

Public Board Meeting - Charitable Funds - Board as Corporate Trustee for Charitable Funds

Wed 27 January 2021, 09:30 - 10:00

Via Microsoft Teams



Agenda

09:30 - 09:30
0 min

1. Preliminary Matters

1.1. Welcome and Introductions

Verbal Chair

1.2. Apologies for Absence

Verbal Chair

1.3. Declarations of Interest

Verbal Chair

09:30 - 09:30
0 min

2. Agenda Items

2.1. Annual Accounts and Annual Report 2019/20

Attachment Chair of Charitable Funds

- 2.1 a Cover Report Charitable Funds Accounts.pdf (5 pages)
- 2.1 b ABUHB Charitable Funds Accounts 2019-20.pdf (20 pages)
- 2.1 c ABUHB Charitable Funds Annual Report 2019-20.pdf (29 pages)

2.2. Audit Plan 2020

Attachment Audit Wales

- 2.2 Audit Plan.pdf (12 pages)

2.3. ISA 260 Report

Attachment Audit Wales

- 2.3 ISA260 Report.pdf (24 pages)



GIG
CYMRU
NHS
WALES

Bwrdd Iechyd Prifysgol
Aneurin Bevan
University Health Board

Aneurin Bevan University Health Board
Wednesday 27 January 2021
Agenda Item:CF 2.1

Aneurin Bevan University Health Board

Charitable Funds Annual Accounts & Annual Report 2019-20

Executive Summary

This report gives an overview of the Annual Accounts and Annual Report for the year ending 31 March 2020 for Aneurin Bevan University Health Board Charitable Fund and highlights the key issues that are contained in the accounts.

The final Accounts and Annual Report for 2019/20 and Audit Wales report were presented to the Charitable Funds Committee on 13th January 2021 and were recommended to the Board for approval.

Audit Wales intend to give an unqualified audit opinion.

The Board, acting as Corporate Trustee, is asked to approve the accounts and annual report and note that they will be filed with the Charity Commission by 31 January 2021.

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

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

Executive Sponsor: Glyn Jones, Director of Finance & Performance

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

Report Received consideration and supported by :

Executive Team		Charitable Funds Committee	✓
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Date of the Report: 13th January 2021

Supplementary Papers Attached:

Appendix 1 – Annual Accounts

Appendix 2 – Annual Report

Appendix 3 – Audit Wales ISA 260 Audit of Accounts Report 2019-20

Purpose of the Report

This report gives an overview of the Annual Accounts and Annual Report for the year ending 31 March 2020 for Aneurin Bevan University Health Board Charitable Fund and highlights the key issues that are contained in the accounts.

Background and Context

1. Background

Aneurin Bevan University Health Board, as corporate trustee of its charitable funds, must file accounts for the year ended 31 March 2020 with the Charities Commission before 31 January 2021. The Accounts and Annual Report are attached and have been subject to external audit by Audit Wales. The audit process is completed and Audit Wales intend to issue an unqualified audit opinion on the accounts following approval of the accounts by the Board as corporate trustee.

The final Accounts and Annual Report for 2019/20 were presented to the Charitable Funds Committee on 13th January 2021 and were recommended to the Board for approval.

Following completion of the draft accounts, Audit Wales identified a number of minor amendments and recommendations which are reflected in these final accounts and detailed in the attached Audit Wales report.

2. Key Issues

2.1 Annual Accounts

The final accounts are shown at Appendix 1 and the following are key points to note from the accounts for 2019/20:

Statement of Financial Activities for year ended 31 March 2020: (Page 2 of Accounts)

Income from Donations, Legacies and Grants has increased by £82K from the previous year to £532K due to an increase in donations & grant income. There was only 1 legacy received in the year.

Investment Income (Note 7, Page 9 of Accounts)

Investment income has increased by £1K from the previous year to £188K due to an increase in rental income and interest on cash holdings.

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

Expenditure has increased by £70K. The main increase in spend relates to the purchase of new equipment.

The net impact of income and expenditure is a reduction in funds of £133k before investment gains, compared with £146k in the previous year. (Page 2 of Accounts)

Loss on Investment Assets (Page 2 of Accounts)

During the year there has been a net loss of £32K on investments which is mainly with CCLA reflecting stock market decreases on underlying investments partially offset by gains made on the disposal of part of the TP Price estate.

The stock market decreases as a result of the Coronavirus pandemic caused our CCLA investments to decrease from £4,483K on 1st April 2019 to £4,331K on 31st March 2020.

The net movement in funds for the year is therefore a decrease of £165K.
(Page 2 of Accounts)

Balance Sheet as at 31 March 2020 (Page 3 of Accounts)

Net assets / liabilities have decreased by £165K reflecting the decrease in funds during in the year. The main movement in the balance sheet mainly consists of a decrease in the value of the CCLA investments. The balance sheet movements are as follows:

	£000
Investments	-182
Decrease in Cash Balances	-96
Increase in Debtor Balances	2
Decrease in Creditor Balances	111
Total	-165

The following table gives a more detailed breakdown of fixed assets investments (Note 16, Page 12 of Accounts):

	Balance 1 Apr 2019 £000	Disposals £000	Realised Gains / (Losses) £000	Unrealised Gains / (Losses) £000	Balance 31 Mar 2020 £000
Fixed Asset Investments					
Investments					
CCLA	4,483	-	-	- 152	4,331
	4,483	-	-	- 152	4,331
Property					
13 Clytha Square	153	-	-		153
TP Price - Newport / Six Bells	31	- 38	55	-	48
TP Price - Pontywaun	47	- 111	64	-	-
TP Price - Strip of land Oakdale	50	-	-	-	50
	281	- 149	119	-	251
Other					
Painting	25	-	-	-	25
Total per Note 16 of the Accounts	4,789	- 149	119	- 152	4,607

Cash Balances (Note 18, Page 13 of Accounts)

Cash at 31 March 2020 totalled £129K as follows:

	£000
Nat West Current Account	107
Santander Bonus Account	21
Petty Cash	1
Total	129

2.2 Annual Report

The Trustees Annual Report is shown at Appendix 2 and has been subject to audit by Audit Wales in conjunction with the Annual Accounts.

2.3 Audit of Financial Statements Report

The audit of the financial statements has been undertaken by Audit Wales and their 'Audit of Financial Statements Report and Management Letter' is shown in Appendix 3. Audit Wales have indicated that they intend to give an unqualified audit opinion on the accounts.

3 Next Stages and Actions

Once the accounts and annual report are approved by the Board, signed accounts will be given to Wales Audit Office for the Auditor General for Wales to sign. They will then be filed with the Charity Commission before the deadline of 31st January 2021. The accounts and annual report will then be available on the Charity Commission website.

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

Assessment and Conclusion

This report presents the Annual Accounts and Annual Report of the charity for 2019/20.

Recommendation

The Board, acting as Corporate Trustee, is asked to approve the accounts and annual report and note that they will be filed with the Charity Commission by 31 January 2021.

Supporting Assessment and Additional Information	
Risk Assessment (including links to Risk Register)	<i>Sound reporting of the charity’s financial position helps ensure good financial management of the charity and reduces financial risk. The charity’s reputation would be adversely affected if the accounts audit do not carry an unqualified audit opinion.</i>
Financial Assessment	<i>The charity finances show a similar position in terms of income and expenditure and net assets to previous periods and does not present any significant risks at this time.</i>
Quality, Safety and Patient Experience Assessment	<i>The ability of the charity to support donations to the NHS in Gwent help deliver an improved patient experience.</i>
Equality and Diversity Impact Assessment (including child impact assessment)	<i>No impact.</i>
Health and Care Standards	<i>No impact</i>
Link to Integrated Medium Term Plan/Corporate Objectives	<i>Indirect link in as much as some purchases made through the charity could reduce pressure on the capital and revenue financial pressures of the main Health Board.</i>
The Well-being of Future Generations (Wales) Act 2015 – 5 ways of working	<i>No impact</i>
Glossary of New Terms	

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

FOREWORD

The Charity's accounts and annual report for the year ended 31st March 2020 have been prepared by the Corporate Trustee in accordance with the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008.

STATUTORY BACKGROUND

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

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

Statement of Financial Activities for the year ended 31 March 2020

	Note	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2019-20 £000
Incoming resources from generated funds:				
Donations, legacies and grants	4	531	1	532
Charitable activities	5	234	0	234
Investments	7	146	42	188
Total incoming resources		911	43	954
Expenditure on:				
Raising Funds	8	15	0	15
Charitable activities	9	761	311	1,072
Total expenditure		776	311	1,087
Net gains / (losses) on investments	16	5	(37)	(32)
Net Movement in funds		140	(305)	(165)
Reconciliation of Funds				
Total Funds brought forward	21	3,696	1,284	4,980
Total Funds carried forward		3,836	979	4,815

Statement of Financial Activities for the year ended 31 March 2019

	Note	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2018-19 £000
Incoming resources from generated funds:				
Donations, legacies and grants	4	407	43	450
Charitable activities	5	234	0	234
Investments	7	142	45	187
Total incoming resources		783	88	871
Expenditure on:				
Raising Funds	8	43	0	43
Charitable activities	9	816	158	974
Total expenditure		859	158	1,017
Net gains / (losses) on investments	16	264	74	338
Net Movement in funds		188	4	192
Reconciliation of Funds				
Total Funds brought forward	21	3,508	1,280	4,788
Total Funds carried forward		3,696	1,284	4,980

Balance Sheet as at 31 March 2020

		Unrestricted funds £000	Restricted Income funds £000	Total 31 March 2020 £000	Total 31 March 2019 £000
	Note				
Fixed assets:					
Investments	16	3,669	938	4,607	4,789
Total fixed assets		3,669	938	4,607	4,789
Current assets:					
Debtors	17	221	12	233	231
Cash and cash equivalents	18	100	29	129	225
Total current assets		321	41	362	456
Liabilities:					
Creditors: Amounts falling due within one year	19	154	0	154	265
Net current assets / (liabilities)		167	41	208	191
Total net assets / (liabilities)		3,836	979	4,815	4,980
The funds of the charity:					
Restricted income funds	21	0	979	979	1,284
Unrestricted income funds	21	3,836	0	3,836	3,696
Total funds		3,836	979	4,815	4,980

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

Approved by the Trustees on 27th January 2021 and signed on its behalf by:

Signed :

Name : (Chair of Trustees)

Statement of Cash Flows for the year ending 31 March 2020

	Note	Total Funds 2019-20 £000	Total Funds 2018-19 £000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	20	(434)	(290)
Cash flows from investing activities:			
Dividend, interest and rents from investments	7	188	187
Proceeds from the sale of investments	16	150	0
Net cash provided by (used in) investing activities		338	187
Change in cash and cash equivalents in the reporting period		(96)	(103)
Cash and cash equivalents at the beginning of the reporting period	18	225	328
Cash and cash equivalents at the end of the reporting period	18	129	225

Note on the accounts

1 Accounting Policies

(a) Basis of preparation

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

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 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 2019.

