



**A Meeting of Aneurin Bevan University Health Board
will be held on Wednesday 27th November 2019, at 09:30am in
Conference Room 1 and 2, Aneurin Bevan University Health Board
Headquarters, St Cadoc's Hospital**

AGENDA

Charitable Funds – Board as Corporate Trustee for Charitable Funds				
1. Preliminary Matters				
	1.1	Welcome and Introductions		Chair
	1.2	Apologies for Absence		Chair
	1.3	Declarations of Interest		Chair
2. Agenda Items				
	2.1	WAO ISA260 Report	Attachment	Director of Finance and Performance
	2.2	Annual Accounts and Annual Report 2018/2019	Attachment	Chair of Charitable Funds



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

2.1

Audit of Financial Statements Report and Management Letter – **Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities**

Audit year: 2018-19

Date issued: November 2019

Document reference: 1596A2019-20

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000.

The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at

infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

The team who delivered the work comprised Richard Harries, Tracy Veale, Gareth Rees and Dafydd Parker.

Contents

This document summarises the conclusions on the 2018-19 audit including our recommendations for the year. The Auditor General intends to issue an unqualified audit report on your financial statements. There is one issue to report to you prior to their approval.

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Summary report

Introduction

- 1 The purpose of this report is twofold:
 - to set out for consideration the matters arising from the audit of the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities (the Charity), for 2018-19, that require reporting to those charged with governance, in time to enable appropriate action; and
 - to formally communicate the completion of our audit and capture the recommendations arising from our audit work for the year.
- 2 The Auditor General's responsibilities were set out in our Audit Plan along with your responsibilities as those charged with governance; we do not repeat them in detail again here.
- 3 We confirm we have undertaken the audit as planned and our performance against the agreed measures and actual fee compared to the planned fee are reported in [Appendix 4](#). We have no other issues to report to you other than in this report.
- 4 We are grateful to the Charity and its staff for their assistance, good quality working papers and draft accounts provided during the course of our audit.
- 5 The Auditor General is responsible for providing an opinion on whether the financial statements give a true and fair view of the financial position of the Charity at 31 March 2019 and its income and expenditure for the year then ended.
- 6 We do not try to obtain absolute assurance that the financial statements are correctly stated, but adopt the concept of materiality. In planning and conducting the audit, we seek to identify material misstatements in your financial statements, namely, those that might result in a reader of the accounts being misled.
- 7 The quantitative levels at which we judge such misstatements to be material for the Charity are £20,200 for all account areas. Whether an item is judged to be material can also be affected by certain qualitative issues such as legal and regulatory requirements and political sensitivity.

Status of the audit

- 8 We received the draft financial statements for the year ended 31 March 2019 on 15 August 2019 and have now substantially completed the audit work.
- 9 We are reporting to you the more significant issues arising from the audit, which we believe you must consider prior to approval of the financial statements. The audit team has already discussed these issues with the Assistant Director of Finance (Financial Systems and Services).

Proposed audit report

- 10 It is the Auditor General's intention to issue an unqualified audit report on the financial statements once you have provided us with a Letter of Representation based on that set out in [Appendix 1](#).
- 11 The proposed audit report is set out in [Appendix 2](#).

Significant issues arising from the audit

Uncorrected misstatements

- 12 There are no misstatements identified in the financial statements, which remain uncorrected.

Corrected misstatements

- 13 There are misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process. They are set out with explanations in [Appendix 3](#).

Other significant issues arising from the audit

- 14 In the course of the audit, we consider a number of matters both qualitative and quantitative relating to the accounts and report any significant issues arising to you. There were no issues arising in these areas this year:
- **we have no concerns about the qualitative aspects of your accounting practices and financial reporting.** We found the information provided to be relevant, reliable, comparable, and easy to understand. We concluded that accounting policies and estimates are appropriate and financial statement disclosures unbiased, fair and clear.
 - **we did not encounter any significant difficulties during the audit.** We received information in a timely and helpful manner and were not restricted in our work.
 - **there were no significant matters discussed and corresponded upon with management which we need to report to you.**
 - **there are no other matters significant to the oversight of the financial reporting process that we need to report to you.**
 - **we did not identify any material weaknesses in your internal controls.** We report these where you are not already aware of them or where they may be symptomatic of broader weaknesses in the overall control environment.

- **there are matters specifically required by auditing standards to be communicated to those charged with governance.**

Restricted Funds: In this case our testing has identified that three of the funds presently classified as restricted do not meet the criteria in your accounting policy. These three funds are not based on a legal document such as a will, rather they are funds that have been inherited at the previous reorganisation where their classification at that time was recorded as restricted funds. Consideration should be given to whether their classification as restricted remains appropriate under the current accounting policy.

Approved projects closure: A project approved for funding of £70,000 in 2013-14 over two years was closed this year with an underspend of £31,120 but the Charitable Funds Committee has not received an evaluation report for this project. The Charitable Funds Committee should ensure evaluation reports are received for projects of this size in future to demonstrate their review of the funding's effectiveness.

Recommendations arising from our 2018-19 audit work

- 15 The recommendations arising from our audit work are set in [Appendix 5](#). Management has responded to them and we will follow up progress on them during next year's audit. Where any actions are outstanding, we will continue to monitor progress and report it to you in next year's report.
- 16 We note that action has been taken following our recommendation from last year's audit to reclaim prior years' tax deducted and that a claim for £3,288 has been lodged with HMRC.

Independence and objectivity

- 17 As part of the finalisation process, we are required to provide you with representations concerning our independence.
- 18 We have complied with ethical standards and in our professional judgment, we are independent and our objectivity is not compromised. There are no relationships between the Wales Audit Office and the Charity that we consider to bear on our objectivity and independence.

Appendix 1

Final Letter of Representation

Representations regarding the 2018-19 financial statements

This letter is provided in connection with your audit of the financial statements (including that part of the Remuneration Report that is subject to audit) of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and the Charities Act 2011; in particular the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- our knowledge of fraud or suspected fraud that we are aware of and that affects Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.

- our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others;
- our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements;
- the identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date which require adjustment or disclosure have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. The effects of uncorrected misstatements identified during the audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Representations by the Trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

We acknowledge that the representations made by management, above, have been discussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Board on 27 November 2019.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant audit information of which you are unaware.

Signed by:
Judith Paget
Chief Executive
Date:

Signed by:
Ann Lloyd
Chair of Trustees
Date:

Appendix 2

Proposed audit report of the Auditor General to the Trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

The independent auditor's report of the Auditor General for Wales to the trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2019 under the Charities Act 2011. These comprise the Statement of Financial activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Report on other requirements

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The trustee is responsible for the other information in the annual report and accounts. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Matters on which I report by exception

I have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require me to report to you if, in my opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities set out on page 17 the trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is responsible for assessing the charity'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 deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

I have been appointed as auditor under section 150 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

My 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 my 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.

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

Adrian Crompton
Auditor General for Wales
9 December 2019

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Cardiff
CF11 9LJ

Appendix 3

Summary of corrections made to the draft financial statements which should be drawn to the attention of the Trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

During our audit we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 1: misstatements corrected by management

Value of correction	Nature of correction	Reason for correction
N/A	Note 3 – Related Parties Column headings amended such that they read 'Income from related party' and 'Expenditure to related party'.	To reflect the basis of income and expenditure recognition in the accounts.
N/A	Annual Report Part B section 7 and part B section 4 of the Annual Report were both amended, along with a small number of other cross references.	To ensure consistency with the statement of accounts.
£12,644	Note 5 – Income from charitable activities Where no direct link with courses is established this amount has been reclassified from the 'course income' line into 'other income' line.	To ensure classification of income is appropriate.

Appendix 4

Wales Audit Office performance measures

We have agreed a range of targets for the delivery of our work and I have summarised our assessment of achievements against these targets below:

Exhibit 2: assessment of achievement against targets

Planned output	Target	Outcome
2018-19 Audit Plan	October 2019	Verbal update provided for Charitable Funds Committee October 2019
Audit of Financial Statements Report and Management Letter	November 2019	Presented to Board 27 November 2018
Opinion on Financial Statements	December 2019	9 December 2019

The estimated audit fee set out in our Audit Plan was £9,000. Our actual audit fee was £9,000 which is in line with our original estimate.

