



## PWYLLGOR CRONFA ELUSENNOL CHARITABLE FUNDS COMMITTEE

<b>DYDDIAD Y CYFARFOD: DATE OF MEETING:</b>	13 December 2024
<b>TEITL YR ADRODDIAD: TITLE OF REPORT:</b>	Draft Annual Report and Accounts 2023/24
<b>CYFARWYDDWR ARWEINIOL: LEAD DIRECTOR:</b>	Huw Thomas, Director of Finance Sharon Daniel, Interim Director of Nursing, Quality and Patient Experience
<b>SWYDDOG ADRODD: REPORTING OFFICER:</b>	Tim John, Senior Finance Business Partner

**Pwrpas yr Adroddiad (dewiswch fel yn addas)  
Purpose of the Report (select as appropriate)**

Ar Gyfer Trafodaeth/For Discussion

### ADRODDIAD SCAA SBAR REPORT

#### Sefyllfa / Situation

This report, and the accompanying presentation, attached at Appendix 1, presents the Charitable Funds Committee (CFC) with the charity's Draft Annual Report and Accounts 2023/24. The CFC is requested to discuss the Draft Annual Report and Accounts 2023/24, attached at Appendix 2. The document conforms to the requirements of the Charities Statement of Recommended Practice and the Charities Act 2011.

#### Cefndir / Background

Hywel Dda University Health Board (HDdUHB) is the appointed Corporate Trustee of the Hywel Dda Health Charities. Day to day management and operation of the charity is delegated to the CFC, which must act in the interests of the funds and their beneficiaries and not the HDdUHB's exchequer priorities. The Charity Commission has set out these guidelines and the HDdUHB has adopted a strategy for the funds that supports this.

#### Asesiad / Assessment

The Draft Annual Report and Accounts 2023/24 highlight the work of the charity during the preceding year and provides details of its financial performance in that period.

#### Argymhelliad / Recommendation

The Charitable Funds Committee is requested to:

- **discuss** the draft annual report and accounts for 2023/24.

<b>Amcanion: (rhaid cwblhau)</b> <b>Objectives: (must be completed)</b>	
Committee ToR Reference: Cyfeirnod Cylch Gorchwyl y Pwyllgor:	3.1 To make and monitor arrangements for the control and management of the Health Board's Charitable Funds, within the budget, priorities and spending criteria determined by the Board and consistent with the legislative framework. 3.2 To provide assurance to the Board in its role as Corporate Trustee of the charitable funds held and administered by the Health Board.
Cyfeirnod Cofrestr Risg Datix a Sgôr Cyfredol: Datix Risk Register Reference and Score:	Not applicable
Parthau Ansawdd: Domains of Quality <a href="#">Quality and Engagement Act (sharepoint.com)</a>	Not Applicable
Galluogwyr Ansawdd: Enablers of Quality: <a href="#">Quality and Engagement Act (sharepoint.com)</a>	Not Applicable
Amcanion Strategol y BIP: UHB Strategic Objectives:	Not Applicable
Amcanion Cynllunio Planning Objectives	Not Applicable
Amcanion Llesiant BIP: UHB Well-being Objectives: <a href="#">Hyperlink to HDdUHB Well-being Objectives Annual Report 2021-2022</a>	10. Not Applicable

<b>Gwybodaeth Ychwanegol:</b> <b>Further Information:</b>	
Ar sail tystiolaeth: Evidence Base:	Relevant accounting standards and legislation.
Rhestr Termau: Glossary of Terms:	Included within the body of the report.
Partïon / Pwyllgorau â ymgynhorwyd ymlaen llaw y Pwyllgor Cronfa Elusennol: Parties / Committees consulted prior to Charitable Funds Committee:	Director of Finance Director of Nursing, Quality and Patient Experience Fundraising Team

<b>Effaith: (rhaid cwblhau)</b> <b>Impact: (must be completed)</b>	
<b>Ariannol / Gwerth am Arian:</b> <b>Financial / Service:</b>	The report sets out the financial position of the charity.
<b>Ansawdd / Gofal Claf:</b> <b>Quality / Patient Care:</b>	Charity objects are in support of NHS services locally
<b>Gweithlu:</b> <b>Workforce:</b>	The charity has no employees but may access staff time via the University Health Board.
<b>Risg:</b> <b>Risk:</b>	Reputational risk if associated with unethical fundraising.
<b>Cyfreithiol:</b> <b>Legal:</b>	The charity's financial reporting is in line with charity law and guidance.
<b>Enw Da:</b> <b>Reputational:</b>	Reputational risk if associated with unethical fundraising.
<b>Gyfrinachedd:</b> <b>Privacy:</b>	No impact
<b>Cydraddoldeb:</b> <b>Equality:</b>	Not applicable

# Cyfrifon Drafft Cronfeydd Elusennol 2023/24

## Charitable Funds Draft Accounts 2023/24

Adding value. Today. Tomorrow. Together.  
Creu gwerth gyda'n gilydd. Heddiw ac i'r dyfodol.

## Content

- Statutory background
- Key issues affecting Charity Accounts
- High level analysis of movement
- Summary and next steps

## Statutory background

- The Hywel Dda University 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.
- The Charitable funds accounts have been prepared under the Accounting standards FRS102 second edition issued October 2019 and the Charities Act 2011 and UK Generally Accepted Practice (applies from 1 January 2019)

## Key movement

- **Statement of Financial Activities -**
- Donations – Note 3
- Expenditure on raising funds – Note 6
- Charitable Activities – Note 7
- Net gains on investments – Note 13
- **Balance Sheet -**
- Investments – Note 13
- Cash – Note 15
- Creditors – Note 16

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# Statement of Financial Activities

	2023/24 £'000	2022/23 £'000	Change £'000
<b>Incoming resources from generated funds:</b>			
Donations and Legacies	2,216	3,565	(1,349)
Other trading activities	15	13	2
Investments	451	405	46
<b>Total Incoming resources</b>	<b>2,682</b>	<b>3,983</b>	<b>(1,301)</b>
<b>Expenditure on:</b>			
Raising Funds	296	452	(156)
Charitable activities	3,155	798	2,357
<b>Total Expenditure</b>	<b>3,451</b>	<b>1,250</b>	<b>2,201</b>
Net gains / (losses) on investments	817	(560)	1,377
<b>Net income / (expenditure)</b>	<b>48</b>	<b>2,173</b>	<b>(2,125)</b>
<b>Reconciliation of Funds</b>			
Total funds brought forward	11,946	9,773	2,173
<b>Total Funds carried forward</b>	<b>11,994</b>	<b>11,946</b>	<b>48</b>

The prior year figures were particularly high due to £1.2m being received from the liquidation of JC Williams Trust for hydrotherapy pool as well as continued contributions towards the Bronglais Chemotherapy Day Unit.

Less spend is shown against fundraising costs this year due to improved apportionment of staff time between fundraising, support and governance roles.

Increase in spend mainly relates to commitments made for the development of BGH Chemotherapy Day Unit

Global economic pressures in the prior year adversely affected investment performance. The markets have improved significantly in the year.

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	2023/24 £'000	2022/23 £'000	Change £'000
Fixed Assets	9,124	8,307	817
Current Assets	6,304	5,581	723
Liabilities: Due within one year	3,192	1,398	1,794
Liabilities: Due after more than one year	242	544	(302)
<b>Total Net Assets</b>	<b>11,994</b>	<b>11,946</b>	<b>48</b>
<b>The funds of the charity:</b>			
Endowment funds	2,575	2,303	272
Restricted funds	5,181	6,347	(1,166)
Unrestricted funds	4,238	3,296	942
<b>Total Funds</b>	<b>11,994</b>	<b>11,946</b>	<b>48</b>

The improvement in global markets has resulted in large unrealised gains on investments which can be seen in the increase in endowment funds.

Restricted funds have decreased largely due to commitments made for the development of BGH Chemotherapy Day Unit.

Unrestricted funds have increased following a significant legacy of £1.3m.