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 in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

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

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

(b) Funds structure

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

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

Those funds which are not restricted income funds, are unrestricted income funds which are sub analysed between designated (earmarked) funds where the Trustees have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and unrestricted funds which are at the Trustees' discretion, including the general fund which represents the Charity's reserves. The major funds held in each of these categories are disclosed in note 21.

(c) Incoming resources

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

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

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

(d) Incoming resources from legacies

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

Receipt is probable when:

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

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

(e) Resources expended and irrecoverable VAT

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

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

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

(f) Support costs

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

(g) Fundraising costs

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

(h) Charitable activities

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

(i) Fixed Asset Investments

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

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

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

(j) Debtors

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

(k) Cash and cash equivalents

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

(l) Creditors

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

(m) Realised gains and losses

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

2. Key Judgements and Assumptions

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

There are no material assumptions judged to affect the 2019/20 accounts.

As at 31st March 2020, there is no other information to show that assets/liabilities would need to be materially adjusted during 2020/21.

3. Related party transactions

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

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

Local Health Board	2019-20		As at 31st March 2020	
	Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
	£000	£000	£000	£000
Aneurin Bevan Local Health Board Charitable Fund	1,091	119	4	15

The Corporate Trustee has interests in related parties as follows:

Member	Related Organisation	Relationship with Related Party	2019-20		As at 31st March 2020	
			Expenditure to related party	Income from related party	Amounts owed to related party	Amounts due from related party
			£000	£000	£000	£000
Glyn Jones	Swansea Bay University Health Board	Niece is on the NHS Wales Graduate Finance Training Scheme	0	10	0	7
Emrys Elias	Cardiff & Vale University Health Board	Consultancy	1	17	0	15
	Velindre NHS Trust	Spouse was Interim Director of Nursing & Service Improvement until 31.08.2019 and then Deputy Director of Nursing & Service Improvement until 17.02.20	1	0	1	0
Prof Dianne Watkins	Cardiff University	Deputy Head, School of Healthcare Sciences	4	1	0	0
Frances Taylor	Monmouthshire County Council	County Councillor	3	1	3	1
David Street	Caerphilly County Borough Council	Corporate Director, Social Services and Housing	0	1	0	0

The Corporate Trustee has interests in a number of related parties. All transactions with those related parties have been reviewed and there are nil transactions except for those listed above.

4. Income from donations, legacies and grants

	Unrestricted funds £000	Restricted Income funds £000	Total 2019-20 £000	Total 2018-19 Restated £000
Donations	450	0	450	401
Legacies	0	1	1	43
Grants	81	0	81	6
	531	1	532	450

5. Income from charitable activities

	Unrestricted funds £000	Restricted Income funds £000	Total 2019-20 £000	Total 2018-19 £000
Course income	172	0	172	221
Other income	62	0	62	13
	234	0	234	234

6. Role of volunteers

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

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

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

7. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Total 2019-20 £000	Total 2018-19 £000
Fixed asset equity and similar investments	146	42	188	185
Short term investments, deposits and cash on deposit	0	0	0	2
	146	42	188	187

8. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Total 2019-20 £000	Total 2018-19 £000
Fundraising office	0	0	0	29
Fundraising events	7	0	7	6
Investment management	0	0	0	0
Support costs	8	0	8	8
	15	0	15	43

The fundraising office costs relate to the new Breast Care unit and are no longer being incurred by the Charity
The investment management fee is shown as nil as this is deducted from capital held by the investment management company.

9. Analysis of charitable activity

	Grant funded activity £000	Support costs £000	Total 2019-20 £000	Total 2018-19 £000
Medical research	63	8	71	0
Purchase of new equipment	484	59	543	413
Building and refurbishment	35	4	39	48
Staff education and welfare	293	36	329	365
Patient education and welfare	80	10	90	148
	955	117	1,072	974

10. Analysis of grants

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

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

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

11. Movements in funding commitments

	Current liabilities	Non-current liabilities	Total 31 March 2020	Total 31 March 2019 Restated
	£000	£000	£000	£000
Opening balance at 1 April	51	0	51	42
Movement in funding commitments	329	121	450	9
Closing balance at 31 March 2020	380	121	501	51

As described in notes 9 and 10, 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 are paid over a longer period.

12. Apportionment 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.

	Raising funds	Charitable activities	Total 2019-20	Total 2018-19	Basis
	£000	£000	£000	£000	
Governance					
External audit	0	9	9	9	Average fund balance
Finance and administration	5	58	63	59	Average fund balance
Total governance	5	67	72	68	
Finance and administration	3	50	53	49	Average fund balance
Total Finance and Administration	3	50	53	49	
	8	117	125	117	

	Unrestricted funds	Restricted Income funds	Total Funds 2019-20	Total Funds 2018-19
	£000	£000	£000	£000
Raising funds	8	0	8	8
Charitable activities	93	24	117	109
	101	24	125	117

13. Trustees' remuneration, benefits and expenses

The charity does not make any payments for remuneration nor to reimburse expenses to the charity trustees for their work undertaken as trustee.

15. Auditors remuneration

The auditors remuneration of £9,000 (2018-19: £9,000) related solely to the audit of the statutory annual report and accounts.

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

	Investment Properties £000	Investments Listed on Stock Exchange £000	Cash Held in Investment Portfolio £000	Other Assets £000	Total 2019-20 £000	Total 2018-19 £000
Market value brought forward	281	4,447	36	25	4,789	4,451
Add: additions to investments at cost	0	0	0	0	0	0
Less disposals at carrying value	(150)	0	0	0	(150)	0
Add any gain / (loss) on revaluation	120	(152)	0	0	(32)	333
Movement of cash held as part of the investment portfolio	0	36	(36)	0	0	5
Market value as at 31st March 2020	251	4,331	0	25	4,607	4,789

All investments are carried at their market value.

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

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

The movement of cash held as part of the investment portfolio relates to interest on the deposit fund held by CCLA. During 2019/20 this cash was transferred into investments with CCLA.

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

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

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

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

17. Analysis of current debtors

Debtors under 1 year	Total 31 March 2020 £000	Total 31 March 2019 £000
Accrued income	105	93
Trade Debtors	86	118
Prepayments	42	20
	233	231

18. Analysis of cash and cash equivalents

	Total 31 March 2020 £000	Total 31 March 2019 £000
Current Accounts	128	224
Petty Cash	1	1
	129	225

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

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

19. Analysis of liabilities

Creditors under 1 year	Total 31 March 2020 £000	Total 31 March 2019 £000
Trade creditors	13	54
Deferred Income	131	188
Accruals	10	23
Total creditors	154	265

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

	Total 2019-20 £000	Total 2018-19 £000
Net income / (expenditure) (per Statement of Financial Activities)	(165)	192
Adjustment for:		
(Gains) / losses on investments	32	(338)
Dividends, interest and rents from investments	(188)	(187)
(Increase) / decrease in debtors	(2)	132
Increase / (decrease) in creditors	(111)	(89)
Net cash provided by (used in) operating activities	<u>(434)</u>	<u>(290)</u>

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

	Balance 1 April 2019 Restated £000	Income £000	Expenditure £000	Gains and losses £000	Balance 31 March 2020 £000
Royal Gwent Childrens Ward Legacy	177	6	(16)	(5)	162
Royal Gwent Coronary Care Legacy	107	4	(10)	(3)	98
Nevill Hall Rheumatology Legacy	90	3	(6)	(3)	84
Renal Unit Legacy	72	3	(1)	(2)	72
Nevill Hall Coronary Care Legacy	74	3	(6)	(2)	69
Royal Gwent Haematology Legacy	52	2	(1)	(2)	51
Royal Gwent Breast Care Legacy	52	2	(1)	(2)	51
Other - 49 restricted designated funds	660	20	(270)	(18)	392
	<u>1,284</u>	<u>43</u>	<u>(311)</u>	<u>(37)</u>	<u>979</u>

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

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

21. Analysis of funds (continued)

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

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

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

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

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

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

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

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

The other 49 restricted funds also related to monies bequeathed to the charity for various wards and departments.