Appendix 5

Recommendations arising from our 2018-19 audit work

We set out all the recommendations arising from our audit with management's response to them. We will follow up these next year and include any outstanding issues in next year's audit report:

Exhibit 3: recommendations

Matter arising 1 - Restricted funds	
Findings	Three funds with a total value of £12,645 are classified as restricted even though they are not based on a legal document such as a will, rather they are funds inherited at the previous reorganisation where their classification was then recorded as restricted funds.
Priority	Medium.
Recommendation	Consideration be given to whether the documentation is available to support their classification as restricted. Consideration should be given to whether their classification as restricted remains appropriate under the current accounting policy.
Benefits of implementing the recommendation	Classification of funds aligned with the Charity's accounting policy
Accepted in full by management	Yes.
Management response	We will review the three funds in question to establish whether these inherited historical funds should remain as restricted based on the existing documentation.
Implementation date	March 2020.

Matter arising 2 – Evaluation reports	
Findings	A project approved for funding of £70,000 in 2013-14 over two years was closed this year with an underspend of £31,120 but the Charitable Funds Committee has not received the evaluation report with regard to the project.
Priority	Medium.
Recommendation	The Charitable Funds Committee should ensure evaluation reports are received for projects of this size in future to demonstrate their review of the funding's effectiveness.

Matter arising 2 – Evaluation reports	
Benefits of implementing the recommendation	Maintain oversight and evaluation of approved funding.
Accepted in full by management	Yes.
Management response	Evaluation reports are now routinely requested where funding is allocated for more than one year.
Implementation date	N/A

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 <p>Bwrdd Iechyd Prifysgol Aneurin Bevan University Health Board</p>	<p>Aneurin Bevan University Health Board Wednesday 27 November 2019 Agenda Item:2.2</p>
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Aneurin Bevan University Health Board

Charitable Funds Annual Accounts & Annual Report 2018-19

Executive Summary

This report gives an overview of the Annual Accounts and Annual Report for the year ending 31 March 2019 for Aneurin Bevan University Health Board Charitable Fund and other Related Charities and highlights the key issues that are contained in the accounts.

The audit process is completed and WAO will issue an unqualified audit opinion on the accounts following approval of the accounts by the Board as corporate trustee.

Once the accounts and annual report are approved by the Board, signed accounts will be given to Wales Audit Office for the Auditor General for Wales to sign. They will then be filed with the Charity Commission during December before the Charity Commission filing deadline of 31st January 2020. The accounts and annual report will then be available on the Charity Commission website.

The Charity Annual Accounts and Annual Report will also be publicised internally via the intranet and Charitable Funds Newsletter.

The Board is asked to: (please tick as appropriate)

Approve the Report	✓
Discuss and Provide Views	
Receive the Report for Assurance/Compliance	
Note the Report for Information Only	

Executive Sponsor: Glyn Jones, Director of Finance & Performance

Report Author: Mark Ross, Assistant Director of Finance (Financial Systems & Services)

Report Received consideration and supported by :

Executive Team		Charitable Funds Committee	✓
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Date of the Report: 12th November 2019

Supplementary Papers Attached:

[Appendix 1 – Annual Accounts](#)

[Appendix 2 – Annual Report](#)

Purpose of the Report

This report gives an overview of the Annual Accounts and Annual Report for the year ending 31 March 2019 for Aneurin Bevan University Health Board Charitable Fund and highlights the key issues that are contained in the accounts.

Background and Context

1. Background

Aneurin Bevan University Health Board, as corporate trustee of its charitable funds, must file accounts for the year ended 31 March 2019 with the Charities Commission before 31 January 2020. The Accounts and Annual Report were produced in July and were then subject to audit by Wales Audit Office. The audit process is completed and WAO will issue an unqualified audit opinion on the accounts following approval of the accounts by the Board as corporate trustee.

The draft Accounts and Annual Report for 2018/19 were presented to the Charitable Funds Committee on 3rd October 2019. The documentation was considered at the Charitable Funds Committee on 3rd October 2019 and their approval was recommended to the Board.

2. Key Issues

2.1 Changes to the Draft Accounts

There have been a number of minor changes to the version of the accounts that were received by the Charitable Funds Committee on 3rd October which are set out in Appendix 3 of the attached Audit of Financial Statements report from the auditors.

These adjustments have no impact on the increase in funds reported in the draft accounts of £192K.

2.2 Accounts – Key Points

The final accounts are shown at Appendix 1 and the following are key points to note from the accounts for 2018/19:

Statement of Financial Activities for year ended 31 March 2019: (Page 2 of Accounts)

Income from Donations and Legacies has decreased by £161K from the previous year to £450K mainly due to a decrease in legacy income. There was only 1 legacy received in the year.

Investment Income (Note 7, Page 9 of Accounts)

Investment income has increased by £6K from the previous year to £187K due to an increase in rental income and interest on cash holdings.

Expenditure (Page 2 of Accounts and Notes 8 & 9, Page 10 of Accounts)

Expenditure has increased by £87K. The main increase in spend relates to staff education & welfare.

The net impact of income and expenditure is a reduction in funds of £146k before investment gains. (Page 2 of Accounts)

Gain on Investment Assets (Page 2 of Accounts)

During the year there has been an unrealised gain of £338K on investments which is mainly with CCLA reflecting stock market growth on underlying investments.

The net movement in funds for the year is therefore an increase of £192K. (Page 2 of Accounts)

Balance Sheet as at 31 March 2019 (Page 3 of Accounts)

Net assets have increased by £192K reflecting the surplus generated in the year. The following table shows the main movements in the balance sheet and reasons:

	£000
Investments	338
Decrease in Cash Balances	-103
Decrease in Debtor Balances	-132
Decrease in Creditor Balances	89
Total	192

The following table gives a more detailed breakdown of fixed assets investments (Note 15, Page 12 of Accounts):

	Balance 1 Apr 2018 £000	Disposals £000	Realised Gains / (Losses) £000	Unrealised Gains / (Losses) £000	Movement in Cash in Investment Portfolio £000	Balance 31 Mar 2019 £000
Fixed Asset Investments						
Investments						
CCLA	4,208	-	-	270	5	4,483
	4,208	-	-	270	5	4,483
Property						
13 Clytha Square	153	-	-	-	-	153
TP Price - Newport / Six Bells	29	-	-	2	-	31
TP Price - Pontywaun	36	-	-	11	-	47
TP Price - Strip of land Oakdale	-	-	-	50	-	50
	218	-	-	63	-	281
Other						
Painting	25	-	-	-	-	25
Total per Note 15 of the Accounts	4,451	-	-	333	5	4,789

Cash Balances (Note 17, Page 13 of Accounts)

Cash at 31 March 2019 totalled £225K as follows:

	£000
Nat West Current Account	203
Santander Bonus Account	21
Petty Cash	1
Total	225

2.3 Annual Report

The 2018/19 Annual Report for the charity, which is filed with the Charity Commission along with the accounts is attached in Appendix 2.

2.4 Audit of Financial Statements Report

The audit of the financial statements has been undertaken by Wales Audit Office and their 'Audit is provided with the papers. Wales Audit Office have indicated that they intend to give an unqualified audit opinion on the accounts.

3 Next Stages and Actions

Once the accounts and annual report are approved by the Board, signed accounts will be given to Wales Audit Office for the Auditor General for Wales to sign. They will then be filed with the Charity Commission during December before the Charity Commission filing deadline of 31st January 2020. The accounts and annual report will then be available on the Charity Commission website.

The Charity Annual Accounts and Annual Report will also be publicised internally via the intranet and Charitable Funds Newsletter.

Assessment and Conclusion

This report presents the Annual Accounts and Annual Report of the charity for 2018/19.

Recommendation

The Board is asked to approve the Annual Accounts and Annual Report of the charity for 2018/19.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities
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The accounts for Funds Held on Trust.

FOREWORD

The Charity’s accounts and annual report for the year ended 31st March 2019 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008.

STATUTORY BACKGROUND

Aneurin Bevan University Local Health Board is the Corporate Trustee of the Funds Held on Trust under the National Health Service (Wales) Act 2006.

