



BOARD OF TRUSTEES

**Thursday 26 January 2017 at 4pm
Board Room
University Hospital Llandough**



BOARD OF TRUSTEES MEETING

4pm ON THURSDAY 26TH JANUARY 2017
BOARD ROOM, UNIVERSITY HOSPITAL LLANDOUGH

AGENDA

PART 1 PRELIMINARIES (<i>Chair</i>)		
1	Welcome and Introductions.	Oral
2	Apologies for Absence.	Oral
3	Declarations of Interest	Oral
4	Minutes of the previous meeting: To Receive and Confirm the minutes of the meeting of the Board of Trustees held on 28 th July 2016	<i>Chair</i>
5	Matters Arising including Wifi	<i>Chair</i>
PART 2: GOVERNANCE		
6	Cardiff and Vale Health Charity Annual Report and Accounts 2015/16	<i>Finance Director</i>
7	Charitable Funds Committee Awayday 2 nd December 2016	Oral <i>Director of Corporate Governance</i>
8	Use of Woods Legacy	<i>Director of Corporate Governance</i>
PART 3: FINAL CLOSURE AND FUTURE MEETINGS		
9	Review of the Meeting and any urgent business	Oral
10	Date and time of next meeting – 27 th July 2017	Oral
CLOSE		



**UNCONFIRMED MINUTES OF THE TRUSTEE MEETING
HELD ON THURSDAY 28 JULY 2016
SEMINAR ROOM, HAFAN Y COED, UNIVERSITY HOSPITAL LLANDOUGH**

Present:

Maria Battle	Chair
Abigail Harris	Director of Planning
Professor Adam Cairns	Chief Executive
Alice Casey	Chief Operating Officer
Eileen Brandreth	Independent Member – ICT
Professor Elizabeth Treasure	Independent Member - University
Fiona Jenkins	Director of Therapies and Health Sciences
Dr Graham Shortland	Medical Director
Ivar Grey	Independent Member – Finance
Professor Marcus Longley	Vice Chair
Margaret McLaughlin	Independent Member - Third Sector
Martyn Waygood	Independent Member - Legal
Raj Chana	Director of Workforce and OD
Robert Chadwick	Director of Finance
Ruth Walker	Chief Nurse/Executive Nurse Director
Dr Sharon Hopkins	Director of Public Health
Stuart Egan	Independent Member – Trades Unions
Vacant	Independent Member – Local Authority
Vacant	Independent Member – Community
Vacant	Independent Member – Estates
Vacant	Associate Member – Director of Social Services

In Attendance:

Alun Williams	Head of Financial Services
Joanne Brandon	Assistant Director Communications & Engagement
Katie Mallam	Fundraising and Communications Manager
Peter Welsh	Director of Corporate Governance
Steve Curry	Deputy Chief Operating Officer

Secretariat

Julia Harper

UHBT 16/009 WELCOME AND INTRODUCTIONS

The Chair welcomed everyone to the meeting.

UHBT 16/010 APOLOGIES FOR ABSENCE

There were no apologies for absence.

UHBT 16/011 DECLARATIONS OF INTEREST

The Chair invited Members to declare any interests in the proceedings on the agenda. None were declared.

UHBT 16/012 MINUTES OF THE MEETING HELD ON 21 JANUARY 2016

The Trustee **RECEIVED** and **APPROVED** the minutes of the meeting held on 21st January 2016.

UHBT 16/013 ROOKWOOD HOSPITAL GOVERNANCE: APPLICATION FOR CHANGE OF PURPOSE

Mr Alun Williams advised the Trustees that the Charitable Funds Committee had considered 3 options (page9) for the future use of the Rookwood Hospital asset in order to agree a proposal for submission to the Charity Commission for approval.

It was currently anticipated that £ (figure withheld from Minute as commercially confidential) would be realised from the sale of Rookwood Hospital.