21. Analysis of funds (continued)**b. Analysis of unrestricted and material designated fund movements**

	Balance 1 April 2019 Restated £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2020 £000
ABUHB Charitable Funds Committee	151	9	(4)		(4)	152
ABUHB Employee Well Being Service	17	2	(1)	115	(2)	131
Royal Gwent Property, 13 Clytha Square	123	0	(3)		0	120
ABUHB Robins Volunteer Service	0	1	0	117	(1)	117
ABUHB Ffrind I Mi Volunteer Service	0	1	0	104	(1)	104
ABUHB Breast Centre	61	78	(9)	(29)	(2)	99
Nevill Hall Voluntary Body	0	135	(41)			94
St Woolos Springfield Fund	96	4	(3)		(3)	94
ABUHB Post Graduate Fund	95	36	(35)		(3)	93
Royal Gwent Casting Techniques Course	78	16	(12)		(2)	80
Monmouth Chippenham Community Nurses	81	3	(8)		(2)	74
Royal Gwent Property, TP Price	285	11	31	(374)	112	65
Nevill Hall Oncology Rehabilitation	64	3	(2)		(2)	63
ABUHB C.H.A.aT Volunteer Service	73	12	(23)		(2)	60
Ysbyty Ystrad Fawr Adult Medicine	63	12	(13)		(2)	60
Royal Gwent Breast Care Unit	48	2	(2)	14	(2)	60
Royal Gwent Prostate Cancer Fund	56	4	(5)		(2)	53
Other - 361 unrestricted designated funds	2,406	582	(647)	53	(77)	2,317
	3,697	911	(777)	0	5	3,836

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

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

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

The Royal Gwent Property, TP Price fund is showing negative expenditure in 2019/20 due to the reallocation of miscoded expenditure to other funds relating to previous years.

22. Update to post balance sheet events

The majority of the remaining TP Price Estate was sold in December 2019 and in early 2020/21. No decision has been made regarding the disposal of the remaining TP Price land and property.

In March 2020, Covid-19 had a significant impact on the value of our CCLA investments. Although the value of our investment have recovered in the short term, the market remains unpredictable in these unprecedented times.

Statement of Trustee's Responsibilities

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

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

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

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

By order of the trustee

Ann Lloyd
Trustee

Glyn Jones
Financial Trustee

Dated:

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

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2020 under the Charities Act 2011. These comprise the Statement of Financial activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Report on other requirements

Other information

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

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

Matters on which I report by exception

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

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

Responsibilities

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities set out on page 17, the trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustee is responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Adrian Crompton
Auditor General for Wales
28 January 2021

24 Cathedral Road
Cardiff
CF11 9LJ

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

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



GIG
CYMRU
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WALES

Bwrdd Iechyd Prifysgol
Aneurin Bevan
University Health Board

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

Registered Charity No: 1098728

Trustee's Annual Report and Accounts

2019-2020





Aneurin Bevan Health Charity

Introduction

On behalf of the corporate trustee we present the Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities Annual Report together with the audited financial accounts for the year ended 31st March 2020.

About Us

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

We are continually overwhelmed by the generosity of our patients, our staff, our volunteers and members of the public who donate their time and effort in donating and fundraising for our charity.

Thank You

Thank you for making such a positive difference. Your donations have helped us to improve the care and treatment our patients receive and support the development of our staff to deliver exceptional healthcare.

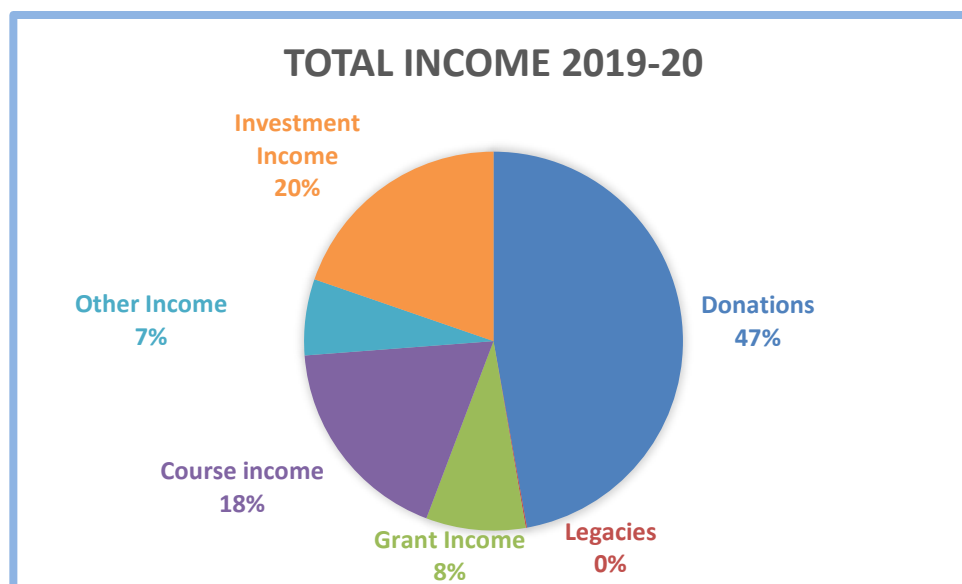
As a reminder of all the wonderful things we have achieved, that wouldn't be possible without you, please see the snapshot of the year below:



Snapshot of 2019-20

INCOME

This year we received £954,000



Donations £450,000

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

Courses and Other Income £234,000

We received £322,000 from course fees and sponsorship. These are run mainly through our Postgraduate department.

Income from Investments £188,000

We received £188,000 from our investment portfolio.

Legacies £1,000

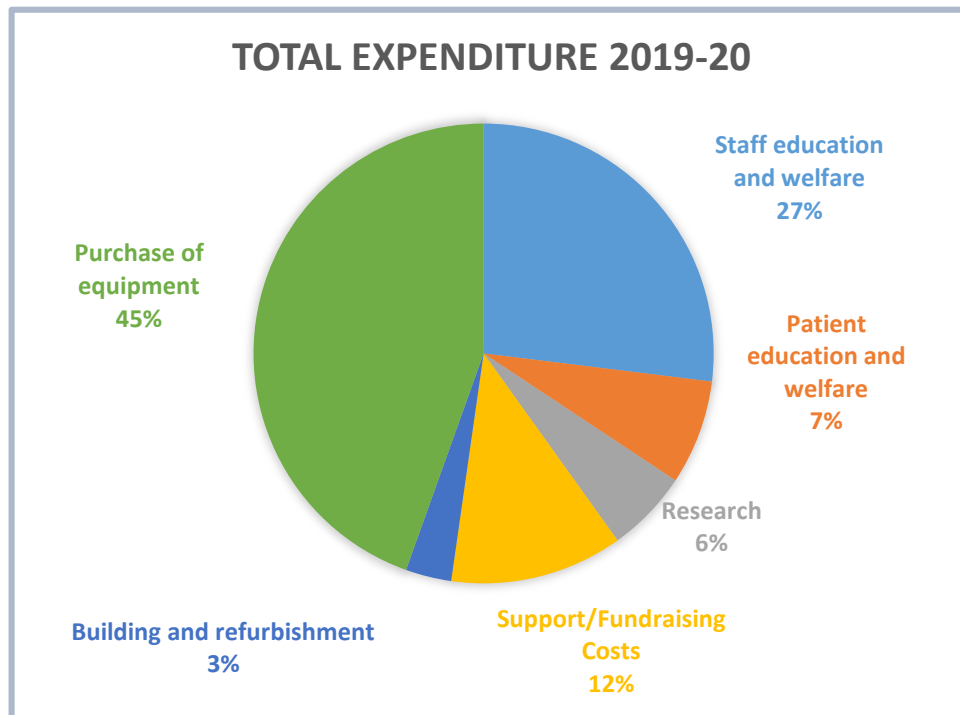
During the year we received one legacy totalling £1,000. We are extremely grateful to those individuals who have had the generosity to leave a gift to us in their will.

Grant Income £81,000

We received £81,000 from external organisations to fund specific schemes / projects.

EXPENDITURE

This year we spent £1,087,000



Patient Education and Welfare £80,000

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

Building and Refurbishment £35,000

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

Equipment £484,000

Thanks to you we have been able to purchase numerous items of equipment for various wards and departments across the Health Board. A list of key purchases is shown overleaf.

Staff Education and Welfare £293,000

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

Research £63,000

To support the Research Delivery Team (RDT) to increase research activity at Nevill Hall Hospital. Clinical research requires a combination of highly skilled Research Nurses and Trial Administrators.

Support Costs £132,000

This covers the cost of the Charitable Funds Team, Corporate support and auditor fee in administering the funds.

KEY PURCHASES HAVE MADE A DIFFERENCE

Take a look at our key purchases

- **RITA Dementia Packages x3, Ysbyty Aneurin Bevan**



Reminiscence Interactive Therapy Activities (RITA) software is aimed at augmenting the care delivered to older people, those suffering with Dementia, Alzheimer's and learning difficulties as a

means of supporting them and reducing their agitation, isolation, depression and delirium. This equipment is particularly useful in this hospital where there are single bedded rooms.

- **Bladder scanners for Ward 1-2 Nevill Hall Hospital and Orthopaedic Unit, St Woolos Hospital**

Bladder scanners are portable, hand held ultrasound devices which can perform quick, easy and non-invasive scans of the bladder and is painless for the patient. It can be used to help identify bladder distension, causes of urinary frequency and bladder irritability and is useful in assisting with accurate assessments of hydration status. The purchase of these additional bladder scanners has enabled the nursing staff to use them at the patient's bedside which is beneficial to both patients and staff.



- **I-pads for Haematology**

I pads were purchased so that the nurses giving chemotherapy can access the "ChemoCare" system, at the bedside/chairside allowing them to input data at the time they administer chemotherapy which will give them more time to spend with our patients.

- **Conversion of Bathroom, Chepstow Community Hospital**



On Cas Gwent ward there is a mixture of en-suite rooms and 4-bedded bays. There are plenty of toilets but there are more baths than showers.

The baths such as the one pictured on the left are not that welcoming to our younger and more able patients therefore the ward staff decided to convert bathrooms to shower rooms as shown below.