The Aneurin Bevan University Local Health Board and Other Related Charities registered with the Charity Commission on 7th January 2011, registration number 1098728.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Statement of Financial Activities for the year ended 31 March 2019

	Note	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2018-19 £000
Incoming resources from generated funds:				
Donations and legacies	4	407	43	450
Charitable activities	5	234	0	234
Investments	7	142	45	187
Total incoming resources		783	88	871
Expenditure on:				
Raising Funds	8	43	0	43
Charitable activities	9	816	158	974
Total expenditure		859	158	1,017
Net gains / (losses) on investments	15	264	74	338
Net Movement in funds		188	4	192
Reconciliation of Funds				
Total Funds brought forward	20	3,508	1,280	4,788
Total Funds carried forward		3,696	1,284	4,980

Statement of Financial Activities for the year ended 31 March 2018

	Note	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2017-18 £000
Incoming resources from generated funds:				
Donations and legacies		481	130	611
Charitable activities		201	0	201
Investments		135	46	181
Total incoming resources		817	176	993
Expenditure on:				
Raising Funds		8	0	8
Charitable activities		774	148	922
Total expenditure		782	148	930
Net gains / (losses) on investments		63	26	89
Net Movement in funds		98	54	152
Reconciliation of Funds				
Total Funds brought forward		3,410	1,226	4,636
Total Funds carried forward		3,508	1,280	4,788

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Balance Sheet as at 31 March 2019

	Note	Unrestricted funds £000	Restricted Income funds £000	Total 31 March 2019 £000	Total 31 March 2018 £000
Fixed assets:					
Investments	15	3,565	1,224	4,789	4,451
Total fixed assets		3,565	1,224	4,789	4,451
Current assets:					
Debtors	16	218	13	231	363
Cash and cash equivalents	17	164	61	225	328
Total current assets		382	74	456	691
Liabilities:					
Creditors: Amounts falling due within one year	18	251	14	265	354
Net current assets / (liabilities)		131	60	191	337
Total net assets / (liabilities)		3,696	1,284	4,980	4,788
The funds of the charity:					
Restricted income funds	20	0	1,284	1,284	1,280
Unrestricted income funds	20	3,696	0	3,696	3,508
Total funds		3,696	1,284	4,980	4,788

The notes on pages 5 to 16 form part of these accounts

Approved by the Trustees on 27th November 2019 and signed on its behalf by:

Signed :

Name : (Chair of Trustees)

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Statement of Cash Flows for the year ending 31 March 2019

	Note	Total Funds 2018-19 £000	Total Funds 2017-18 £000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	19	(290)	(109)
Cash flows from investing activities:			
Dividend, interest and rents from investments	7	187	181
Proceeds from the sale of investments	15	0	200
Net cash provided by (used in) investing activities		187	381
Change in cash and cash equivalents in the reporting period		(103)	272
Cash and cash equivalents at the beginning of the reporting period	17	328	56
Cash and cash equivalents at the end of the reporting period	17	225	328

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Note on the accounts**1 Accounting Policies****(a) Basis of preparation**

The financial statements have been prepared under the historic cost convention, with the exception of investments which are included at market value.

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern. There are no material uncertainties affecting the current year's accounts.

In future years, the key risks to the Charity are a fall in income from donations or investment income but the trustees have arrangements in place to mitigate those risks (see the risk management and reserves sections of the annual report for more information).

The Charity meets the definition of a public benefit entity under FRS 102.

(b) Funds structure

Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified as a restricted fund.

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose. The Charity's restricted funds tend to result from appeals or legacies for specified purposes.

Those funds which are not restricted income funds, are unrestricted income funds which are sub analysed between designated (earmarked) funds where the Trustees have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and unrestricted funds which are at the Trustees' discretion, including the general fund which represents the Charity's reserves. The major funds held in each of these categories are disclosed in note 20.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

(c) Incoming resources

Income consists of donations, legacies, income from charitable activities and investment income.

Donations are accounted for when received by the charity. All other income is recognised once the Charity has entitlement to the resources, it is probable (more likely than not) that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

Where there are terms or conditions attached to incoming resources, particularly grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

(d) Incoming resources from legacies

Legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

- Confirmation has been received from the representatives of the estate(s) that probate has been granted
- The executors have established that there are sufficient assets in the estate to pay the legacy and
- All conditions attached to the legacy have been fulfilled or are within the Charity's control.

If there is uncertainty as to the amount of the legacy and it cannot be reliably estimated then the legacy is shown as a contingent asset until all of the conditions for income recognition are met.

(e) Resources expended and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to each category of expense shown in the Statement of Financial Activities. Expenditure is recognised when the following criteria are met:

- There is a present legal or constructive obligation resulting from a past event
- It is more likely than not that a transfer of benefits (usually a cash payment) will be required in settlement
- The amount of the obligation can be measured or estimated reliably.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

(f) Support costs

Support costs are those costs which do not relate directly to a single activity. These include staff costs, costs of administration, internal and external audit costs. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 12.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

(g) Fundraising costs

The costs of generating funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the charity's objects. The costs of generating funds consists of expenses for fundraising activities.

(h) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 9.

(i) Fixed Asset Investments

Investments are stated at mid-market value as at the balance sheet date, and investment properties are included at their open market valuation. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

Quoted stocks and shares are included in the balance sheet at mid-market price, excluding dividend.

Other assets are valued on an open market basis by a professional valuer.

(j) Debtors

Debtors are amounts owed to the charity. They are measured on the basis of their recoverable amount.

(k) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due.

(l) Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt.

(m) Realised gains and losses

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

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

2. Key Judgements and Assumptions

Average balances are used to apportion certain balances between restricted and unrestricted funds and this is judged to provide a materially-accurate picture.

There are no material assumptions judged to affect the 2018/19 accounts.

As at 31st March 2019, there is no other information to show that assets/liabilities would need to be materially adjusted during 2019/20.

3. Related party transactions

The Aneurin Bevan University Local Health Board is the sole beneficiary of the charity.

The charity had significant material transactions with Aneurin Bevan University Local Health Board as follows:

Local Health Board	2018/19		As at 31st March 2019	
	Income from related party	Expenditure to related party	Amount due from related party	Amount owed to related party
	£000's	£000's	£000's	£000's
Aneurin Bevan University Local Health Board	26	1,036	35	10

The Corporate Trustee has interests in related parties as follows:

Member	Related Organisation	Relationship with Related Party	2018/19		As at 31st March 2019	
			Income from related party	Expenditure to related party	Amount due from related party	Amount owed to related party
			£000's	£000's	£000's	£000's
Glyn Jones	Royal Brompton & Harefield NHS Foundation Trust	Son is on Student/Clinical Placement	0	0	0	0
	NHS Wales Informatics Service (Hosted by Velindre NHS Trust)	Sister is Project Manager and Niece is a Support Officer	0	0	0	0
	Abertawe Bro-Morgannwg University Local Health Board	Niece is on the NHS Wales Graduate Finance Training Scheme	9	0	0	0
Bronagh Scott	United Response	Trustee	0	0	0	0
Richard Bevan	Carers Trust South East Wales	Voluntary Director and Chair of it People and Well Being Committee	0	0	0	0
Philip Robson	Hospice of Valleys	Trustee	0	0	0	0
Emrys Elias	Velindre NHS Trust	Spouse is Director of Nursing	2	0	0	0
	Betsi Cadwaladr University Health Board	Consultancy	6	0	2	0
	Cardiff and Vale University Local Health Board	Consultancy	14	3	0	0
Katija Dew	Melin Homes	Spouse is Executive Director	0	0	0	0
Catherine Brown	Natural Resources Wales	Board Member	0	0	0	0
Richard Clark	Torfaen Voluntary Alliance	Trustee and Company Secretary	0	0	0	0
	Torfaen County Borough Council	Executive Member for Health and Adult Services	0	0	0	0
Frances Taylor	Monmouthshire County Council	County Councillor	1	1	0	5
Lorraine Morgan	Melin Homes	Board Member	0	0	0	0
Claire Marchant	Monmouthshire County Council	Director of Social Services	1	0	0	5
	Abertawe Bro-Morgannwg University Local Health Board	Spouse is Director - Princess of Wales Hospital	9	0	0	0
David Street	Caerphilly County Borough Council	Corporate Director, Social Services and Housing	0	0	0	0
	Welsh Government	Spouse is Assistant Director of Social Care Policy	0	0	0	0

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

4. Income from donations and legacies

	Unrestricted funds £000	Restricted Income funds £000	Total 2018-19 £000	Total 2017-18 £000
Donations	407	0	407	481
Legacies	0	43	43	130
	407	43	450	611

5. Income from charitable activities

	Unrestricted funds £000	Restricted Income funds £000	Total 2018-19 £000	Total 2017-18 £000
Course income	221	0	221	180
Other income	13	0	13	21
	234	0	234	201

6. Role of volunteers

Volunteers have the trust and understanding of the community and are invaluable in engaging with our patients and providing support to paid professionals. The services they provide include:

- welcome services at our hospitals, directing patients and visitors
- befriending service for patients in our hospitals and nursing homes
- operating buffet /coffee bars through volunteer organisations such as the League of Friends
- raising funds to purchase equipment across our hospitals.