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## Next Steps

- Audit Wales to audit the accounts in December 2024
- Final Accounts to be presented to the Corporate Trustee Meeting on 30 January 2025
- Final Accounts to Charity Commission by 31 January 2025



Elusennau Iechyd  
**HYWEL DDA**  
Health Charities

# #MakingaDifference in 2023-24



## Annual report and accounts

Registered Charity Number: 1147863

# Thank you



**2023–24 has seen our local communities in Carmarthenshire, Ceredigion and Pembrokeshire continue to go the extra mile to support their NHS charity.**

**Thanks to your generosity, Hywel Dda Health Charities was able to fund a range of items and activities above and beyond normal NHS expenditure to enhance the experiences of Hywel Dda University Health Board patients, service users and staff.**

**The year has had so many highlights, and one I'll never forget is when staff across the health board came together to celebrate the NHS's 75th birthday, with hundreds appearing in NHS 75 'selfies' across the charity's social media channels! It was a truly great moment.**

**It was also encouraging to see partnerships strengthened during the year: most notably with Scarlets Rugby for our Wish Fund campaign, and with Activity Wales for Long Course Weekend Wales .**

**Your continued support is so appreciated by everyone who benefits from charitable funds. To every supporter who donated to or fundraised for us in 2023–24: thank you for making a difference!**

*Delyth Raynsford*

**Chair**

**Charitable Funds Committee**

**Hywel Dda University  
Health Board**



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Elusennau Iechyd  
**HYWEL DDA**  
Health Charities

# 1. Our purpose, achievements and plans





Elusennau Iechyd  
**HYWEL DDA**  
Health Charities

# Our purpose

**Hywel Dda Health Charities is the official charity of Hywel Dda University Local Health Board, registered charity number 1147863. We exist to make a positive difference to the health, wellbeing and experience of NHS patients, service users and staff across Carmarthenshire, Ceredigion and Pembrokeshire.**

Our aim is to raise and distribute funds to enhance local NHS services. The donations we receive from patients, their families and our local communities are spent on enhancing NHS services, above and beyond what NHS funding allows.

Our charity raises and distributes funds to enhance our local NHS services through:

- Providing the most up-to-date medical equipment for diagnosis and treatment
- Creating more welcoming surroundings for patients, their families and staff
- Offering additional patient comforts to make time spent in hospital more comfortable
- Supporting staff learning and development and wellbeing initiatives;
- Enhancing care in our local communities
- Delivering healthy living and health promotion initiatives.



# How we help

Hywel Dda Health Charities works closely with Hywel Dda 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.

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

Hywel Dda 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.

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



# Who we support

Hywel Dda University Health Board plans and provides NHS healthcare services for Carmarthenshire, Ceredigion, Pembrokeshire and its bordering counties.

Over 13,000 members of staff provide:

Primary care

Community care

In-hospital care

Mental health and learning disabilities services

**This is done in partnership with three local authorities and public, private and third sector colleagues, including volunteers, for a population of 390,000, through:**

- Four main hospitals: Bronglais Hospital in Aberystwyth; Glangwili Hospital in Carmarthen; Prince Philip Hospital in Llanelli, and Withybush Hospital in Haverfordwest
- Five community hospitals: Amman Valley and Llandovery hospitals in Carmarthenshire; Tregaron Hospital in Ceredigion, and Tenby and South Pembrokeshire hospitals in Pembrokeshire
- Two integrated care centres: Aberaeron and Cardigan in Ceredigion, and a number of other community settings, e.g. Bro Preseli, Crymych
- 48 general practices (six of which are health board managed practices); 38 dental practices (including four orthodontic); 96 community pharmacies; 41 general ophthalmic practices; and 7 ophthalmic domiciliary providers
- Numerous locations providing mental health and learning disabilities services
- Highly specialised services commissioned by Welsh Health Specialised Services Committee (WHSSC); WHSSC and the Emergency Ambulance Services Committee (EASC) were disestablished on 31 March 2024 and replaced by the Joint Commissioning Committee on 1 April 2024
- Sure Start joint services with Carmarthenshire, Ceredigion, and Pembrokeshire local authorities.



# Our year in numbers

In 2023–24...



was donated to the charity



online giving pages were created to support us



people left us a gift in their will



players won a prize in our charity lottery

Our social media reach was over



# The difference you made

Thanks to your generosity, in 2023–24 we were able to enhance care, experience and outcomes for:



In the following pages we provide just a few examples of just how charitable funds made a difference...





### **We funded a new eye scanner worth £14,250 for Glangwili Hospital.**

The new scanner is used to take eye measurements prior to surgery to ensure the accuracy of lenses and implants. It will deliver an enhanced level of service for patients during pre-assessment for operations such as cataract surgery, especially those who are frail and less mobile. Senior Sister Casey Griffiths said: “The Tysul Eye Unit is of real benefit to patients who are less mobile – for example, those who have neck and back problems – as they may find it difficult to use the standard seated equipment within the unit. The new scanner will help us run pre-assessment clinics as effectively as possible and provide an optimum outcome for patients.”



### **A new reflection garden at Prince Philip Hospital was officially opened.**

The garden, which is located near Ward 1 at Prince Phillip Hospital, will allow both patients and staff to have a peaceful, private area, to reflect and remember. Amber Bolt, Senior Sister, said: “The COVID pandemic was a difficult time for us all. The garden will allow for individuals to have a dedicated space to reflect. Thank you to all the staff from Ward 1 for their involvement in the fundraising. They worked so hard during the COVID-19 pandemic and still went above and beyond to fundraise for the garden.”





**A new service at Bronglais Hospital supporting victims of domestic abuse received over £59,000 of grant funding from NHS Charities Together.**

Mandy Nichols-Davies, Head of Safeguarding at Hywel Dda University Health Board, said: “The new service will offer support to victims of abuse that attend the emergency department and the Domestic Abuse Health Advocate will be their main point of contact. This health advocate role will not only provide an additional layer of support for those affected by abuse but will also support staff to respond as effectively as possible.”



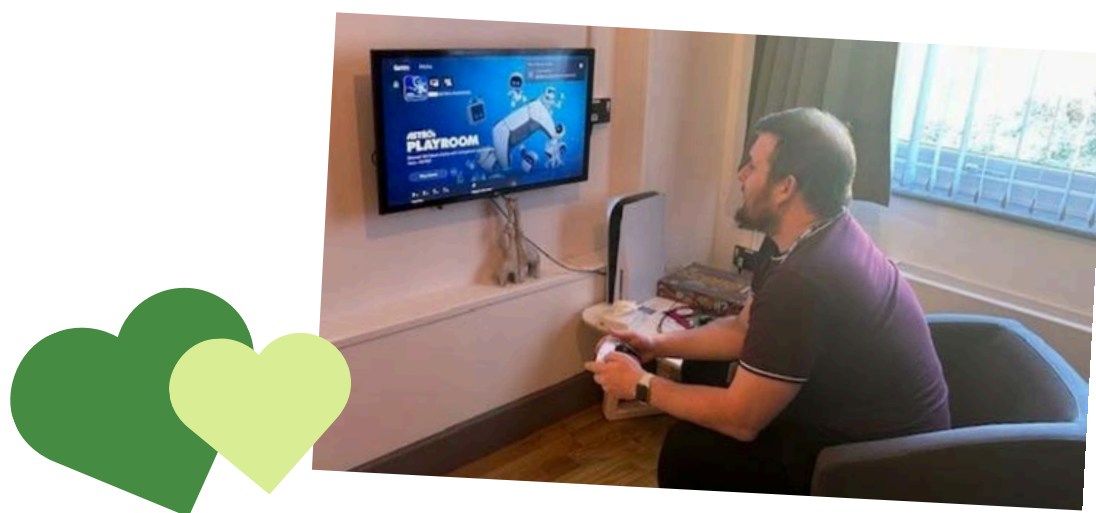
**Thanks to a generous legacy, we purchased new equipment costing over £200,000 for cardiology patients at Withybush Hospital.**

The two echocardiography machines for the hospital’s Cardio-Respiratory Department will help to reduce waiting lists for scans and also enable echocardiograms for inpatients to be done sooner, which will help significantly with hospital discharges. This extra equipment is in addition to £110,000 worth of machines bought from the same bequest for the Child Health Department so that under-16 patients in Pembrokeshire can continue to receive vital cardiology screening as close to home as possible.