- **Virtual Reality Simulator, Ophthalmology, Royal Gwent Hospital**

A virtual reality simulator designed for cataract surgical training that provides objective assessment of performance and detailed skill evaluation.

As a University Health Board we take our responsibility to train very seriously and previous trainees have rated their experience in Gwent highly. A trainee's exposure to cataract surgery tends to be intermittent in the early stages and their skills and confidence rapidly decline. The simulator will allow trainees unlimited access to carry out this surgery allowing them to develop, maintain and extend their surgical skills with no risk to patients and greatly enhancing the quality of training we deliver. This may help us to recruit future consultants.

It will reduce risk of surgical complications by improving the surgical training of all our ophthalmologists, improving aspects of their own technique, making our service as safe and efficient as possible. Reducing complications during surgery will help minimise the number of avoidable postoperative follow-up appointments.

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

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



- **Ultrasound Machine, Critical Care Unit, Royal Gwent Hospital**

This item was purchased from monies left to the unit in a will specifically for the purchase of equipment. This is a state of the art ultrasound scanner specifically designed for use in a critical care environment.

The Critical Care Unit deals with the highest acuity patients in the Health Board 24 hours a day, 7 days of the week and has approximately 1,100 admissions per year. Diagnostic ultrasound, for example, bedside echocardiography and pleural ultrasound, is an important bedside test for the clinicians on the unit to utilise, to guide management of these patients. Many invasive procedures are also performed under ultrasound guidance to improve patient safety. There is also an increasing demand for training in bedside diagnostic ultrasound for intensive care trainees.

When the Critical Care Unit moves to the new Grange University Hospital, this equipment will transfer there.

MAKING A DIFFERENCE FOR OUR PATIENTS

Sycamore Ward at St Woolos Hospital purchased a "Magic Table" using ward donations, a contribution from the League of Friends with the remainder funded from general funds via an application to the Charitable Funds Committee.





The Tovertafel or "Magic Table" (when translated from dutch) is a piece of technology that contains a series of interactive games for people living with mid to late stage Dementia and /or Learning Disabilities. It has been designed to encourage instinctive participation, inviting engagement and physical and social activity. The games can be played both independently and under supervision.



The Magic Table consists of a series of light animations that can be projected onto any table. The lights respond to hand and arm movements, allowing people to play with light, which is truly magical. The Magic Table also creates treasured moments with family members and carers. These games are all about enjoyment, wonder and are matched to older adults with Dementia current physical and cognitive needs.

Staff at Cedar Parc Ward, Ysbytyr Tri Chwm were able to see the table being demonstrated at Sycamore Ward. They saw how the table brought patients and staff together and the results were amazing. The patients were observed laughing, joking, reminiscing, recalling past meaningful experiences, interacting with others and taking the initiative to join in. Patients were reaching and stretching which is so important in maintaining physical day to day skills. After some research of their own the staff applied to the Charitable Funds Committee and were successful in obtaining funding for a Magic Table of their own.

MAKING A DIFFERENCE FOR OUR FUTURE

One of our funds, the Care Fund Project, is used for the purpose of identifying individuals from less privileged backgrounds in the Aneurin Bevan University Local Health Board area, with the potential to become qualified doctors by supporting them by a programme of mentoring and financial support.



The project will look at innovative ways to encourage and train these individuals with the necessary skills and knowledge to obtain a place in medical school and support them through the training process to hopefully lead to them becoming active doctors within the Gwent locality.

The fund supported one student from our community who is now a first year student in Cardiff University.

MAKING A DIFFERENCE WITH OUR VOLUNTEERS

We value our long-standing arrangements with numerous voluntary organisations such as the League of Friends and other charities and individuals that provide services and or raise funds for our charity.



Funds are used to hold an annual event to formally and publically recognise the significant contribution of volunteers, who give freely of their time to compliment the work of paid staff, across a wide range of services thereby improving the experience of patients and their families.



Now in its 5th year, the event showcases effective partnership working and enhances public confidence and reputation of the Health Board through positive external publicity.

In addition the event allows us to specifically recognise long standing volunteers through our 10, 15 or 20+ years long service awards.

MAKING A DIFFERENCE - TOGETHER

Forget Me Not Garden, Annwylfan Ward, Ysbyty Ystrad Fawr

Named "Forget me Not" by one of the patients, the multi-sensory garden was funded completely by donations from patients and staff and the amazing ward team who have extensively fundraised over the last few years.



From the start, the space was created with patients in mind. Every effort was made to make it a safe, dementia friendly, relaxed environment whilst also being a feast for the senses. The garden is a symbol that life does not end with a dementia diagnosis, but that the present moment becomes all the more special and precious. The garden is also a triumph in bringing staff teams together including; ward occupational therapy and nursing teams, works and estates, catering division, community mental health and the voluntary service.

We are also grateful for the involvement of the following community organisations; Woodchips employment training scheme run by Torfaen County Council who worked so hard, painting, sanding and building furniture and made the garden work a joy; Blackwood High School students who researched and created our beautiful beach mural and; friends and family of staff and patients and ward volunteers.



"We hope that many precious moments will be spent in this garden for years to come."

MAKING A DIFFERENCE - COMMENTS



You workers in the NHS are wonderful. Thanks for your diligence through this tough time. I'd like to help with your request

We spoke this time last year about donating Easter Eggs as part of a charity campaign at our site, we ended up donating over 200 Easter eggs to the Gwent's children's department. I just wanted to email you to see whether if it was possible to do the same again this year, possibly to Nevill Hall

Thank you again for all your support in raising the funds for a 'Magic Table'

**Thank You
So
Much**

Staff training has increased the knowledge of staff and allowed them to bench mark practice, this assists in the care of the patients in ensuring our staff are safe, educated, well informed regarding new treatments and able to act in the best interest of our patients

Fab – I think we'll need a small army, although we'll have to work in isolation. It will be a bit like Christmas though, opening all the parcels!!
In response to donations of essential supplies for patients at the start of the Covid pandemic

Thank you so much!
It was really helpful knowing I had your support

Equipment such as bladder scanner / ECG machine ensure we have equipment available on the ward so we can assess our patients effectively

As well as receiving income from donations and legacies, many of our staff arrange small fundraising events such as raffles, dress down days and fetes to raise funds to purchase items that vary from presents for their patients at Christmas to activity equipment and sensory gardens.

[illegible]

Following the outbreak of Covid-19 at the end of the financial year, we received many calls from the public wanting to help. As a result, a charitable fund was set up to manage the donations received, alongside a Just Giving page to allow people to donate on line. The fund was set up for the purpose of ***staff well-being, supplies for patients, support for volunteer activity and bereavement initiatives.***



A process has been determined for requests against this fund to ensure it is specifically related to Covid-19, complies with charitable funds policy and procedures and fits within the purpose of the Covid-19 Fund.



Becoming a member of NHS Charities Together has enabled us to receive grants and apply for further funding from their Covid Appeal to support out staff and patients during the pandemic.

Opening of Grange University Hospital and Clinical Futures

With the opening of the new hospital brought forward to November 2020 and the redesign of the way we deliver our services; delivering most care close to home; creating a network of local hospitals; providing routine diagnostic and treatment services and centralising specialist and critical care services in a purpose built Specialist and Critical Care Centre, our charitable funds will be reviewed to reflect these changes.

With visits to hospitals restricted and internal conferences cancelled, the Charitable Funds Team will continue to promote charitable funds across the Health Board albeit in a new way of working with visits replaced by Teams calls.

The Charitable Funds Team



TURN ABUHB PINK
In aid of the new
Breast Care Centre at
Ysbyty Ystrad Fawr
23RD OCT

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

Some great fundraising ideas include...

- #turnpink pay money, buy t-shirt, have a coffee
- Wear pink & make a donation via your school or employer.
- Shop front competitions in local towns & villages.
- Pink event products on sale throughout the area.
- Please Take your donation to general office quoting F303

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

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

Most fundraising is on hold but the Health Board is continuing to raise funds in aid of the new Breast Care Centre, supporting the Turn ABUHB Pink Event.

Introducing "Nye" & Family



More children are fundraising for and supporting us, so we are introducing a few friendly characters to add to cards and certificates when writing to thank them for all they have done.



Charity Governance, Audit and Finance

1. Reference and Administrative Details

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

Charity Working Name: Aneurin Bevan Health Charity

Registered Charity No: 1098728

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

Administration of the Charitable Funds:

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

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

Tel No: 01495 765431

E-mail: Charitable.funds.ABB@wales.nhs.uk

Professional Advisors

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

Santander
Customer Services Centre
Bootle
Merseyside
L30 4GB

Investment Managers: CCLA Investment Management Limited
Senator House
85 Queen Victoria Street
London
EC4V 4ET

External Auditors: The Auditor General for Wales
24 Cathedral Road
Cardiff
CF11 9LJ

Internal Auditors: NHS Wales Shared Services Partnership
Audit & Assurance Services
4-5 Charnwood Court
Heol Billingsley
Parc Nantgarw
Cardiff
CF15 7QZ

VAT Advisor: Ernst & Young LLP
The Paragon
Counterslip
Bristol
BS1 6BX

**Legal advice for
TP Price Estate:** Jacklyn Dawson Solicitors
Equity Chambers
John Frost Square
Newport
South Wales
NP20 1PW

Douglas-Jones Mercer Solicitors
16 Axis Court
Mallard Way
Swansea Vale
Swansea
SA7 0AJ

**Estate Management
for TP Price Estate:**

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

Savills
2 Kingsway
Cardiff
CF10 3FD

Brinsons
Estate Agents & Chartered Surveyors
Eastgate
Market Street
Caerphilly
CF83 1NX

Seel & Co Auctioneers
The Crown House
Wyndham Crescent
Canton
Cardiff
CF11 9UH

BidX1
Digital Property Auctioneer
Heathcoat House
20 Savile Road
Mayfair
London
W1S 3PR