The Chair invited comments on the proposals:

- The business case to transfer the services provided at Rookwood to University Hospital Llandough was reliant on using some of the capital from the sale of Rookwood although the Charitable Funds Committee was not aware of this development.
 - The proposal was recommended for approval with the caveat that capital already identified for the transfer be utilised.
 - It was thought that the use of charitable money to create an NHS asset was not likely to be permissible but could depend on interpretation, and further advice would be sought on this.
- Action – Mr Robert Chadwick**
- The Trustee was reminded that most of the Rookwood estate formed part of the Charity and not the NHS estate.
 - Concern was raised around the time it may take to sell Rookwood and obtain the funding for the transfer

The Trustees:

- **ENDORSED** the future intention to sell the Rookwood Hospital charity asset and utilise the sales receipt for the charity.
- **SUPPORTED** the intention to widen the objects of the Charity.
- **SUPPORTED** the intention to utilise the investment income and apply a maximum element of the capital value of the sales receipt each year to support the aims of the Rookwood Charity subject to using what was already committed towards the transfer from Rookwood as specified in the Business Case.
- **APPROVED** permission for the Charity's solicitor to formally contact the Charity Commission and apply for the changes to come into effect upon transfer of the services to UHL.

UHBT 16/014 CHARITABLE FUNDS FINANCIAL POSITION REPORT TO 31 MARCH 2016

Mr Alun Williams advised the Trustees that the funds had suffered market losses since the Brexit decision, but the portfolio had stood up well with some recovery. The Team was in close contact with the Investment Managers and was in a position to move quickly if required.

The Chair invited comments:

- Within the sources of income, a big squeeze on legacies had been observed. The Fundraising Team hoped that in future it would have greater knowledge of the pledges contained within wills even though the income may not be realized for decades.
- Income from donations and appeals was encouraging and reflected the hard work of the Fundraising Team.

The Trustees:

- **NOTED** the reported draft financial position of Charitable Funds for the period ended 31st March 2016.
- **NOTED** the financial performance of incoming resources and investments for the period.
- **NOTED** the closing value of Fund balances.

UHBT 16/015 FUNDRAISING REPORT

The Trustees **NOTED** the content of the report.

UHBT 16/016 FUNDRAISING TEAM STAFFING UPDATE

Ms Katie Mallam presented the report and the proposals for the vision of the Fundraising Team to be secured. Online giving was a growing area and the Team's current staffing meant it was unable to investigate other avenues of income such as grants and trading. In addition, it was hoped that the Fundraising Team could be strengthened in order to become a sustainable asset to support and empower the UHB's staff.

The Chair invited comments:

- The Team was able to measure its costs but unable to measure specific income associated to each post. The current cost was £70k and it was anticipated this would rise to £100k with a new appointment.
- There would not be any set income target for the Team.
- In comparison with others, the UHB's Fundraising Team was very small.
- Within current resourcing, the Team was only scratching the surface of professional fundraising but nonetheless had demonstrated much improvement and value.
- It was not best practice to appoint on the basis of the need to generate one's own salary.

- If the view of the Charitable Funds Committee was to make an additional appointment then this should be supported.

The Trustees:

- **NOTED** the content of the report.
- **ENDORSED** the proposal for an additional member of staff for the fundraising team.

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UHBT 16/017 WIFI FUNDING

The Director of Therapies and Health Sciences presented the report and explained that the Charity had funded wifi for patients when the hospedia system was removed. However, the UHB had big gaps in its wifi provision for business purposes and coverage was patchy. The Charity had agreed to fund wifi to the financial year end at a cost of almost £32k but going forward it was vital to agree better and wider coverage.

It was time for the Board and the Trustee to consider whether it was appropriate for the Charity to continue funding and whether a better longer term deal should be investigated via procurement. It was noted that costs presented were indicative only and there was no all Wales agreement as to how wifi should be funded. One health board funded via charity monies, one had Welsh Government funding and others funded via revenue. The UHB 's wifi requirements were not currently contained in the revenue plan but it could be included in the UHB's Strategic Outline Case (SOC) for IT for submission to Welsh Government.

