



## PWYLLGOR CRONFA ELUSENNOL CHARITABLE FUNDS COMMITTEE

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	20 September 2019
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Hywel Dda Health Charities Annual Report and Accounts 2018/19
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance & Sarah Jennings, Director of Partnerships and Corporate Services
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Jennifer Thomas, Senior Finance Business Partner & Nicola Llewelyn, Head of Hywel Dda Health Charities

**Pwrpas yr Adroddiad** (dewiswch fel yn addas)

**Purpose of the Report** (select as appropriate)

Ar Gyfer Penderfyniad/For Decision

### ADRODDIAD SCAA SBAR REPORT

#### Sefyllfa / Situation

Following a rigorous audit by Wales Audit Office, this paper requests the Charitable Funds Committee to approve the Charity's Annual Report and Accounts 2018/19. They will then be presented to the Public Board meeting on 31 January 2020 for discussion in its role as Corporate Trustee.

The Audit General for Wales has confirmed that Charitable Fund Committee approval of the accounts and annual report is sufficient approval and approval at Board level is not required as the Charitable Fund Committee (in line with NHS Wales guidance) has sufficient delegated powers.

#### Cefndir / Background

Our charitable funds are managed by the University Health Board as Corporate Trustee of Hywel Dda Health Charities. Day to day management and operation of the charity is delegated to the Charitable Funds Committee which must act in the interests of the funds and their beneficiaries, not the UHB's exchequer priorities. The Charity Commission have set out these guidelines and the UHB has adopted a strategy for the funds that supports this.

#### Asesiad / Assessment

Wales Audit Office (WAO) has audited the financial statements of Hywel Dda Health Charities for the year ended 31 March 2019 and the Auditor General's intention is to issue an unqualified audit report.

International Standard on Auditing (ISA) 260 requires Wales Audit Office to report certain matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action. The attached 'Audit of Financial Statements Report' sets out for consideration the matters arising from the audit that require reporting under ISA 260 which bring the following issues to the Board's attention:

- We have no concerns about the qualitative aspects of your accounting practices and financial reporting.
- We did not encounter any significant difficulties during the audit.
- 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
- There are not any other matters specifically required by auditing standards to be communicated to those charged with governance.

### Argymhelliad / Recommendation

The Charitable Funds Committee is asked to **approve** the Hywel Dda Health Charities Annual Report and Accounts for 2018/19.

Amcanion: (rhaid cwblhau) Objectives: (must be completed)	
Committee ToR Reference Cyfeirnod Cylch Gorchwyl y Pwyllgor	11.1 Overseeing the day to day management of the investments of the charitable funds in accordance with the investment strategy set down from time to time by the Trustees, and in accordance with the requirements of the UHB's Standing Financial Instructions.
Cyfeirnod Cofrestr Risg Risk Register Reference:	Not applicable for this paper
Safon(au) Gofal ac Iechyd: Health and Care Standard(s):	Governance, Leadership and Accountability Choose an item. Choose an item. Choose an item.
Amcanion Strategol y BIP: UHB Strategic Objectives:	9. To improve the productivity and quality of our services using the principles of prudent health care and the opportunities to innovate and work with partners. Choose an item. Choose an item. Choose an item.
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Statement</a>	Not Applicable Choose an item. Choose an item. Choose an item.
Deddf Llesiant Cenedlaethau'r Dyfodol (Cymru) 2015	<a href="#">Please explain how each of the '5 Ways of Working' will be demonstrated</a>

<p>- Pum dull o weithio:</p> <p>The Well-being of Future Generations (Wales) Act 2015</p> <p>- 5 Ways of Working:</p>	<p>Long term - the importance of balancing short-term needs with the need to safeguard the ability to also meet long-term needs</p> <p>Not applicable for this paper</p>
	<p>Prevention – the importance of preventing problems occurring or getting worse</p> <p>Not applicable for this paper</p>
	<p>Integration - the need to identify how the Health Board's well-being objectives may impact upon each of the well-being goals, on its other objectives, or on the objectives of other public bodies</p> <p>Not applicable for this paper</p>
	<p>Collaboration – acting in collaboration with anyone else (or different parts of the organisation itself) which could help the Health Board to meet its well-being objectives</p> <p>Not applicable for this paper</p>
	<p>Involvement - the importance of involving people with an interest in achieving the well-being goals, and ensuring that those people reflect the diversity of the area which the Health Board serves</p> <p>Not applicable for this paper</p>

Gwybodaeth Ychwanegol: Further Information:	
Ar sail tystiolaeth: Evidence Base:	Ledger reports and investment reports
Rhestr Termiau: Glossary of Terms:	Included within the body of the report
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Bwrdd Partneriaeth Y Prifysgol: Parties / Committees consulted prior to University Partnership Board:	Interim Director of Finance Director of Partnerships and Corporate Services Investment advisors Fundraising team

Effaith: (rhaid cwblhau) Impact: (must be completed)	
Ariannol / Gwerth am Arian: Financial / Service:	The report sets out the financial position of the charity. Income generated from fundraising activities is a key source of income for Hywel Dda Health Charities. The

	charity is therefore duty bound to ensure that the correct controls and governance arrangements exist with regards to all aspects of fundraising.
<b>Ansawdd / Gofal Claf: Quality / Patient Care:</b>	Charity objects are in support of NHS services locally
<b>Gweithlu: Workforce:</b>	The charity has no employees but may access staff time via the University Health Board.
<b>Risg: Risk:</b>	Reputational risk if associated with unethical fundraising. Cyfreithiol
<b>Cyfreithiol: Legal:</b>	The charity's financial reporting is in line with charity law and guidance.
<b>Enw Da: Reputational:</b>	Reputational risk if associated with unethical fundraising.
<b>Gyfrinachedd: Privacy:</b>	No impact
<b>Cydraddoldeb: Equality:</b>	No EqIA is considered necessary for a paper of this type.



WALES AUDIT OFFICE  
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru  
Auditor General for Wales

# Audit of Financial Statements Report – Hywel Dda Health Charities

Audit year: 2018-19

Date issued: September 2019

Document reference: **1491A2019-20**

## **Purpose of this document**

This document is a draft supplied in confidence solely for the purpose of verifying the accuracy and completeness of the information contained in it and to obtain views on the conclusions reached.

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[infoofficer@audit.wales](mailto: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 Jeremy Saunders, Leanne Malough, Ellis Williams and Meleri Bethell.

# Contents

The Auditor General intends to issue an unqualified audit report on your financial statements. There are no issues to report to you prior to their approval.

## Summary report

Introduction	4
Status of the audit	4
Proposed audit report	4
Significant issues arising from the audit	5
Independence and objectivity	5

## Appendices

Appendix 1 – Final Letter of Representation	6
Appendix 2 – proposed audit report of the Auditor General to the trustee of Hywel Dda Health Charities	9
Appendix 3 – summary of corrections made to the draft financial statements which should be drawn to the attention of the trustee of Hywel Dda Health Charities	12

# Summary report

## Introduction

- 1 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 Hywel Dda Health Charities at 31 March 2019 and its income and expenditure for the year then ended.
- 2 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.
- 3 The quantitative levels at which we judge such misstatements to be material for Hywel Dda Health Charities is £30,800. 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.
- 4 International Standard on Auditing (ISA) 260 requires us to report certain matters arising from the audit of the financial statements to those charged with governance of a body in sufficient time to enable appropriate action.
- 5 This report sets out for consideration the matters arising from the audit of the financial statements of Hywel Dda Health Charities for 2018-19, that require reporting under ISA 260.

## Status of the audit

- 6 We received the draft financial statements for the year ended 31 March 2019 on 10 May 2019 and have now substantially completed the audit work.
- 7 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 senior officers of the Hywel Dda Finance Team.

## Proposed audit report

- 8 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](#).
- 9 The proposed audit report is set out in [Appendix 2](#).

## Significant issues arising from the audit

### Uncorrected misstatements

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

### Corrected misstatements

- 11 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

- 12 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 did not encounter any significant difficulties during the audit.**
  - **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**
  - **There are not any other matters specifically required by auditing standards to be communicated to those charged with governance.**

## Independence and objectivity

- 13 As part of the finalisation process, we are required to provide you with representations concerning our independence.
- 14 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 Hywel Dda Health Charities that we consider to bear on our objectivity and independence.

# Appendix 1

## Final Letter of Representation

[Audited body's letterhead]

Auditor General for Wales  
Wales Audit Office  
24 Cathedral Road  
Cardiff  
CF11 9LJ

[Date]

### 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 Hywel Dda Health Charities for the year ended 31 March 2019 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 [insert relevant code]; in particular the financial statements give a true and fair view in accordance therewith.
- 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 Hywel Dda Health 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 Hywel Dda Health 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 Hywel Dda Health Charities on [\[insert date\]](#).

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:

Officer who signs on behalf of management

Date:

Signed by:

Officer or Member who signs on behalf  
of those charged with governance

Date:

# Appendix 2

## Proposed audit report of the Auditor General to the trustee of Hywel Dda Health Charities

### The independent auditor's report of the Auditor General for Wales to the trustee of Hywel Dda Health Charities

#### Report on the audit of the financial statements

##### Opinion

I have audited the financial statements of Hywel Dda Health Charities for the year ended 31 March 2019 under the Charities Act 2011. These comprise the Statement of Financial Activities, the Balance Sheet, the 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 trustees are 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 trustees for the financial statements

As explained more fully in the statement of trustees responsibilities the trustees are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are 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 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

Adrian Crompton  
Auditor General for Wales  
Date:

24 Cathedral Road  
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 Hywel Dda Health 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: summary of corrections made to the draft financial statements

Value of correction	Nature of correction	Reason for correction
£414,000	Classification	£414,000 - the split between restricted and unrestricted Investment Income Note 7 was disclosed incorrectly. Balance in total is correct.
£317,000	Classification	£317,000 – the split between restricted and unrestricted Investment Income Note 5 was disclosed incorrectly. Balance in total is correct.
£172,000	Classification	£172,000 - to be moved from Patient Education and Welfare to Staff Education and Welfare to ensure correct disclosure of expenditure costs included in Note 7.
£81,000	Classification	£81,000 – was misclassified between the Governance and Support expenditure categories included in Note 10. Balance in total is correct.
£79,083	Classification	£79,083 - Endowment Funds within the Statement of Financial Activities and Note 5 Investment Income were misclassified as restricted income in the draft accounts. The amendment ensures that the restricted and unrestricted income from the general portfolio is disclosed separately from the Endowment Income received. Balance in total is correct.



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# **HYWEL DDA HEALTH CHARITIES**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

### **FOREWORD**

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

### **STATUTORY BACKGROUND**

The Hywel Dda University Local Health Board is the corporate trustee of the charity under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990.

The Trustee has been appointed under s11 of the NHS and Community Care Act 1990.

### **MAIN PURPOSE OF THE FUNDS HELD ON TRUST**

The main purpose of the charity is to apply income for any charitable purposes relating to the National Health Service wholly or mainly for the services provided by the Hywel Dda University Local Health Board.

**Hywel Dda Health Charities**  
**Statement of Financial Activities for the year ended 31 March 2019**

		Unrestricted	Restricted	Endowment	Total
		funds	Income	funds	Funds
		£000	funds	£000	2018-19
	Note	£000	£000	£000	£000
<b>Incoming resources from generated funds:</b>					
Donations and legacies	3	734	830	0	1,564
Investments	5	132	106	79	317
<b>Total incoming resources</b>		<b>866</b>	<b>936</b>	<b>79</b>	<b>1,881</b>
<b>Expenditure on:</b>					
Raising Funds	6	115	94	11	220
Charitable activities	7	869	451	0	1,320
<b>Total expenditure</b>		<b>984</b>	<b>545</b>	<b>11</b>	<b>1,540</b>
Net gains / (losses) on investments	13	91	71	58	220
<b>Net income / (expenditure)</b>		<b>(27)</b>	<b>462</b>	<b>126</b>	<b>561</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward	19	3,656	2,588	2,013	8,257
<b>Total Funds carried forward</b>		<b>3,629</b>	<b>3,050</b>	<b>2,139</b>	<b>8,818</b>

**Hywel Dda Health Charities**  
**Statement of Financial Activities for the year ended 31 March 2018**

		Unrestricted	Restricted	Endowment	Total
		funds	Income	funds	Funds
		£000	funds	£000	2017-18
	Note	£000	£000	£000	£000
<b>Incoming resources from generated funds:</b>					
Donations and legacies		786	445	0	1,231
Investments		103	152	0	255
<b>Total incoming resources</b>		<b>889</b>	<b>597</b>	<b>0</b>	<b>1,486</b>
<b>Expenditure on:</b>					
Raising Funds		87	66	2	155
Charitable activities		453	442	0	895
<b>Total expenditure</b>		<b>540</b>	<b>508</b>	<b>2</b>	<b>1,050</b>
Net gains / (losses) on investments		(28)	(21)	(10)	(59)
<b>Net income / (expenditure)</b>		<b>321</b>	<b>68</b>	<b>(12)</b>	<b>377</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward		3,335	2,520	2,025	7,880
<b>Total Funds carried forward</b>		<b>3,656</b>	<b>2,588</b>	<b>2,013</b>	<b>8,257</b>

**Hywel Dda Health Charities**  
**Hywel Dda Health Charities Balance Sheet as at 31 March 2019**

		Unrestricted	Restricted	Endowment	Total	Total
	Note	funds	Income	funds	31 March	31 March
		£000	funds	funds	2019	2018
		£000	£000	£000	£000	£000
<b>Fixed assets:</b>						
Investments	13	3,158	2,385	1,959	<b>7,502</b>	7,270
<b>Total fixed assets</b>		<b>3,158</b>	<b>2,385</b>	<b>1,959</b>	<b>7,502</b>	<b>7,270</b>
<b>Current assets:</b>						
Debtors	14	10	34	0	<b>44</b>	65
Cash at bank and in hand	15	541	750	101	<b>1,392</b>	1,097
<b>Total current assets</b>		<b>551</b>	<b>784</b>	<b>101</b>	<b>1,436</b>	<b>1,162</b>
<b>Liabilities:</b>						
Creditors: Amounts falling due within one year	16	80	40	0	<b>120</b>	175
<b>Net current assets / (liabilities)</b>		<b>471</b>	<b>744</b>	<b>101</b>	<b>1,316</b>	<b>987</b>
<b>Total net assets / (liabilities)</b>		<b>3,629</b>	<b>3,129</b>	<b>2,060</b>	<b>8,818</b>	<b>8,257</b>
<b>The funds of the charity:</b>						
Endowment Funds	19	0	0	2,060	<b>2,060</b>	2,013
Restricted income funds	19	0	3,129	0	<b>3,129</b>	2,588
Unrestricted income funds	19	3,629	0	0	<b>3,629</b>	3,656
<b>Total funds</b>		<b>3,629</b>	<b>3,129</b>	<b>2,060</b>	<b>8,818</b>	<b>8,257</b>

The notes on pages 46 to 57 form part of these accounts

Signed : .....

