position:

	31 March 2026	31 March 2025
	£000	£000
Gross PFI, LIFT or other service concession liabilities	**1,034,731**	**1,055,335**
Of which liabilities are due		
- not later than one year;	61,084	59,431
- later than one year and not later than five years;	221,110	217,352
- later than five years.	752,537	778,552
Finance charges allocated to future periods	(439,430)	(461,473)
Net PFI, LIFT or other service concession arrangement obligation	**595,301**	**593,862**
- not later than one year;	24,481	22,896
- later than one year and not later than five years;	88,100	83,461
- later than five years.	482,720	487,505

Note 29.2 Total on-SoFP PFI, LIFT and other service concession arrangement commitments

Total future commitments under these on-SoFP schemes are as follows:

	31 March 2026	31 March 2025
	£000	£000
Total future payments committed in respect of the PFI, LIFT or other service concession arrangements	**1,754,956**	**1,804,359**
Of which payments are due:		
- not later than one year;	76,377	73,730
- later than one year and not later than five years;	300,884	290,417
- later than five years.	1,377,695	1,440,212

Note 29.3 Analysis of amounts payable to service concession operator

This note provides an analysis of the unitary payments made to the service concession operator:

	2025/26	2024/25
	£000	£000
Unitary payment payable to service concession operator	**68,008**	**65,702**
Consisting of:		
- Interest charge	37,780	37,677
- Repayment of balance sheet obligation	18,859	18,233
- Service element and other charges to operating expenditure	8,664	8,315
- Capital lifecycle maintenance	1,660	1,477
- Addition to lifecycle prepayment	1,045	-
Total amount paid to service concession operator	**68,008**	**65,702**

Note 30 Financial instruments

Note 30.1 Financial risk management

Financial reporting standard IFRS 7 requires disclosure of the role that financial instruments have had during the period in creating or changing the risks a body faces in undertaking its activities. Because of the continuing service provider relationship that the NHS Trust has with commissioners and the way those commissioners are financed, the NHS Trust is not exposed to the degree of financial risk faced by business entities. Also financial instruments play a much more limited role in creating or changing risk than would be typical of listed companies, to which the financial reporting standards mainly apply. The NHS Trust has limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities rather than being held to change the risks facing the NHS Trust in undertaking its activities.

The Trust's treasury management operations are carried out by the finance department, within parameters defined formally within the Trust's standing financial instructions and policies agreed by the Board of Directors. The Trust's treasury activity is subject to review by the Trust's internal auditors.

Currency Risk

The Trust is a domestic organisation with the great majority of transactions, assets and liabilities being in the UK and sterling based. They have no overseas operations. Therefore there is low exposure to currency rate fluctuations.

Interest Risk

Within the PFI, the interest is subject to annual uplifts in respect of the Retail Price Index. The Trust does not have any outstanding loans from the government, therefore the Trust has low exposure to interest rate fluctuations.

Credit Risk

Because the majority of the Trust's revenue comes from contracts with other public sector bodies, there is low exposure to credit risk. The maximum exposures as at 31 March 2026 are in receivables from customers, as disclosed in note 20.3.

Liquidity Risk

The majority of the Trust's operating costs are financed through the block income and system envelopes. The Trust funds its capital expenditure from a combination of internally generated sources, along with capital PDC received in relation to specific schemes. The Trust is, therefore, exposed to significant liquidity risks.

Note 30.2 Carrying values of financial assets

Carrying values of financial assets as at 31 March 2026	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	42,197	**42,197**
Cash and cash equivalents	70,027	**70,027**
Total at 31 March 2026	**112,224**	**112,224**

Carrying values of financial assets as at 31 March 2025	Held at amortised cost	Total book value
	£000	£000
Trade and other receivables excluding non financial assets	35,704	**35,704**
Cash and cash equivalents	77,420	**77,420**
Total at 31 March 2025	**113,124**	**113,124**

Note 30.3 Carrying values of financial liabilities

Carrying values of financial liabilities as at 31 March 2026	Held at amortised cost	Total book value
	£000	£000
Obligations under leases	11,324	**11,324**
Obligations under PFI, LIFT and other service concession contracts	595,301	**595,301**
Trade and other payables excluding non financial liabilities	97,855	**97,855**
Provisions under contract	9,667	**9,667**
Total at 31 March 2026	**714,147**	**714,147**

Carrying values of financial liabilities as at 31 March 2025	Held at amortised cost	Total book value
	£000	£000
Obligations under leases	13,397	**13,397**
Obligations under PFI, LIFT and other service concession contracts	593,862	**593,862**
Trade and other payables excluding non financial liabilities	95,916	**95,916**
Provisions under contract	4,602	**4,602**
Total at 31 March 2025	**707,777**	**707,777**

Note 30.4 Maturity of financial liabilities

The following maturity profile of financial liabilities is based on the contractual undiscounted cash flows. This differs to the amounts recognised in the statement of financial position which are discounted to present value.