The Chair invited comments:

- Whether charitable funding was appropriate for a business critical system was questioned.
- The wifi system was used by both patients and staff.
- The position was that wifi was no longer considered a luxury but core provision.
- Perhaps charitable funds could be used for a further year whilst waiting on the outcome of the SOP.
- Going forward, provision had to be more robust.
- Even if charitable funds were used for another year, wifi provision would have to be expanded.
- The UHB needed clarity on its strategy for wifi.
- A business system was vital. Without additional resources the UHB could not make improvements, but the system had to become part of core business.

The Trustee:

- **NOTED** the current position of the Health Charity in funding the UHB wifi and the increased dependency on wifi by staff and patients.
- **CONSIDERED** the revenue requirements for ongoing wifi provision to give the required coverage and the commitment that could be given over a 1-5 year period.

- **CONSIDERED** whether the Charity should commit for longer-term revenue resourcing or whether this should be part of the core IMTP.
- **ADVISED** on the tactics for tendering.
- **AGREED** that the Charity should continue to fund wifi for a further year i.e. 2017/2018 exploring the opportunity for expansion of the wifi service during that period and then make a formal proposal for the future provision of wifi following a comprehensive assessment of the most appropriate source of funding.

UHBT 16/018 REVIEW OF THE MEETING

The Chief Executive took the opportunity to thank all staff who were devoting time and energy to making a difference in providing services and fundraising.

Mr Martyn Waygood, Chair of the Charitable Funds Committee advised the Trustee of the significant Partnership agreement with Lookers for an affinity agreement.

UHBT 16/018 DATE OF NEXT MEETING

The date of the next meeting would be arranged as required, probably in January 2017.

CARDIFF AND VALE HEALTH CHARITY ANNUAL REPORT AND ACCOUNTS 2015-16	
Name of Meeting : Trustee Meeting	Date of Meeting 26 th January 2017
Executive Lead : Finance Director	
Author : Head of Financial Services 029 2074 6234	
Caring for People, Keeping People Well : The Charity supports the well-being of patients and staff	
Financial impact : The accounts detail financial performance and standing of the Charity.	
Quality, Safety, Patient Experience impact : The Charity supports enhanced service provision within the UHB.	
Health and Care Standard Number	Not Applicable
CRAF Reference Number	Not Applicable
Equality and Health Impact Assessment Completed: Not Applicable	

ASSURANCE AND RECOMMENDATION

ASSURANCE is provided by:

- Audited accounts that show a true and fair view and are un-qualified.
- The financial strength of the charity.

The Trustee is asked to:

- **CONSIDER** the Annual Report and Accounts for 2015/16, Letter of Representation and ISA 260 Report from the Wales Audit Office.
- **RECOMMEND** the approval of the Accounts and Annual Report for 2015/16, based on the assurances given and the recommendation of the Wales Audit Office.
- **CONFIRM** the statement made in the Letter of Representation to the Auditors and recommend approval of this document. The approval will be specifically reflected in the minutes to allow the Chair and the Director of Finance to sign the letter on Trustees behalf.

SITUATION

To receive and consider for approval the Funds held on Trust Annual Report 2015/16 (which incorporates the final accounts) and the ISA 260 Audit Report (including Letter of Representation).

These documents are included as follows:

- Funds Held on Trust Report (Incorporating Final Accounts)
- ISA 260 Audit Report (Including Letter of Representation)

BACKGROUND

The draft Funds held on Trust Annual Report and Final Accounts were submitted to the Charitable Funds Committee on the 27th September 2016. These were reviewed for accuracy and completeness and were amended to incorporate comment received.

ASSESSMENT

The Annual Report and Accounts of the Charity have been prepared in accordance with SORP 2015. These have been subject to external review by the Wales Audit Office. Their assessment is detailed in the ISA 260 report which includes their opinion, findings and recommendations. Their conclusion is that the Annual Report and Accounts show a true and fair view for the financial year 2015/16.



Cardiff & Vale Health Charity Annual Report 2015-16

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Message from our Chair

Welcome to the 2015/16 annual report of the Charitable Funds Committee of Cardiff & Vale Health Charity. The committee oversees charitable funds to ensure that the money raised is spent in a timely and targeted manner to create the greatest possible benefits to patients, their families and our staff.