**In partnership with the Wthybush Hospital Cancer Day Unit Appeal, we provided £165,000 to fund a new hair loss support service for cancer patients across Hywel Dda.** The “Heads Up!” initiative, which will run for an initial two-year period, provides a person-centred, holistic hair loss service for cancer patients. It brings together healthcare and haircare professionals from local communities to give patients the knowledge and products needed to manage their hair loss with dignity and choice. The health board is the first in Wales to run an initiative to improve the patient experience of cancer-related hair loss.



**We also funded games consoles and accessories for the new Bro Myrddin Wellbeing Hwb – Wales’s first mental health crisis hub for children and young people.**

Angela Lodwick, Assistant Director of Mental Health and Learning Disabilities, said: “We’re incredibly grateful that charitable funds have allowed us to purchase this new equipment. The consoles will help the young people in crisis to have some relaxation time. We hope they will make a big difference to the wellbeing of the young people that will use the service.”

# Your fantastic fundraising

In 2023–24 you went the extra mile to make a big difference! Here's a little flavour of what you achieved for your NHS charity...



Staff from the Intensive Care Unit at Glangwili Hospital ran the Cardiff Half Marathon and raised £4,200 for the service!

Team N2S raised over £3,000 for the Chemotherapy Day Unit at Prince Philip Hospital in memory of Wayne Evans by cycling the length of Wales.



Heledd Lloyd raised over £1,000 for the Day Surgery Unit at Bronglais Hospital by hosting a coffee and cake morning



**Father and daughter Geoffrey Eynon and Angharad Smiriglia walked 175 miles and raised £2,775 for Pembrokeshire Cancer Services.**



**A Charity Golf Day at Glynhir Golf Club raised a fantastic £2,775 for the Wish Fund which supports children and young people with life-limiting and life-threatening conditions across Hywel Dda.**



**The blue token voting scheme at Tesco stores helped fund Cancer Cloud Kits for children and young people across Hywel Dda, helping them understand more about a cancer diagnosis in the family.**



# Headline news!

There are some of our highlights from 2023–24...

## Prince Philip Hospital Gardens Appeal



**In November 2023 we launched our Prince Philip Hospital Gardens Appeal to create new therapeutic gardens at the hospital.**

International rugby union referee Nigel Owens said: “I know as well as anyone how important it is for both your physical and mental health to get outside into the fresh air. We’re asking the local community to help us provide some of the frailest patients in Prince Philip Hospital with new green spaces which will give their wellbeing a real boost.”

## Long Course Weekend Wales



**In June 2023 we enjoyed our second year as the “Powered By” partner at Long Course Weekend Wales, and our fundraisers raised over £7,000!**

Matthew Evans, CEO at Long Course Weekend, said: “The Wales Half Marathon is a special event for so many people and we are thrilled that together we raised funds for such a great cause.”

# NHS 75



**Hundreds of staff across Hywel Dda joined our celebration of the NHS's 75th birthday by having a photo with our birthday selfie frames!**

And a BIG thank you to everyone who generously donated and took photos, it was a great day of celebration across the three counties.

## Zip Line Challenge

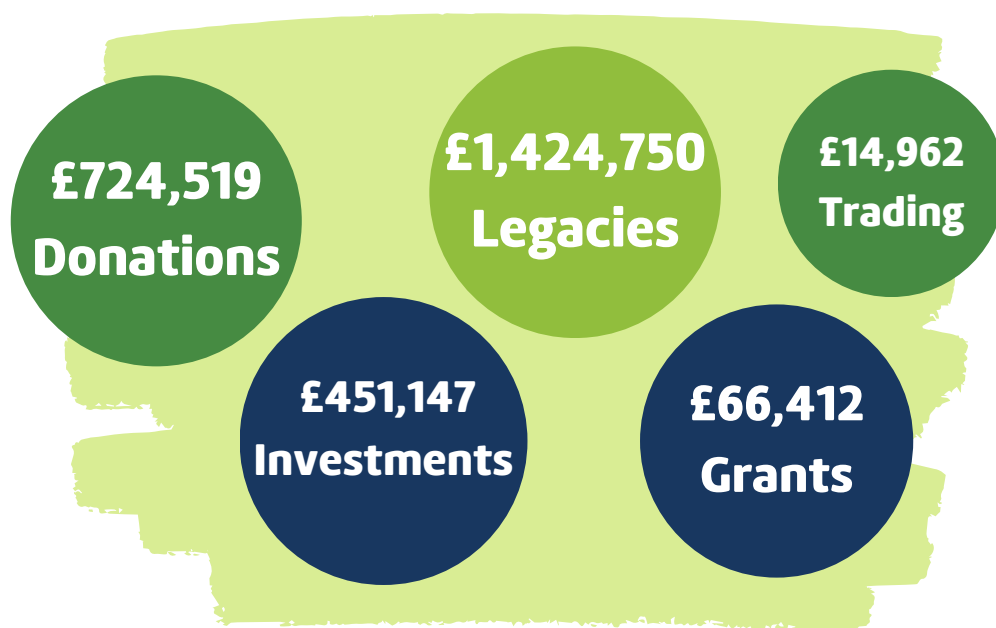


**In March 2024 a brave group of 20 fundraisers headed to Zip World in north Wales and took on Velocity – the world's fastest zip line, raising over £4,500!**

Fundraiser Laura Hiscox (pictured) said: "Everyone I spoke to after said they would do it again and I'd highly recommend it. It was completely exhilarating and left me buzzing, with the benefit of being a fundraiser for Hywel Dda."

# Income at a glance

In total, thanks to your generosity, our income for 2023–24 was **£2.68 million**. The income streams of our charity were as follows:



**Donations** were 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 were received in memory of a loved one and we are proud to know that the treatment and support received has been so valued.

The charity was also the grateful beneficiary of a number of **legacies** totalling £1,424,750.

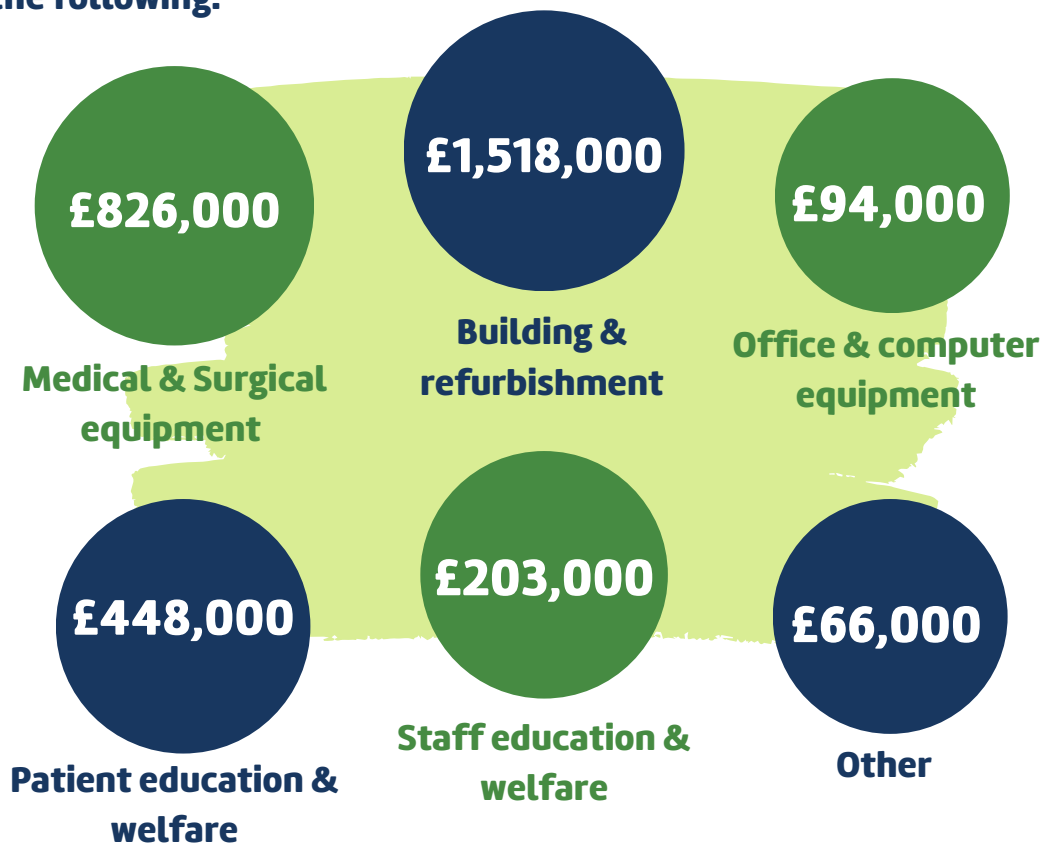
The **trading** income relates to our charity lottery.