	31 March 2026	31 March 2025
	£000	£000
In one year or less	170,067	161,364
In more than one year but not more than five years	227,947	225,496
In more than five years	756,879	784,158
Total	**1,154,893**	**1,171,018**

Note 30.5 Fair values of financial assets and liabilities

The carrying value of financial assets and liabilities may be considered a reasonable approximation of their fair value.

Note 31 Losses and special payments

	2025/26		2024/25	
	Total number of cases	Total value of cases	Total number of cases	Total value of cases
	Number	£000	Number	£000
Losses				
Cash losses	8	35	1	6
Bad debts and claims abandoned	265	1,081	239	644
Stores losses and damage to property	12	336	-	-
Total losses	**285**	**1,452**	**240**	**650**
Special payments				
Compensation under court order or legally binding arbitration award	8	54	10	52
Ex-gratia payments	30	14	58	22
Total special payments	**38**	**68**	**68**	**74**
Total losses and special payments	**323**	**1,520**	**308**	**724**
Compensation payments received				

Note 32 Related parties

The Department of Health and Social Care is the parent department of the Trust. The main entities within the public sector that the Trust has had dealings with are:

NHS England
NHS Bristol, North Somerset and South Gloucestershire ICB
NHS Bath and North East Somerset, Swindon and Wiltshire ICB
NHS Gloucestershire ICB
NHS Somerset ICB

Health Education England, which merged with NHS England as of 1st April 2023 NHS Resolution
Department of Health and Social Care
UK Health Security Agency
NHS Pension Scheme
HM Revenue and Customs

University Hospitals Bristol and Weston NHS Foundation Trust
Gloucestershire Hospitals NHS Foundation Trust
Royal United Hospitals Bath NHS Foundation Trust
Avon and Wiltshire Mental Health Partnership NHS Trust
Sirona Care and Health CIC

Bristol City Council
North Somerset Council
South Gloucestershire Council

The table below include information on transactions with related parties as well as potential conflict of interest as disclosed by Board Members:

Director, Interest and Related parties	Receivables at 31.03.26, £	Income in 2025/26, £	Payables at 31.03.26, £	Expenditure in 2025/26, £
Southmead Hospital Charity	411,176	1,654,702	-	-
Ingrid Barker (Group Chair)				
Group Chair with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Linda Kennedy (Group Non-Executive Director)				
Group Non-Executive Director with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Poku Osei (Group Non-Executive Director)				
Group Non-Executive Director with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Richard Gaunt (Group Non-Executive Director)				
Group Non-Executive Director with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Marc Griffiths (Group Non-Executive Director)				
Pro-Vice Chancellor & Executive Dean, University of the West of England, Bristol	19,697	(344)	495,718	691,941
Governor, City of Bristol College	-	-	(695)	360
Group Non-Executive Director with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Professor Sarah Purdy (Group Non-Executive Director)				
Group Non-Executive Director with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Martin Sykes (Group Non-Executive Director)				
Non-Executive Member and Senior Independent Director, Cornwall & Isles of Scilly Integrated Care Board	-	841,127	-	-
Group Non-Executive Director with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Shawn Smith (Non-Executive Director for North Bristol NHS Trust)				
Governor of City of Bristol College.	-	-	(695)	360
Non-Executive Director, Gloucestershire Hospitals NHS Foundation Trust	505,642	1,180,407	369,422	149,724
Roy Shubhabrata (Group Non-Executive Director)				
Group Non-Executive Director with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Ms Maria Kane (Group Chief Executive)				
Advisory Group Member of CHKS, a provider of healthcare intelligence and quality improvement services	-	-	54,758	186,556
Group Chief Executive with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268