**Valuations for
13 Clytha Square:**

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

Valuations for Painting:

Bonhams
7-8 Park Place
Cardiff
CF10 3DP

2. Structure, Governance and Management of Charitable Funds

Objects of the Charity

The objects of the charity are as follows:

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

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

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

Trustee Arrangements

Aneurin Bevan University Local Health Board is the corporate trustee of the Charity. The directors who served the Aneurin Bevan University Local Health Board during the year to 31st March 2020 were as follows:

Ann Lloyd CBE	Chair
Emrys Elias	Vice Chair
Philip Robson	Special Advisor to the Board
Chris Koehli	Special Advisor to the Board (Since 15.07.19)
Judith Paget *	Chief Executive
Glyn Jones *	Director of Finance & Performance / Deputy Chief Executive
Dr Paul Buss	Medical Director
Martine Price	Acting Director of Nursing (From 01.12.18 until 14.07.19)
Rhiannon Jones	Director of Nursing (Since 15.07.19)
Geraint Evans	Director of Workforce and Organisational Development
Peter Carr	Director of Therapies and Health Science
Dr Sarah Aitken	Director of Public Health & Strategic Partnerships (Until 29.03.20) / Interim Medical Director (Since 30.03.20)
Nicola Prygodzicz	Director of Planning, Digital & IT

Nick Wood	Director of Primary, Community and Mental Health
Claire Birchall	Director of Operations
Richard Bevan	Board Secretary
Katija Dew *	Independent Member (Third/Voluntary Sector)
Prof Diane Watkins	Independent Member (University) (Until 31.12.19)
Catherine Brown	Independent Member (Finance) (Until 14.09.19)
Richard Clark	Independent Member (Local Authority)
Pippa Britton *	Independent Member (Community)
Frances Taylor *	Independent Member (Community) (Until 31.01.20)
Paul Daneen	Independent Member (Community) (Since 05.03.20)
Shelley Bosson	Independent Member (Community)
David Jones	Independent Member (ICT)
Louise Wright *	Independent Member (Trade Union)
David Street	Associate Independent Member (Social Services)
Keith Sutcliffe *	Associate Independent Member (Chair of Stakeholder Group) (Since 05.03.19)
Louise Taylor	Associate Independent Member (Chair of Health Professionals Forum) (Since 01.10.19)

* Members of the Charitable Funds Committee.

Charitable Funds Committee

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

- Control, manage and monitor the use of the fund's resources for the public benefit having regard for the guidance issued by the Charity Commission
- Provide support, guidance and encouragement for all its activities whilst managing and monitoring the receipt of all income
- Ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities
- Ensure that the Investment Policy approved by the Health Board is adhered to and that performance is continually reviewed whilst being aware of ethical considerations

- Keep the Health Board fully informed on the activity, performance and risks of the charity

Membership of the Charitable Funds Committee is as follows:

Frances Taylor	Independent Member (Chair until 31.01.20)
Katija Dew	Independent Member (Chair from 01.02.20)
Pippa Britton	Independent Member
Louise Wright	Independent Member
Keith Sutcliffe	Associate Independent Member (Since 05.03.19)
Judith Paget	Chief Executive
Glyn Jones	Director of Finance & Performance

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

Mark Ross	Assistant Director of Finance, Financial Systems & Services
Estelle Evans	Head of Financial Services and Accounting
Richard Bevan	Board Secretary
Claire Barry	Committee Secretariat

Independent Members are appointed to hold office for a period of up to four years in any one term. During this time a member may resign or be removed by the Board. The Chair of the Health Board keeps under review the membership of Board Committees to ensure changes are made regularly to refresh the membership of each committee and respond to circumstances when new members join the Board.

Trustee Induction and Training

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

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

Public Benefit

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

Management of Funds

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

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

Within the charity there are 426 internal funds which are delegated to authorised fund holders to approve expenditure within predefined limits. All expenditure requests exceeding £25,000 are subject to Committee approval. A further 8 funds are controlled by the Charitable Funds Committee. The Health Board has a formal procedure that sets out guidance to delegated fund managers to aid them in the process of approving appropriate expenditure from funds.

3. Strategic Objectives & Activities

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

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

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

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

The charity is constituted of 378 unrestricted and designated funds and 56 restricted funds as at 31st March 2020. Material fund details are shown in Note 21 to the accounts. The current structure of the individual funds reflects the fact that the majority of income and expenditure is focused where patients receive services. Fund managers exercise control over the funds donated to their management area.

4. Risk Management

The main risks associated with the charity relate to:

- Financial controls risk
- Investment risk

Financial Control Risk

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

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

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

An internal audit is undertaken periodically, based on the assessment of risk, to evaluate the adequacy of procedures and controls in place and to test compliance against those procedures. Audit Reports are presented to both the Charitable Funds and Audit Committees of the Health Board and this is a key measure in mitigating control risk. The Internal Audit report for 2019/20 provided reasonable assurance on controls covering charitable

funds. This definition of assurance generally means there is reasonable assurance that arrangements to secure governance, risk management and internal control are suitably designed and applied effectively.

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

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

Investment Risk

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

5. Reserves Policy

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

The corporate trustee recognises the need to regularly review the level of reserves, especially following the recent sale of land previously held for investment. Consequently, the corporate trustee reviews the charity's activities and operations on a regular basis, to ensure that its aim of being able to apply charitable funds within a reasonable time is achieved.

6. Grant Making Policy

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

General Funds

This consists of donations received by the charity where no particular preference as to its expenditure has been expressed by donors. The Charitable Funds Committee decides on how these funds should be spent by receiving requests from across the Health Board. The value of general funds held is £0.388m.

Designated Unrestricted Funds

These consist of donations where a particular part of the hospital or activity was nominated by the donor at the time their donation was made. Whilst their nomination is not binding on the trustee, the designated funds reflect these nominations. The value of the designated unrestricted funds are £3.448m.

Restricted Funds

These consist of legacies where a legal document restricts the use to the terms of the bequest. The value of restricted funds held is £0.979m.

During the year the charity made grants of £0.955m representing 88% of the total charitable expenditure. In making grants the trustee requires that the activity falls within the objectives of the charity and relate to the specific purpose of the individual funds from which it is being met.

7. Review of our Finances, Achievements and Performance

The financial statements for 2019-20 are presented at the end of this report.

The net assets of the Charity as at 31st March 2020 were £4.815 million (2019 £4.980 million). Overall net assets decreased by £165,000.

Incoming Resources

Incoming resources when comparing against the 2018/19 position were £83,000 higher than the previous year. Donations increased by £49,000, legacies decreased by £42,000, investment income increased by £1,000, grant income increased by £75,000 and income from charitable activities remained at the same level.

The charity received one legacy during the year, total value £1,000 (2018-2019 one legacy, value £43,000).

Expended Resources

Charity expenditure for the year totalled £1,087,000, an increase of £70,000 from the previous year. Expenditure for the year was across several categories as follows:

I. Medical Research

Total expenditure on medical research was £63,000.

II. Purchase of Equipment

Total expenditure on equipment was £484,000. This was on a range of varied equipment across the Health Board.

III. Building and Refurbishment

Total expenditure on equipment and refurbishment was £35,000.

IV. Patients Education and Welfare

Total expenditure on patients' welfare and amenities was £80,000. This consists of various therapies, seasonal activities, support groups and other items of expenditure to benefit patients.

V. Staff Education and Welfare

Total expenditure on staff education and welfare was £293,000. The main items consist of seminars, training course fees, textbooks, professional journals and related travelling, subsistence and accommodation expenditure.

VI. Fundraising Costs

Total expenditure on fundraising costs was £7,000. This relates to raffle stationery and promotional merchandise for the new Breast Care Unit at Ysbyty Ystrad Fawr which is due to be opened in Spring 2022.

VII. Support Costs

Total expenditure on support costs was £125,000. This includes the audit fee of £9,000 and costs of the charitable funds office and corporate support.

Investment Properties

Investment properties owned by the charity are the T P Price Estate £97,800 and 13, Clytha Square, Newport £153,000.

The T P Price Estate comprises a number of leasehold properties and parcels of land. During the year, the charity disposed of most of the Estate land through public auction and private sales. The majority of the leasehold properties were also sold through public auction although these were not legally transferred to the new owner until 2020/21 and remained part of our investments at year end. Monies from these sales have been allocated to fund additional equipment and schemes across the Health Board.

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

Income from the investment properties was £17,000 (2018-2019 - £20,000).

Investments on the Stock Exchange

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

The charity's investment policy does not allow managers to invest in those companies whose main business is related to the production or sale of tobacco or alcohol or those companies involved in the arms trade. During the year we reviewed our portfolio and transferred our investment fund to the ethical investment fund.

Details of the investments (including cash held as part of the investment portfolio) and investment performance for 2019-2020 are shown in the table below:

Investment Performance 2019-2020

	CCLA
	£000
Balance 1 April 2019	4,483
Acquisitions	0
Disposals	0
Movement of Cash	0
Realised Gains/(Loss)	0
Unrealised Gains/(Loss)	(152)
Balance 31 March 2020	4,331
Income	172
Gains/(Loss) %	-3.45%
Returns %	3.90%

In March 2020 there was a reduction in the investments held reflecting the unrealised loss on investments related to the Coronavirus pandemic.

Other Investments

"The Domestic Chaplain", a painting donated to the charity many years ago is valued at £25,000 and is currently on loan to the National Museum of Wales, Cardiff.

8. Key Achievements

Funding

The charity supported many bids from across the organisation from its general fund and via the 426 delegated charitable fund accounts that are held across the organisation thereby significantly enhancing services for the patients and staff in the Aneurin Bevan University Local Health Board.