In accordance with the SORP, due to the absence of any reliable measurement basis, the contribution of these volunteers is not recognised in the accounts.

7. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Total 2018-19 £000	Total 2017-18 £000
Fixed asset equity and similar investments	140	45	185	180
Short term investments, deposits and cash on deposit	2	0	2	1
	142	45	187	181

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

8. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Total 2018-19 £000	Total 2017-18 £000
Fundraising office	29	0	29	0
Fundraising events	6	0	6	0
Investment management	0	0	0	0
Support costs	8	0	8	8
	43	0	43	8

The investment management fee is shown as nil as this is deducted from capital held by the investment management company.

9. Analysis of charitable activity

	Grant funded activity £000	Support costs £000	Total 2018-19 £000	Total 2017-18 £000
Medical research	0	0	0	22
Purchase of new equipment	367	46	413	455
Building and refurbishment	43	5	48	32
Staff education and welfare	324	41	365	280
Patient education and welfare	131	17	148	133
	865	109	974	922

10. Analysis of grants

The Charity does not make grants to individuals. All grants are made to the Health Board to provide for the care of NHS patients in furtherance of our charitable aims. The total cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity is disclosed in note 9.

The trustees operate a scheme under which Fund Account Managers control how the Charity's designated funds should be spent. The day to day disbursements are in accordance with the directions set out by the trustees in the Charity's Standing Orders and Financial Instructions.

Where undesignated funds exist, the trustees do make grant awards based on applications from across the Health Board.

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Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

14. Auditors remuneration

The auditors remuneration of £9,000 (2017-18: £9,000) related solely to the audit of the statutory annual report and accounts.

15. Fixed asset investments**Movement in fixed assets investments**

	Investment Properties £000	Investments Listed on Stock Exchange £000	Cash Held in Investment Portfolio £000	Other Assets £000	Total 2018-19 £000	Total 2017-18 £000
Market value brought forward	218	4,177	31	25	4,451	4,562
Add: additions to investments at cost	0	0	0	0	0	0
Less disposals at carrying value	0	0	0	0	0	(200)
Add any gain / (loss) on revaluation	63	270	0	0	333	84
Movement of cash held as part of the investment portfolio	0	0	5	0	5	5
Market value as at 31st March 2019	281	4,447	36	25	4,789	4,451

All investments are carried at their market value.

The investment valuation has been performed by CCLA Investment Management Limited.

The valuation of investment properties, consisting of freehold ground rents and small parcels of land, is based on a professional assessment of market value by an independent valuer.

The movement of cash held as part of the investment portfolio relates to interest on the deposit fund held by CCLA.

The significance of financial instruments to the ongoing financial sustainability of Aneurin Bevan University Health Board Charitable Fund is considered in the risk management section of the trustees' annual report.

The Charity receive the majority of their income in the form of donations. However, significant investments are made and are the source of the main financial risk.

Interest rate risk - the Charity is exposed to fluctuations in interest rates on the monies invested in deposits and the stock market.

Liquidity risk - the majority of expenditure is financed from donations and legacies and there are no borrowings. The Charity is not, therefore, exposed to significant liquidity risk.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

16. Analysis of current debtors

Debtors under 1 year	Total 31 March 2019 £000	Total 31 March 2018 £000
Accrued income	93	79
Trade Debtors	118	256
Prepayments	20	28
	231	363

17. Analysis of cash and cash equivalents

	Total 31 March 2019 £000	Total 31 March 2018 £000
Current Accounts	224	327
Petty Cash	1	1
	225	328

No cash or cash equivalents or current asset investments are held in non-cash investments or outside of the UK.

All of the amounts held on interest bearing deposit are available to spend on charitable activities.

18. Analysis of liabilities

	Total 31 March 2019 £000	Total 31 March 2018 £000
Creditors under 1 year		
Trade creditors	54	140
Deferred Income	188	149
Accruals	23	65
Total creditors	265	354

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

19. Reconciliation of net income / expenditure to net cash flow from operating activities

	Total 2018-19 £000	Total 2017-18 £000
Net income / (expenditure) (per Statement of Financial Activities)	192	152
Adjustment for:		
(Gains) / losses on investments	(338)	(89)
Dividends, interest and rents from investments	(187)	(181)
(Increase) / decrease in debtors	132	(58)
Increase / (decrease) in creditors	(89)	67
Net cash provided by (used in) operating activities	(290)	(109)

20. Analysis of funds**a. Analysis of restricted fund movements**

	Balance 1 April 2018 Restated £000	Income £000	Expenditure £000	Gains and losses £000	Balance 31 March 2019 £000
Royal Gwent Childrens Ward Legacy	197	7	(38)	11	177
Royal Gwent Coronary Care Legacy	115	4	(19)	7	107
Nevill Hall Rheumatology Legacy	84	3	(2)	5	90
Royal Gwent Ophthalmology Legacy	75	3	(2)	5	81
Nevill Hall Coronary Care Legacy	69	3	(2)	4	74
Renal Unit Legacy	77	2	(11)	4	72
Chepstow General Legacy	49	2	(1)	3	53
Royal Gwent Haematology Legacy	49	1	(1)	3	52
Royal Gwent Breast Care Legacy	49	1	(1)	3	52
St Woolos General Legacy	49	1	(1)	3	52
Royal Gwent General Legacy	48	2	(1)	3	52
Other - 53 restricted designated funds	419	59	(79)	23	422
	1,280	88	(158)	74	1,284

The material funds specified in the above note will vary from year to year dependent on the closing year end balance.

We consider that a closing fund balance of £50,000 or greater are material for disclosure in these accounts.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

20. Analysis of funds (continued)

The objects of each of the restricted funds are as follows:

The Royal Gwent Hospital Children's Ward Legacy Fund was bequeathed to the charity for the benefit of the Children's Ward. A proposal for the purchase of various equipment to improve patient care and access was approved by the Charitable Funds Committee.

The Royal Gwent Hospital Coronary Care Unit Legacy Fund was bequeathed to the charity for the provision of medical facilities, towards the cost of providing equipment for the heart unit at the hospital.

The Nevill Hall Rheumatology Legacy Fund was bequeathed to the charity for the use of the Rheumatology department at the hospital.

The Royal Gwent Hospital Ophthalmology Legacy Fund was bequeathed absolutely for the purposes of any research carried on at the eye clinic.

The Nevill Hall Coronary Care Legacy Fund was bequeathed to the charity for the use of the heart unit at the hospital

The Renal Unit Legacy Fund was bequeathed to the charity for the purpose connected with the research and treatment of patients under haemodialysis treatment (kidney unit).

The Chepstow General Legacy Fund was bequeathed to the charity for Chepstow CommunityHospital.

The Royal Gwent Haematology Fund was bequeathed to the charity for the Haematology Unit at the Royal Gwent Hospital

The Royal Gwent Breast Care Legacy Fund was bequeathed to the charity for the Breast Care Unit at the Royal Gwent Hospital

The St Woolos General Legacy Fund was bequeathed to the charity for the benefit of St Woolos hospital.

The Royal Gwent General Legacy Fund was bequeathed to the charity for the benefit of Royal Gwent Hospital.