During the financial year the Charity generated £1,171,792 in income, which is lower than expected due to the reduction in legacies received in the year. The Charity spent £1,437,382 in line with expenditure plans. Some of the highlights of the projects and good causes that have been supported are featured in this report.

The total charitable fund at the 31st March 2016 was £9,248,312, which is somewhat lower than the previous year balance of £9,784,214 and represents a decrease of £535,902. This fall was largely due to the market value reduction of £341,146 in our investments - which was beyond our control - and a reduction in income received from legacies. The Charity's income from donations and appeals has remained at a consistent level from the previous year. As I noted in the last two reports, within this current financial climate it is difficult to accurately forecast our income for 2016/17. However, with the level of activity the fundraising team is undertaking, we hope to increase the income generated this year.

The staff lottery continues to go from strength to strength. It has engaged new members throughout this year, and the Charity has now signed a partnership agreement with Lookers car dealership which will enable this successful relationship to continue and bring potentially significant benefits for our staff. The proceeds from the staff lottery form the main income stream for the Charity's general purpose Make It Better Fund, and the Make It Better Panel which now considers bids up to £20,000.

There are many examples of the Charity's expenditure for public benefit within the body of this report. Through our spending the Charity has supported the following Cardiff and Vale University Health Board strategies:

- The Creativity for Health & Wellbeing Strategy 2013-2018 (and the Adult Mental Health Unit University Hospital Llandough Art Strategy)
- The Volunteering Framework
- The Staff Health and Wellbeing Action Plan from the Health and Wellbeing Advisory Group

In addition, the Charity's donors enabled the purchase of six new AutoPulse machines (mechanical CPR) for use by wards and the Resuscitation Service. The value of this equipment for our sickest patients was first brought to light by presentations for Leading Improvements in Patient Safety, a UHB-wide programme that increases the capacity and capability of our staff to make improvements to clinical practice. I am delighted that the Charity was able to provide such practical support in the implementation of this programme.

Finally, my sincere and heartfelt thanks go out to all our staff, patients and public who have donated time, effort and money to our numerous appeals in many ways. Their help and assistance is fundamental to the continuing success of the Charity.

Martyn Waygood
Chair, Charitable Funds Committee

About Cardiff & Vale Health Charity

Cardiff & Vale Health Charity is the official charity supporting all the work of Cardiff and Vale University Health Board.

Our aim is to enhance and support the vital healthcare provided by the Health Board every day to the nearly half a million people living in Cardiff and the Vale of Glamorgan, and the many more patients who are referred from across Wales to specialities such as paediatric intensive care, specialist children's services, renal services, cardiac services, neurology, bone marrow transplantation and medical genetics. We do this by making sure that every penny of every donation goes on patients, not fundraising costs – and donations are spent by senior doctors and nurses working on each ward.

Our dedicated charitable funds – numbering more than 300 – provide monies that enhance NHS provision in 9 hospitals and 17 health centres by paying for vital medical equipment, specialist training, enhanced patient facilities and medical research. We seek particularly to fund art and other aesthetic improvements that have been shown to improve the experience of our short and longer-term patients.

Cardiff and Vale University Health Board is one of the largest NHS organisations in the UK. Our hospitals include:

- Barry Hospital
- Cardiff Royal Infirmary
- Noah's Ark Children's Hospital for Wales
- Rookwood Hospital
- St. David's Hospital
- University Hospital, Llandough
- University Hospital of Wales
- University Dental Hospital
- Whitchurch Hospital

Make It Better

The Serenity Mural was commissioned to decorate a large wall in the new Psychiatric Intensive Care Unit secure garden, part of Hafan y Coed ('Haven of Trees'), the newly built mental health facility in University Hospital Llandough. Bryce Davies, a local artist, worked using the themes of trees, animals and water, to create a piece that speaks to patients and staff of hope and positivity. The garden has become a serene and peaceful setting in which service users and staff can relax and work on developing therapeutic relationships.



Our Fundraising Support Team

Our small staff team is here to support and co-ordinate all of the fundraising that takes place by our donors and fundraisers. Most importantly, we thank every donor – whether donating by cash, cheque, regular gift, or online giving.