Name : Mrs Judith Hardisty (Interim Chair of the Corporate Trustee)

Date :

**Hywel Dda Health Charities**  
**Statement of Cash Flows for the year ending 31 March 2019**

	<b>Note</b>	<b>Total Funds 2018-19 £000</b>	<b>Total Funds 2017-18 £000</b>
<b>Cash flows from operating activities:</b>			
<b>Net cash used in operating activities</b>	17	<b>(230)</b>	<b>233</b>
<b>Cash flows from investing activities:</b>			
Dividend, interest and rents from investments	5	317	255
Proceeds from the sale of investments	13	217	7,885
Purchase of investments	13	(9)	(7,868)
<b>Net cash provided by investing activities</b>		<b>525</b>	<b>272</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>295</b>	<b>505</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	15	1,097	592
<b>Cash and cash equivalents at the end of the reporting period</b>	15	<b>1,392</b>	<b>1,097</b>

## **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 fair 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 Trustee 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 trustee has 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 either as:

- A restricted fund or
- An endowment 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.

Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent. These funds are sub analysed between those where the Trustee has the discretion to spend the capital (expendable endowment) and those where there is no discretion to expend the capital (permanent endowment).

The charity has one permanent endowment fund, the Pembrokeshire Cardiology Equipment Fund. This fund is managed on a total returns basis. This means that the funds are invested to maximise the return on investment without regard to whether that return is in the form of income from dividends or interest or capital appreciation (where the market value of the investment increases). Although a total returns approach has been approved by the Trustee, no funds have been released as at the balance sheet date

Those funds which are neither endowment nor restricted income funds, are unrestricted income funds which are sub analysed between designated (earmarked) funds where the Trustee have

### **(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, whichever falls sooner.

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) Incoming resources from endowment funds**

The incoming resources received from the invested endowment fund are wholly restricted.

### **(f) 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.

## **(g) Recognition of expenditure and associated liabilities as a result of grants**

Grants payable are payments made to linked, related party or third party NHS bod NHS bodies, in furtherance of the charitable objectives of the funds held on trust, relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their paym been met or where there is a constructive obligation to make a payment.

A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then reasonable expectation that they will receive a grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive grant
- There is an established pattern of practice which indicates to the recipient that will honour our commitment.

The Trustee has control over the amount and timing of grant payments and conse where approval has been given by the Trustee and any of the above criteria have then a liability is recognised. Grants are not usually awarded with conditions attac However, when they are then those conditions have to be met before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognise appropriate designation is made in the appropriate fund. If a grant has been offere is uncertainty as to whether it will be accepted or whether conditions will be met th liability is recognised but a contingent liability is disclosed.

## **(h) Allocation of support costs**

Support costs are those costs which do not relate directly to a single activity. These staff costs, costs of administration, internal and external audit costs. Support costs apportioned between fundraising costs and charitable activities on an appropriate analysis of support costs and the bases of apportionment applied are shown in no

## **(i) Fundraising costs**

The costs of generating funds are those costs attributable to generating income fo other than those costs incurred in undertaking charitable activities or the costs inci undertaking trading activities in furtherance of the charity's objects. The costs of g funds represent fundraising costs together with investment management fees. Fur costs include expenses for fundraising activities and a fee paid to a related party, t Board, under a fundraising agreement. The fee is used to pay the salaries and ove of the Health Boards's fundraising office.

## **(j) Charitable activities**

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

## **(k) Debtors**

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

## **(l) Fixed Asset Investments**

Investments are a form of basic financial instrument. Fixed Asset investments are recognised at their transaction value and are subsequently measured at their fair value (market value) at the balance sheet date. The Statement of Financial Activities includes net gains and losses arising on revaluation and disposal throughout the year. Quoted stocks and shares are included in the Balance Sheet at the current mid price market value determined by the investment analyst, excluding dividend. The SORP recommends that the bid price or market price be used in valuing stocks and shares, although the difference between the bid and mid market price is not material. Other investments are included at the trustee's best estimate of market value.

The main form of financial risk faced by the charity is that of volatility in equity market investment markets due to the wider economic conditions, the attitude of investors, changes in investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors. Further information on the charity's investments can be found in note 10.

## **(m) Cash and cash equivalents**

Cash at bank and in hand is held to meet the day to day running costs of the charity and they fall due. Cash equivalents are short term, highly liquid investments, usually in notice interest bearing savings accounts.

## **(n) 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.

Amounts which are owed in more than a year are shown as long term creditors.

## **(o) 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 the 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).

## 2. Related party transactions

During the year none of the Corporate Trustee's key management staff or parties related to them has undertaken any material transactions with the Hywel Dda Health Board Charitable Funds.

Board Members (and other senior staff) take decisions both on Charity and Hywel Dda University Health Board matters and controls are in place to ensure the interests of each are kept discrete and also to ensure they do not personally benefit from such decisions. Declarations of personal interest have been made in both capacities and are available for public inspection.

During 2018/19 the Charity has made grant payments of £1,230,265 to Hywel Dda University Health Board. £880,913 provided additional public benefit through the Health Board's operational activity and £349,352 supported additional capital investment.

As at 31 March 2019 the total owed to the Health Board was £86,564, and owed by the Health Board was £0.

## 3. Income from donations and legacies

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2018-19 £000	Total 2017-18 £000
Donations	720	46	0	766	778
Legacies	0	780	0	780	444
Grants	14	4	0	18	9
	<b>734</b>	<b>830</b>	<b>0</b>	<b>1,564</b>	<b>1,231</b>

## 4. Role of volunteers

Hywel Dda Health Charities is extremely fortunate to have the support of so many wonderful people who give their time, energy and dedication to raise funds for the charity on a voluntary basis year after year. Our supporters fundraise for us for many different reasons. Many are former patients and their families wanting to show their appreciation for care received while many wish to support the development of the latest healthcare technologies in their local community.

We are also extremely fortunate to have the support of nine Leagues of Friends groups who raise money for our hospitals and healthcare in their local communities. In addition to our hospital and community Leagues of Friends, we have many local voluntary groups who support and actively fundraise for their local healthcare services.

## 5. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Endowment Funds £000	Total 2018-19 £000	Total 2017-18 £000
Fixed asset equity and similar investments	132	106	79	317	255
	<b>132</b>	<b>106</b>	<b>79</b>	<b>317</b>	<b>255</b>

## 6. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Endowment Funds £000	Total 2018-19 £000	Total 2017-18 £000
Fundraising office	97	80	0	177	148
Investment management	18	14	11	43	7
	<b>115</b>	<b>94</b>	<b>11</b>	<b>220</b>	<b>155</b>

## 7. Analysis of charitable activity

	Grant funded activity £000	Support costs £000	Total 2018-19 £000	Total 2017-18 £000
Purchase of Medical and Surgical equipment	483	35	518	410
Patient education and welfare	167	25	192	38
Other Contribution to NHS	176	13	189	81
Purchase of Office and Computer equipment	152	11	163	115
Staff education and welfare	215	3	218	54
Building and refurbishment	37	3	40	197
	<b>1,230</b>	<b>90</b>	<b>1,320</b>	<b>895</b>

## 8. 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 7.

The Trustee operate a scheme of delegation for the majority of the charitable funds, under which fund managers manage the day to day disbursements on their delegated funds in accordance with the directions set out in the Health Board's standing orders and standing financial instructions. Funds managed under the scheme of delegation represent ongoing activities and it is not possible to segment these activities into discrete individual grant awards. The Trustee does make individual grant awards based on invited applications from the Health Board.

## 9. Movements in funding commitments

	Current liabilities £000	Total 31 March 2019 £000	Total 31 March 2018 £000
Opening balance at 1 April (see note 16)	27	27	40
Movement in liabilities	(4)	(4)	(13)
<b>Closing balance at 31 March (see note 16)</b>	<b>23</b>	<b>23</b>	<b>27</b>

As described in notes 7 and 8, the charity awards a number of grants in the year. Many grants are awarded and paid out in the same financial year. However, some grants, especially those relating to research and development or for funding a specific posts are multi-year grants paid over a longer period.

## 10. Allocation of support costs

Support and overhead costs are allocated between fundraising activities and charitable activities. Governance costs are those support costs which relate to the strategic and day to day management of a charity.

	Charitable activities £000	Total 2018-19 £000	Total 2017-18 £000	Basis
<b>Governance Costs</b>				
External audit	9	9	9	Average fund balar
Finance and administration	35	35	29	Average fund balar
<b>Total governance</b>	<b>44</b>	<b>44</b>	<b>38</b>	
<b>Support Costs</b>				
Finance and administration	46	46	38	Average fund balar
	<b>90</b>	<b>90</b>	<b>76</b>	
	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2018-19 £000	Total Funds 2017-18 £000
Raising funds	0	0	0	0
Charitable activities	50	40	90	76
	<b>50</b>	<b>40</b>	<b>90</b>	<b>76</b>

## 11. Trustee's remuneration, benefits and expenses

The Charity does not make any payments for remuneration nor to reimburse expenses to members of the Corporate Trustee of the Charity for their work undertaken as trustee.

## 12. Auditors remuneration

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

## 13. Fixed asset investments

### Movement in fixed assets investments

	<b>Total 2018-19 £000</b>	<b>Total 2017-18 £000</b>
Market value brought forward	<b>7,270</b>	7,346
Add: additions to investments at cost	<b>9</b>	7,868
Less disposals at carrying value	<b>(1)</b>	(7,346)
Increase/(decrease) on cash awaiting investment	<b>4</b>	(444)
Add net gain / (loss) on revaluation	<b>220</b>	(154)
<b>Market value as at 31st March</b>	<b><u>7,502</u></b>	<b><u>7,270</u></b>

### Fixed Asset Investments by type

	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
Property	<b>866</b>	927
Fixed Interests	<b>1,020</b>	1,043
UK Equities	<b>1,459</b>	1,355
Overseas/Global Equities	<b>3,457</b>	3,269
Alternatives	<b>316</b>	517
<b>Total Listed Intestments</b>	<b><u>7,118</u></b>	<b><u>7,111</u></b>
Cash on interest bearing deposit	<b>384</b>	159
<b>Total</b>	<b><u><u>7,502</u></u></b>	<b><u><u>7,270</u></u></b>

All investments are carried at their fair value.

The significance of financial instruments to the ongoing financial sustainability of Hywel Dda Health Charities is considered in the risk management section of the trustees' annual report.

The main risk from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Hywel Dda Health Charities' investments are mainly traded in markets with good liquidity and high trading volumes. Hywel Dda Health Charities have no material investment holdings in markets subject to exchange controls or trading restrictions.

Hywel Dda Health Charities manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes. All investments were made in companies listed on a UK stock exchange or incorporated in the UK and therefore all investments are treated as investment assets in the UK.

Hywel Dda land and buildings are subjected to a 5 year revaluation review. The last review was undertaken by the Valuation Office Agency with an effective date of 1st April 2017. The

#### 14. Analysis of current debtors

<b>Debtors under 1 year</b>	<b>Total 31 March 2019 £000</b>	<b>Total 31 March 2018 £000</b>
Accrued income	44	57
Other debtors	0	8
	<b>44</b>	<b>65</b>

#### 15. Analysis of cash and cash equivalents

	<b>Total 31 March 2019 £000</b>	<b>Total 31 March 2018 £000</b>
Cash in hand	1,392	1,097
	<b>1,392</b>	<b>1,097</b>

The notice deposits are sums held on interest bearing deposit with Barclays Bank and represent restricted appeals to fund specific equipment or funds held to facilitate cash flow and the fulfilment of obligations to make grant payments. The funds are held on a 90 day notice account and are therefore classified as cash and cash equivalents.

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

All of the amounts held on interest bearing deposits are available to spend on

#### 16. Analysis of liabilities

<b>Creditors under 1 year</b>	<b>Total 31 March 2019 £000</b>	<b>Total 31 March 2018 £000</b>
Trade creditors	10	14
Other creditors	87	134
Accruals	23	27
<b>Total creditors</b>	<b>120</b>	<b>175</b>

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

	<b>Total 2018-19 £000</b>	<b>Total 2017-18 £000</b>
<b>Net income / (expenditure) (per Statement of Financial Activities)</b>	<b>341</b>	<b>400</b>
<b>Adjustment for:</b>		
(Gains) / losses on investments	<b>(220)</b>	36
Dividends, interest and rents from investments	<b>(317)</b>	<b>(255)</b>
Decrease / (Increase) in debtors	<b>21</b>	<b>(6)</b>
(Decrease) / Increase in creditors	<b>(55)</b>	58
<b>Net cash (used in)/provided by operating activities</b>	<b><u>(230)</u></b>	<b><u>233</u></b>

## 18. Transfer between funds

There has been no transfer between funds

## 19. Analysis of funds

### a. Analysis of endowment fund movements

	<b>Balance 1 April 2018 £000</b>	<b>Expenditure £000</b>	<b>Gains and losses £000</b>	<b>Balance 31 March 2019 £000</b>
FE Smith Legacy	81	0	0	81
Rees Eirwyn Evans	23	0	0	23
Pembrokeshire Ca Equipment	1,909	<b>(12)</b>	59	1,956
	<b><u>2,013</u></b>	<b><u>(12)</u></b>	<b><u>59</u></b>	<b><u>2,060</u></b>

The objects of the permanent endowment funds are as follows:

FE Smith Legacy Fund objects are to apply the income generated from the permanent endowed gift for the benefit of the Owain Glyndwr Ward in Bronglais General Hospital.

Rees Eirwyn Evans Fund objects are to apply the income generated from the permanent endowed gift for the purchase of equipment for Meurig Ward in Bronglais General Hospital.

Pembrokeshire Cardiology Equipment Fund objects are for the purchase of cardiology equipment in the county of Pembrokeshire.

## b. Analysis of restricted fund movements

	Balance 1 April 2018 £000	Income £000	Expenditure £000	Gains and losses £000	Balance 31 March 2019 £000
Carmarthenshire Locality Funds	933	208	(312)	23	852
Ceredigion Locality Funds	997	610	(82)	32	1,557
Pembrokeshire Locality Funds	310	105	(41)	8	382
Pembrokeshire Cardiology Equipment	348	91	(109)	8	338
	<b>2,588</b>	<b>1,014</b>	<b>(544)</b>	<b>71</b>	<b>3,129</b>

The locality funds is a collection of restricted funds which have distinct restrictions imposed on the charity. Within Carmarthenshire locality there are 32 restricted funds, in Ceredigion there are 22 restricted funds and in Pembrokeshire there are 29 restricted funds.