**Investment** income in the form of dividends and interest from investment and cash balances held by the charity as well as rent from our investment property was received totalling £451,147.

**Grants** were received from NHS Charities Together and the Co-op Community Fund.

# Expenditure at a glance

The charity is principally a grant making body. During 2023–24 the charity has continued to support a wide range of charitable and health related activities across Hywel Dda University Health Board and spent a total of **£3.16 million** on making things better, including the following:



# Our plans for 2024–25



In 2024–25 we will focus on achieving the objectives identified in our 2024–25 workplan:

**1. Raise awareness of the charity internally and empower health board staff to access our funds in line with our charitable objectives**

**2. Provide a comprehensive range of opportunities and support to our fundraisers and powerfully communicate the impact their fundraising has**

**3. Ensure that the charity operates as efficiently as possible**

By achieving these goals we will progress towards our longer-term objectives as identified in our five-year strategy, approved by the Charitable Funds Committee, which provide a clear direction for the charity so that we can continue to make a positive difference to the health, wellbeing and experience of patients, service users and staff across Hywel Dda University Health Board:

**1. Fund services and activities above and beyond what the NHS can provide**

**2. Stabilise our income levels and convey the impact of our work**

**3. Make the best use of our resources to maximise our impact**

# How to support us



Be a part of our story in 2024–25! Get in touch using the details below to find out how you can donate, fundraise, or support us in a number of other ways.

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

01267 239815

[fundraising.hyweldda@wales.nhs.uk](mailto:fundraising.hyweldda@wales.nhs.uk)



**#EichElusenGIG #YourNHSCharity**

Registered charity  
number: 1147863

Registered with/Cofrestrwyd gyda'r



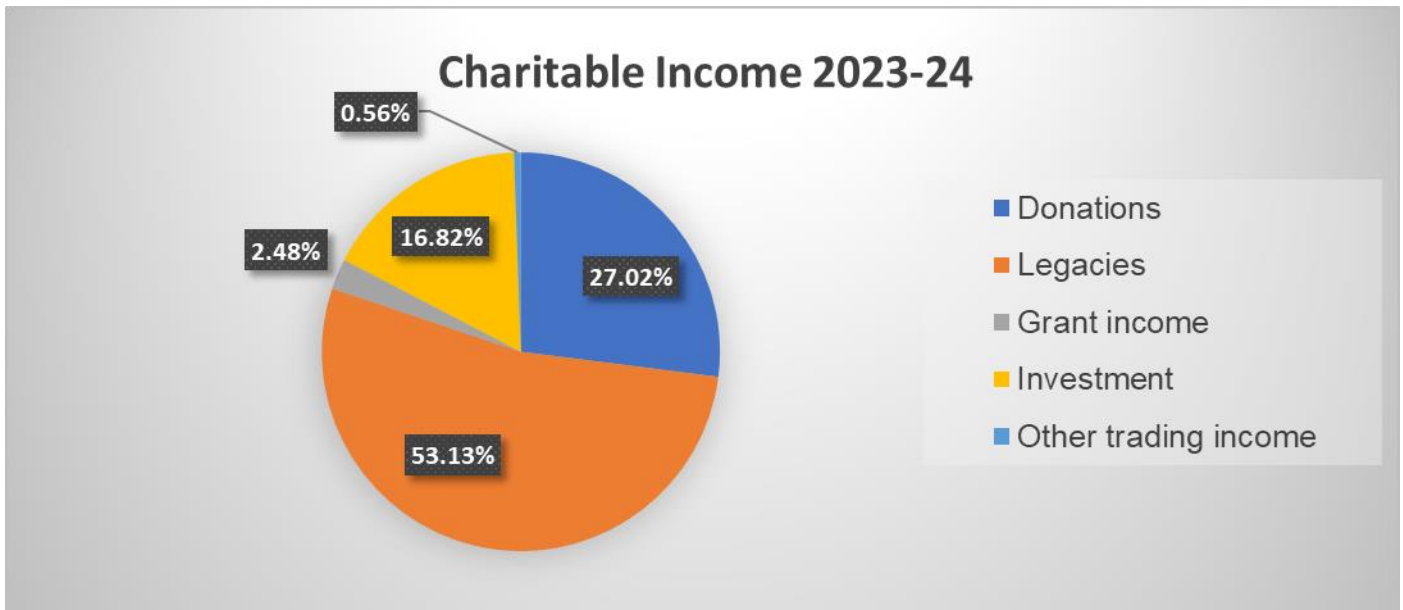
GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Hywel Dda  
University Health Board

# 1. Financial review

## Incoming Resources

The chart below shows our main sources of income in 2023-24. Incoming resources for the year totaled £2,681,790; our largest source of income continues to be gifts and donations from the public either direct or through corporate giving.



### Donations (£724,519)

Over a quarter of the Charity's income comes from the voluntary efforts of staff, patients and their families wanting to show their appreciation for the care and support they have received. As expected, this income is less than last year (2022-23 £1,542,253) when donations were particularly large due to a specific appeal for the Bronglais Chemotherapy Unit. We remain extremely grateful for all the support the public and staff have given us to help realise our aims.

### Legacies (£1,424,750)

The charity was also the grateful beneficiary of a number of legacies totalling £1,424,750 (2022-23 £1,920,817). Generous legacies received during the year included:

- A legacy of £1,329,817 to the General Fund
- A legacy of £60,929 to Mynydd Mawr General Purposes Fund, Carmarthenshire
- A legacy of £20,323 to Withybush General Hospital, ICU Fund, Pembrokeshire

### Grants (£66,412)

Grant income has reduced this year (2022-23 £101,981). We are grateful to other charities and similar organisations that have given us grants to fund projects or purchase pieces of equipment. This year, grants were received from NHS Charities Together (£57,081) the Co-Op Community Fund (£4,956), Groundwork UK (£4,375).

## Other Trading Activities (£14,962)

Other trading activities relates to income from Hywel Dda Health Charities Lottery.

## Investment income (£451,147)

Investment income totaling £451,147 was received in the year, this consists of dividends and interest from investment and cash balances held by the charity, as well as rental income. Investment income equates to 16.8% of total income.