Charitable Funds Strategy

Progress on reducing reserves through increased spending continued in the year. This is largely because funding from the sales of land within the T P Price Estate has been used.

Fundraising

A fundraising campaign is continuing to supplement a new Breast Care Centre to be opened in Spring 2022 in Ysbyty Ystrad Fawr, while the wards continue to raise funds mainly through raffles.

Investment Management

CCLA continue to provide investment management services to the charity and we continue to invest in their ethical investment fund.

Governance Arrangements

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

Risks

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

9. Plans and Objectives for the Future

This coming year holds some degree of uncertainty in light of the very different circumstances we find ourselves in as a result of Covid-19 but donations continue to make a difference.

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

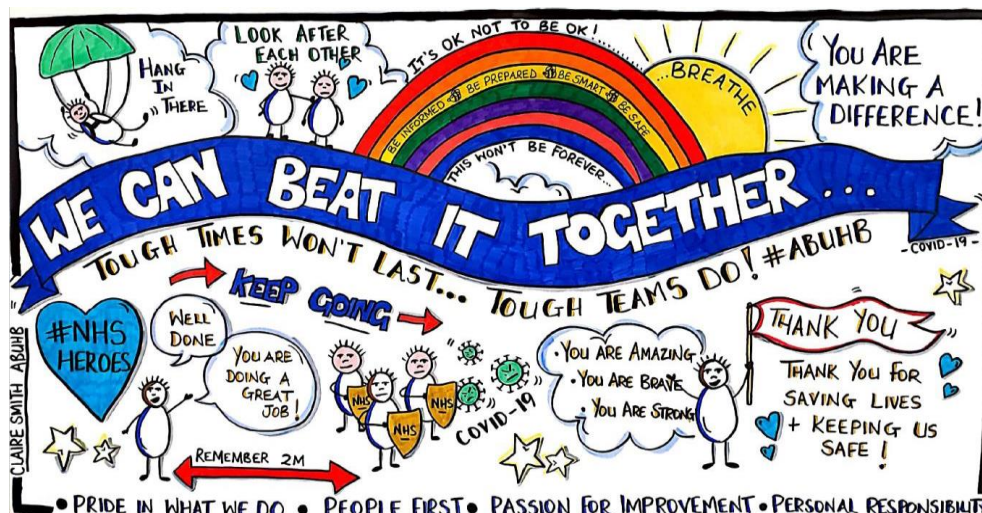
Other objectives for the forthcoming year are to:

- Complete the disposal of the residual property portfolio held within the TP Price Estate.
- Consider the effectiveness of support to staff in working with partners to obtain grants from companies, external organisations and charities for identified equipment and projects.
- Explore the objectives of the charity to ensure they remain relevant and appropriate for the Health Board.

- Ensure that all accounting or charity regulatory requirements are fully complied with.
- Review funds for the redesign of service, in line with Clinical Futures Strategy and the opening of the new Grange University Hospital
- Consider how best to utilise donations received to help the Health Board respond to the Coronavirus pandemic.

10. Events since the Year End

- The opening of the new Grange University Hospital has been brought forward to November 2020. Our charitable funds will need to be reviewed to reflect these changes.
- In March 2020 Covid-19 had a significant impact on the Health Board, affecting our staff, our patients, our services and the wider community. It has also impacted on our investments and our ability to fundraise for non Covid-19 causes.
- Since the end of the financial year we have received over £0.5m in donations, both in cash and goods, in response to Covid-19. This includes grant funding from NHS Charities Together. These monies are being used to support our patients and staff during the coronavirus pandemic.



Approved on behalf of the Corporate Trustee

**Ann Lloyd CBE
Chair
Aneurin Bevan University Local Health Board**

Date:



2020 Audit Plan – Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Audit year: 2019-20

Date issued: December 2020

Document reference: 2204A2020-21

This document has been prepared as part of work performed in accordance with statutory functions. Further information on this is found in Appendix 1.

No responsibility is taken by the Auditor General, the staff of Audit Wales or, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales, Audit Wales and, where applicable, the appointed auditor are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to Audit Wales at infoofficer@audit.wales.

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2020 Audit Plan

Summary

- 1 As your external auditor, my objective is to carry out an audit which discharges my statutory duties as Auditor General and fulfils my obligations under the Code of Audit Practice, namely to examine and certify whether your financial statements are true and fair.
- 2 The purpose of this plan is to set out my proposed work, when it will be undertaken, how much it will cost and who will undertake it.
- 3 There have been no limitations imposed on me in planning the scope of this audit.
- 4 My responsibilities, along with those of management and those charged with governance, are set out in **Appendix 1**.

Impact of COVID-19

- 5 The COVID-19 national emergency has had an unprecedented impact on the UK and continues to impact on public bodies' preparation of the 2019-20 accounts and our audit work.
- 6 Due to the UK Government's restrictions on movement and anticipated sickness absence levels, we understand that many bodies will not be able to prepare accounts in line with their usual timetable.
- 7 In response to the government advice and subsequent restrictions on movement, we have ceased on all on-site work at audited bodies and our own offices. Audit Wales staff are working from home and we will continue to make whatever progress we can whilst working and engaging with you remotely. As well as the delivery of the Auditor General's statutory responsibilities, our priority is to ensure the health, safety and well-being of Audit Wales staff, their families and those of our partners elsewhere in the public service at this incredibly challenging time.
- 8 We commit to ensuring that our audit work will not have a detrimental impact on you at a time when public bodies are stretched and focused on more important matters.

Financial audit

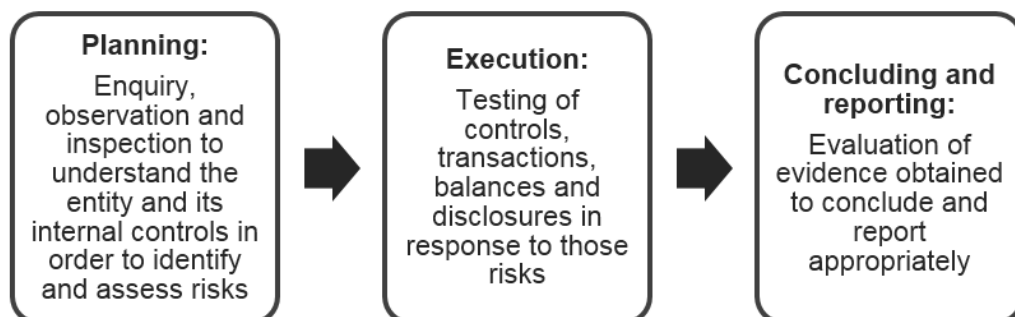
- 9 It is my responsibility to issue a report on the Charitable Fund's financial statements which includes an opinion on:
 - their truth and fairness, providing assurance that they:
 - are free from material misstatement, whether caused by fraud or error;
 - comply with the statutory and other applicable requirements;
 - comply with all relevant requirements for accounting presentation and disclosure; and

- the consistency of information in the Trustee's Annual Report with the financial statements.

- 10 It must also state, by exception, if sufficient accounting records have not been kept, if the financial statements are not in agreement with the accounting records and returns or if I have not received all the information and explanations I require for my audit. **Appendix 1** sets out my responsibilities in full.
- 11 The audit work we undertake to fulfil our responsibilities responds to our assessment of risks. This understanding allows us to develop an audit approach which focuses on addressing specific risks whilst providing assurance for the financial statements as a whole. Our audit approach consists of three phases as set out in **Exhibit 1**.

Exhibit 1: my audit approach

This table summarises the three phases of my financial audit approach, being planning, testing and reporting.



- 12 The risks of material misstatement which I consider to be significant and which therefore require special audit consideration are set out in **Exhibit 2**, along with the work I intend to undertake to address them. Also included are other key areas of audit attention my team will be focusing on.

Exhibit 2: financial audit risks

Financial audit risks	Proposed audit response
Significant risks	
<p>The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.31-33].</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • review accounting estimates for biases; and • evaluate the rationale for any significant transactions outside the normal course of business.
<p>Impact of COVID-19</p> <p>The COVID-19 national emergency continues to impact on the preparation and audit of accounts. There is a risk that the quality of the accounts and supporting working papers, eg around estimates and valuations, may be compromised, leading to an increased incidence of errors. Quality monitoring arrangements may be compromised due to timing issues and/or resource availability.</p>	<p>We will discuss your closedown process and quality monitoring arrangements with the accounts preparation team and make arrangements to monitor the accounts preparation process. We will help to identify areas where there may be gaps in arrangements.</p>
Other risks	
<p>The risk that income is understated where donations are not properly receipted and banked in a timely manner was reported on by Internal Audit during 2019-20.</p> <p>There is a risk of material misstatement due to fraud in revenue recognition and as such is treated as a significant risk [ISA 240.26-27].</p>	<p>My audit team will:</p> <ul style="list-style-type: none"> • undertake testing of income received during the year, as well as year-end testing and cut-off testing; and • obtain an understanding of management's response to the internal audit report to ensure that all donations received are accounted for properly and promptly.

- 13 I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material will be reported to the Board prior to completion of the audit.
- 14 For reporting purposes, we will treat any misstatements below a trivial level (set at 5% of materiality) as not requiring consideration by those charged with governance and therefore we will not report them.
- 15 My fees and planned timescales for completion of the audit are based on the following assumptions:
- the financial statements are provided in accordance with the agreed timescales, to the quality expected and have been subject to quality assurance review;
 - information provided to support the financial statements is in accordance with the agreed deliverables in the Aneurin Bevan UHB Internal Timetable 2019-20;
 - all appropriate officials will be available during the audit;
 - you have all the necessary controls and checks in place to enable the Accounting Officer to provide all the assurances that I require in the Letter of Representation addressed to me; and
 - Internal Audit's planned programme of work is complete, and management has responded to issues that may have affected the financial statements;

Fee, audit team and timetable

Fee

- 16 Your estimated fee for 2020 is set out in **Exhibit 3**. My fee rates for 2020 have increased overall by 3% however, my audit teams will continue to drive efficiency in their audits to ensure fee increases are not passed onto you.