The Pembrokeshire Cardiology Equipment restricted fund is income generated from the Pembrokeshire Cardiology Equipment permanent endowment fund and is restricted for the purpose of purchasing cardiology equipment for Pembrokeshire.

## c. Analysis of unrestricted and material designated fund movements

	Balance 1 April 2018 £000	Income £000	Expenditure £000	Gains and losses £000	Balance 31 March 2019 £000
Hywel Dda General Funds	60	168	(179)	91	140
Carmarthenshire Locality Funds	1,816	332	(408)	0	1,740
Ceredigion Locality Funds	744	243	(171)	0	816
Pembrokeshire Locality Funds	1,036	124	(227)	0	933
	<b>3,656</b>	<b>867</b>	<b>(985)</b>	<b>91</b>	<b>3,629</b>

The Charity does not hold material funds for the general purpose of the whole Charity. Most unrestricted funds have been earmarked and designated for a specific purpose within the Charity area.

For presentation the designations have been grouped and reported per locality.

Within the charity there are 78 Carmarthenshire designated funds, 38 Ceredigion designated funds and 30 Pembrokeshire designated funds and 12 Hywel Dda designated funds.

## 20. Total return on investment

On 4 March 2014, the Corporate Trustee made a resolution under section 104A(2) of the Charities Act 2011 to adopt a total return on investment approach to the Pembrokeshire Cardiology Equipment fund and the FE Smith Legacy fund. The Corporate Trustee identified the value of the gifts of permanent endowment received since the fund was established to that date. This set the baseline value of the gift component of the endowment to which any subsequent gifts of endowment are added. The difference between the total of endowment funds as at 31 March 2015 and the value of the gift component represented the opening balance of unapplied total return.

The power of total return permits the Corporate Trustee to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year.

Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains invested as part of the permanent endowment. The power allows the trustees to decide in each year how much of the unapplied total return is transferred to income funds and so available for expenditure. As at the balance sheet date the Corporate Trustee had not made any resolutions to pass any part of the unapplied total return to income funds to be spent.

### Analysis of Endowment Investments

	Trust for Investment £000	Unapplied total return £000	Total endowment £000
<b>At beginning of the reporting period</b>			
Gift component of the permanent endowment	1,505	0	1,505
Unapplied total return	0	485	485
<b>Total</b>	<b>1,505</b>	<b>485</b>	<b>1,990</b>
<b>Movements in the reporting period</b>			
Investment return: realised and unrealised gains and (losses)	0	58	58
Less: Investment management costs	0	12	12
<b>Net movement in the reporting period</b>	<b>0</b>	<b>70</b>	<b>70</b>
<b>At end of the reporting period</b>			
Gift component of the permanent endowment	1,505	0	1,505
Unapplied total return	0	555	555
<b>Total</b>	<b>1,505</b>	<b>555</b>	<b>2,060</b>

## 21. Post Balance Sheet Events

There are no post balance sheet events.

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## **STATEMENT OF TRUSTEE'S RESPONSIBILITIES**

### **IN RESPECT OF THE ACCOUNTS**

The law applicable to charities in England and Wales requires the trustee(s) 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 of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Corporate Trustee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- 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 Corporate Trustee is responsible for keeping accounting records which disclose with reasonable accuracy financial position of the charity and which enable them to ascertain the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. The Corporate 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.

**By order of the trustees**

**Signed:**

**Interim Chair of the Corporate Trustee**

**Mrs Judith Hardisty**

**Financial Trustee Representative**

**Mr Huw Thomas**

## **The independent auditor's report of the Auditor General for Wales to the trustee of Hywel Dda Health Charities**

### **Report on the audit of the financial statements**

#### **Opinion**

I have audited the financial statements of Hywel Dda Health Charities for the year ended 31 March 2019 under the Charities Act 2011. These comprise the Statement of Financial Activities, the Balance Sheet, the 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 trustees are 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 trustees for the financial statements**

As explained more fully in the statement of trustees responsibilities the trustees are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are 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 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

Adrian Crompton  
Auditor General for Wales  
Date:

24 Cathedral Road  
Cardiff  
CF11 9LJ

# Hywel Dda Health Charities Annual Report 2018/19



**Elusennau Iechyd Hywel Dda**  
**Hywel Dda Health Charities**  
Rhif Elusen Gofrestredig: 1147863  
Registered Charity Number: 1147863



**GIG**  
**CYMRU**  
**NHS**  
**WALES**

Bwrdd Iechyd Prifysgol  
Hywel Dda  
University Health Board

# Contents

1. Message from the Chair
  2. Our charity
  3. Achievements and performance
  4. Our supporters
  5. Supporting us
  6. Financial review
  7. Structure, governance and management
  8. Risk management
  9. Our plans
- Appendix A: List of designated funds
- Appendix B: Annual accounts 2018/19

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## **Hywel Dda Health Charities**

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Registered charity number 1147863



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## **1. Message from the Chair**

I am pleased to present the annual report and audited accounts for Hywel Dda Health Charities for the 2018/19 financial year which demonstrates the impact our charity has made in enhancing patient care and experiences across Carmarthenshire, Ceredigion and Pembrokeshire.

Our work would not be possible without the continued support of our local communities. Over the past year, your generosity has once again enabled us to provide invaluable support to Hywel Dda University Health Board, above and beyond core NHS expenditure. We are extremely grateful for every donation we receive from patients, their families and the wider community which help us to enhance local healthcare in many different ways.

This year we have used our charitable donations to purchase specialist equipment and items offering additional patient comfort. We have supported projects to provide more welcoming surroundings for our patients and have also invested in our staff by ensuring that they are up to date with the latest techniques to improve our services to patients. We have continued to work closely with staff at Hywel Dda University Health Board to identify ways in which we can use our charitable donations to provide the most benefit and help to improve the services offered to patients above and beyond what the NHS can provide.

I would like to take this opportunity to thank everyone that has supported our charity throughout the year. I never cease to be amazed by the generosity shown across our communities and the activities that are undertaken to raise funds to help us support our local NHS – diolch!

**Simon Hancock**  
**Chair of the Charitable Funds Committee**  
**September 2019**

## **2. Our Charity**

### **Who we are**

Hywel Dda Health Charities is a registered charity which supports patients, staff and services within Hywel Dda Local University Health Board. Our registered charity number is 1147863.

We exist to make a positive difference to local NHS services across Carmarthenshire, Ceredigion, Pembrokeshire and the thousands of people cared for by the University Health Board each year.

### **What we do**

Our aim is to raise and distribute funds to support local health services, above and beyond what NHS funding allows by:

- purchasing items offering additional patient comfort;
- maintaining the best possible environment for care, including building and refurbishing hospital and community facilities;
- providing the most-up-to-date medical equipment;
- supporting the training and development of staff;
- funding research into, and development of, treatments;
- delivering healthy living and health promotion initiatives.

We do not replace NHS funding but use the generous donations we receive from patients, their families and local communities to support the University Health Board to provide services and activities above and beyond what the NHS can provide.

### **How we help**

We carry out our aims through the provision of grants to support and enhance the NHS services provided by Hywel Dda University Health Board and its partners for public benefit.

We work closely with the University Health Board to ensure that our charity allocates funding to the areas where it can make the biggest impact to the treatment and care of patients across Carmarthenshire, Ceredigion and Pembrokeshire.

Hywel Dda University Health Board is the planner and provider of NHS healthcare services for people in Carmarthenshire, Ceredigion, Pembrokeshire and its bordering counties. Its 11,000 members of staff provide primary, community, in-hospital, mental health and learning disabilities services for around 384,000 people across a quarter of the landmass of Wales through:

- Four main hospitals: Bronglais General in Aberystwyth, Glangwili General in Carmarthen, Prince Philip in Llanelli and Withybush General in Haverfordwest.

- Seven community hospitals: Amman Valley and Llandovery in Carmarthenshire; Tregaron, Aberaeron and Cardigan in Ceredigion; and Tenby and South Pembrokeshire Hospital Health and Social Care Resource Centre in Pembrokeshire.
- 48 general practices (four of which are managed practices), 47 dental practices (including three orthodontic), 99 community pharmacies, 44 general ophthalmic practices (43 providing Eye Health Examination Wales and 34 low vision services) and 17 domiciliary only providers and 11 health centres.
- Numerous locations providing mental health and learning disabilities services.
- Highly specialised and tertiary services commissioned for us by the Welsh Health Specialised Services Committee, a joint committee representing seven health boards across Wales.

Hywel Dda Local University Health Board is the corporate trustee of Hywel Dda Health Charities. The charity is managed independently of the University Health Board through a separate scheme of delegation to its Charitable Funds Committee.

### **3. Achievements and performance**

This year, the continued generosity of our patients, their families and our local communities has enabled us to direct our charitable donations to support a wide range of services and activities for the benefit of patients cared for by Hywel Dda University Health Board.

Our charitable donations are independent of, and are managed separately to the exchequer funds (government funds) of Hywel Dda University Health Board. The Charity Commission has regulatory responsibility for ensuring the proper management of our charitable funds. It is our job to make sure that our donations are spent carefully and for the purposes for which they were given.

We are extremely grateful for the support we receive each year which allows us to support expenditure over and above that provided by the NHS.

Our expenditure on charitable activities during 2018/19 was £1,320,042.05

Here are just a few examples of how our donations have been used.

## Making a difference in Carmarthenshire

### Dedicated bereavement suite for maternity services at Glangwili Hospital



We were pleased to welcome local families to 'Ystafell Pili Pala' on the ante-natal ward at Glangwili Hospital, Carmarthen. Ystafell Pili Pala is a dedicated bereavement suite for maternity services at the hospital which was made possible thanks to the generosity of local families as well as our local communities.

### Ty Bryngwyn Hospice



Refurbishment works to develop state of the art facilities at Ty Bryngwyn, Llanelli were completed in December. Ty Bryngwyn's inpatient unit was fully refurbished along with the addition of a new seventh bedroom and improved facilities for families.

The refurbishment works also included improvements to the main entrance, reception and day services area along with the addition of a designated group/therapy room and outreach clinics linking to offsite clinicians.

## Diagnostic machines to access peripheral vascular foot disease in primary care



We supported the purchase of diagnostic machines in primary care. These diagnostic machines are portable and can be taken out to primary care, to help assess the circulation and ankle and toe blood pressures away from the hospital sites. These machines perform toe brachial pressures, which are proven to be more accurate than ankle brachial pressures for the diabetic population.

## Picton Ward quiet room, Glangwili Hospital



Patients on Picton ward can now spend some quiet time alone or with loved ones, in this room which has been refurbished thanks to charitable donations to create a calming and comfortable environment.

## Health visitors receive baby breathing monitors



This is a programme which supports parents when they have subsequent babies following a cot death. As part of the programme parents are loaned a breathing monitor which were purchased by the charitable funds and are also provided with resuscitation training. This programme is designed to give parents/families peace of mind, reassurance and confidence in caring for subsequent children. Parents using the programme are extremely grateful for the use of the loaned breathing monitor.

## Making a difference in Ceredigion

### Bladder scanner for Rhiannon Ward, Bronglais Hospital



Charitable funds purchased a bladder scanner for Rhiannon Ward, Bronglais Hospital. The new bladder scanner will enable earlier diagnosis of potential urinary retention, more rapid diagnostic service and better triage of patients leading to reduced operative intervention

### **Cancer Services, Bronglais Hospital**



Charity donations to cancer services in Ceredigion purchased bespoke 'cancer cloud kits'. These kits are given to children and teenagers to help them understand and cope with the changes that come after their parent or close family members is diagnosed with cancer. Each kit contains an age-appropriate set of tools designed to help children or young people to understand what cancer is, the treatments given, and the side-effects they may cause.

### **Speech and Language Therapy Department, Bronglais Hospital**



The community of Pontsian organised a fair to raise money for the Ceredigion Speech and Language Therapy department to buy alternative and augmentative communication aids and support for children within the county. The equipment allows staff to assess and trial children with a variety of different high tech options to help decide what would best suit the child.

### **Gwenllian maternity ward, Bronglais Hospital**



Charitable donations funded two Femme Tens machines and pads for Gwenllian maternity ward at Bronglais Hospital. The money was raised by Tammy Davies one of Bronglais Hospital's dedicated midwives. These machines will be used daily as a drug free pain relief for women in the early stages of labour and ladies who are undergoing the induction of labour.

### **Dyfi & Ystwyth Wards, Bronglais Hospital**



Dyfi and Ystwyth wards have purchased a number of specialist fans for Bronglais Hospital to help keep our patients cool during the recent hot weather.

### **Community cardiac rehabilitation team**



Charitable funds purchased a new defibrillator to be used for the Ceredigion community cardiac rehabilitation team which will be carried by the team when delivering exercise sessions, home visits and assessments.

## **Making a Difference in Pembrokeshire**

### **St Non's Ward, Withybush Hospital**



We purchased gym equipment for St Non's Older Adult Mental Health Ward to be used by patients to help with improvement in their strength, balance and exercise tolerance and to aid in the 'Risk of falls' due to de-conditioning while an inpatient on

the ward. The new equipment includes an exercise bike, treadmill, air rower as well as two recumbent bikes.

### **Paediatric Ambulatory Care Unit, Withybush Hospital**



Thanks to Pembrokeshire charitable funds the resident rocking horse on the Puffin Unit at Withybush General Hospital has been refurbished. The rocking horse has been part of the paediatric services at the hospital for over 25 years. It is used regularly as a distraction tool and provides a focus for children undergoing treatment or procedures. The horse positively enhances a child's experience during a visit to the unit.

### **Ward 12, Withybush Hospital**



We purchased 5 Window to Your World Sensory Scenes for Ward 12, Withybush Hospital. The sensory scenes help stimulate personal memories with people in the later point of their dementia journey and spark conversation that would otherwise have been impossible to reach. These window scenes will distract our patients and by utilising visual aids, the psychological distress can be reduced giving patients a greater sense of control.

## Ward 11, Withybush Hospital



We enlisted local artist Dorian Spencer Davies to create adhesive window panels for Ward 11's therapy room. The full colour panels are pictures of Pembrokeshire and have been proven to improve the therapeutic environment leading to improved patient outcomes and reduced length of stay.

## Puffin Garden, Withybush Hospital



A brand new Puffin Garden was officially opened at the Puffin PACU (Paediatric Ambulatory Care Unit) at Withybush General Hospital. The outdoor space provides a less stressful environment for children, young people and their families visiting or admitted for treatment. The new outdoor area is being used as an extension of the playroom which includes a playhouse, play panels and seating incorporating a space for wheelchair users.

## **Respiratory Services, Pembrokeshire**



We purchased five new nebulisers to enable Respiratory Consultants to treat patients in the community of Pembrokeshire. The nebulisers are used to provide nebulised medication to treat conditions such as asthma and cystic fibrosis.