## Expenditure

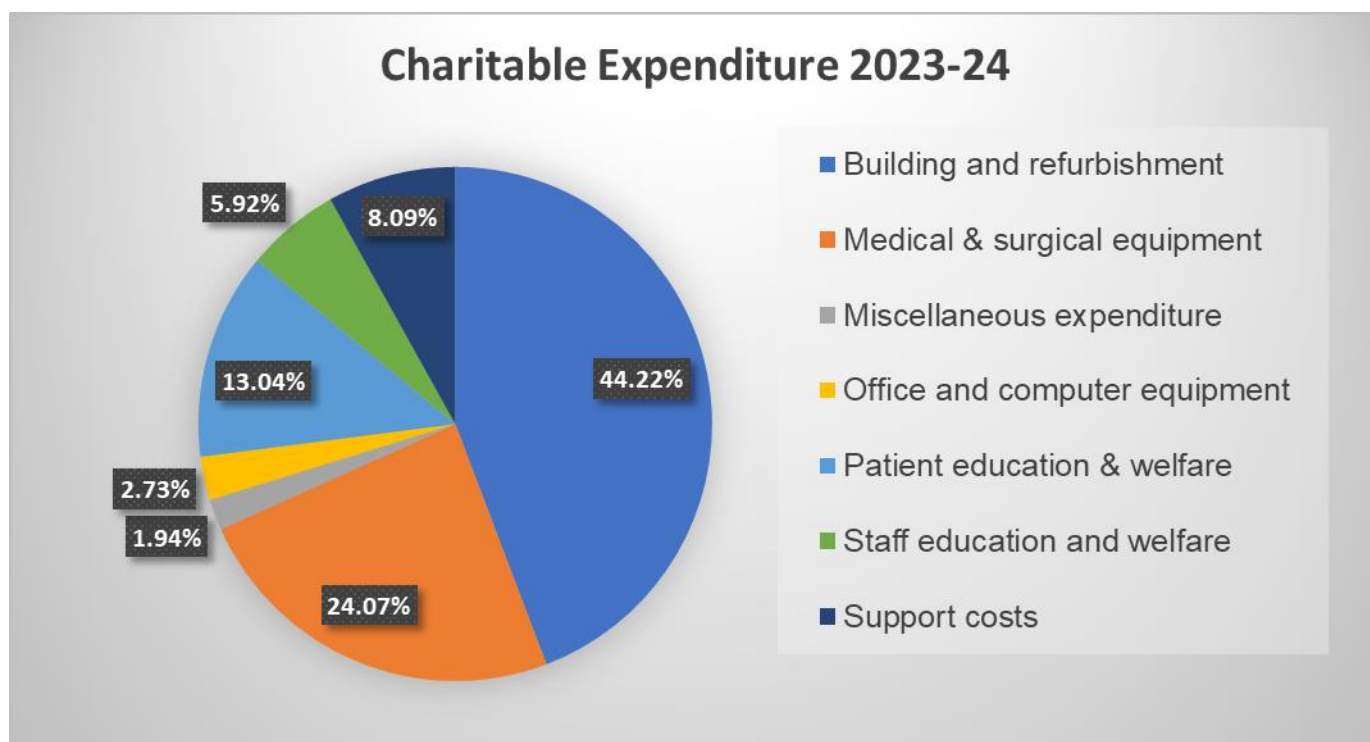
The charity is principally a grant making body, providing grants to Hywel Dda University Health Board as a contribution to the cost of the provision of healthcare beyond what the NHS provides. During 2023-24 the Charity has continued to support a wide range of charitable and health-related activities 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. A rigorous process of review and evaluation is carried out on all funding requests to ensure they are of the highest standard.

## Analysis of expenditure

In 2023-24 expenditure on charitable activities totalled £3,154,189. The expenditure categories were as follows:



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

### **Management and administration costs**

The total management and administration costs for 2023-24 were £551,025 (2022-23: £518,725) which includes £296,003 fundraising costs and £255,022 support costs. This represents 4.6% of the opening fund balances held as at 1 April 2023.

The charity improved the apportionment of staff time between fundraising, support and governance roles in 2023-24.

### **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 2023-24, there was an unrealised gain of £816,796 due to an increase in the market value of investments held during the year. This combined with investment income of £451,147 gave a total in year gain of 15.3% for investments held by the charity.

CCLA provided the services of investment advisor for 2023-24. These investments are managed in accordance with the Trustee Act 2000.

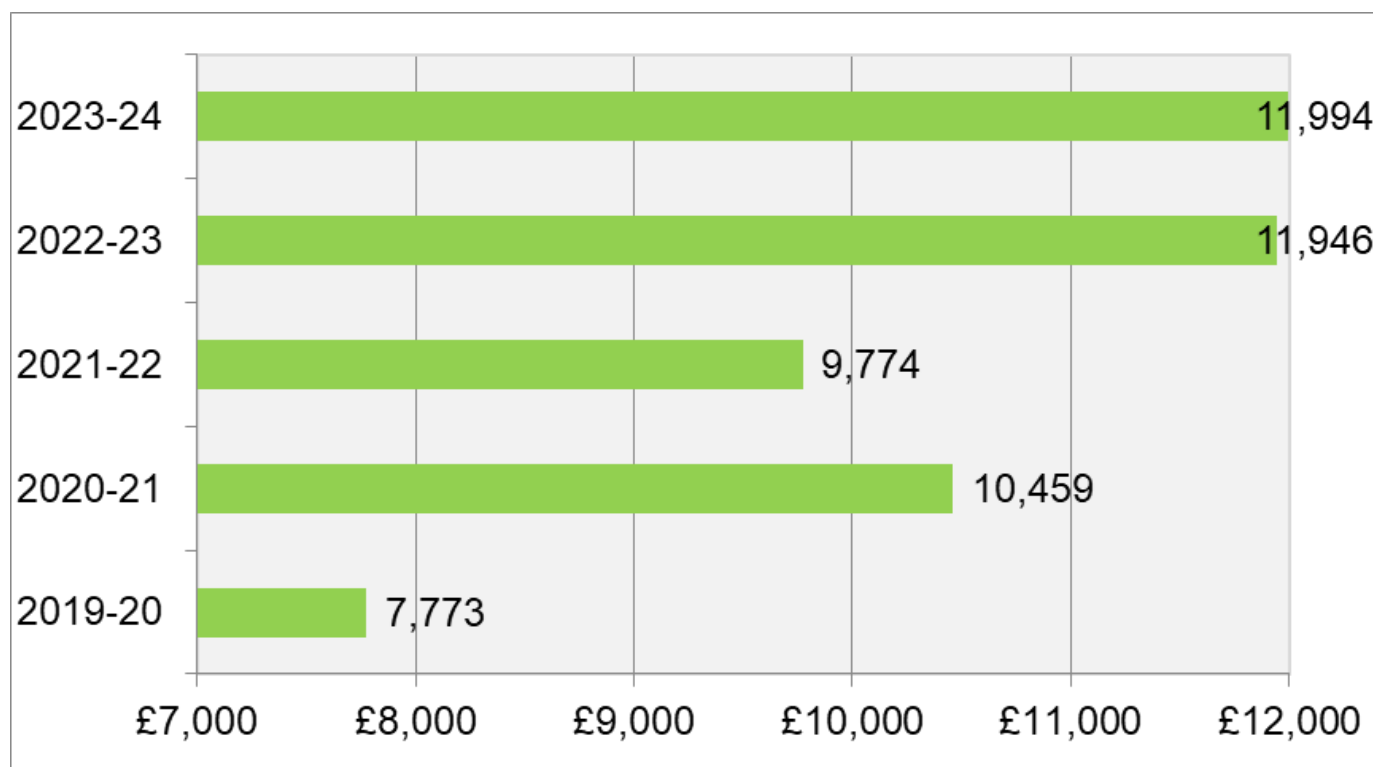
### **Overall financial position: 31 March 2024**

The value of the charity as at 31 March 2024 has increased from the previous year by £48,394. This is largely due to an increase in the return on our investments.

At 31 March 2024, The charity’s total reserves were £11,994,235. This figure includes £5,181,412 of restricted funds, £2,574,780 of endowment funds and £4,238,043 of unrestricted reserves. The unrestricted reserves figure includes £3,026,772 of designated funds and £1,211,271.

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

## Fund Balances 2019-20 to 2023-24



Funds Balances £000's

### Reserves policy

The charity has a reserves policy and has defined free reserves to be the element of funds that are freely available for its general purposes. Free reserves are the resources the charity can make available to spend for any or all of the Charity's purposes once it has met its commitments and covered its other planned expenditure. This means it excludes Permanent endowment, restricted funds and uncommitted designated funds.