The other 53 restricted funds also related to monies bequeathed to the charity for various wards and departments.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

20. Analysis of funds (continued)

b. Analysis of unrestricted and material designated fund movements

	Balance 1 April 2018 Restated £000	Income £000	Expenditure £000	Gains and losses £000	Balance 31 March 2019 £000
Royal Gwent Property, TP Price	222	14	(29)	78	285
ABHB Charitable Funds Committee	157	(10)	(4)	8	151
Royal Gwent Property, 13 Clytha Square	126	0	(3)	0	123
St Woolos Conservatory Fund	89	3	(2)	6	96
ABHB Post Graduate Fund	86	9	(5)	5	95
Monmouth Chippenham Community Nurses	80	3	(7)	5	81
Royal Gwent Casting Techniques Course	71	19	(16)	4	78
ABUHB C.H.A.aT Volunteer Service	74	6	(11)	4	73
Royal Gwent Post Graduate Eye	60	2	(1)	4	65
Nevill Hall Oncology Rehabilitation	55	7	(1)	3	64
Ysbyty Ystrad Fawr Adult Medicine	59	2	(2)	4	63
ABUHB Breast Centre	0	64	(5)	2	61
Royal Gwent Prostate Cancer Fund	39	22	(7)	2	56
Royal Gwent Postgraduate Fund	67	21	(39)	3	52
Other - 369 unrestricted designated funds	2,323	621	(727)	136	2,353
	3,508	783	(859)	264	3,696

The trustees have delegated all unrestricted funds as designated funds to the ward or department the donations were intended for.

The material funds specified in the above note will vary from year to year dependent on the closing year end balance.

We consider that a closing fund balance of £50,000 or greater are material for disclosure in these accounts.

21. Update to post balance sheet events

It was agreed at the June 2017 Charitable Funds Committee to sell the remainder of the TP Price Estate. This process is ongoing and should be completed during the financial year 2019/2020.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Statement of Trustee's Responsibilities

The law applicable to charities in England and Wales requires the Trustee to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Trustee should follow best practice and :

- select suitable accounting policies and apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustee is responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charity and which enable them to ascertain the financial position of the charity and which enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. The Trustee is responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustee confirms that they have complied with the above requirements.

By order of the trustee

Ann Lloyd
Trustee

Glyn Jones
Financial Trustee

Dated: 27th November 2019

The independent auditor's report of the Auditor General for Wales to the trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2019 under the Charities Act 2011. These comprise the Statement of Financial activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)). My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Report on other requirements

Other information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The trustee is responsible for the other information in the annual report and accounts. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my report.

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Matters on which I report by exception

I have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require me to report to you if, in my opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report;
- sufficient accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities**Responsibilities of the trustee for the financial statements**

As explained more fully in the statement of trustee's responsibilities set out on page 17, the trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustee determines 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 trustee is responsible for assessing the charity'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 deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

I have been appointed as auditor under section 150 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

My 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 my 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.

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

Adrian Crompton
Auditor General for Wales
9th December 2019

24 Cathedral Road
Cardiff
CF11 9LJ

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Accounts 2018-19

Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

The maintenance and integrity of the Aneurin Bevan University Health Board website is the responsibility of Aneurin Bevan University Health Board website is the responsibility of Aneurin Bevan University Health Board; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.



**Aneurin Bevan University Local Health Board
Charitable Fund and Other Related Charities**

Registered Charity No: 1098728

**Trustee's Annual Report and Accounts
2018-2019**





Aneurin Bevan Health Charity

Introduction

On behalf of the corporate trustee we present the Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Annual Report together with the audited financial accounts for the year ended 31st March 2019.

About Us

We receive donations given to Aneurin Bevan University Local Health Board from grateful patients and their family and friends for the NHS care and treatment they or their loved ones have received and for which they wish to thank us for.

Thank You

You have helped us make a difference by improving the care and treatment our patients receive and by supporting the development of our staff to deliver exceptional healthcare.

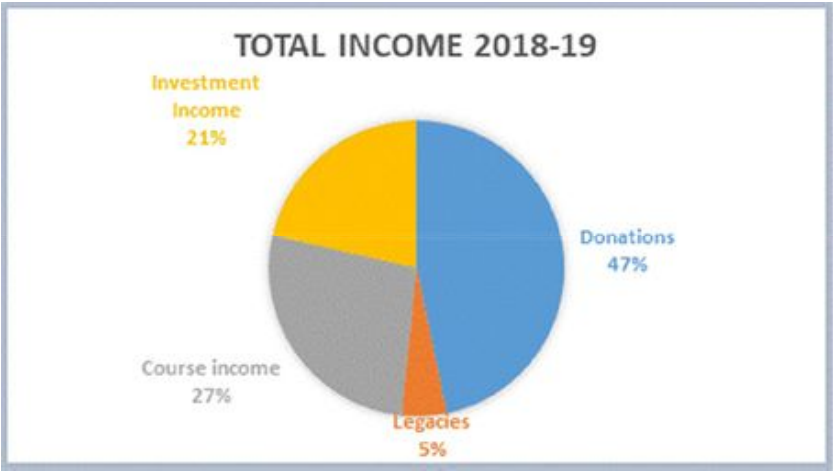
We are continually overwhelmed by the generosity of our patients, staff and members of the public who donate their time and effort in donating and fundraising for our charity. These donations help to improve the hospital environment, provide additional benefits for the care and treatment of patients, purchase medical equipment and support continuing education for staff.

We also value our long-standing arrangements with numerous voluntary organisations such as the League of Friends, Friends of the New Breast Care Unit and other charities and individuals that provide services and or raise funds on behalf of the charity.

Snapshot of 2018-19

INCOME

This year we received £871,000



Donations £407,000

The donations we received is thanks to the generosity of patients, their relatives and friends in recognition of the care and treatment received from Aneurin Bevan University Local Health Board.

Legacies £43,000

During the year we received one legacy totalling £43,000. We are extremely grateful to those individuals who have had the generosity to leave a gift to us in their will.

Courses and Other Income £234,000

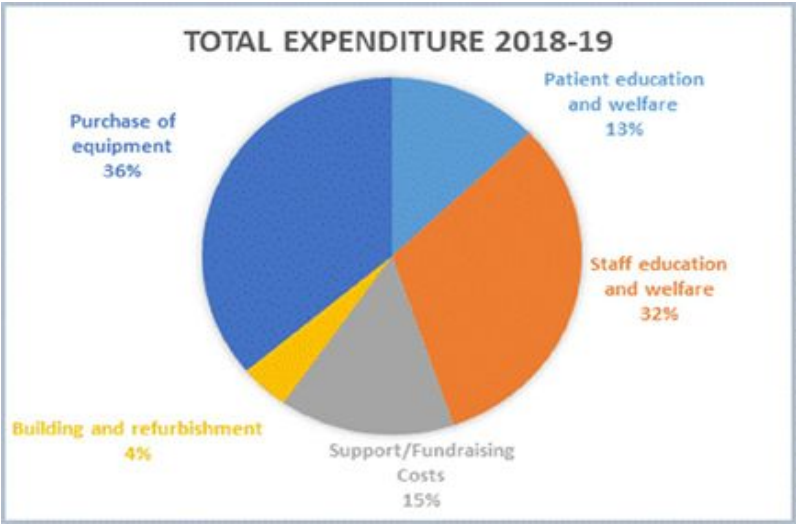
We received £234,000 from course fees and sponsorship. These are run mainly through our Postgraduate department.

Income from Investments £187,000

We received £187,000 from our investment portfolio.

EXPENDITURE

This year we spent £1,017,000



Patient Education and Welfare £131,000

We used this money on items to benefit patients both staying at and visiting hospital sites. This consists of complementary therapies, support group costs, seasonal activities and rehabilitation.

Building and Refurbishment £43,000

We spent this on improving the environment, improving storage and making better use of our rooms for our staff, patients and their relatives in order to make their stay more comfortable.

Equipment £367,000

This was spent on numerous items of equipment for various wards and departments across the Health Board. A list of key purchases is shown overleaf.

Staff Education and Welfare £324,000

During the year this was spent on various training courses, conferences, seminars and educational materials to develop and support our staff.

