

28 January 2016

The Directors  
St George's University Hospital NHS Foundation Trust  
Blackshaw Road,  
Tooting  
London  
SW17 0QT

Dear Sirs,

**PwC report entitled “St George’s University Hospital NHS Foundation Trust – Forensic review and assessment” dated 1 October 2015**

EY acted as independent reporting accountants to St George’s University Hospital NHS FT’s application for Foundation Trust status. We were saddened to see the deterioration of its financial position after it became a Foundation Trust, and welcome the forensic review. The authors of the forensic review were asked to examine the Trust in much greater depth than the agreed scope of our work as reporting accountants.

The authors of the forensic review report did not discuss our work with us and we believe the forensic review report contains a number of factual errors where it considers our work as reporting accountants. As a result, whilst we are pleased that the review report recognises that “the independent reporting accountants (EY) completed their work in accordance with the scope set out by Monitor and the TDA”, we do not agree with all of the forensic review report’s findings.

We note the comments regarding areas where further work should have been undertaken; we believe our work was appropriate at the time when we looked at the Trust (in the Autumn of 2014). Given the deterioration in the financial position of many NHS providers since that time, we will continue to work with Monitor to explore how the reporting accountant scope can be varied to reflect the increased financial challenges faced by many Trusts.

Yours faithfully

Ernst & Young LLP