Free 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 free 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 charity shall hold a separate fixed asset investment reserve based on 10% of the value of its fixed asset investments retained and a minimum of £500,000 to ensure there is sufficient funds for on-going commitments. The fixed asset investment reserve shall only fall below 10% to cover losses in the value of fixed assets.

In order to maintain the reserves as low as possible it is important:

- expenditure plans are developed for all the relevant funds
- monthly financial reports are produced to monitor level of expenditure
- the value of fixed asset investments performance is reviewed quarterly.

The total free reserves held by the charity as at 31 March 2024 was £1,211,271. This is in excess of our reserves policy. The excess has arisen in the year due to a significant legacy that was gifted for general purposes. A review is due to take place shortly to decide how best to utilise the excess funds.

# 2. 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 during the reporting period and up to the date the annual report was approved was as follows:

Voting members:

Maria Battle, Chair (until 31.10.2023)

Judith Hardisty, Interim Chair (from 01.11.2023 until 31.05.2024) Independent Member and Vice Chair (until 31.10.2023)

Neil Wooding, Chair (from 19.03.2024)

Eleanor Marks, Vice Chair (from 01.02.2024)

Steve Moore, Chief Executive (until 31.01.2024)

Philip Kloer, Chief Executive (from 22.10.2024); Interim Chief Executive (from 01.02.2024 to 21.10.2024); Executive Medical Director and Deputy Chief Executive (until 31.01.2024)

Anna Lewis, Independent Member

Ann Murphy, Independent Member

Chantal Patel, Independent Member

Delyth Raynsford, Independent Member

Iwan Thomas, Independent Member

Maynard Davies, Independent Member

Michael Imperato, Independent Member

Rhodri Evans, Independent Member (from 15.11.2023) and Interim Vice Chair (from 27.11.2023 until 31.01.2024)

Winston Weir, Independent Member

Alison Shakeshaft, Executive Director of Therapies and Health Science (until 31.07.2023)

Andrew Carruthers, Chief Operating Officer

Ardiana Gjini, Executive Director of Public Health (from 01.07.2023)

Huw Thomas, Executive Director of Finance

James Severs, Executive Director of Therapies and Health Science (from 06.11.2023)

Lee Davies, Executive Director of Strategy and Planning

Lisa Gostling, Executive Director of Workforce and OD and Interim Deputy Chief Executive (from 01.02.2024)

Mandy Rayani, Executive Director of Nursing, Quality & Patient Experience (until 31.12.2023)

Mark Henwood, Interim Executive Medical Director (from 05.02.2024)

Sharon Daniel, Interim Executive Director of Nursing, Quality & Patient Experience (from 01.01.2024)

The Director of Nursing, Quality & Patient Experience is the Executive Director with lead responsibility for the charity.

## **Key Management Personnel Remuneration**

The trustees have concluded that the Corporate Trustee through the Charitable Funds Committee comprises the key management personnel of the Charity as they are in control of directing the Charity. The Charity does not make any payments for remuneration nor to reimburse expenses to the Charity trustees for their work undertaken as trustee. Trustees are required to disclose all relevant interests, register them with the Health Board and withdraw from decisions where a conflict of interest arises. All related party transactions are disclosed in note 2 to the accounts.

## **Trustee Recruitment, Appointment and Induction**

The Chair and Independent Members are appointed by the Welsh Government, and together with the Executive Directors are trustees of the Hywel Dda Health Charities.

New members of the Board 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.

## **Charitable Funds Committee**

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.

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.

## 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 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 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 2022):

- 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 287 local, general and special purpose funds.

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

## Our staff and 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 Audit Wales, 24 Cathedral Road, Cardiff, CF11 9LJ.

### Investment managers

CCLA Investment Management Ltd, One Angel Lane, London, EC4R 3AB

## **Fundraising activities**

During 2023-24, the University Health Board employed nine members of staff (8.71 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.

## **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.

## **Investments**

The trustees hold the Pembrokeshire Cardiology Equipment fund as a separate investment portfolio, which is managed with the advice of CCLA 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 CCLA 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 or manufacturing of tobacco
- supply tobacco products where turnover or more that 5% is derived from this source
- involved in the production, manufacturing of alcoholic beverages, where more than 25% is derived from this source.

Investment managers will be required to present in person to the Charitable Funds Committee at least quarterly (via Videoconferencing, and in person at least twice a year). The Charitable Funds Committee will consider the reports and presentations from the investment manager(s) together with current cashflow reports and forecasts.

# 3. 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:

1. investment in the production or manufacture of tobacco products at any level;
2. investment in the production, manufacture of alcoholic beverages where more than 10% 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 benchmark.

# **HYWEL DDA HEALTH CHARITIES**

## **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2024**

### **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) second edition issued October 2019 and applies to report periods beginning on or after 1 January 2019. This edition consolidates the changes to the Statement of Recommended Practice (SORP) for Update Bulletins 1 and 2, the Charities Act 2022 and changes to UK Generally Accepted Accounting Practice since the launch of SORP (FRS102) on 16 July 2014, as it applies for reporting periods beginning on or after 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 2024**

	Note	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total Funds 2023-24 £000
<b>Incoming resources from generated funds:</b>					
Donations, legacies & grants	3	1,910	306	0	2,216
Other trading activities	3	15	0	0	15
Investments Income	5	152	232	67	451
<b>Total incoming resources</b>		<b>2,077</b>	<b>538</b>	<b>67</b>	<b>2,682</b>
<b>Expenditure on:</b>					
Raising Funds	6	117	179	0	296
Charitable activities	7	1,242	1,859	54	3,155
<b>Total expenditure</b>		<b>1,359</b>	<b>2,038</b>	<b>54</b>	<b>3,451</b>
Net gain on investments	13	237	363	217	817
<b>Net income / (expenditure)</b>		<b>955</b>	<b>(1,137)</b>	<b>230</b>	<b>48</b>
Transfer between funds	18	(13)	(29)	42	0
<b>Net movement in funds</b>		<b>942</b>	<b>(1,166)</b>	<b>272</b>	<b>48</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward as at 1 April 2023	19	3,296	6,347	2,303	11,946
<b>Total Funds carried forward as at 31 March 2024</b>		<b>4,238</b>	<b>5,181</b>	<b>2,575</b>	<b>11,994</b>

**Hywel Dda Health Charities**  
**Statement of Financial Activities for the year ended 31 March 2023**

		Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total Funds 2022-23 £000
<b>Incoming resources from generated funds:</b>					
Donations and legacies		507	3,058	0	3,565
Investments		13	0	0	13
Investments Income		138	171	96	405
<b>Total incoming resources</b>		<b>658</b>	<b>3,229</b>	<b>96</b>	<b>3,983</b>
<b>Expenditure on:</b>					
Raising Funds		197	243	12	452
Charitable activities		393	228	177	798
<b>Total expenditure</b>		<b>590</b>	<b>471</b>	<b>189</b>	<b>1,250</b>
Net (loss) on investments		(182)	(225)	(153)	(560)
<b>Net income / (expenditure)</b>		<b>(114)</b>	<b>2,533</b>	<b>(246)</b>	<b>2,173</b>
Transfer between funds		5	(5)	0	0
<b>Net movement in funds</b>		<b>(109)</b>	<b>2,528</b>	<b>(246)</b>	<b>2,173</b>
<b>Reconciliation of Funds</b>					
Total Funds brought forward as at 1 April 2022		3,405	3,819	2,549	9,773
<b>Total Funds carried forward as at 31 March 2023</b>		<b>3,296</b>	<b>6,347</b>	<b>2,303</b>	<b>11,946</b>