Exhibit 3: audit fee

This table sets out the proposed audit fee for 2020, by area of audit work, alongside the actual audit fee for 2019. This fee has been already been included within the audit fee for the main Aneurin Bevan UHB audit and is shown here for information only.

Audit area	Proposed fee for 2020 (£) ¹	Actual fee for 2019 (£)
Financial accounts	9,000	9,000

¹ The fees shown in this document are exclusive of VAT, which is not charged to you.

- 17 Planning will be ongoing, and changes to my programme of audit work and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Assistant Director of Finance, Financial Systems and Services.
- 18 Further information on my fee scales and fee setting can be found on our website.

Audit team

- 19 The main members of my team, together with their contact details, are summarised in **Exhibit 4**.

Exhibit 4: my audit team

This table lists the members of the local audit team and their contact details

Name	Role	Contact number	E-mail address
Richard Harries	Engagement Lead	07789 397018	richard.harries@audit.wales
Tracy Veale	Audit Manager	029 20320604	tracy.veale@audit.wales
Deborah Woods	Audit Lead	07977 100290	deborah.woods@audit.wales

- 20 I can confirm that my team members are all independent of the Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities (the Charity) and your officers. In addition, I am not aware of any potential conflicts of interest that I need to bring to your attention.

Timetable

- 21 We will continue to undertake such remote work as is possible during the COVID-19 national emergency and may need to revise the timetable as work progresses.
- 22 I will provide reports, or other outputs as agreed, to the Charity covering the areas of work identified in this document. My key milestones are set out in **Exhibit 5**.

Exhibit 5: timetable

Planned output	Work undertaken	Report finalised
2020 Audit Plan	November 2020	November 2020
Financial accounts work <ul style="list-style-type: none">• Audit of Financial Statements Report• Opinion on Financial Statements	November 2020	By 31 January 2021 being the Charity Commission deadline
2021 Audit Plan	By September 2021	By September 2021

Future developments to my audit work

- 23
- Details of other future developments including forthcoming changes to UK Generally Accepted Accounting Practice (UK GAAP) and Audit Wales’s Good Practice Exchange (GPX) seminars are set out in **Appendix 2**.

Appendix 1

Respective responsibilities

My powers and duty to undertake your financial audit are set out in the Public Audit (Wales) Act 2004. My specific responsibilities are set out in **paragraphs 4 and 5** of this document.

My audit work does not relieve management and those charged with governance of their responsibilities which include:

- the preparation of the financial statements and Trustee's Annual Report in accordance with applicable accounting standards and guidance; and
- the keeping of sufficient accounting records.

Appendix 2

Other future developments

A. Future changes to UK GAAP

Following the introduction of the new UK GAAP accounting regime in 2015-16, and the replacement of the Financial Reporting Standard for Smaller Entities (FRSSE) by Section 1A of FRS 102 in 2016-17, there will be only limited changes to FRS 102 in 2019-20.

More significant amendments are expected from 2022-23, reflecting recent changes in International Financial Reporting Standards, including accounting for financial instruments and leases.

B. Good Practice Exchange

Audit Wales' Good Practice (GPX) helps public services improve by sharing knowledge and practices that work. Events are held where knowledge can be exchanged face to face and resources shared online. The main areas of work are regarding financial management, public-sector staff and governance.

Further information, including details of [forthcoming GPX events and outputs from past seminars](#), can be found on our website.



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We welcome correspondence and
telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.

Audit of Accounts Report – Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities

Audit year: 2019-20

Date issued: January 2021

Document reference: 2223A2020-21

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Contents

We intend to issue an unqualified audit report on your Accounts. There are some issues to report to you prior to their approval.

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Audit of Accounts Report

Introduction

- 1 We summarise the main findings from our audit of your 2019-20 Annual Report and accounts in this report.
- 2 We have already discussed these issues with Assistant Director of Finance (Financial Systems & Services) and his team.
- 3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.
- 4 We set this level at £21,820 for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we have set a lower materiality level for these, as follows:
 - related parties.
- 6 We have now completed this year's audit.
- 7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and, our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this year's audit

- 8 The COVID-19 pandemic has had a significant impact on all aspects of our society and continues to do so. The Trustee of the Aneurin Bevan University Local Health Board Charitable Fund is required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so this year in the face of the challenges posed by this pandemic. We are extremely grateful to the professionalism of the team in supporting us to complete our audit in such difficult circumstances.
- 9 The pandemic has unsurprisingly affected our audit and we summarise in **Exhibit 1** the main impacts. Other than where we specifically make recommendations, the detail in **Exhibit 1** is provided for information purposes only to help you understand the impact of the COVID-19 pandemic on this year's audit process.

Exhibit 1 – impact of COVID-19 on this year’s audit

Timetable	<ul style="list-style-type: none">• We received the draft accounts on 3 November, the working papers on 10 November and the Annual Report on 24 November.• We received the final amended accounts and revised Annual Report on 17 December.• We expect your audit report to be signed on 28 January 2021.
Electronic signatures	If still necessary at the time of approval and signing, we will accept electronic signatures and electronic transfer of files.
Audit evidence	<p>As in previous years, we received the majority of audit evidence in electronic format. We have used various techniques to ensure its validity. Where we have been unable to obtain access to paper documents because of COVID-19 restrictions we have devised alternative audit methodologies to obtain sufficient audit evidence. Specifically:</p> <ul style="list-style-type: none">• the Finance Team provided audit evidence to the audit team via a secure file-sharing portal;• the Finance Team were available by video conferencing for discussions and, also, for the sharing of onscreen information/evidence;• Audit Wales also secured remote read-only access to the Health Board’s Oracle ledger which enabled the audit team to query the ledger and hence reduce the burden on the finance team to provide this information; and• for testing of existence and ownership of fixed assets we have used a combination of access to our land registry tool and photographic evidence.

- 10 We will be reviewing what we have learned for our audit process from the COVID-19 pandemic and whether there are innovative practices that we might adopt in the future to enhance that process.

Proposed audit opinion

- 11 We intend to issue an unqualified audit opinion on this year’s accounts once you have provided us with the signed Letter of Representation based on that set out in **Appendix 1**.
- 12 We issue a ‘qualified’ audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.

- 13 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.
- 14 Our proposed audit report is set out in **Appendix 2**.

Significant issues arising from the audit

Uncorrected misstatements

- 15 There are no misstatements identified in the accounts, which remain uncorrected.

Corrected misstatements

- 16 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations in **Appendix 3**.
- 17 There are a number of minor misstatements that have been corrected by management. However, we do not consider that they need to be drawn to your attention as part of your responsibilities over the financial reporting process. As well as a few additional disclosures, the financial corrections were minor and have not impacted on the reported surplus.

Other significant issues arising from the audit

- 18 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. Whilst there were no significant issues arising from our audit work this year, we have identified a number of matters that we would like to draw your attention to and which we have summarised in **Exhibit 2**:

Exhibit 2 – matters arising from the audit

The procedures undertaken to account for the charity's transactions and prepare the financial statements are not documented

Officers undertake a variety of detailed procedures over the course of the year to account for the Charity's transactions and prepare the financial statements. During the audit we identified that these are not documented and are not applied on a consistent basis.

We have made a recommendation in respect of this matter in **Appendix 4**.

Fundholders have not always provided finance officers with complete and appropriate documentation on a timely basis

Fundholders are required to provide finance officers with full and appropriate evidence for all transactions relating to their Funds. During the audit we identified that complete supporting documentation was not provided for all transactions, and requests to raise invoices were not made on a timely basis.

We have made a recommendation in respect of this matter in **Appendix 4**.

The Charity has agreed to review and streamline the number of individual Funds there are, as set out in the 'Use of Funds' paper presented to the Charitable Funds Committee on 9 May 2019

This paper identified that as at 1 April 2019 there were 447 Funds, 64 were Restricted and 383 were Unrestricted; and that reducing this number would reduce the level of communication and administration required and enable the monies to be spent more effectively. As at 31 March 2020 the number of Funds had reduced to 432, of which 56 were Restricted and 376 Unrestricted.

We have made a recommendation in respect of this matter in **Appendix 4**.

The Reserves Policy was last reviewed in May 2019 and does not explain how it provides sufficient funds for ongoing commitments

The Reserves Policy should be reviewed annually, as set out in the Financial Control Procedure, and should specify how the Charity identifies what is required to meet its ongoing commitments. The Policy and disclosures in the Annual Report do not clearly explain this.

We have made a recommendation in respect of this matter in **Appendix 4**.

Recommendations

- 19 The recommendations arising from our audit are set out in **Appendix 4**. Management has responded to them and we will follow up progress against them during next year's audit. Where any actions are outstanding, we will continue to monitor progress and report it to you in next year's report.
- 20 We have also followed up progress made against our prior year's recommendations. Details can be found in **Appendix 5**.

Appendix 1

Final Letter of Representation

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

27 January 2021

Representations regarding the 2019-20 financial statements

This letter is provided in connection with your audit of the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2020 for the purpose of expressing an opinion on their truth and fairness and proper preparation.

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

Management representations

Responsibilities

We have fulfilled our responsibilities for:

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

Information provided

We have provided you with:

- Full access to:
 - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.

- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects Aneurin Bevan University Health Board Charitable Fund and Other Related Charities and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

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

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

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

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

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

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

Representations by those charged with governance, the Trustee of Aneurin Bevan University Health Board Charitable Fund and Other Related Charities

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

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by Aneurin Bevan University Health Board on 27 January 2021.