We are always delighted to hear from our supporters, so please get in touch with us to let us know about the type of fundraising you want to do, to ask for help and to get any advice you may need. Please remember to send us photos of your fundraising, so that we can share your stories on our website, facebook and twitter accounts!

Engaging the staff of the Health Board has been critical to the success of our Charity:

- We run a successful staff lottery, where members have the opportunity to win a £1,000 weekly prize and two annual super draws of a car and a cash prize.
- We distribute our Charity leaflet to all staff members before our Super Draws, and we share the Health Board projects that have been paid for by lottery income.
- We regularly attend night walk rounds to meet staff and distribute charity marketing materials at concourse stands
- We attend corporate induction sessions in order to talk to every new member of staff starting at the Health Board.

One of our key objectives is to continue to grow our staff lottery; in 2015-16 the total income raised by the staff lottery has again increased, to a new level of £167,000. This represents an increase of £15,000 from the previous year, and we are very grateful to the staff who choose to support the Charity. The £1,000 weekly prize has again been won by 52 staff members this year, plus our two Super Draw winners of £5,000 and a new Peugeot 108; we are indebted to Lookers Car dealership for their support in promoting the Superdraw.

Make It Better

Park Road is part of the Health Board's Mental Health Rehabilitation Units, where individuals are supported, often over 12 to 18 months, with managing their health and vocational engagement before progressing to independent living or supported accommodation.

The furniture at Park Road was shabby and uncomfortable, and this impeded the 14 residents there in being able to share time and conversation. The Make It Better Fund purchased new sofas and chairs to make sure that the residents were able to use the living facilities fully.



Feedback from residents was very positive! Mike Jones, Chair of the Panel that allocates monies from the Make It Better Fund, said: 'I am delighted that this grant has clearly improved the daily living standards of our clients and staff at Park Road, and look forward to receiving this sort of application in the future from all areas within the Health Board.'

The Make It Better (Staff Lottery) Panel

The Make It Better Fund is the name given to the Charity's general purpose 'pot', which is open for project bids from staff across the UHB. The bids are assessed by the Charitable Bids Panel and care is taken to ensure the projects are delivered as quickly as possible to make the maximum impact for patients and services. Much of the fundraising for this appeal comes from the proceeds for the staff lottery, and because of this, the panel welcomes the submission of bids that improve the health and wellbeing of staff.

Alongside fundraising, the charity team also play a part in supporting wards and departments to apply for funding through the Charity's Make It Better Fund, and provides an administrative function to the staff Panel that evaluates the bids. We hope that more and more wards and departments will make use of this source of funding, and the advice on criteria we can offer, in 2016-17.

Volunteers

The Charity is grateful to the volunteer fundraisers who so proactively support particular wards and departments. Health Board volunteers have kindly supported the Llandough Christmas Fun Run this year, and deserve huge thanks for making sure the event went with a swing!

We will continue to work closely with Health Board volunteers as we develop more specific Charity Champion roles, including supporting our runners at the Cardiff Half Marathon and supervising our charity collection tins.

Make It Better

The Make It Better Fund purchased a portable Sensory Voyager Therapy Unit for the Paediatric Emergency Unit at University Hospital of Wales. Corrine Stokes, Emergency Unit Play Specialist, said 'The sensory system has enabled us to successfully cannulate, bleed, remove foreign objects and generally calm anxious children on numerous occasions. We have had children singing along to their favourite songs whilst having painful burns dressed; children playing hide and seek in the fibre optics whilst being examined; and we've used the projectors and lights to calm autistic teenagers. This in turn helps calm the parents/carers and results in saved time and money in treating these families.