**Hywel Dda Health Charities**  
**Hywel Dda Health Charities Balance Sheet as at 31 March 2024**

	Note	Unrestricted funds £000	Restricted funds £000	Endowment funds £000	Total 2023-24 £000	Total 2022-23 £000
<b>Fixed assets:</b>						
Investments	13	3,029	3,704	2,391	9,124	8,307
<b>Total fixed assets</b>		<b>3,029</b>	<b>3,704</b>	<b>2,391</b>	<b>9,124</b>	<b>8,307</b>
<b>Current assets:</b>						
Debtors	14	51	88	17	156	150
Cash at bank and in hand	15	3,214	2,766	168	6,148	5,431
<b>Total current assets</b>		<b>3,265</b>	<b>2,854</b>	<b>185</b>	<b>6,304</b>	<b>5,581</b>
<b>Liabilities:</b>						
Creditors falling due within one year	16	1,998	1,193	1	3,192	1,398
<b>Net current assets</b>		<b>1,267</b>	<b>1,661</b>	<b>184</b>	<b>3,112</b>	<b>4,183</b>
<b>Total assets less current liabilities</b>						
Creditors falling due after more than one year	16	58	184	0	242	544
<b>Total net assets</b>		<b>4,238</b>	<b>5,181</b>	<b>2,575</b>	<b>11,994</b>	<b>11,946</b>
<b>The funds of the charity:</b>						
Endowment funds	19	0	0	2,575	2,575	2,303
Restricted funds	19	0	5,181	0	5,181	6,347
Unrestricted funds	19	4,238	0	0	4,238	3,296
<b>Total funds</b>		<b>4,238</b>	<b>5,181</b>	<b>2,575</b>	<b>11,994</b>	<b>11,946</b>

The notes on pages 36-46 form part of these accounts

Signed : .....

Name : **Dr Neil Wooding** (Chair of the Corporate Trustee)

Date :

**Hywel Dda Health Charities**  
**Statement of Cash Flows for the year ending 31 March 2024**

	<b>Note</b>	<b>Total Funds 2023-24 £000</b>	<b>Total Funds 2022-23 £000</b>
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by/(used in) operating activities</b>	17	<b>266</b>	<b>1,861</b>
<b>Cash flows from investing activities:</b>			
Dividend, interest and rents from investments	5	451	405
Proceeds from the sale of investments	13	0	8,055
Purchase of investments	13	0	<b>(8,070)</b>
<b>Net cash provided by investing activities</b>		<b>451</b>	<b>390</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>717</b>	<b>2,251</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	15	5,431	3,180
<b>Cash and cash equivalents at the end of the reporting period</b>	15	<b>6,148</b>	<b>5,431</b>

The notes on pages 36-46 form part of these accounts

## 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) second edition issued October 2019 and applies to report periods beginning on or after 1 January 2019. This edition consolidates the changes to the Statement of Recommended Practice (SORP) for Update Bulletins 1 and 2, the Charities Act 2022 and changes to UK Generally Accepted Accounting Practice since the launch of SORP (FRS102) on 16 July 2014, as it applies for reporting periods beginning on or after 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 considers 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 four permanent endowment fund,two of which (the Pembrokeshire Cardiology Equipment Fund and the F E Smith Legacy (Capital in Perpetuity) Fund) are 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 has 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, grants, 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 basis 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 Swing price on the valuation date. Investment properties are valued at fair value (market value) and are revalued every 5 years. 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 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 or less 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 Trustee's Representatives or members of the key management staff or parties related to them have undertaken any material transactions with the Hywel Dda Health Charities.

Board Members (and other senior staff) take decisions both on Charity and Exchequer 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 2023-24 the Charity made grants and contributed costs of **£3,450,192** (2022-23: £1,206,584) to Hywel Dda University Health Board. As at 31 March 2024 the total owed by the Charity was **£336,434** (2022-23: £12,085) and owed to the Charity was **£9,636** (2022-23: £2,957).

Member Name	Details of Positions Held During The Financial Year	Details Of Interest Declared
Huw Thomas	Director of Finance	Honorary Professor at Aberystwyth University
Iwan Thomas	Independent Member	Independent Board Member on Pembrokeshire College Board (Chair)
Lisa Gostling	Director of Workforce & OD	Independent Board Member on Pembrokeshire College Board
Steve Moore	Chief Executive (stepped down 31 January 2024)	Honorary Professor at University of Wales Trinity St Davids

Total value of transactions with entities which Board members and key senior staff have influential interests in 2023-24 are:

	Expenditure with related party £	Amounts owed to related party £	Income from related party £	Amounts owed by related party £
Aberystwyth University	295	0	0	0
Pembrokeshire College	190	0	0	0
University of Wales Trinity St Davids	360	0	0	0

## 3. Income from donations, legacies, grants and other trading activities

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2023-24 £000	Total 2022-23 £000
Donations	490	235	0	725	1,542
Legacies	1,420	5	0	1,425	1,921
Grants	0	66	0	66	102
Other Trading Activities	15	0	0	15	13
	<b>1,925</b>	<b>306</b>	<b>0</b>	<b>2,231</b>	<b>3,578</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 League of Friends groups who raise money for our hospitals and healthcare in their local communities. In addition to our hospital and community League of Friends, we have many local voluntary groups who support and actively fundraise for their local healthcare services.

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

#### 5. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Endowment Funds £000	Total 2023-24 £000	Total 2022-23 £000
Fixed asset equity and similar investments	152	232	67	451	405
	<b>152</b>	<b>232</b>	<b>67</b>	<b>451</b>	<b>405</b>

#### 6. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Endowment Funds £000	Total 2023-24 £000	Total 2022-23 £000
Fundraising costs	117	179	0	296	407
Investment management	0	0	0	0	45
	<b>117</b>	<b>179</b>	<b>0</b>	<b>296</b>	<b>452</b>

Less spend is shown against fundraising costs in 2023-24 due to improved apportionment of staff time between fundraising, support and governance roles.

#### 7. Analysis of charitable activity

	Grant funded activity £000	Support costs £000	Total 2023-24 £000	Total 2022-23 £000
Purchase of medical and surgical equipment	759	67	826	317
Purchase of office and computer equipment	86	8	94	46
Building and refurbishment	1,395	123	1,518	78
Staff education and welfare	187	16	203	113
Patient education and welfare	412	36	448	146
Other	61	5	66	98
	<b>2,900</b>	<b>255</b>	<b>3,155</b>	<b>798</b>

#### 8. Analysis of grants

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 operates 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 makes individual grant awards based on invited applications from the Health Board.

## 9. Movements in funding commitments

	Current liabilities £000	Non Current liabilities	Total 2023-24 £000	Total 2022-23 £000
Opening balance at 1 April (see note 16)	1,319	544	1,863	2,205
Movement in liabilities	1,507	(302)	1,205	(342)
<b>Closing balance at 31 March (see note 16)</b>	<b>2,826</b>	<b>242</b>	<b>3,068</b>	<b>1,863</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 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 management of the Charity.

Increased spend is shown against support and governance costs in 2023-24 due to improved apportionment of staff time between fundraising, support and governance roles.

	Charitable activities £000	Total 2023-24 £000	Total 2022-23 £000	Basis	
<b>Governance Costs</b>					
External audit	15	15	15	Average fund balance	
Finance and administration	62	62	33	Average fund balance	
<b>Total governance</b>	<b>77</b>	<b>77</b>	<b>48</b>		
<b>Support Costs</b>					
Finance and administration	178	178	64	Average fund balance	
	<b>255</b>	<b>255</b>	<b>112</b>		
	<b>Unrestricted funds £000</b>	<b>Restricted Income funds £000</b>	<b>Endowment Funds £000</b>	<b>Total Funds 2023-24 £000</b>	<b>Total Funds 2022-23 £000</b>
Charitable activities	96	159	0	255	112
	<b>96</b>	<b>159</b>	<b>0</b>	<b>255</b>	<b>112</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 **£15,157** (2022-23: £15,158) related solely to the audit of the statutory annual report and accounts.

## 13. Fixed asset investments

### Movement in fixed assets investments

	Listed investments 2023-24 £000	Investment properties 2023-24 £000	Total 2023-24 £000	Listed investments 2022-23 £000	Investment properties 2022-23 £000	Total 2022-23 £000
Market value brought forward	8,121	186	8,307	8,656	196	8,852
Add: additions to investments at cost	0	0	0	8,070	0	8,070
Less disposals at carrying value	0	0	0	(8,055)	0	(8,055)
Increase/(decrease) on cash awaiting investmer	0	0	0	0	0	0
Add net gain / (loss) on revaluation	810	7	817	(550)	(10)	(560)
<b>Market value as at 31st March</b>	<b>8,931</b>	<b>193</b>	<b>9,124</b>	<b>8,121</b>	<b>186</b>	<b>8,307</b>

All investments are carried at their market value. The investment valuation was performed by CCLA.