KEY PURCHASES

- **Thera Trainer, Physiotherapy, St Woolos Hospital**

Evidence suggests that increasing aerobic activity and therapy time in stroke patients could improve functional outcomes. A way of achieving this aerobic activity within physiotherapy is with the use of an active/passive bike, like the Thera Trainer. Access to this equipment has allowed an increased amount of physiotherapy rehabilitation time as patients once set up can continue with the activity independently, freeing up physiotherapy time for other patients. The Thera Trainer is not the only mode of treatment a patient receives but enhances their overall rehabilitation in a cohort of patients where achieving aerobic activity can be challenging. Responses from patients have been overwhelmingly positive with comments such as;

"I enjoyed using the bike, I feel I am achieving something and it motivates me to do more"

"For a short period, it makes me feel back to before my stroke"

"I can see how much I have improved by the feedback from the bike"

"It encourages me to do more as I can visually see how much effort I am putting in"



- **Portable Ventilator for Intensive Care Unit, Nevill Hall Hospital**

This ventilator was bought out of a donation by the Freemasons and can support both adults and children.

- **Versacut Handpiece, Urology Theatre, Royal Gwent Hospital**

- **Dermatone, Maxillofacial, Royal Gwent Hospital**

This is a mechanical device used to harvest a skin graft for facial reconstruction. The graft is taken from a site away from the area being treated surgically for the removal of a tumour. The precise removal of exactly the planned amount of skin and no extra, reduces the potential burden of the donor site, less pain and scarring and faster healing for the patient. In addition it speeds up the procedure allowing more patients to be treated in any given operating session which is an obvious benefit. Before having this machine the grafts had to be harvested manually, requiring another surgeon or making the operating surgeon do both tasks. This resulted in a longer procedure, with a worse scar at the donor site. The equipment was purchased by the League of Friends.

- **Bladder scanner for Nevill Hall Hospital**



A bladder scanner is a portable, hand held ultrasound device which can perform quick, easy and non –invasive scans of the bladder and is painless for the patient. It can be used to help identify bladder distension, causes of urinary frequency and bladder irritability and is useful in assisting with accurate assessments of hydration status. The purchase of these additional bladder scanners has enabled the nursing staff to use them at the patient's bedside which is beneficial to both patients and staff. This was purchased for the hospital by the League of Friends.

- **Sipap Kit, Children's Ward, Royal Gwent Hospital**

- **ECG Machine, Wards, Chepstow Community Hospital**

An ECG machine records and monitors cardiac rhythms and can identify if a patient is having a heart attack and the necessary treatment can be applied.

- **Foetal Monitor, Maternity Unit, Royal Gwent Hospital**

- **Neoprobe, Breast Care, Royal Gwent Hospital**

Our breast service in Aneurin Bevan is one of the busiest in Wales, seeing over 5,000 patients a year with around 500 cancers being detected each year. We are at the forefront of delivering ground breaking progress in the diagnosis and treatment of breast cancer and to do this we rely on the latest technology and equipment. This probe which was purchased from a donation from the League of Friends will enable us to check patients presenting to the breast service with abnormalities.

MAKING A DIFFERENCE



The Charitable Funds Committee made funds available to purchase materials and equipment to complete the main paving scheme in the Walled Garden Project in the grounds of the Grange University Hospital. The project has a clear public benefit and will ultimately deliver an access route and welfare amenity for staff and visitors. It also helps demonstrate a truly joined up partnership approach between the Health Board and the community project.

- The paths will provide a safe access route from the Grange University Hospital to Grange House for staff and visitors.
- It will enable staff, visitors, patients and the general public to enjoy the Walled Garden as an uplifting space and leisure facility when it is fully opened.
- It will facilitate the provision of the Therapeutic Horticulture Programme for different groups of people with special needs.
- The work will involve a call for additional volunteers which could include offering an opportunity for team building with future GUH staff.



MAKING A DIFFERENCE TO OUR PATIENTS

RESTORE, the Wood Shed Project, St Cadocs Hospital

Rehabilitation Education Skills Training Ongoing Recovery for Everyone



The Charitable Funds Committee has funded this project which aims to support service users (patients) by promoting independence and confidence and to aid recovery to enable them to make the transition from hospital to the community through the recovery and rehabilitation process.

Stage 1 of the project is for Pillmawr ward service users to have the opportunity (pending risk assessment) to engage in the project. This will vary according to the individual patient's needs, cognitive functioning, medication, motivation, Mental Health Act status and level of leave.

Stage 2 of the project is for community patients known to the ward and discharged to the community to be given the option of working in the project.

Stage 3 and the long term plan for the project is to open it up to other wards within St Cadocs Hospital.

The objectives of the project are to:

- Provide an understanding of various skills such as woodwork, painting and decorating, tiling, upcycling, bike repairs and health and safety.
- Educate service users to be able to recognise the importance of structure and social engagement by working in this environment.
- Recycle furniture for service users to have on discharge.
- Signpost service users to local businesses and other projects.



The service users have told us the following:



"looking forward to going up to the woodshed to learn new skills and to hopefully gain employment and work experience in the community"

"I like to feel part of the team and it gives me a purpose. I am not only learning new skills but teaching others"

They are also saying...

It will help with the boredom that they sometimes experience and that they want to get started with 'manly' tasks and look forward to making things to take to their accommodation and give to their families.

SMALL THINGS MAKE A DIFFERENCE



Lollipops and sweets are sometimes purchased from charitable funds to give to children attending clinics to try and distract them when they are having injections or blood taken.

MAKING A DIFFERENCE - PATIENT & STAFF COMMENTS

With your permission we would like to buy some small gifts for the staff of Ward C6West – they are all angels in disguise.

We as a family would like to make a donation to ICU so that these fantastic people might be able to put it towards some relaxing time/group activity for themselves away from the intense strain they must be constantly under trying to save lives of the patients in their care.

Amazing this is fantastic news, we are all so pleased; the Stedy hoist will make such a difference to the care we deliver on C4W.

We are grateful for all donations as we can share them with all departments that accommodate Children.

**Thank
You**

Fantastic! They will be so pleased! Thanks for the good news!

Friends of Llanfrechfa Walled Garden Newsletter, Autumn 18 - Materials for the paths are being funded out of a grant by the Health Board's Charitable Funds.

I make this donation in memory of my cousin, the hospital cared for her well – on many occasions.

WHAT'S NEXT FOR 2019-20

The Charitable Funds Team will continue to promote charitable funds across the Health Board

We are continuing raising funds to supplement a new Breast Centre with the aid of our dedicated Fundraiser



TURN ABUHB PINK
In aid of the new Breast Care Centre at Ysbyty Ystrad Fawr
11TH OCT

We are inviting local businesses, individuals and community groups to come together to hold a charity bake sale, plan a pink party or join one of our exciting fundraising events that will provide the best possible environment for patients a "Centre of Excellence"

some great fundraising ideas include:

- #turnabuhbpink pay money, buy t-shirt, have a coffee
- Wear pink & make a donation via your school or employer
- Shop front competitions in local towns & villages
- Pink event products on sale throughout the area
- If text donation to show your support by using the #turnabuhbpink logo as the background page of your Facebook for the day

For More Information Contact Emma Wilkins on 07970880031 email Emma.wilkins5@wales.nhs.uk

#turnABUHBpink f Friends of the new breast care unit @friends_uni

Clinical Futures

In line with the Health Board's Clinical Futures Strategy, wards and departments are reviewing the use of their funds to achieve the following aims:

- delivering most care close to home
- creating a network of local hospitals providing routine diagnostic and treatment services and
- centralising specialist and critical care services in a purpose built Specialist and Critical Care Centre – The Grange University Hospital



Charity Governance, Audit and Finance

1. Reference and Administrative Details

Charity Name: Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Charity Working Name: Aneurin Bevan Health Charity

Registered Charity No: 1098728

Address of Charity: Headquarters
St Cadoc's Hospital
Lodge Road
Caerleon
Newport
NP18 3XQ

Administration of the Charitable Funds:

The accounting records and the day to day administration of the funds are undertaken by:

Charitable Funds Section
Corporate Finance Department
Aneurin Bevan University Local Health Board
Block C, Mamhilad House
Mamhilad Park Estate
Pontypool, Torfaen
South Wales NP4 0YP

Tel No: 01495 765414

Professional Advisors

Bankers: National Westminster Bank PLC
Government Banking Parklands
De Havilland Way
Horwich
Boulton
BL6 4YU