## **Ward 11, Withybush Hospital**



We purchased a new and improved ECG machine for Ward 11, Withybush Hospital. The new machine now enables staff to complete reliable and accurate cardiac assessments for stroke patients staying on Ward 11.

## **St Non's Ward, Withybush Hospital**



Thanks to charitable donations St Non's Older Adult Mental Health Ward, Withybush Hospital purchased a Sorrento Tilt-in-Space chair. The chair benefits patients in many ways and improves positioning for feeding and swallowing, helps manage muscle tone and prevent deformities and will promote comfort and decrease fatigue to increase activity tolerance.

## **4. Our supporters**

Our work would not be possible without the support of so many wonderful people who give their time, energy and dedication to raising funds for our charity. Our supporters fundraise for many different reasons. Many of our donations come from patients and their families wanting to show their appreciation for care received. Some donations are received in memory of a loved one and we are proud to know that the treatment and support received has been so valued.

We are extremely grateful for every donation we receive, no matter how small or large. Every donation assists Hywel Dda Health Charities to support and enhance local healthcare in many different ways.

It is not possible to mention all donations received or every event that took place during this year, however here is a flavour of what some of our supporters have done to help raise funds to improve their local healthcare.

## Give a Gift Christmas Appeal



Our 2018 Give a Gift Christmas appeal was a huge success thanks to the generosity of our local communities. Nearly £2,000 worth of gifts, Christmas card sales and donations were received as a direct result of the appeal for patients visiting our Chemotherapy Day Units during the festive period. As well as gifts from our Christmas Amazon wish list, donations flooded in from individuals and organisations across our three counties from groups and individuals keen to support their local healthcare services.

## Team Hywel Dda



We are extremely proud that so many colleagues decided to take part in various challenge events and fundraise for local NHS Services. 25 members of staff took part in the Cardiff Half Marathon, raising a total of £9,500 in the process. The inspirational bunch ran for different wards and services across the three counties. The team covered a wide range of professions from administrative and clerical to nursing and medical staff. The fantastic achievements of #teamhyweldda will make a

significant contribution to supporting services above and beyond what the NHS can provide. We are truly grateful for your support.

## **Supporting local healthcare across Carmarthenshire, Ceredigion and Pembrokeshire**



Charitable donations fund POD Children's Charity to provide monthly entertainment on Cilgerran Ward, Glangwili Hospital and Puffin Unit, Withybush Hospital. POD and the services it provides helps to alleviate the trauma of a hospital stay by sowing the seeds of fun, laughter and feeling better.

## **Local people supporting their local healthcare in Carmarthenshire**

### **In Memory of Doris Thomas**



Ward 1 at Prince Philip Hospital received a donation of £1,000, in memory of Doris Thomas. Zena Lalita thanked the staff for their compassion, patience, care during her grandmother's stay on the ward. The ward plan to purchase a virtual aquarium which will help to further promote a dementia friendly environment because of their calming properties.

### **Nicola Griffiths-Evans and Lee Jones**



Nicola Griffiths-Evans and Lee Jones cycled 174 miles raising funds for Bryngofal Ward at Prince Phillip. Staff members, Nicola and Lee wanted to take on this remarkable cycling challenge which started at Prince Philip Hospital travelling to Bronglais Hospital via Glangwili Hospital. The following day they cycled from Bronglais Hospital to Tenby Cottage Hospital via Cardigan and Withybush Hospitals. Nicola and Lee were pleased to donate the over £1,000 to Bryngofal Ward at Prince Phillip, which was used to purchase recreational equipment.

### **Llanelli Old Boys Grammar School and Graig Former Pupils Association**



Thanks to Llanelli Old Boys Grammar School and Graig Former Pupils Association who raised funds via a number of different social events and donated £700 to our Specialist Child and Adolescent Mental Health Service (S-CAMHS). The donation supported our annual Surf Tonic, surf therapy programme which provides therapy in a fun environment with both a physical and psychological impact on those taking part

### **Colliers Arms, Furnace**



Thanks to the Colliers Arms, Furnace, Llanelli for holding a monthly raffle and raising £607.50 towards the Diabetes Centre at Prince Philip Hospital.

### **Eluned Morgan**



Eluned Morgan, Staff Nurse on ITU at Glangwili Hospital, Carmarthen raised £664 for the Chemotherapy Day Unit at Glangwili Hospital following a sky dive!

## Rachel Thomas



Rachel Thomas completed the Cardiff Bay 10k to raise funds for the Coronary Care Unit at Glangwili Hospital. Rachel also raised £1,110 for the Physiotherapy department at Glangwili Hospital by climbing Pen y Fan in her wheelchair.

## The 3 Amigos visit Glangwili Hospital



The 3 Amigos visited Glangwili Hospital at Christmas with a fantastic selection of toys and games and a huge cheque for £1,000. The 3 Amigos are a motorbike charity group who organise events throughout the year to raise funds for local causes. These include two annual ride outs, one at Christmas and one at Easter, an annual summer show, rock nights and other smaller events. These events enable the group to support a number of local causes.

## Tasha Morris



Tasha Morris from Milford Haven along with her friends and family raised a fantastic £1,700 for Cilgerran ward, Glangwili Hospital. Tasha and her friends completed the Man Up UK Mud Run in May this year to raise money for the ward that has supported her daughter.

## Sharon James and friends



Sharon, Tracy and Ray took part in the Fan Dance which is a grueling 24km SAS Selection test march staged over Pen y Fan, the highest mountain in the Brecon Beacons. The infamous march is the world's oldest Special Forces test and is used as the first major indicator of whether a candidate has the physical and mental aptitude to complete the legendary selection course. They raised £5,000 for Amman Valley Hospital.

## Tractor run



Morfydd, Arwel and Melvyn Rees made a donation to Dr Surendra Gupta (Consultant Physician) on behalf of the Priory Day Unit, Glangwili Hospital. The money will be used to support services working with patients suffering from meningitis and sepsis and the family would like to thank everyone who supported the tractor run.

## Local people supporting their local healthcare in Ceredigion

### ‘Chunky Monkeys’



Thank you to the Chunky Monkeys for presenting a cheque of £566.40 to the Chemotherapy Day Unit at Bronglais Hospital. The Chunky Monkeys are a group of bikers from the midlands whose aim is to raise awareness of cancer.

Last year during a fundraising event at Aberystwyth group members met Alison Wall and friends. Alison had recently been diagnosed with cancer and the Chunky

Monkeys were so touched by her courage and positivity that they donated the money they had raised to a charity of her choice.

### Chris Richards



Chris Richards, a physiotherapy technical instructor took part in the 2018 Cardiff Half Marathon for #teamhyweldda to raise money for the physiotherapy department to highlight the brilliant work within his team.

### Shelagh Yeomans



After watching Cardiff Half Marathon in 2017, Shelagh was inspired to enter and run the following year. In March of 2018 she was diagnosed with breast cancer, after a mastectomy and radiotherapy Shelagh was lucky enough not to need chemotherapy but having been inspired by the fundraising efforts of her Oncologist Dr Elin Jones, Shelagh decided to attempt the 2018 Cardiff Half marathon to support the

Chemotherapy Unit, Bronglais Hospital. Shelagh jogged the 13.2 miles in just under 3.5 hours and raised an amazing £1,717.

### **Angharad Ward, Bronglais Hospital**



Local primary school Rhos Helyg raised £171.11 for Angharad Ward their local children's ward. This money was raised through a harvest festival.

### **Public donations win Tesco Bags of Help for Enlli ward, Bronglais Hospital**



Enlli Ward at Bronglais Hospital bagged a massive cash boost from the Tesco Bags of Help initiative. The £4,000 grant will go towards making the garden area into a safe and stimulating space for our patients to spend time.

## Emergency Services Ball raises £21,980 for the Chemotherapy Unit at Bronglais Hospital



The brilliant care received by friends and family inspired local emergency services workers to organise a ball and auction to raise money and support Bronglais Hospital's Chemotherapy Day Unit. Local fire fighters, police officers, hospital workers and business owners came together to organise the ball and auction to support their local unit. The event took place in November 2018 at Brynrodyn, Borth and raised an amazing £21,980.

## Local people supporting their local healthcare in Pembrokeshire

Chris Trueman, Milford Haven



Chris Trueman donated £2,005 to Pembrokeshire Cancer Services, Withybush Hospital. Chris took on a huge personal challenge and completed the Manchester Marathon, Long Course Weekend and Ironman Wales. Chris decided he wanted to raise money for Ward 10 and the Pembrokeshire Haematology Oncology Day Unit to say thank you for the exceptional care and support they had given to his mum Sylvia Trueman and Mother in Law, Gill Burgoyne.

### **Karen Brock, MRI Assistant, Withybush Hospital**



Karen Brock, MRI Assistant in the Radiology Department at Withybush Hospital completed a tandem skydive and fundraised for the Puffin unit and Pembrokeshire Haematology Oncology Day Unit. Karen raised £788.50 for the two units. Karen decided to fundraise for the Puffin Unit as she works closely with the Play Services team and wanted to support their work. She chose to fundraise for PHODU as a family member of a colleague had been receiving treatment on the unit.

### **Tenby and District Lions, Pembrokeshire**



Tenby and District Lions donated a 48-inch Veltech television for the patient waiting room at Tenby Cottage Hospital. The group fundraise throughout the year and donate to local charities and community groups.

### Mr Webster, Kilgetty



Mr Webster and his granddaughter Rachel Ball raised £707.23 for Ward 12, Withybush Hospital by organising a bingo night. Mr Webster attended the Good Friday, Songs of Praise and Hot Cross Bun event on Ward 12. He was overwhelmed by the over and above activities that the staff provide for patients staying on the ward and wanted to help purchase new activities by organising a bingo night.

### Senior Sister Nicola Zroud and Sister Rachel Owen, Ward 11, Withybush Hospital



Senior Sister Nicola Zroud and Sister Rachel Owen completed a tandem skydive and raised £1210 for Ward 11, Withybush Hospital. They raised funds for much needed equipment to help and assist stroke patients through their therapy whilst also improving the hospital environment.

### **Community Child Health Department, Pembrokeshire**



It's a Jungle Out There! Our fearless doctors conducted their clinics dressed as their favourite animals with the money raised going towards transforming the waiting area and clinic rooms in the Community Child Health Department. The jungle themed animal-tastic area will be full of playfulness and surprises which will also create a safe environment for children who often feel the world is overwhelming at times.

### **Our appeals - Elly's Ward 10 Flag Appeal**



One of our youngest fundraisers continues to make a big impact on our local healthcare. Elly Neville, now 9 years old, launched the Elly's Ward 10 Flag Appeal in May 2015 and has now raised over £190,000 for improvements to cancer services at Withybush General Hospital. Funds raised will be used for items and equipment to enhance our patients stay in hospital during what can be a very difficult time. The family especially want to buy equipment that empowers patients' dignity and the appeal has already purchased its first pieces of new equipment for Ward 10 – a "Sara Steady" standing aid, two sofa beds for the family room, a urine analysis machine and a bladder scanner.

The appeal continues to receive support for the local community and large corporate supporters and we are delighted that work has now started on the re-development of ward 10, completion date December 2019. Elly and her family have achieved something quite remarkable from a collage of the Pembrokeshire flag. Thank you!

## **Our hospital Leagues of Friends**

Our thanks once again go to our hospital Leagues of Friends, whose unwavering support never goes unappreciated by patients and staff of our hospitals and the wider community.

There are eight Leagues of Friends who support our acute and community hospitals, consisting of devoted volunteers who dedicate their time to raise money for much needed facilities and home comforts for patients.

- Amman Valley Hospital League of Friends
- Cardigan Hospital and Community League of Friends
- League of Friends of Bronglais General Hospital and Community
- League of Friends of Glangwili General Hospital
- League of Friends of Llandovery Hospital
- Llanelli and District League of Hospital Friends
- Tregaron Hospital League of Friends
- Withybush General Hospital League of Friends

Each League of Friends is a registered charity and run a variety of fundraising events each year to provide much needed additional equipment.

Our Leagues of Friends work hard throughout each year to organise a variety of fundraising activities, from coffee mornings and tea parties to annual fetes and car boot sales. All monies raised are spent by the Leagues of Friends to help improve the patient experience and outcomes in our hospitals.

Volunteers are always required to help run a wide variety of events. If you are interested in supporting your local hospital please contact us to find out more.

This year we bade farewell to the Friends of South Pembrokeshire Hospital at a special tea party which was held in March 2019 to celebrate their achievements

since 2005. Over a period of 14 years, the Friends of South Pembrokeshire Hospital had raised over £140,000 with every penny raised directly benefitting our patients. Items purchased by the Friends in recent years included new televisions in all wards and side rooms, specialist mattresses, wheelchairs for rehabilitation, blood pressure monitors, specialist equipment for the wards and the day centre and even a greenhouse as well as much, much more.

We would like to take this opportunity to thank the Friends of South Pembrokeshire Hospital and all our hospital Leagues of Friends for their continued support over many years.



## 5. Supporting us

Our charity is made up of more than 180 individual funds, each with a specific purpose – from individual hospital wards or departments to research and community care. All donations received are allocated to these funds.

You can choose to support a specific area or donate to our 'Response Fund' which allows us to use your gift where it is needed the most. This fund allows our clinical teams to react quickly to the needs of our patients and allocate our resources in the most effective ways possible.

Each of our funds is managed by a named fund holder with in-depth knowledge of the particular field related to the fund.

Your support, big or small, can help us to make huge improvements in the care we offer our local communities.