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

Signed by:
Judith Paget
Chief Executive and Accountable Officer
27 January 2021

Signed by:
Ann Lloyd CBE
Chair
27 January 2021

Appendix 2

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

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Aneurin Bevan University Local Health Board Charitable Fund and Other Related Charities for the year ended 31 March 2020 under the Charities Act 2011. These comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

Report on other requirements

Other information

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

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

Matters on which I report by exception

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

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

Responsibilities

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities set out on page XX, the trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees is responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

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

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Adrian Crompton
Auditor General for Wales
28 January 2021

24 Cathedral Road
Cardiff
CF11 9LJ

Appendix 3

Summary of corrections made

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 3: summary of corrections made

Value of correction	Nature of correction	Reason for correction
£81,000	Reduction in Donations (Note 4) of £19,000 and in Course income (Note 5) of £62,000, and an increase in Grant income of £81,000.	To disclose Grant income separately in a new line in Note 4, (Income from donations and legacies), and not as part of Donations (Note 4) or Course income (Note 5).
£51,000	Reduction in Course income (Note 5) of £26,000 and in Donations (Note 4) of £25,000, and an increase in Deferred income (Note 18) of £51,000.	To defer income for grant activity and courses in 2020-21 as this should be accounted for as income in the year of the underlying activity, and not the year of receipt.
£124,000	Reduction in Deferred income (Note 18) and increase in Donations (Note 4) and in Unrestricted Funds (Note 20b) of £124,000.	To account for income received as a Donation (Note 4) and Fund balance (Note 20); and not as Deferred income (Note 18).
£4,000	Reduction in Staff Education and Welfare (Note 9) and increase in Prepayments (Note 17) of £4,000.	To recognise a prepayment that had been incorrectly accounted for as in-year expenditure.

Value of correction	Nature of correction	Reason for correction
New note added	New note included in the accounts which discloses the number of staff and their costs (issue 24258).	SoRP requirement to disclose the number of staff and their costs.

Appendix 4

Recommendations arising from our 2019-20 audit work

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

Exhibit 4: matter arising 1

Matter arising 1 – review and document the procedures undertaken to account for the Charity’s transactions and prepare the financial statements	
Findings	Officers undertake a variety of detailed procedures over the course of the year to account for the Charity's transactions and prepare the financial statements. During the audit we identified that these are not documented and are not applied on a consistent basis.
Priority	High
Recommendation	<p>The procedures adopted in accounting for the Charity's transactions should be reviewed and documented to ensure that they are appropriate and applied on a consistent basis. Examples of such procedures are:</p> <ul style="list-style-type: none">• review the classification of grant income as it is all currently accounted for as Unrestricted, but has Terms and Conditions attached to its use.• review and classification of legacy income, as these are treated as Restricted, even where the monies are available for wide use, eg at a particular site. This will also include the three Restricted Funds reported on last year for which there is no documentation to support the classification as Restricted.• the method of allocating Support costs as they are allocated on different bases depending on the nature of the Fund, and the Note. In Note 12 they are allocated on the basis of the year-end Fund balance and in Note 20 on the average monthly Fund balance.

Matter arising 1 – review and document the procedures undertaken to account for the Charity’s transactions and prepare the financial statements	
Benefits of implementing the recommendation	Reviewing and documenting the procedures adopted in accounting for the charitable funds will improve efficiency and ensure consistency.
Accepted in full by management	Yes
Management response	We will review and document our procedures to ensure consistency. We will also review the treatment of grant income and legacy income with regard to restricted or unrestricted classification. We will produce a series of Standing Operation Procedures to ensure that the accounts are produced on a consistent basis.
Implementation date	31 March 2021

Exhibit 5: matter arising 2

Matter arising 2 - fundholders have not always provided finance officers with complete and appropriate documentation on a timely basis	
Findings	During the audit we identified that complete supporting documentation was not provided for all transactions, and requests to raise invoices were not made on a timely basis.
Priority	High
Recommendation	Fundholders should be reminded of the procedures and requirements for managing a Fund, including timely and complete provision of documentation to finance officers.

Matter arising 2 - fundholders have not always provided finance officers with complete and appropriate documentation on a timely basis

Benefits of implementing the recommendation	More efficient use of finance officers' time if all relevant documentation is provided promptly, and the opportunity of reimbursement from the donor is not lost.
Accepted in full by management	Yes
Management response	<p>We do try to ascertain all information in relation to donations at the time of receipt, however, it may not always be possible to locate backing documents. There will be always be instances where donations are paid directly into the Charitable Funds bank account. Where this occurs, we try and locate any backing documents associated with this receipt from the fundholder. We will ensure that the backing documents are kept on file or stored electronically going forward.</p> <p>In relation to invoices raised, the income recovery form should be completed within three months of the service/event. The procedure will be reiterated to fundholders and compliance monitored.</p>
Implementation date	31 March 2021

Exhibit 6: matter arising 3

Matter arising 3 - the Charity has agreed to review and streamline the number of individual Funds there are, as set out in the 'Use of Funds' paper presented to the Charitable Funds Committee on 9 May 2019

Findings	<p>This paper identified that as at 1 April 2019 there were 447 Funds, 64 were Restricted and 383 were Unrestricted; and that reducing this number would reduce the level of communication and administration required and enable the monies to be spent more effectively. As at 31 March 2020 the number of Funds</p>
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Matter arising 3 - the Charity has agreed to review and streamline the number of individual Funds there are, as set out in the 'Use of Funds' paper presented to the Charitable Funds Committee on 9 May 2019

	had reduced to 432, of which 56 were Restricted and 376 Unrestricted.
Priority	High
Recommendation	The Charity needs to actively continue to review and streamline the number of Funds, especially now the Grange Hospital, which if not managed appropriately, has the potential to further increase the number of individual funds.
Benefits of implementing the recommendation	Streamlining the Funds will enable the Charity to achieve the identified reductions in communication and administration. As noted in the paper, if Funds with similar interests and objectives are merged, there is scope for the Funds to be used more effectively to deliver goods or services that individual Funds would not be able to achieve on their own.
Accepted in full by management	Yes
Management response	Work has already started on streamlining the number of funds in line with the opening of the Grange University Hospital. We are currently reviewing all funds held with a view to providing clarification on whether the fund can be combined by the end of March 2021. <i>Work will be ongoing during 2021-22.</i>
Implementation date	31 March 2022

Exhibit 7: matter arising 4

Matter arising 4 – the Reserves Policy was last reviewed in May 2019 and does not explain how it provides sufficient funds for ongoing commitments	
Findings	The Reserves Policy should be reviewed annually, as set out in the Financial Control Procedure, and should specify how the Charity identifies what is required to meet its ongoing commitments. The Policy and disclosures in the Annual Report do not clearly explain this.
Priority	Medium
Recommendation	The next annual review of the Reserves Policy should include specifying how the Charity identifies the level of reserves required to meet its ongoing commitments. This will assist the Charity in reviewing its reserve levels, and documenting in the Annual Report both the policy and the review, as per the requirements of the SoRP, paras 1.22 and 1.48.
Benefits of implementing the recommendation	The annual review of the Reserves Policy will improve governance and ensure that the Charity understands, reviews and discloses its Reserves Policy and the funding required to meet ongoing commitments in compliance with the SoRP.
Accepted in full by management	Yes
Management response	The Reserves Policy will be reviewed to clearly identify the level of reserves required to be held to meet the ongoing commitments of the Charity. The financial control procedure will be updated to reflect the revised reserves policy at the next review stage which is 19 July 2022.
Implementation date	30 June 2021

Appendix 5

Follow up of prior year’s audit recommendations

We set out progress made against our prior year’s audit recommendations:

Exhibit 8: matter arising 1 (2018-19)

Matter arising 1 (2018-19)– Restricted Funds	
Findings	Three funds with a total value of £12,645 are classified as restricted even though they’re not based on a legal document such as a will, rather they are funds inherited at the previous reorganisation where their classification then was recorded as restricted funds.
Priority	Medium
Recommendation	Consideration be given to whether the documentation is available to support their classification as restricted. Consideration should be given to whether their classification as restricted remains appropriate under the current accounting policy.
Benefits of implementing the recommendation	Classification of funds aligned with the Charity's accounting policy.
Accepted in full by management	Yes
Management response	We will review the three funds in question to establish whether these inherited historical funds should remain as restricted based on the existing documentation.
Implementation date	March 2020

Matter arising 1 (2018-19)– Restricted Funds

Action to date	These Funds remain classified as Restricted, and they should be reviewed as part of the review recommended in Recommendation 1 in Appendix 4 of this report: <i>Review and document the procedures undertaken to account for the charity's transactions and prepare the financial statements.</i>
Management response	The review of these three funds will be undertaken as part of Exhibit 4 - matter arising 1 from this year's accounts.
Implementation date	31 March 2021

Exhibit 9: matter arising 2 (2018-19)

Matter arising 2 (2018-19)– Evaluation Reports

Findings	A project approved for funding of £70,000 in 2013-14 over two years was closed this year with an underspend of £31,120, but the Charitable Funds Committee has not received the evaluation report with regard to the project.
Priority	Medium
Recommendation	The Charitable Funds Committee receives the Evaluation Report for this project to complete their review of the funding's effectiveness.
Benefits of implementing the recommendation	Maintain oversight and evaluation of approved funding.

Matter arising 2 (2018-19)– Evaluation Reports	
Accepted in full by management	Yes
Management response	Evaluation reports are now routinely requested where funding is allocated for more than one year.
Implementation date	N/A
Action to date	No evaluation reports were due to be received during 2019-20, therefore we were unable to test compliance during the 2019-20 audit.
Management response	There is one evaluation report to be presented to the Charitable Funds Committee in January 2021 in relation to Robins Volunteer Service.
Implementation date	January 2021



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We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.