Director, Interest and Related parties	Receivables at 31.03.26, £	Income in 2025/26, £	Payables at 31.03.26, £	Expenditure in 2025/26, £
Jenny Lewis (Group Chief People and Culture Officer)				
Group Chief People and Culture Officer with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Professor Tim Whittlestone (Group Chief Medical and Innovation Officer)				
Group Chief Medical and Innovation Officer with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Professor Steve Hams (Chief Nursing and Improvement Officer)				
Independent Trustee and Chair of the Infection Prevention Society.	-	-	-	600
Group Chief Nursing and Improvement Officer with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Neil Darvill (Chief Digital Information Officer (non-voting position))				
Group Chief Digital Information Officer with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Wife works as a senior manager for the Bristol, North Somerset and South Gloucestershire (BNSSSG) Integrated Care Board (ICB)	171,478	339,155	326,251	888,447
Neil Kemsley (Group Chief Finance and Estates Officer)				
Group Chief Finance and Estates Officer with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Paula Clarke (Group Formation Officer (non-voting position))				
Group Chief Formation Officer with University Hospitals Bristol & Weston NHS Foundation Trust	1,984,712	22,814,241	2,426,791	14,732,268
Total NHS	2,661,832	25,174,930	3,122,463	15,770,439
Total Non-NHS	430,873	1,654,358	549,780	879,457
Total	**3,092,705**	**26,829,288**	**3,672,243**	**16,649,896**

*Figures for University Hospital Bristol & Weston NHS Foundation Trust and City of Bristol College appear under each joint role, however are only included in the total figures once to not overstate the total transactions with related parties.

Note 33 Transfers by absorption

There were no transfers by absorption recognised in 2025/26 (2024/25: £Nil).

Note 34 Prior period adjustments

The only Prior Period Adjustments in 2025/26 relate to the Charity following a decision not to consolidate. There were no Prior Period Adjustments in 2024/25.

Note 35 Events after the reporting date

There are no events after the reporting period which would affect the figures in these accounts, nor which require disclosure.

Note 36 Better Payment Practice code

Non-NHS Payables	2025/26 Number	2025/26 £000	2024/25 Number	2024/25 £000
Total non-NHS trade invoices paid in the year	70,633	634,539	73,956	579,156
Total non-NHS trade invoices paid within target	63,198	596,760	67,098	548,344
Percentage of non-NHS trade invoices paid within target	89.5%	94.0%	90.8%	94.7%
NHS Payables				
Total NHS trade invoices paid in the year	2,978	39,276	2,498	36,263
Total NHS trade invoices paid within target	2,744	35,520	2,146	32,284
Percentage of NHS trade invoices paid within target	92.1%	90.4%	85.9%	89.0%

The Better Payment Practice code requires the NHS body to aim to pay all valid invoices by the due date or within 30 calendar days of receipt of goods or a valid invoice (whichever is later) unless other payment terms have been agreed.

Note 37 Capital Resource Limit

	2025/26 £000	2024/25 £000
Gross capital expenditure	53,372	72,703
Less: Disposals	-	(124)
Less: Donated and granted capital additions	(4,513)	(458)
Charge against Capital Resource Limit	**48,859**	**72,121**
Capital Resource Limit	48,859	72,121
Under / (over) spend against CRL	**-**	**-**

Note 38 Adjusted financial performance

	2025/26 £000	2024/25 £000
Surplus / (deficit) for the period per SOCI	(20,251)	(29,157)
Remove impact of consolidating NHS charitable fund		(102)
Remove net impairments not scoring to the departmental expenditure limit	16,408	7,800
Remove I&E impact of capital grants and donations	(3,458)	600
Remove I&E impact of IFRIC 12 schemes on an IFRS 16 basis	65,876	72,710
Add back I&E impact of IFRIC 12 schemes on former UK GAAP basis	(53,633)	(51,821)
Adjusted financial performance surplus / (deficit)	**4,941**	**30**

Note 39 Breakeven duty financial performance

	2025/26 £000
Adjusted financial performance surplus / (deficit)	4,941
Remove impairments scoring to Departmental Expenditure Limit	-
Breakeven duty financial performance surplus / (deficit)	**4,941**