Investment Managers:	CCLA Investment Management Limited Senator House 85 Queen Victoria Street London EC4V 4ET
External Auditors:	The Auditor General for Wales Wales Audit Office 24 Cathedral Road Cardiff CF11 9LJ
Internal Auditors:	NHS Wales Shared Services Partnership Audit & Assurance Services 4-5 Charnwood Court Heol Billingsley Parc Nantgarw Cardiff CF15 7QZ
VAT Advisor:	Deloitte LLP 3, Rivergate Temple Quay Bristol BS1 6GD Ernst & Young LLP (from 28.01.19) The Paragon Counterslip Bristol BS1 6BX
Legal advice for TP Price Estate:	Jacklyn Dawson Solicitors Equity Chambers John Frost Square Newport South Wales NP20 1PW Douglas-Jones Mercer Solicitors 16 Axis Court Mallard Way Swansea Vale Swansea SA7 0AJ

**Estate Management
Services and valuations
for TP Price Estate:**

Graham & Co. Chartered Surveyors
St Pauls House
114 Commercial Street
Newport
South Wales
NP20 1LW

NHS Wales Shared Services Partnership
Specialist Estate Services
3rd Floor, Companies House
Crown Way
Cardiff
CF14 3UB

Savills
2 Kingsway
Cardiff
CF10 3FD

**Valuations for
13 Clytha Square:**

The District Valuer
District Valuer Services
Ty Rhodfa
Ty Glas Road
Llanishen
Cardiff
CF14 5GR

Valuations for Painting:

Bonhams
7-8 Park Place
Cardiff
CF10 3DP

Anthemion Auctions
15 Norwich Road
Cardiff
CF23 9AB

2. Structure, Governance and Management of Charitable Funds

Objects of the Charity

The trustees shall hold the trust funds upon trust to apply income and at their discretion, so far as permissible, capital, for any charitable purpose or purposes relating to the National Health Service.

The corporate trustee is Aneurin Bevan University Local Health Board. The executive directors and independent members of the Board share the responsibility for ensuring that the health board fulfils its duties as a corporate trustee in managing charitable funds.

The chair and independent members of the Board are appointed by the Welsh Government and the executive directors are appointed by the Health Board.

Trustee Arrangements

Aneurin Bevan University Local Health Board is the corporate trustee of the Charity. The directors who served the Aneurin Bevan University Local Health Board during the year to 31st March 2019 were as follows:

Ann Lloyd CBE	Chair (Since 10 th July 2017)
Emrys Elias	Vice Chair (Since 5 th November 2018)
Philip Robson	Vice Chair (until 23 rd May 2018)
	Special Advisor to the Board (since 24 th May 2018)
Judith Paget *	Chief Executive
Glyn Jones *	Director of Finance & Performance / Deputy Chief Executive (from 1 st July 2018)
Dr Paul Buss	Medical Director / Deputy Chief Executive (until 31 st March 2018)
Martine Price	Acting Director of Nursing (Since 1 st December 2018)
Bronagh Scott	Director of Nursing (until 30 th November 2018)
Geraint Evans	Director of Workforce and Organisational Development/Deputy Chief Executive (from 1 st April 2018 until 30 th June 2018)
Peter Carr	Director of Therapies and Health Sciences (Since 17 th October 2018)
Dr Sarah Aitken	Director of Public Health & Strategic Partnerships (Since 1 st June 2017)
Nicola Prygodzicz	Director of Planning, Digital & IT
Nick Wood	Chief Operating Officer (until 9 th December 2018) / Director of Primary, Community and Mental Health (Since 9 th November 2018)
Claire Birchall	Interim Director of Operations (from 20 th August 2018 until 11 th December 2018) / Director of Operations (Since 12 th December 2018)

Richard Bevan	Board Secretary
Katija Dew	Independent Member (Third/Voluntary Sector)
Prof Diane Watkins	Independent Member (University)
Catherine Brown	Independent Member (Finance) (Since 1 st October 2017)
Richard Clark	Independent Member (Local Authority) (Since 1 st October 2017)
Pippa Britton *	Independent Member (Community) (Since 1 st November 2017)
Frances Taylor *	Independent Member (Community)
Shelley Bosson	Independent Member (Community) (Since 3 rd April 2017)
David Jones	Independent Member (ICT) (Since 9 th November 2017)
Louise Wright *	Independent Member
Lorraine Morgan	Associate Independent Member (Chair of Stakeholder Group (until 30 th September 2018)
Claire Marchant	Associate Independent Member (Social Services) (until 30 th May 2018)
David Street	Associate Independent Member (Social Services) (Since 4 th October 2018)
Colin Powell	Associate Independent Member (Chair of Health Professionals Forum) (until 30 th November 2018)
Keith Sutcliffe	Associate Independent Member (Chair of Stakeholder Group) (from 5 th March 2019)

* Members of the Charitable Funds Committee.

Charitable Funds Committee

The Board of Aneurin Bevan University Local Health Board, as the corporate trustee, delegates its governance work to the Charitable Funds Committee which is a subcommittee of the Board. The Committee is required to:

- Control, manage and monitor the use of the fund's resources for the public benefit having regard for the guidance issued by the Charity Commission
- Provide support, guidance and encouragement for all its activities whilst managing and monitoring the receipt of all income
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities

- Ensure that the Investment Policy approved by the Health Board is adhered to and that performance is continually reviewed whilst being aware of ethical considerations
- Keep the Health Board fully informed on the activity, performance and risks of the charity

Membership of the Charitable Funds Committee is as follows:

Frances Taylor	Independent Member
Pippa Britton	Independent Member
Louise Wright	Independent Member
Judith Paget	Chief Executive
Glyn Jones	Director of Finance & Performance

The following also attended the committee with other staff as appropriate for specific agenda items:

Andrew Naylor	Assistant Director of Finance (until 31 st December 2018)
Mark Ross	Assistant Director of Finance, Financial Systems & Services (from 11 th February 2019)
Estelle Evans	Head of Financial Services and Accounting
Richard Bevan	Board Secretary
Claire Barry	Committee Secretariat

Independent Members are appointed to hold office for a period of one year at a time, up to the maximum of their term of office. During this time a member may resign or be removed by the Board. The Board should consider rotating a proportion of the Committee's membership after three or four years' service to ensure the Committee is refreshed whilst maintaining continuity.

Trustee Induction and Training

As part of their induction programme, new Executive and Independent Members of Aneurin Bevan University Local Health Board are made aware of their responsibilities as Board members and as a Corporate Trustee of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities.

At each Charitable Funds Committee meeting, members are advised of any changes in legislation or other requirements relating to charities.

Public Benefit

The objects of the charity are such that all expenditure from the charity is for the benefit of the National Health Service and as such is therefore for 'public benefit'. The Charitable Funds Committee is aware of its duties in relation to public benefit and ensures that all expenditure fulfils public benefit criteria. This is demonstrated further in this report in the Expended Resources Section of Item 7.

Management of Funds

The Director of Finance and Performance is responsible for the day-to-day management and control of the administration of charitable funds and reports to the Charitable Funds Committee. The Director of Finance has particular responsibility for ensuring that:

- The spending is in accordance with the objects and priorities agreed by the Charitable Funds Committee
- The criteria for spending charitable monies are fully met
- All accounting records are maintained
- Devolved decision making or delegated procedures are in accordance with the policies and procedures set out by the Board on behalf of the corporate trustee

Within the charity there are 447 internal funds which are delegated to authorised fund holders to approve expenditure within predefined limits. All expenditure requests exceeding £25,000 are subject to Committee approval. A further 8 funds are controlled by the Charitable Funds Committee. The Health Board has a formal procedure that sets out guidance to delegated fund managers to aid them in the process of approving appropriate expenditure from funds.

3. Strategic Objectives & Activities

Charitable Funds received by the charity are accepted, held and administered as funds held on trust in accordance with the National Health Service (Wales) Act 2006.

The principal areas in which the funds are applied for the benefit of the public are:

- The purchase of medical equipment for use by Aneurin Bevan University Local Health Board
- The provision of patient welfare activities and amenities
- The education and welfare of staff

The corporate trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund. The trustee respects the wishes of our generous donors to benefit patient care and advance good health and welfare of patients and staff.

The charity is constituted of 398 unrestricted and designated funds and 57 restricted funds as at 31st March 2019. Material fund details are shown in Note 20 to the accounts. The current structure of the individual funds reflects the fact that the majority of income and expenditure is focused where patients receive services. Fund managers exercise control over the funds donated to their management area.