Our fundraising team would love to hear from you to discuss how you can support Hywel Dda Health Charities:

Telephone: 01267 239 815

E-mail: [Fundraising.HywelDda@wales.nhs.uk](mailto:Fundraising.HywelDda@wales.nhs.uk)

[www.hywelddahealthcharities.org.uk](http://www.hywelddahealthcharities.org.uk)

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Ystwyth, Hafan Derwen, St David's Park  
Jobswell Road, Carmarthen, SA31 3BB



[HywelDdaHealthCharities](https://www.facebook.com/HywelDdaHealthCharities)

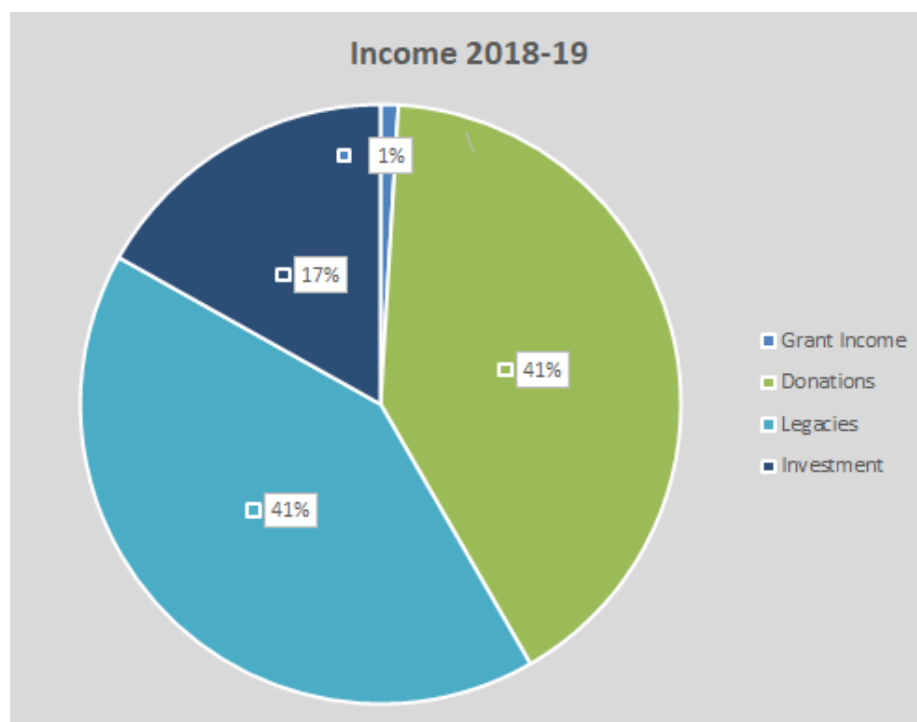


[@HywelDdaCharity](https://twitter.com/HywelDdaCharity)

## 6. Financial Review

### Incoming Resources

In 2018/19 incoming resources for the year totalled £1,880,335. The income streams of our charity were as follows:



### Donations (£765,959)

Many donations are received from patients and their families wanting to show their appreciation for care received. The charity is extremely grateful for all donations received to help us realise our aims. Some donations are received in memory of a loved one and we are proud to know that the treatment and support received has been so valued.

### Legacies (£779,564)

The charity was also the grateful beneficiary of a number of legacies totalling £779,564 for funds mainly located at our acute hospitals. Significant legacies received during the year included:

- A legacy of £500,000 for the Cardiac Rehabilitation Unit in Bronglais General Hospital.
- A legacy of £106,254 for Ty Bryngwyn, Llanelli.

**Grants (£17,879)**

Grants were received from Walk the Walk (£5,837), Groundwork UK (£6,000), Macmillan Cancer (£3,478.50) and Charities Aid Foundation (£2,563).

**Investment income (£316,935)**

Investment income is due to income in the form of dividends and interest from investment and cash balances held by the charity.

**Expenditure**

The charity is principally a grant making body, providing grants to Hywel Dda University Health Board as a contribution to the cost of the provision of healthcare beyond what the NHS provides. During 2018/19 the charity has continued to support a wide range of charitable and health related activities across Hywel Dda University Health Board.

Our key aim is to serve the NHS patients of Hywel Dda University Health Board for the public benefit. By working closely with the University Health Board, we are able to use our generous donations to provide invaluable support on patient focused expenditure.

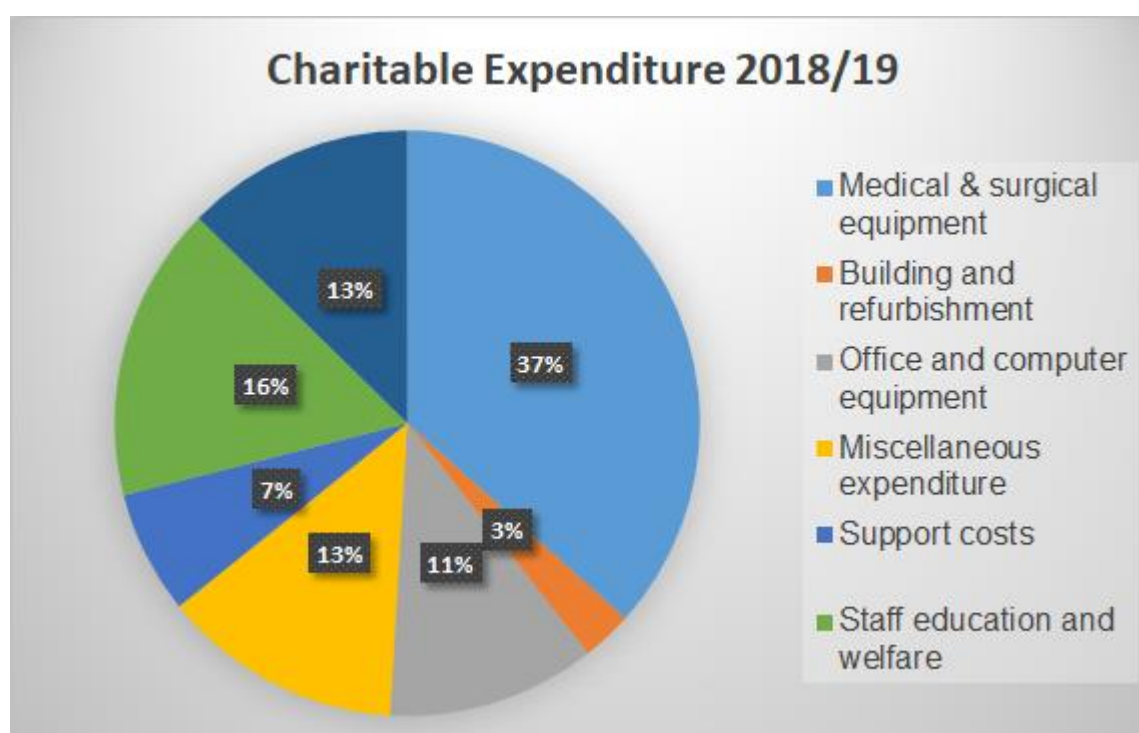
Our grant making policy ensures that all expenditure of our charitable funds is in accordance with the charitable purpose agreed for the fund and in the spirit of the donor's wishes. All charitable expenditure is made with consideration given to the public benefit of improved healthcare.

**Analysis of expenditure**

In 2018/19, expenditure on charitable activities was £1,320,042.

- Medical and surgical equipment – 37%. Equipment for patient benefit.
- Building and refurbishment – 3%. Enhancements made to buildings to provide additional patient benefit and care
- Office and computer equipment – 12%. Equipment, which supports the provision of healthcare thereby benefiting patient care.
- Miscellaneous – 13%. All other expenditure.
- Support costs – 7%. Direct administration costs in support of the charity's objectives.
- Staff education and welfare – 16%. Includes training above that which is mandatory to improve patient care
- Patient education and welfare – 13%. Expenditure on improving patient education and welfare

## Expenditure on Charitable Activities 2018/19



### Management and administration costs

The total management and administration costs for 2018/19 were £266,506 which includes £176,731 fundraising costs and £89,775 support costs. This represents 3.2% of the opening fund balances held as at 1 April 2018.

### Investments and performance

The charity retains the services of investment advisors to manage its investment portfolios. Policy is set by the charity trustee in its instruction to their advisor. The advisors have been instructed to manage the portfolios to produce both income and capital returns, and manage those funds within the value they retain on the accounts. The charity also holds funds in short term investments that are not managed by the investment advisor.

During 2018/19, there were realised gain of £220,871 due to an increase in the market value of investments held during the year. This combined with investment income of £316,934 gave a yield of 6.09% for the 2018/19 financial year for all investments of the charity.

Sarasin & Partners LLP provided the services of investment advisor for 2018/19. These investments are managed in accordance with the Trustee Act 2000.

### Overall financial position

The value of the charity as at 31 March 2019 has increased from the previous year, with a net increase of £560,945. This increase has been as the result of increases in investment valuations within the year and an increase in legacy income. The graph

below indicates the level of funds held as at the end of the year in the last five financial years.

### Reserves policy

The charity has a reserves policy and has defined reserves to be the element of funds that are unrestricted and uncommitted. The charity shall hold reserves of 10% of the value of its fixed asset investments and £500,000, and shall only fall below to cover losses in value of those investments. In order to maintain the reserves as low as possible it is important that expenditure plans are developed for all funds.

Reserves are needed where there may be insufficient balances in individual restricted and designated funds to meet the objectives of those funds. There is also a need for reserves where there may be a requirement to incur expenditure which is exclusively charitable, and cannot be funded from revenue, for which there is not a relevant fund. The reserves held by the charity, as at 31st March 2019, is made up as follows:

### Fund Balance £000's

£

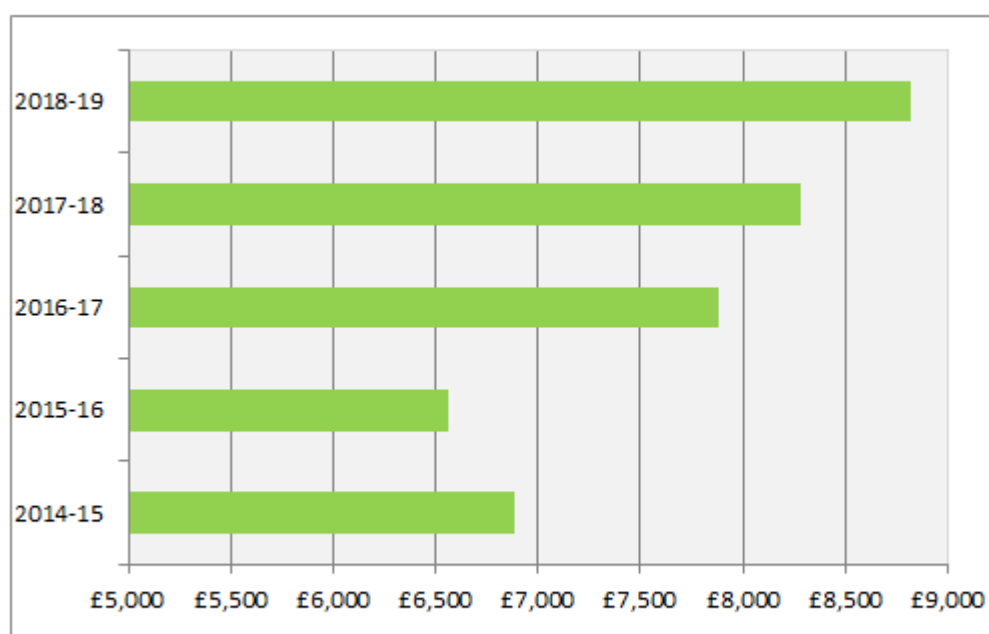
3,628,784 Charity Unrestricted Funds

3,129,584 Charity Restricted Funds

2,059,683 Endowment Funds

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8,818,051

### Fund Balances 2014/15 - 18/19



### Funds Balances £000's

## 7. Structure, governance and management

### Constitution

Hywel Dda University Local Health Board holds charitable funds as sole corporate trustee and the board members of the University Health Board (whilst not “trustees” in their own right) are jointly responsible for the management of those charitable funds. The membership of the board was as follows at the time the annual report was approved:

Mrs Bernardine Rees OBE	Chair (Until 28 Feb 2019)
Mr Paul Newman	Interim Vice Chair (From 06 Mar 2019)
Mrs Judith Hardisty	Vice Chair (Until 28 Feb 2019)
Mrs Judith Hardisty	Interim Chair (From 01 Mar 2019)
Professor John Gammon	Independent Member
Cllr Simon Hancock	Independent Member (Until 30 Sept 2019)
Ms Anna Lewis	Independent Member
Mr Adam Morgan	Independent Member
Mr Paul Newman	Independent Member (Until 28 Feb 2019)
Mr Owen Burt	Independent Member
Mr David Powell	Independent Member (Until 30 Nov 2019)
Ms Delyth Raynsford	Independent Member
Mr Mike Lewis	Independent Member (Until 30 Sept 2019)
Julie James	Independent Member (Until 30 Apr 2019)
Mr M Hearty	Associate Member (Until 31 Aug 2018)
Mr Steve Moore	Chief Executive
Mr Joe Teape	Deputy Chief Executive / Director of Operations
Mr Stephen Forster	Executive Director of Finance (Until 31 Aug 2018)
Mr Huw Thomas	Interim Director of Finance (Until 01 Sep 2018)
Mr Huw Thomas	Executive Director of Finance
Mrs Lisa Gostling	Executive Director of Workforce and Organisational Development
Mrs Ros Jervis	Executive Director of Public Health
Dr Phil Kloer	Executive Medical Director and Director of Clinical Strategy
Mrs Karen Miles	Executive Director of Planning, Performance and Commissioning
Ms Alison Shakeshaft	Executive Director of Therapies and Health Science
Mrs Mandy Rayani	Executive Director of Nursing, Quality & Patient Experience
Ms Jill Paterson	Director of Primary, Community and Long Term Care
Mrs Joanne Wilson	Board Secretary
Ms Sarah Jennings	Director of Partnerships and Corporate Services
Mrs Libby Ryan-Davies	Transformation Director
Mr Andrew Carruthers	Turnaround Director

The Director of Governance, Communications & Engagement is the executive director with lead responsibility for the charity.

The charitable funds linked to the University Health Board are independent of the 'exchequer' (Government funded NHS) funds of the University Health Board and must be managed separately, even though they are mainly to be used to support the work and services of the NHS body.

The Charity Commission has regulatory responsibility for ensuring the proper management of these charitable funds.

The Charitable Funds Committee is appointed by the Board from the Independent Members who act as 'agents' of the Board as sole corporate trustee. The Committee is required to:

- control, manage and monitor the use of the fund's resources;
- provide support, guidance and encouragement for all its fundraising activities whilst managing and monitoring receipt of all income;
- ensure that best practice is followed in the conduct of all its affairs fulfilling all of its legal responsibilities;
- monitor the performance of the appointed investment advisor whilst being aware of ethical considerations;
- keep the University Health Board fully informed on the activity, performance and risks of the charity; appoint the investment advisors to the charity.

### **Objects of the charity**

Hywel Dda Health Charities has registered the following objects with the Charity Commission:

"The trustee shall hold the trust fund upon trust to apply the income, and at its discretion, so far as may be permissible, the capital, for all or any charitable purpose or purposes relating to the National Health Service."

### **Charity independence**

The charity needs to be independent from, yet supportive of, the University Health Board. The charity therefore focuses on the following charitable purposes, recognised in law (Charities Act 2011):

- The advancement of health or the saving of lives

And to a lesser degree

- The advancement of education
- The relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage

The charity raises monies, holds those monies and commits expenditure through more than 245 local, general and special purpose funds.

The current list of these funds is given at appendix A. Whilst almost all funds are designated for a particular purpose (as described by the donor's wishes and the local funds title); some funds are restricted by the charitable purpose imposed by the donor.

Within expenditure authorisation limits local fund holders decide on and commit expenditure for the benefit of the area concerned.