Note 40 Breakeven duty rolling assessment

	1997/98 to 2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance		6,177	7,888	9,002	7,002	5,605	(19,740)	(51,561)	(42,922)
Breakeven duty cumulative position	(31,573)	(25,396)	(17,508)	(8,506)	(1,504)	4,101	(15,639)	(67,200)	(110,122)
Operating income		473,815	492,883	519,430	529,896	541,376	552,911	543,638	530,628
Cumulative breakeven position as a percentage of operating income		(5.4%)	(3.6%)	(1.6%)	(0.3%)	0.8%	(2.8%)	(12.4%)	(20.8%)

	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Breakeven duty in-year financial performance	(12,143)	(7,440)	7,470	10,816	13,094	8,455	2,119	140	4,941
Breakeven duty cumulative position	(122,265)	(129,705)	(122,235)	(111,419)	(98,325)	(89,869)	(87,750)	(87,610)	(82,669)
Operating income	574,469	605,829	667,679	773,284	791,396	870,282	949,388	1,050,624	1,142,700
Cumulative breakeven position as a percentage of operating income	(21.3%)	(21.4%)	(18.3%)	(14.4%)	(12.4%)	(10.3%)	(9.2%)	(8.3%)	(7.2%)

Staff costs

	Permanent	Other	2025/26 Total	2024/25 Total
	£000	£000	£000	£000
Salaries and wages	510,019	6,109	**516,128**	485,853
Social security costs	66,254	-	**66,254**	50,996
Apprenticeship levy	2,497	-	**2,497**	2,375
Employer's contributions to NHS pension scheme	100,757	-	**100,757**	94,682
Termination benefits	995	-	**995**	515
Temporary staff	-	7,105	**7,105**	8,889
Total gross staff costs	**680,522**	**13,214**	**693,736**	**643,310**
Recoveries in respect of seconded staff	-	-	**-**	-
Total staff costs	**680,522**	**13,214**	**693,736**	**643,310**
Of which				
Costs capitalised as part of assets	2,859	162	**3,021**	2,960

Average number of employees (WTE basis)

	Permanent	Other	2025/26 Total	2024/25 Total
	Number	Number	Number	Number
Medical and dental	1,272	49	**1,321**	1,236
Administration and estates	2,299	141	**2,440**	2,486
Healthcare assistants and other support staff	1,604	291	**1,895**	1,845
Nursing, midwifery and health visiting staff	2,770	274	**3,044**	3,006
Scientific, therapeutic and technical staff	1,074	10	**1,084**	1,026
Healthcare science staff	653	14	**667**	640
Total average numbers	**9,672**	**779**	**10,451**	**10,239**
Of which:				
Number of employees (WTE) engaged on capital projects	38	1	**39**	42

Reporting of compensation schemes - exit packages 2025/26

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	-	37	**37**
£10,000 - £25,000	1	12	**13**
£25,001 - 50,000	1	2	**3**
£50,001 - £100,000	1	3	**4**
£100,001 - £150,000	1	-	**1**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**4**	**54**	**58**
Total cost (£)	£297,000	£698,000	**£996,000**

Reporting of compensation schemes - exit packages 2024/25

	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages
	Number	Number	Number
Exit package cost band (including any special payment element)			
<£10,000	3	26	**29**
£10,000 - £25,000	4	8	**12**
£25,001 - 50,000	2	-	**2**
£50,001 - £100,000	-	-	**-**
£100,001 - £150,000	-	1	**1**
£150,001 - £200,000	-	-	**-**
>£200,000	-	-	**-**
Total number of exit packages by type	**9**	**35**	**44**
Total resource cost (£)	£145,000	£370,000	**£515,000**

Exit packages: other (non-compulsory) departure payments

	2025/26		2024/25	
	Payments agreed	Total value of agreements	Payments agreed	Total value of agreements
	Number	£000	Number	£000
Voluntary redundancies including early retirement contractual costs	-	-	-	-
Mutually agreed resignations (MARS) contractual costs	21	512	-	-
Early retirements in the efficiency of the service contractual costs	-	-	-	-
Contractual payments in lieu of notice	33	186	35	370
Exit payments following Employment Tribunals or court orders	-	-	-	-
Non-contractual payments requiring HMT / DHSC approval	-	-	-	-
Total	**54**	**698**	**35**	**370**
Of which:				
Non-contractual payments requiring HMT / DHSC approval made to individuals where the payment value was more than 12 months' of their annual salary	-	-	-	-