The significance of financial instruments to the ongoing financial sustainability of Hywel Dda Health Charities is considered in the risk management section of the trustee's 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 invested within the UK collective investments – COIF Charities Ethical Investment Fund. 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.

Investment properties were valued by the Valuation Office Agency with an effective date of 1 April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

### Fixed Asset Investments by type

	2023-24 £000	2022-23 £000
Equity	6,385	5,832
Infrastructure & Operating Assets	815	637
Fixed Interests	717	616
Property	603	447
Private Equity & Other	297	166
Cash & Near Cash	194	431
Contractual & Other Income	111	176
Derivatives	2	2
	<b>9,124</b>	<b>8,307</b>

#### 14. Analysis of current debtors

<b>Debtors under 1 year</b>	<b>Total 2023-24</b>	<b>Total 2022-23</b>
	<b>£000</b>	<b>£000</b>
Accrued income	152	117
Other debtors	4	33
	<b>156</b>	<b>150</b>

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

	<b>Total 2023-24</b>	<b>Total 2022-23</b>
	<b>£000</b>	<b>£000</b>
Cash at bank and in hand	6,148	5,431
	<b>6,148</b>	<b>5,431</b>

The deposits are sums held on interest bearing deposit with Barclays Bank and CCLA 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 in an instant access 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 Charity activities.

#### 16. Analysis of liabilities

	<b>Total 2023-24</b>	<b>Total 2022-23</b>
	<b>£000</b>	<b>£000</b>
<b>Creditors falling due within 1 year</b>		
Trade creditors	39	67
Other creditors	327	12
Accruals (Note 9)	2,826	1,319
	<b>3,192</b>	<b>1,398</b>
<b>Creditors falling after more than 1 year</b>		
Accruals (Note 9)	242	544
<b>Total creditors</b>	<b>3,434</b>	<b>1,942</b>

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

	<b>Total 2023-24 £000</b>	<b>Total 2022-23 £000</b>
<b>Net income / (expenditure) (per Statement of Financial Activities)</b>	<b>48</b>	<b>2,173</b>
<b>Adjustment for:</b>		
(Gains) / losses on investments	<b>(817)</b>	560
Dividends, interest and rents from investments	<b>(451)</b>	<b>(405)</b>
Decrease / (Increase) in debtors	<b>(6)</b>	<b>(125)</b>
(Decrease) / Increase in creditors	<b>1,492</b>	<b>(342)</b>
<b>Net cash (used in)/provided by operating activities</b>	<b>266</b>	<b>1,861</b>

**18. Transfer between funds**

A transfer of £42,310 has been made from the Glangwili General Hospital Fund (Restricted) to the GGH Accident & Emergency (Capital in Perpetuity) (Endowment Fund) in relating to a legacy received in a prior year.

**19. Analysis of funds**

**a. Analysis of endowment fund movements**

	<b>Balance 1 April 2023 £000</b>	<b>Transfer</b>	<b>Income £000</b>	<b>Expenditure £000</b>	<b>Gain / (Loss) £000</b>	<b>Balance 31 March 2024 £000</b>
FE Smith Legacy	74	0	0	0	0	74
Rees Eirwyn Evans	21	0	0	0	0	21
GGH Accident & Emergency (Capital in Perpetuity)	0	42	0	0	0	42
Pembrokeshire Cardiology Equipment	2,136	<b>(25)</b>	0	0	217	2,328
Pembrokeshire Cardiology Equipment Income Fund	72	25	67	<b>(54)</b>	0	110
	<b>2,303</b>	<b>42</b>	<b>67</b>	<b>(54)</b>	<b>217</b>	<b>2,575</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.

GGH Accident & Emergency (Capital in Perpetuity) Fund objects are to apply the income generated from the permanent endowed gift for the benefit of the Glangwili General Hospital Accident and Emergency department.

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

## b. Analysis of restricted fund movements

	Balance 1 April 2023 £000	Transfer £000	Income £000	Expenditure £000	(Loss) £000	Balance 31 March 2024 £000
Hywel Dda General Funds	176	5	67	(191)	0	57
Carmarthenshire Locality Funds	3,542	(44)	161	(409)	209	3,459
Ceredigion Locality Funds	2,288	10	281	(1,373)	134	1,340
Pembrokeshire Locality Funds	341	0	29	(65)	20	325
	<b>6,347</b>	<b>(29)</b>	<b>538</b>	<b>(2,038)</b>	<b>363</b>	<b>5,181</b>

The locality funds are a collection of restricted funds which have distinct restrictions imposed on the Charity. There are 8 Hywel Dda wide restricted funds, in Carmarthenshire locality there are 4 restricted funds, in Ceredigion there are 24 restricted funds, and 31 restricted funds in Pembrokeshire.

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

	Balance 1 April 2023 £000	Transfer £000	Income £000	Expenditure £000	(Loss) £000	Balance 31 March 2024 £000
Hywel Dda General Free Funds	311	(16)	1,523	(845)	237	1,210
Hywel Dda Designated Funds	86	37	31	(20)	0	134
Carmarthenshire Locality Funds	1,861	(17)	315	(325)	0	1,834
Ceredigion Locality Funds	535	(15)	118	(66)	0	572
Pembrokeshire Locality Funds	503	(2)	90	(103)	0	488
	<b>3,296</b>	<b>(13)</b>	<b>2,077</b>	<b>(1,359)</b>	<b>237</b>	<b>4,238</b>

The Charity does not usually 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. However, during the year ended 31 March 2024 a material legacy was received for general purposes. A review is due to take place shortly to decide how best to utilise these funds.

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

Within the charity there are 14 Hywel Dda wide designated funds, 80 Carmarthenshire designated funds, 41 Ceredigion designated funds and 30 Pembrokeshire 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 Trustee 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.

	<b>Trust for Investment £000</b>	<b>Unapplied total return £000</b>	<b>Total endowment £000</b>
<b>At beginning of the reporting period</b>			
Gift component of the permanent endowment	1,505	0	1,505
Unapplied total return	0	1,100	1,100
<b>Total</b>	<b>1,505</b>	<b>1,100</b>	<b>2,605</b>
<b>Movements in the reporting period</b>			
Investment return: realised and unrealised gain	0	284	284
Less: Investment management costs	0	0	0
<b>Net movement in the reporting period</b>	<b>0</b>	<b>284</b>	<b>284</b>
<b>At end of the reporting period</b>			
Gift component of the permanent endowment	1,505	0	1,505
Unapplied total return	0	1,384	1,384
<b>Total</b>	<b>1,505</b>	<b>1,384</b>	<b>2,889</b>

**Note** - The Rees Eirwyn Evans endowment and GGH Accident & Emergency (Capital in Perpetuity) endowment does not form part of the Return on Investment calculation above

## 21. Post Balance Sheet Events

There are no Post Balance Sheet Events

## 22. Other Items for Information

### Ongoing review of funds structure

In March 2023 the Charitable Funds Committee approved a proposal to rationalise the number of Charitable Funds held. The review commenced in 23-24; the purpose of the review is to:

- 1) Make it as easy as possible to access funds to further our charitable objectives
- 2) Ensure the structure of the funds reflect the current service / management structures as well as the wishes of our donors
- 3) Ensure donations are spent within a 'reasonable' timeframe
- 4) Develop long term expenditure plans

## **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 2022, 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:**

**Chair of the Corporate Trustee**

**Dr Neil Wooding**

**Financial Trustee Representative**

**Mr Huw Thomas**

**Audit report of the Auditor General to the Corporate Trustee of Hywel Dda  
Health Charities**

**Report of the Auditor General for Wales to the Corporate Trustee of Hywel Dda  
Health Charities**