### **Grant making policy**

To achieve its objectives the charity makes grant payments to Hywel Dda University Health Board in accordance with charity law, our constitution and the wishes and direction of donors. In making grants, we endeavour to reflect the wishes of patients and staff by directing funds towards areas they tell us are most in need. Hywel Dda Health Charities makes grants from both its unrestricted and restricted funds. Within the unrestricted funds, grants are made from general funds, designated (earmarked) funds. Income generated from endowment funds are held as restricted income and applied within the restricted purpose of that endowment.

In the awarding of our grants, consideration is given to the Charity Commission's guidance on public benefit. To ensure public benefit and value for money when authorising charitable expenditure, applications for charitable funds include questions on the purpose of the application to the charity, why the expenditure is required and how the expenditure meets the aims of the charity.

### **Subsidiary charity**

There is one special purpose subsidiary charity within the Hywel Dda Health Charities – Cardiology Equipment Withybush General Hospital.

### **Address**

The principal address of the charity is Hywel Dda Health Charities, Ystwyth, Hafan Derwen, St David's Park, Jobswell Road, Carmarthen, SA31 3BB.

### **Our advisors**

#### **Bankers**

The charity has retained the banking services during the year from Barclays Bank, 9-10 Guildhall Square, Carmarthen, SA31 1PW.

#### **External auditors**

The charity's auditors during the year was the Wales Audit Office, 24 Cathedral Road, Cardiff, CF11 9LJ.

### **Our trustees**

New members of the Charitable Funds Committee are provided with an induction pack consisting of the charity's governing documents and policies and procedures as well as previous annual reports and accounts and Charity Commission guidance. Members of the Charitable Funds Committee also receive regular informal training and briefings on current charity issues at quarterly committee meetings. As the

charity is a member of the Association of NHS Charities, committee members also receive regular briefings on areas of interest and details of relevant training opportunities to enhance their skills.

### **Investments**

The trustees hold the Pembrokeshire Cardiology Equipment fund as a separate investment portfolio, which is managed with the advice of Sarasin & Partners with an objective of the fund to achieve long-term capital and income growth. The trustees have approved a total returns policy for this fund. Income is credited back to the charity bank account and held as restricted income. Other investments of Hywel Dda Health Charities are also managed with the advice of Sarasin & Partners with an objective of the fund to achieve long-term capital and income growth. Both portfolios are structured to permit a range of investments intended to yield a competitive rate of return in current market conditions. The investment advisor actively manages the assets and has delegated authority to purchase and sell when market opportunities arise. The trustees have decided not to invest in companies who are involved in the production of tobacco nor alcoholic beverages and will not invest in companies who derive more than 5% of their income from tobacco nor 25% from alcoholic beverages due to the link with poor health which could make the investments contrary to our charitable aims. The Charitable Fund Committee on a quarterly basis monitors investment performance.

### **Fundraising activities**

During 2018/19, the University Health Board employed six members of staff (four full time equivalent) to support the fundraising and communications functions of the charity. The fundraising support team is responsible for increasing the charity's income to support Hywel Dda University Health Board to provide services and activities above and beyond what the NHS can provide. The team is responsible for promoting fundraising for and giving to the charity and provides support, advice and guidance to fundraisers to ensure that all fundraising is carried out in line with regulation and best practice. The team also assists many charitable groups and associations that provide both financial and non-financial support for healthcare services across our three counties.

## **8. Risk management**

### **Exposure to risk**

The Chief Executive of Hywel Dda University Local Health Board, together with the other directors, is responsible for ensuring that an effective system of financial control is maintained. The Chief Executive and other directors are also responsible for reviewing the effectiveness of this system and have confirmed that the minimum control standards laid down by the Welsh Government have been in existence throughout the financial year. The minimum control standards apply equally to the management of the charity by officers of the University Local Health Board as to the exchequer funds of the University Local Health Board. In this way, the major risks to which the charity is exposed have been reviewed and systems have been established to mitigate those risks.

### **Financial control**

A financial procedure, expenditure guideline, governance framework and strategy have been developed to ensure that there are sufficient management controls in place to:

- ensure that spending is in accordance with objects and priorities agreed by the Charitable Funds Committee;
- ensure the criteria for spending charitable monies are fully met;
- ensure that the accounting records are maintained;
- ensure devolved decision-making is within specified parameters. Internal Audit also undertake annual reviews to evaluate the adequacy of procedures and controls, to ensure compliance, and to provide reasonable assurance over:
  - achievement of management objectives for the systems;
  - use of resources in accordance with donors' requirements;
  - compliance with policies and procedures;
  - safeguarding assets. The Internal Audit reports are presented to both the Charitable Funds and Audit Committee, and this is a key measure of control.

### **Investment risk**

The risk is minimised by agreeing an investment policy with the nominated investment managers. This policy includes ethical consideration where investments in the production, manufacturing or supply of tobacco or alcoholic beverages conflict with the charitable objects.

In assessing companies' involvement in these sectors the following limits have been set:

- investment in the production or manufacture of tobacco products at any level;
- investment in the supply of tobacco products where turnover of more than 5% is derived from this source;
- investment in the production, manufacture of alcoholic beverages where more than 25% is derived from this source.

Further to the above, the investment manager's performance is reviewed in each Charitable Fund Committee meeting and compared to charitable investment benchmarks.

## **9. Our plans**

In March 2019, the Charitable Funds Committee approved a 12-month work plan outlining where the charity proposed to dedicate its resources from April 2019 to September 2020.

During 2019/20 we will continue to work closely with Hywel Dda University Health Board to achieve the charity's strategic objectives to provide enhanced support to local healthcare services across Carmarthenshire, Ceredigion and Pembrokeshire.

Our strategic objectives for 2019/20:

1. Further increase the charity's income levels to make a positive difference to local NHS services across Carmarthenshire, Ceredigion and Pembrokeshire.
2. Increase our charitable expenditure to support local health services above and beyond what NHS funding allows.
3. Build and maintain strong and effective relationships with our stakeholders.
4. Further increase awareness of the charity and its impact to raise the charity's profile and increase income levels.

These objectives provide a clear direction for the charity during 2019/20 and will allow Hywel Dda Health Charities to build upon firm foundations to further develop and extend its reach.

## Appendix A: List of designated funds

### CORPORATE – HYWEL DDA WIDE

Cost Centre	Type	Fund Name
T600	Open	Support for Life Response Fund
T601	Open	Hywel Dda Volunteering for Health
T604	Open	Hywel Dda Chiropody Fund
T606	Open	Charity of the Year 15/16 (Paeds Play Srv)
T607	Open	Wales for Africa Health Links
T608	Open	Charity of the Year 17/18 - HARP
T609	Open	HD Brain Injury & Complex Neurological Therapy
T610	Open	HD Unrestricted Apportionments
T614	Open	Hywel Dda Colorectal Fund

### CARMARTHENSHIRE ACUTE

Cost Centre	Fund Type	Fund Name
T001	Legacy	Ceri Ward
T003	Legacy	Urology Cancer Fund
T022	Legacy	Endoscopy Fund
T025	Legacy	Osteoporosis Fund
T039	Legacy	Prince Phillip Hospital Breast Centre
T043	Legacy	Prince Phillip Hospital Wrđ 6
T059	Legacy	Cardiac
T061	Legacy	Cardiac Rehabilitation
T062	Legacy	Diabetic Education
T067	Legacy	Dialysis Patnts' Amenities
T075	Legacy	Carmarthen Oncology Fund
T091	Legacy	Prince Phillip Hospital Cancer Fund
T093	Legacy	Prince Phillip Hospital Cardiac Fund
T129	Legacy	Prince Phillip Hospital Rheumatology Fund
T131	Legacy	Carmarthenshire Lung Cancer Fund
T134	Legacy	Special Care Baby Unit
T156	Legacy	Intensive Care Unit
T196	Legacy	Out Patient Staff
T213	Legacy	Carm Park Dis Serv Dev Fnd
T253	Legacy	MM General Purposes
T289	Legacy	Glangwili General Hospital General Purposes
T300	Legacy	Prince Phillip Hospital General Purposes
T318	Legacy	Prince Phillip Hospital Nurses Legacy Fund
T587	Legacy	Minafon Surgery (R)
T688	Open	Carms Liver
T700	Open	Carmarthenshire Pharmacy Fund
T701	Open	Glangwili General Hospital General Purposes
T702	Open	Glangwili General Hospital Rehabilitation Fund

T703	Open	Glangwili General Hospital Cardiology Fund
T704	Open	Glangwili General Hospital Dermatology Fund
T705	Open	Glangwili General Hospital Oncology
T706	Open	Carms Gastroenterology
T707	Open	Glangwili General Hospital General Medicine
T708	Open	Glangwili General Hospital General Surgery
T709	Open	Carmarthenshire Urology
T710	Open	Glangwili General Hospital Orthopaedics
T711	Open	Glangwili General Hospital ENT
T712	Open	Carmarthenshire Ophthalmology
T713	Open	Glangwili General Hospital Obs and Gynae
T714	Open	Glangwili General Hospital Anaesthetics
T715	Open	Glangwili General Hospital A&E
T716	Open	Prince Phillip Hospital General Purposes
T717	Open	Prince Phillip Hospital Pharmacy
T718	Open	Prince Phillip Hospital Rehabilitation
T719	Open	Prince Phillip Hospital Cardiology
T720	Open	Prince Phillip Hospital Oncology
T721	Open	Prince Phillip Hospital Rheumatology
T722	Open	Prince Phillip Hospital General Medicine
T723	Open	Prince Phillip Hospital Surgical
T724	Open	Prince Phillip Hospital Orthopaedics
T725	Open	Prince Phillip Hospital Anaesthetics
T726	Open	Prince Phillip Hospital Minor Injuries Unit
T728	Open	Prince Phillip Hospital AMAU
T742	Open	Mynydd Mawr General Purposes
T754	Open	Carms Community Midwifery
T762	Open	Carms Clinical Support Outpatients
T763	Open	Carms Clinical Support Histopathology
T764	Open	Carms Clinical Support Radiology
T765	Open	Carms Infectious Diseases
T766	Open	Carms Clinical Support Haematology
T767	Open	Carms Clinical Support Audiology
T772	Open	Carms Clinical Support Neurophysiology
T780	Open	Carms Children's Services - General Purposes
T781	Open	Carms Children's Services- Paediatric Oncology
T782	Open	Carms Children's Services- Neonatal
T784	Open	Carms Sexual Health Services
T785	Open	Carmarthenshire Dental Services Fund
T791	Open	Carmarthenshire Respiratory Research
T792	Open	Prince Phillip Hospital Respiratory Services
T793	Open	Carmarthenshire Diabetic Services
T794	Open	Minafon Surgery

T796	Open	Meddygfa Sarn
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#### **CARMARTHENSHIRE COMMUNITY**

<b>Cost Centre</b>	<b>Fund Type</b>	<b>Fund Name</b>
T206	Legacy	Physiotherapy & Gymnasium
T214	Legacy	Llandovery General Purpose
T216	Legacy	Palliative Care Nurses
T274	Legacy	Ty Bryngwyn Fund
T285	Legacy	Amman Valley OPD and Physio
T288	Legacy	Acute Response Services Base Carms
T602	Open	Chronic Disease Management
T740	Open	Llandovery General Purposes
T741	Open	Amman Valley General Purposes
T743	Open	Continuing Care Team - Carms
T744	Open	Acute Response Team - Carms
T746	Open	Carms Community Ty Cymorth Hospice
T747	Open	Carms Community Ty Bryngwyn
T748	Open	Carms Community Palliative Care
T749	Open	Carms Community Ty Bryngwyn Inpatient
T750	Open	Carms Community General Community
T751	Open	Carms Comm District - Llanelli Team
T752	Open	Carms Comm District - Amman/Gwendraeth
T753	Open	Carms Comm District - Carmarthen Team
T768	Open	Carms Clinical Support Chiropody
T769	Open	Carms Clinical Support Physiotherapy
T770	Open	Carms Clinical Support Dietetics
T771	Open	Carms Clinical Support Occupational Therapy
T773	Open	Carms Clinical Support Speech and Language

#### **CARMARTHEN & CEREDIGION**

<b>Cost Centre</b>	<b>Fund Type</b>	<b>Fund Name</b>
T727	Open	Carmarthenshire/Ceredigion Breast Care
Carmarthenshire &		Ceredigion

#### **CEREDIGION ACUTE**

<b>Cost Centre</b>	<b>Fund Type</b>	<b>Fund Name</b>
T322	Legacy	BA Jenkins Bronglais
T323	Legacy	FE Smith Legacy Income (Ceredig Ward)
T330	Legacy	Bronglais General Hosp (G)
T333	Legacy	Pathology (S)
T336	Legacy	Endoscopy Fund
T338	Legacy	X-Ray Equip (S)
T342	Legacy	I.C.U (S)
T343	Legacy	Ophthalmology (S)

T345	Legacy	Ceredig Ward (OG)
T346	Legacy	Ceredig Ward (LL)
T349	Legacy	Meurig Ward (S)
T352	Legacy	Cardiac Rehabilitation (S)
T367	Legacy	Accident & Emergency (S)
T370	Legacy	Diabetic Care fund
T376	Legacy	Leri Day Hospital
T377	Legacy	The Osteoporosis Fund
T800	Open	BA Jenkins - Bronglais
T802	Open	FE Smith Legacy (Capital in Perpetuity)
T804	Open	Ceredigion Staff Training
T807	Open	Ceredigion Children's Services General
T808	Open	Ceredigion Clinical Support - Haematology
T809	Open	Ceredigion Clinical Support - Biochemistry
T810	Open	Ceredigion Clinical Support - Radiology
T815	Open	Ceredigion Clinical Support - Outpatients
T816	Open	Ceredigion Clinical Support - Audiology
T818	Open	Ceredigion Medicines Management
T819	Open	Rees Eirwyn Evans Capital Fund
T820	Open	Rees Eirwyn Evans Inc (Meurig Ward)
T851	Open	Bronglais Hospital - General Fund
T856	Open	Ceredigion - Theatres & Critical Care
T857	Open	Ceredigion - General Surgery
T858	Open	Ceredigion - Ophthalmology
T859	Open	Ceredigion - Endoscopy
T860	Open	Ceredigion - Orthopaedic & Rheumatology
T861	Open	Ceredigion - Emergency Care
T862	Open	Ceredigion - General Medicine
T863	Open	Ceredigion - Diabetes Services
T864	Open	Ceredigion - Renal Services
T865	Open	Ceredigion - Cancer Services
T866	Open	Ceredigion - Cardiovascular Services
T867	Open	Ceredigion - Obstetrics And Gynaecology
T868	Open	Ceredigion - Maternity Services