4. Risk Management

The main risks associated with the charity relate to:

- Financial controls risk
- Investment risk

Financial Control Risk

A financial control procedure has been developed for Charitable Funds and agreed with the Charitable Funds Committee to ensure that there are sufficient management controls in place to ensure regulatory compliance and minimise risk of fraud and error. Specifically to:

- Ensure the spending is in accordance with the objects of the charity and the priorities agreed by the Charitable Funds Committee
- Ensure the criteria for spending charitable funds are fully met
- Ensure all accounting records are maintained
- Ensure devolved decision making is within specified parameters

All other Financial Control Procedures covering core financial systems within Aneurin Bevan University Local Health Board are also applied to the financial administration of the charity.

An internal audit is undertaken periodically, based on the assessment of risk, to evaluate the adequacy of procedures and controls in place and to test compliance against those procedures. Audit Reports are presented to both the Charitable Funds and Audit Committees of the Health Board and this is a key measure in mitigating control risk. The last Internal Audit report for

2016/17 provided reasonable assurance on controls covering charitable funds. This definition of assurance generally means there is reasonable assurance that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively.

Financial reports showing the income statement and balance sheet together with analysis of significant financial changes are reported to each Charitable Funds Committee meeting. In addition the Charitable Funds Committee reviews the draft annual accounts while the Board approves the final annual accounts of the charity.

The external audit of the accounts is undertaken by the Auditor General for Wales. The accounts have this year and historically received an unqualified audit opinion.

Investment Risk

This risk is mitigated by investing in a diverse portfolio of investments through the professional advice of investment managers. Our investment managers, CCLA, attend the Charitable Funds Committee annually to present and discuss investment performance and strategy.

5. Reserves Policy

The corporate trustee's strategy is to apply charitable funds within a reasonable time of receipt, unless the donation is made to an area or appeal which is saving towards a specific item over the medium to longer term.

The Charitable Funds Committee has initiated a number of policy changes to encourage more timely use of the funds that are delegated to individual fund holders within the charity. The aim is to reduce the levels of reserves held within the charity and encourage spending.

The corporate trustee recognises the need to regularly review the level of reserves, especially when investments held in land and property are sold or the land and property is re-valued. Consequently, the corporate trustee reviews the charity's activities and operations on a regular basis, to ensure that its aim of being able to apply charitable funds within a reasonable time is achieved. Key performance indicators that measure targeted reductions in reserves are reviewed at least on an annual basis.

6. Grant Making Policy

The use of our funds is restricted by the governing document which established the charity for purposes connected with the NHS. Grants consist of:

General Funds

This consists of donations received by the charity where no particular preference as to its expenditure has been expressed by donors. The Charitable Funds Committee decides on how these funds should be spent by receiving requests from across the Health Board.

Designated Unrestricted Funds

These consist of donations where a particular part of the hospital or activity was nominated by the donor at the time their donation was made. Whilst their nomination is not binding on the trustee, the designated funds reflect these nominations. The designated funds are overseen by fund holders.

Designated Restricted Funds

These consist of legacies where a legal document restricts the use to the terms of the bequest.

During the year the charity made grants of £0.865m representing 85% of the total charitable expenditure. In making grants the trustee requires that the activity falls within the objects of the charity and relate to the specific purpose of the individual funds from which it is being met.

7. Review of our Finances, Achievements and Performance

The financial statements for 2018-19 are presented at the end of this report.

The net assets of the Charity as at 31st March 2019 were £4.980 million (2018 £4.788 million). Overall net assets increased by £192,000.

Incoming Resources

Incoming resources when comparing against the 2017/18 position were £122,000 lower than the previous year. Donations decreased by £74,000, legacies decreased by £87,000, investment income

increased by £6,000 and other income from charitable activities increased by £33,000

The charity received one legacy during the year, total value £43,000 (2017-2018 seven legacies, value £130,000).

Expended Resources

Charity expenditure for the year totalled £1,017,000, an increase of £87,000 from the previous year. Expenditure for the year was across several categories as follows:

I. Purchase of Equipment

Total expenditure on equipment was £367,000. This was on a range of varied equipment across the Health Board.

II. Building and Refurbishment

Total expenditure on equipment and refurbishment was £43,000.

III. Patients Education and Welfare

Total expenditure on patients' welfare and amenities was £131,000. This consists of various therapies, seasonal activities, support groups and other items of expenditure to benefit patients.

IV. Staff Education and Welfare

Total expenditure on staff education and welfare was £324,000. The main items consist of seminars, training course fees, textbooks, professional journals and related travelling, subsistence and accommodation expenditure.

V. Fundraising Costs

Total expenditure on fundraising costs was £35,000. This relates to raffle stationery and the salary of a fundraiser for the sole purpose of raising funds for the new Breast Care Unit at Ysbyty Ystrad Fawr which is due to be opened in Spring 2021.

VI. Support Costs

Total expenditure on support costs was £117,000. This includes the audit fee of £9,000 and costs of the charitable funds office and corporate support.

Investment Properties

Investment properties owned by the charity are the T P Price Estate £128,000 and 13, Clytha Square, Newport £153,000.

The T P Price Estate comprises a number of leasehold properties, allotments and various pockets of land.

13 Clytha Square, Newport is a large Victorian building in the centre of Newport which is rented to Aneurin Bevan University Local Health Board to use as offices.

Income from the investment properties was £20,000 (2017-2018 - £15,000).

Investments on the Stock Exchange

The charity’s investments are managed by CCLA Investment Management Limited, with the aim of managing the funds to achieve a balance of growth and income.

The charity’s investment policy does not allow managers to invest in those companies whose main business is related to the production or sale of tobacco or alcohol or those companies involved in the arms trade.

Details of the investments (including cash held as part of the investment portfolio) and investment performance for 2018-2019 are shown in the table below:

Investment Performance 2018-2019

	CCLA
	£000
Balance 1 April 2018	4,208
Acquisitions	0
Disposals	0
Movement of Cash	5
Realised Gains/(Loss)	0
Unrealised Gains/(Loss)	270
Balance 31 March 2019	4,483
Income	165
Gains/(Loss) %	6.21%
Returns %	3.80%

8. Key Achievements**Funding**

The charity supported many bids from across the organisation from its general fund and via the 455 delegated charitable fund accounts that are held across the organisation thereby significantly enhancing services for the patients and staff in the Aneurin Bevan University Health Board.

Charitable Funds Strategy

Progress on reducing reserves through increased spending levelled off in the year. This is largely because additional funding from the previous sale of land within the T P Price Estate has been used and expenditure levels have fallen as a consequence. However, the Committee has developed a clear strategy through its new governance arrangements to promote the use of donated funds within a reasonable time. KPI's have been developed to measure achievement of this objective.

Fundraising

The charity supported the appointment of a fundraiser in 18/19 to supplement funding for a new Breast Care Centre to be opened in spring 2021 in Ysbyty Ystrad Fawr.

Investment Management

CCLA continue to provide investment management services to the charity.

Ethical Investment

The Charitable Funds Committee agreed to further expanding its ethical investment with CCLA.

Governance Arrangements

Historically the accounts and trustees annual report have been produced on time with unqualified audit opinions and filed on time with the Charities Commission.

Risks

The Committee has now used a considerable amount of its general funds which will inevitably lead to fewer bids being approved in the coming year and more pressure being placed on the Health Board's internal capital programme.

9. Plans and Objectives for the Future

Income received by the charity is due to the generosity of the public in recognition of the care and treatment received from the Health Board. The charity will continue to use its funds to improve patient experience.

Other objectives for the forthcoming year are to:

- Complete the disposal of the residual property portfolio held within the TP Price Estate.
- Convert the charity's investment fund portfolio to an Ethical Investment Fund.
- Consider the effectiveness of support to staff in working with partners to obtain grants from companies, external organisations and charities for identified equipment and projects.

- Ensure the objects of the charity remain relevant and appropriate for the Health Board.
- Continue to encourage timely use of delegated funds and ensure spending plans are in place for all major funds.
- Ensure that all accounting or charity regulatory requirements are fully complied with.
- Consider how best to use donations in line with the Health Board's 'clinical futures' strategy.

10. Events since the Year End

No issues to report.

Approved on behalf of the Corporate Trustee

Ann Lloyd CBE
Chair
Aneurin Bevan University Local Health Board

Date: 27th November 2019