#### **CEREDIGION COMMUNITY**

<b>Cost Centre</b>	<b>Fund Type</b>	<b>Fund Name</b>
T321	Legacy	BA Jenkins Aberaeron
T357	Legacy	Physiotherapy Dept (S)
T380	Legacy	Aberaeron Hosp (G)
T381	Legacy	Cardigan Hosp (G)
T382	Legacy	Tregaron Hosp (G)
T559	Legacy	Ty Geraint Palliative Care

T801	Open	BA Jenkins - Aberaeron
T803	Open	Home Ground (Big Lottery)
T811	Open	Ceredigion Clinical Support - Physiotherapy
T812	Open	Ceredigion Clinical Support - OT
T813	Open	Ceredigion Clinical Support - Speech and Lang
T814	Open	Ceredigion Clinical Support - Chiropody
T817	Open	Ceredigion Clinical Support - Dietetics
T852	Open	Aberaeron Hospital - General Fund
T853	Open	Cardigan Hospital - General Fund
T854	Open	Tregaron Hospital - General Fund
T855	Open	Ceredigion - County Community Services
T870	Open	Ceredigion Palliative Care

#### **PEMBROKESHIRE ACUTE**

<b>Cost Centre</b>	<b>Fund Type</b>	<b>Fund Name</b>
T431	Legacy	Withybush General Hospital A&E Fund
T440	Legacy	Withybush General Hospital Cancer Day Unit
T442	Legacy	Withybush General Hospital Cardiac Unit Fund
T445	Legacy	Withybush General Hospital Chest Unit Fund
T450	Legacy	Withybush General Hospital Diabetic Unit Fund Withybush General Hospital Outpatient Equipment Fund
T456	Legacy	Fund
T458	Legacy	Withybush General Hospital General Purpose Fund
T460	Legacy	Cardiology Equip Income Fund
T467	Legacy	Withybush General Hospital ICU Fund
T470	Legacy	Withybush General Hospital JI Page Legacy
T473	Legacy	Withybush General Hospital Renal Fund
T476	Legacy	Withybush General Hospital Maternity Unit Fund
T482	Legacy	Withybush General Hospital Ophthalmology Fund
T493	Legacy	Withybush General Hospital Rheumatology
T498	Legacy	Withybush General Hospital Surgical DH Fund Withybush General Hospital Ward 1 General Purpose
T505	Legacy	Purpose
T509	Legacy	Withybush General Hospital Ward 4 Equipment Fund
T514	Legacy	Withybush General Hospital Coronary Care Fund
T516	Legacy	Withybush General Hospital Ward 9 Fund
T517	Legacy	Withybush General Hospital Ward 10 Fund
T519	Legacy	Withybush General Hospital Ward 11 Fund
T558	Legacy	NOF Cardiac Rehabilitation
T588	Legacy	Goodwick Surgery (R)
T900	Open	Withybush Hospital Fund
T902	Open	Cardiac/ Respiratory Fund - Pembs
T903	Legacy	Cardiology Equipment WGH (Capital in Perpetuity)
T904	Open	Surgical Services Fund- Pembs

T905	Open	Pembs Cancer Services
T906	Open	Medical Services Fund - Pembs
T908	Open	Bucket Full of Hope Appeal
T912	Open	Pembrokeshire Clinical Support - Radiology
T913	Open	Pembrokeshire Clinical Support - Audiology
T914	Open	Pembrokeshire Clinical Support - Biochemistry
T915	Open	Pembrokeshire Clinical Support - Haematology
T916	Open	Pembrokeshire Clinical Support - Microbiology
T917	Open	Pembrokeshire Clinical Support - Outpatients
T921	Open	Pembrokeshire Children's Services- General Pembrokeshire Children's Services - Children's
T922	Open	Wards
T924	Open	Pembrokeshire Medicines Management
T925	Open	Maternity & Gynaecology - Pembs
T926	Open	Pembs Renal Fund
T928	Open	Elly's Ward 10 Flag Appeal

#### **PEMBROKESHIRE COMMUNITY**

<b>Cost Centre</b>	<b>Fund Type</b>	<b>Fund Name</b>
		South Pembrokeshire Hospital General Purpose
T528	Legacy	Fund
T535	Legacy	Tenby Cottage Hospital General Purpose Fund
T557	Legacy	NOF Palliative Care Data Base
T901	Open	Pembrokeshire Community Services
T910	Open	Pembrokeshire Clinical Support - Physiotherapy
T911	Open	Pembrokeshire Clinical Support - OT
T918	Open	Pembrokeshire Clinical Support - Chiropody
T919	Open	Pembrokeshire Clinical Support - Dietetics
T920	Open	Pembrokeshire Clinical Support - Speech Therapy
T927	Open	Fishguard Health Care Centre Fund
T930	Open	Pembrokeshire Care at Home Team

#### **MENTAL HEALTH & LEARNING DISABILITIES**

<b>Cost Centre</b>	<b>Fund Type</b>	<b>Fund Name</b>
T403	Legacy	St Non
T407	Legacy	Cwm Seren Ward Fund
T415	Legacy	Wellfield RC Fund
T419	Legacy	Bryngofal Ward Fund
T427	Legacy	Brynmair Fund (R )
T549	Legacy	Bro Cerwyn DH Fund
T603	Open	Mental Health & LD Services Corporate
T605	Open	Charity of the Year 14/15 (Surf Tonic) MH
T611	Open	Perinatal Mental Health

T613	Open	Crisis Resolution & Home Treatment
T692	Open	Swn Y Gwynt Adult Mental Health Fund
T693	Open	Brynmair Adult Mental Health Fund
T694	Open	Carmarthenshire Older Adult Mental Health Services
T698	Open	Ty Bryn Learning Disabilities Unit Fund
T699	Open	Morlais Ward GGH
T783	Open	Children's Services- Child and Adolescent Psychiatry
T790	Open	Carmarthenshire Mental Health Services
T795	Open	Low Secure Unit, MH & LD
T798	Open	Carmarthen Community Learning Disabilities Team
T871	Open	Enlli Ward BGH Fund
T907	Open	Mental Health Services - Pembs
T923	Open	Pembrokeshire Children's Services- Sandy Bear Fund
T931	Open	St Non Ward Fund
T932	Open	St Caradog Ward Fund
T934	Open	Pembrokeshire Older Adult Mental Health Services
T936	Open	Haven Way Adult Mental Health Fund
T937	Open	Bro Cerwyn Adult Mental Health Fund

#### **Key**

#### **'Open' Funds**

Funds, which are open for new donations for a designated purpose. They mainly comprise 'unrestricted' donations but may also in some cases include 'restricted' monies by virtue of the terms of a donation or legacy.

#### **'Legacy' Funds**

Funds, which are maintained to manage significant Legacies, usually restricted monies for a particular purpose and may include 'Capital in Perpetuity' funds where only the investment income can be spent. Not used for new donations.

## **Appendix B: Annual accounts 2018/19**

### **HYWEL DDA HEALTH CHARITIES**

#### **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2019**

##### **FOREWORD**

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

##### **STATUTORY BACKGROUND**

The Hywel Dda University Local Health Board is the corporate trustee of the charity under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990.

The Trustee has been appointed under s11 of the NHS and Community Care Act 1990.

##### **MAIN PURPOSE OF THE FUNDS HELD ON TRUST**

The main purpose of the charity is to apply income for any charitable purposes relating to the National Health Service wholly or mainly for the services provided by the Hywel Dda University Local Health Board.

**Hywel Dda Health Charities**  
**Statement of Financial Activities for the year ended 31 March 2019**

		Unrestricted	Restricted	Endowment	Total
		funds	Income	funds	Funds
		£000	funds	£000	2018-19
	Note	£000	£000	£000	£000
<b>Incoming resources from generated funds:</b>					
Donations and legacies	3	734	830	0	1,564
Investments	5	132	106	79	317
<b>Total incoming resources</b>		<b>866</b>	<b>936</b>	<b>79</b>	<b>1,881</b>
<b>Expenditure on:</b>					
Raising Funds	6	115	94	11	220
Charitable activities	7	869	451	0	1,320
<b>Total expenditure</b>		<b>984</b>	<b>545</b>	<b>11</b>	<b>1,540</b>
Net gains / (losses) on investments	13	91	71	58	220
<b>Net income / (expenditure)</b>		<b>(27)</b>	<b>462</b>	<b>126</b>	<b>561</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward	19	3,656	2,588	2,013	8,257
<b>Total Funds carried forward</b>		<b>3,629</b>	<b>3,050</b>	<b>2,139</b>	<b>8,818</b>

**Hywel Dda Health Charities**  
**Statement of Financial Activities for the year ended 31 March 2018**

		Unrestricted	Restricted	Endowment	Total
		funds	Income	funds	Funds
		£000	funds	£000	2017-18
	Note	£000	£000	£000	£000
<b>Incoming resources from generated funds:</b>					
Donations and legacies		786	445	0	1,231
Investments		103	152	0	255
<b>Total incoming resources</b>		<b>889</b>	<b>597</b>	<b>0</b>	<b>1,486</b>
<b>Expenditure on:</b>					
Raising Funds		87	66	2	155
Charitable activities		453	442	0	895
<b>Total expenditure</b>		<b>540</b>	<b>508</b>	<b>2</b>	<b>1,050</b>
Net gains / (losses) on investments		(28)	(21)	(10)	(59)
<b>Net income / (expenditure)</b>		<b>321</b>	<b>68</b>	<b>(12)</b>	<b>377</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward		3,335	2,520	2,025	7,880
<b>Total Funds carried forward</b>		<b>3,656</b>	<b>2,588</b>	<b>2,013</b>	<b>8,257</b>

**Hywel Dda Health Charities**  
**Hywel Dda Health Charities Balance Sheet as at 31 March 2019**

		Unrestricted	Restricted	Endowment	Total	Total
	Note	funds	Income	funds	31 March	31 March
		£000	funds	£000	2019	2018
		£000	£000	£000	£000	£000
<b>Fixed assets:</b>						
Investments	13	3,158	2,385	1,959	7,502	7,270
<b>Total fixed assets</b>		<b>3,158</b>	<b>2,385</b>	<b>1,959</b>	<b>7,502</b>	<b>7,270</b>
<b>Current assets:</b>						
Debtors	14	10	34	0	44	65
Cash at bank and in hand	15	541	750	101	1,392	1,097
<b>Total current assets</b>		<b>551</b>	<b>784</b>	<b>101</b>	<b>1,436</b>	<b>1,162</b>
<b>Liabilities:</b>						
Creditors: Amounts falling due within one year	16	80	40	0	120	175
<b>Net current assets / (liabilities)</b>		<b>471</b>	<b>744</b>	<b>101</b>	<b>1,316</b>	<b>987</b>
<b>Total net assets / (liabilities)</b>		<b>3,629</b>	<b>3,129</b>	<b>2,060</b>	<b>8,818</b>	<b>8,257</b>
<b>The funds of the charity:</b>						
Endowment Funds	19	0	0	2,060	2,060	2,013
Restricted income funds	19	0	3,129	0	3,129	2,588
Unrestricted income funds	19	3,629	0	0	3,629	3,656
<b>Total funds</b>		<b>3,629</b>	<b>3,129</b>	<b>2,060</b>	<b>8,818</b>	<b>8,257</b>

The notes on pages 46 to 57 form part of these accounts

Signed : .....

Name : Mrs Judith Hardisty (Interim Chair of the Corporate Trustee)

Date :

**Hywel Dda Health Charities**  
**Statement of Cash Flows for the year ending 31 March 2019**

	<b>Note</b>	<b>Total Funds 2018-19 £000</b>	<b>Total Funds 2017-18 £000</b>
<b>Cash flows from operating activities:</b>			
<b>Net cash used in operating activities</b>	17	<b>(230)</b>	<b>233</b>
<b>Cash flows from investing activities:</b>			
Dividend, interest and rents from investments	5	317	255
Proceeds from the sale of investments	13	217	7,885
Purchase of investments	13	(9)	(7,868)
<b>Net cash provided by investing activities</b>		<b>525</b>	<b>272</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>295</b>	<b>505</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	15	1,097	592
<b>Cash and cash equivalents at the end of the reporting period</b>	15	<b>1,392</b>	<b>1,097</b>

## **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 fair 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 trustee has 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 either as:

- A restricted fund or
- An endowment 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.

Endowment funds arise when the donor has expressly provided that the gift is to be invested and only the income of the fund may be spent. These funds are sub analysed between those where the Trustee has the discretion to spend the capital (expendable endowment) and those where there is no discretion to expend the capital (permanent endowment).

The charity has one permanent endowment fund, the Pembrokeshire Cardiology Equipment Fund. This fund is managed on a total returns basis. This means that the funds are invested to maximise the return on investment without regard to whether that return is in the form of income from dividends or interest or capital appreciation (where the market value of the investment increases). Although a total returns approach has been approved by the Trustee, no funds have been released as at the balance sheet date.

Those funds which are neither endowment nor restricted income funds, are unrestricted income funds which are sub analysed between designated (earmarked) funds where the Trustee 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 Trustee's discretion, including the general fund which represents the charity's reserves. The major funds held in each of these categories are disclosed in note 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, whichever falls sooner.

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) Incoming resources from endowment funds**

The incoming resources received from the invested endowment fund are wholly restricted.

### **(f) 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.

#### **(g) Recognition of expenditure and associated liabilities as a result of grants**

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment.

A constructive obligation arises when:

- We have communicated our intention to award a grant to a recipient who then has a reasonable expectation that they will receive a grant
- We have made a public announcement about a commitment which is specific enough for the recipient to have a reasonable expectation that they will receive a grant
- There is an established pattern of practice which indicates to the recipient that we will honour our commitment.

The Trustee has control over the amount and timing of grant payments and consequently where approval has been given by the Trustee and any of the above criteria have been met then a liability is recognised. Grants are not usually awarded with conditions attached. However, when they are then those conditions have to be met before the liability is recognised.

Where an intention has not been communicated, then no expenditure is recognised but an appropriate designation is made in the appropriate fund. If a grant has been offered but there is uncertainty as to whether it will be accepted or whether conditions will be met then no liability is recognised but a contingent liability is disclosed.

#### **(h) Allocation of 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 10.

#### **(i) 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 represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities and a fee paid to a related party, the Health Board, under a fundraising agreement. The fee is used to pay the salaries and overhead costs of the Health Board's fundraising office.

#### **(j) 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 7.

#### **(k) Debtors**

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

## **(l) Fixed Asset Investments**

Investments are a form of basic financial instrument. Fixed Asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposal throughout the year. Quoted stocks and shares are included in the Balance Sheet at the current mid price market value quoted by the investment analyst, excluding dividend. The SORP recommends that the bid price market price be used in valuing stocks and shares, although the difference between the bid and mid market price is not material. Other investments are included at the trustees' best estimate of market value.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to the wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors. Further information on the charity's investments can be found in note 13.

## **(m) 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. Cash equivalents are short term, highly liquid investments, usually in 90 day notice interest bearing savings accounts.

## **(n) 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.

Amounts which are owed in more than a year are shown as long term creditors.

## **(o) 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).

## 2. Related party transactions

During the year none of the Corporate Trustee's key management staff or parties related to them has undertaken any material transactions with the Hywel Dda Health Board Charitable Funds.

Board Members (and other senior staff) take decisions both on Charity and Hywel Dda University Health Board matters and controls are in place to ensure the interests of each are kept discrete and also to ensure they do not personally benefit from such decisions. Declarations of personal interest have been made in both capacities and are available for public inspection.

During 2018/19 the Charity has made grant payments of £1,230,265 to Hywel Dda University Health Board. £880,913 provided additional public benefit through the Health Board's operational activity and £349,352 supported additional capital investment.

As at 31 March 2019 the total owed to the Health Board was £86,564, and owed by the Health Board was £0.

## 3. Income from donations and legacies

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2018-19 £000	Total 2017-18 £000
Donations	720	46	0	766	778
Legacies	0	780	0	780	444
Grants	14	4	0	18	9
	<b>734</b>	<b>830</b>	<b>0</b>	<b>1,564</b>	<b>1,231</b>

## 4. Role of volunteers

Hywel Dda Health Charities is extremely fortunate to have the support of so many wonderful people who give their time, energy and dedication to raise funds for the charity on a voluntary basis year after year. Our supporters fundraise for us for many different reasons. Many are former patients and their families wanting to show their appreciation for care received while many wish to support the development of the latest healthcare technologies in their local community.

We are also extremely fortunate to have the support of nine Leagues of Friends groups who raise money for our hospitals and healthcare in their local communities. In addition to our hospital and community Leagues of Friends, we have many local voluntary groups who support and actively fundraise for their local healthcare services.

## 5. Gross investment income

	Unrestricted funds	Restricted Income funds	Endowment Funds	Total 2018-19	Total 2017-18
	£000	£000	£000	£000	£000
Fixed asset equity and similar investments	132	106	79	317	255
	<b>132</b>	<b>106</b>	<b>79</b>	<b>317</b>	<b>255</b>

## 6. Analysis of expenditure on raising funds

	Unrestricted funds	Restricted Income funds	Endowment Funds	Total 2018-19	Total 2017-18
	£000	£000	£000	£000	£000
Fundraising office	97	80	0	177	148
Investment management	18	14	11	43	7
	<b>115</b>	<b>94</b>	<b>11</b>	<b>220</b>	<b>155</b>

## 7. Analysis of charitable activity

	Grant funded activity	Support costs	Total 2018-19	Total 2017-18
	£000	£000	£000	£000
Purchase of Medical and Surgical equipment	483	35	518	410
Patient education and welfare	167	25	192	38
Other Contribution to NHS	176	13	189	81
Purchase of Office and Computer equipment	152	11	163	115
Staff education and welfare	215	3	218	54
Building and refurbishment	37	3	40	197
	<b>1,230</b>	<b>90</b>	<b>1,320</b>	<b>895</b>

## 8. 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 7.

The Trustee operate a scheme of delegation for the majority of the charitable funds, under which fund managers manage the day to day disbursements on their delegated funds in accordance with the directions set out in the Health Board's standing orders and standing financial instructions. Funds managed under the scheme of delegation represent ongoing activities and it is not possible to segment these activities into discrete individual grant awards. The Trustee does make individual grant awards based on invited applications from the Health Board.

## 9. Movements in funding commitments

	Current liabilities £000	Total 31 March 2019 £000	Total 31 March 2018 £000
Opening balance at 1 April (see note 16)	27	27	40
Movement in liabilities	(4)	(4)	(13)
<b>Closing balance at 31 March (see note 16)</b>	<b>23</b>	<b>23</b>	<b>27</b>

As described in notes 7 and 8, the charity awards a number of grants in the year. Many grants are awarded and paid out in the same financial year. However, some grants, especially those relating to research and development or for funding a specific posts are multi-year grants paid over a longer period.

## 10. Allocation of support costs

Support and overhead costs are allocated between fundraising activities and charitable activities. Governance costs are those support costs which relate to the strategic and day to day management of a charity.

	Charitable activities £000	Total 2018-19 £000	Total 2017-18 £000	Basis
<b>Governance Costs</b>				
External audit	9	9	9	Average fund balance
Finance and administration	35	35	29	Average fund balance
<b>Total governance</b>	<b>44</b>	<b>44</b>	<b>38</b>	
<b>Support Costs</b>				
Finance and administration	46	46	38	Average fund balance
	<b>90</b>	<b>90</b>	<b>76</b>	

	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2018-19 £000	Total Funds 2017-18 £000
Raising funds	0	0	0	0
Charitable activities	50	40	90	76
	<b>50</b>	<b>40</b>	<b>90</b>	<b>76</b>

## 11. Trustee's remuneration, benefits and expenses

The Charity does not make any payments for remuneration nor to reimburse expenses to members of the Corporate Trustee of the Charity for their work undertaken as trustee.

## 12. Auditors remuneration

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

## 13. Fixed asset investments

### Movement in fixed assets investments

	<b>Total 2018-19 £000</b>	<b>Total 2017-18 £000</b>
Market value brought forward	<b>7,270</b>	7,346
Add: additions to investments at cost	<b>9</b>	7,868
Less disposals at carrying value	<b>(1)</b>	(7,346)
Increase/(decrease) on cash awaiting investment	<b>4</b>	(444)
Add net gain / (loss) on revaluation	<b>220</b>	(154)
<b>Market value as at 31st March</b>	<b><u>7,502</u></b>	<b><u>7,270</u></b>

### Fixed Asset Investments by type

	<b>31 March 2019 £000</b>	<b>31 March 2018 £000</b>
Property	<b>866</b>	927
Fixed Interests	<b>1,020</b>	1,043
UK Equities	<b>1,459</b>	1,355
Overseas/Global Equities	<b>3,457</b>	3,269
Alternatives	<b>316</b>	517
<b>Total Listed Intestments</b>	<b><u>7,118</u></b>	<b><u>7,111</u></b>
Cash on interest bearing deposit	<b>384</b>	159
<b>Total</b>	<b><u><u>7,502</u></u></b>	<b><u><u>7,270</u></u></b>

All investments are carried at their fair value.

The significance of financial instruments to the ongoing financial sustainability of Hywel Dda Health Charities is considered in the risk management section of the trustees' annual report.

The main risk from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Hywel Dda Health Charities' investments are mainly traded in markets with good liquidity and high trading volumes. Hywel Dda Health Charities have no material investment holdings in markets subject to exchange controls or trading restrictions.

Hywel Dda Health Charities manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes. All investments were made in companies listed on a UK stock exchange or incorporated in the UK and therefore all investments are treated as investment assets in the UK.

Hywel Dda land and buildings are subjected to a 5 year revaluation review. The last review was undertaken by the Valuation Office Agency with an effective date of 1st April 2017. The valuation has been prepared in accordance with the terms of the Royal Institute of Chartered Surveyors Valuation Standards, 6th Edition.

Delfryn was revalued as part of the 2017 exercise; the next revaluation will be undertaken in 2022. To ascertain the building and land is recorded at fair value, indexation is applied on an

#### 14. Analysis of current debtors

<b>Debtors under 1 year</b>	<b>Total 31 March 2019 £000</b>	<b>Total 31 March 2018 £000</b>
Accrued income	44	57
Other debtors	0	8
	<b>44</b>	<b>65</b>

#### 15. Analysis of cash and cash equivalents

	<b>Total 31 March 2019 £000</b>	<b>Total 31 March 2018 £000</b>
Cash in hand	1,392	1,097
	<b>1,392</b>	<b>1,097</b>

The notice deposits are sums held on interest bearing deposit with Barclays Bank and represent restricted appeals to fund specific equipment or funds held to facilitate cash flow and the fulfilment of obligations to make grant payments. The funds are held on a 90 day notice account and are therefore classified as cash and cash equivalents.

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

All of the amounts held on interest bearing deposits are available to spend on

#### 16. Analysis of liabilities

<b>Creditors under 1 year</b>	<b>Total 31 March 2019 £000</b>	<b>Total 31 March 2018 £000</b>
Trade creditors	10	14
Other creditors	87	134
Accruals	23	27
<b>Total creditors</b>	<b>120</b>	<b>175</b>

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

	Total 2018-19 £000	Total 2017-18 £000
<b>Net income / (expenditure) (per Statement of Financial Activities)</b>	<b>341</b>	400
<b>Adjustment for:</b>		
(Gains) / losses on investments	(220)	36
Dividends, interest and rents from investments	(317)	(255)
Decrease / (Increase) in debtors	21	(6)
(Decrease) / Increase in creditors	(55)	58
<b>Net cash (used in)/provided by operating activities</b>	<b>(230)</b>	<b>233</b>

**18. Transfer between funds**

There has been no transfer between funds

**19. Analysis of funds**

**a. Analysis of endowment fund movements**

	Balance 1 April 2018 £000	Expenditure £000	Gains and losses £000	Balance 31 March 2019 £000
FE Smith Legacy	81	0	0	81
Rees Eirwyn Evans	23	0	0	23
Pembrokeshire Ca Equipment	1,909	(12)	59	1,956
	<b>2,013</b>	<b>(12)</b>	<b>59</b>	<b>2,060</b>

The objects of the permanent endowment funds are as follows:

FE Smith Legacy Fund objects are to apply the income generated from the permanent endowed gift for the benefit of the Owain Glyndwr Ward in Bronglais General Hospital.  
Rees Eirwyn Evans Fund objects are to apply the income generated from the permanent endowed gift for the purchase of equipment for Meurig Ward in Bronglais General Hospital.  
Pembrokeshire Cardiology Equipment Fund objects are for the purchase of cardiology equipment in the county of Pembrokeshire.

## b. Analysis of restricted fund movements

	Balance 1 April 2018 £000	Income £000	Expenditure £000	Gains and losses £000	Balance 31 March 2019 £000
Carmarthenshire Locality Funds	933	208	(312)	23	852
Ceredigion Locality Funds	997	610	(82)	32	1,557
Pembrokeshire Locality Funds	310	105	(41)	8	382
Pembrokeshire Cardiology Equipment	348	91	(109)	8	338
	<b>2,588</b>	<b>1,014</b>	<b>(544)</b>	<b>71</b>	<b>3,129</b>

The locality funds is a collection of restricted funds which have distinct restrictions imposed on the charity. Within Carmarthenshire locality there are 32 restricted funds, in Ceredigion there are 22 restricted funds and in Pembrokeshire there are 29 restricted funds.

The Pembrokeshire Cardiology Equipment restricted fund is income generated from the Pembrokeshire Cardiology Equipment permanent endowment fund and is restricted for the purpose of purchasing cardiology equipment for Pembrokeshire.

## c. Analysis of unrestricted and material designated fund movements

	Balance 1 April 2018 £000	Income £000	Expenditure £000	Gains and losses £000	Balance 31 March 2019 £000
Hywel Dda General Funds	60	168	(179)	91	140
Carmarthenshire Locality Funds	1,816	332	(408)	0	1,740
Ceredigion Locality Funds	744	243	(171)	0	816
Pembrokeshire Locality Funds	1,036	124	(227)	0	933
	<b>3,656</b>	<b>867</b>	<b>(985)</b>	<b>91</b>	<b>3,629</b>

The Charity does not hold material funds for the general purpose of the whole Charity. Most unrestricted funds have been earmarked and designated for a specific purpose within the Charity area.

For presentation the designations have been grouped and reported per locality.

Within the charity there are 78 Carmarthenshire designated funds, 38 Ceredigion designated funds and 30 Pembrokeshire designated funds and 12 Hywel Dda designated funds.

## 20. Total return on investment

On 4 March 2014, the Corporate Trustee made a resolution under section 104A(2) of the Charities Act 2011 to adopt a total return on investment approach to the Pembrokeshire Cardiology Equipment fund and the FE Smith Legacy fund. The Corporate Trustee identified the value of the gifts of permanent endowment received since the fund was established to that date. This set the baseline value of the gift component of the endowment to which any subsequent gifts of endowment are added. The difference between the total of endowment funds as at 31 March 2015 and the value of the gift component represented the opening balance of unapplied total return.

The power of total return permits the Corporate Trustee to invest permanently endowed funds to maximise total return and to apply an appropriate portion of the unapplied total return to income each year.

Until the power is exercised to transfer a portion of unapplied total return to income, the unapplied total return remains invested as part of the permanent endowment. The power allows the trustees to decide in each year how much of the unapplied total return is transferred to income funds and so available for expenditure. As at the balance sheet date the Corporate Trustee had not made any resolutions to pass any part of the unapplied total return to income funds to be spent.

### Analysis of Endowment Investments

	Trust for Investment £000	Unapplied total return £000	Total endowment £000
<b>At beginning of the reporting period</b>			
Gift component of the permanent endowment	1,505	0	1,505
Unapplied total return	0	485	485
<b>Total</b>	<b>1,505</b>	<b>485</b>	<b>1,990</b>
<b>Movements in the reporting period</b>			
Investment return: realised and unrealised gains and (losses)	0	58	58
Less: Investment management costs	0	12	12
<b>Net movement in the reporting period</b>	<b>0</b>	<b>70</b>	<b>70</b>
<b>At end of the reporting period</b>			
Gift component of the permanent endowment	1,505	0	1,505
Unapplied total return	0	555	555
<b>Total</b>	<b>1,505</b>	<b>555</b>	<b>2,060</b>

## 21. Post Balance Sheet Events

There are no post balance sheet events.

## **STATEMENT OF TRUSTEE'S RESPONSIBILITIES**

### **IN RESPECT OF THE ACCOUNTS**

The law applicable to charities in England and Wales requires the trustee(s) 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 of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the Corporate Trustee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- 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 Corporate Trustee is responsible for keeping accounting records which disclose with reasonable accuracy financial position of the charity and which enable them to ascertain the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the trust deed. The Corporate 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.

**By order of the trustees**

**Signed:**

**Interim Chair of the Corporate Trustee**

**Mrs Judith Hardisty**

**Financial Trustee Representative**

**Mr Huw Thomas**

# **The independent auditor's report of the Auditor General for Wales to the trustee of Hywel Dda Health Charities**

## **Report on the audit of the financial statements**

### **Opinion**

I have audited the financial statements of Hywel Dda Health Charities for the year ended 31 March 2019 under the Charities Act 2011. These comprise the Statement of Financial Activities, the Balance Sheet, the 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 trustees are 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 trustees for the financial statements**

As explained more fully in the statement of trustees responsibilities the trustees are 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 trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are 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 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

Adrian Crompton  
Auditor General for Wales  
Date:

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