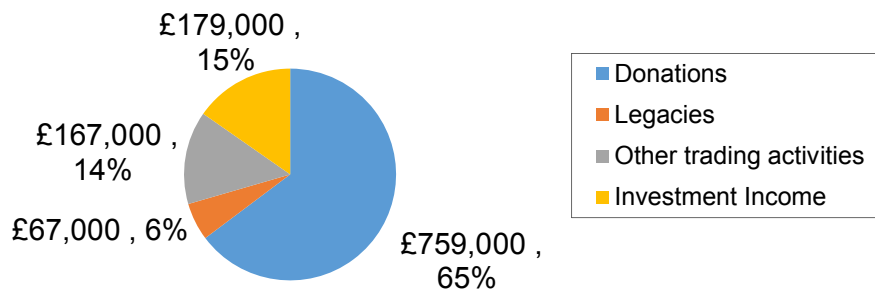
"Nurses, doctors and consultants all put the system on as soon as children enter the room. It captures their attention and is by far the most impressive piece of play equipment we have ever had on the paediatric emergency unit. It will continue to prove invaluable when treating young patients."

Financial Achievements and Performance

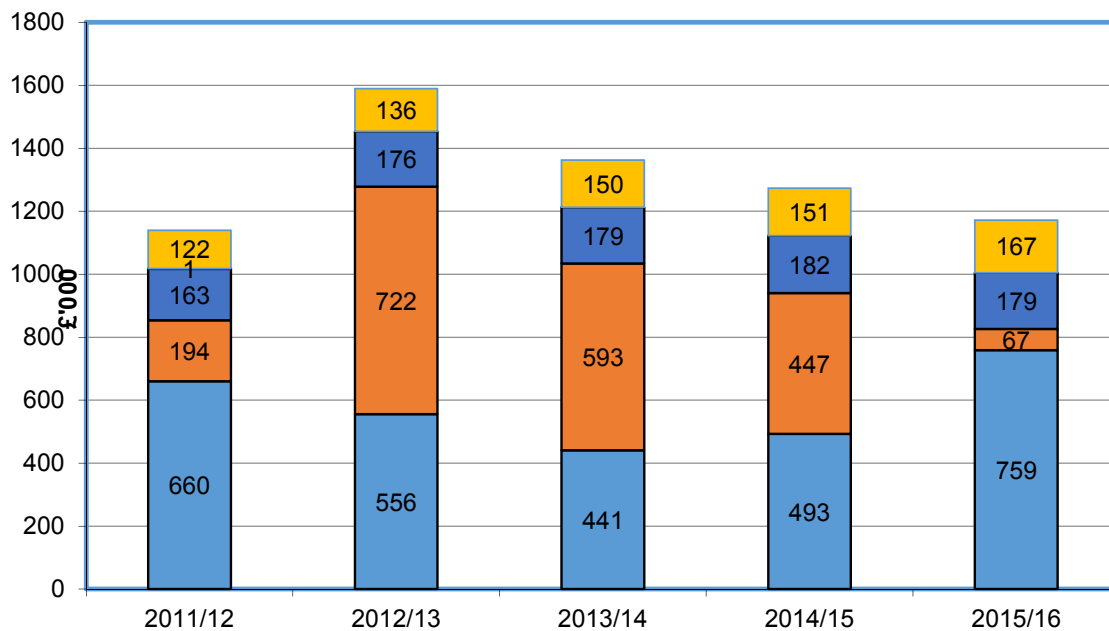
The net assets of our charity as at 31st March 2016 are £9.248m representing a decrease of £0.536m from 2014/15.

Total income in 2015/16 was £1.172m representing a decrease of £0.261m from the previous year.

Cardiff and Vale Charitable Income 2015-2016



Shown in comparison to performance in previous years:



Make It Better

The HeArth Gallery, the first hospital-based art gallery in NHS Wales, will assist in establishing Cardiff and Vale University Health Board as an innovative leader in addressing patient experience, recovery and community engagement. The Make It Better Fund has provided exhibition plinths, moveable display walls, glass display cabinets and displays rails. The gallery has so far shown 4 full exhibitions.



Research shows that use of visual arts can humanise clinical settings, transforming them into uplifting, comforting and supportive public spaces; and that engagement with art can dramatically improve a person's wellbeing.

Make It Better

The five Mental Health Services for Older People (MHSOP) wards at University Hospital Llandough care for patients aged over 65, many of whom have advanced dementia, or severe mental illnesses.

Noori Jane Devlin volunteers once a week to play a portable electronic keyboard purchased by the Make It Better Fund. The hour begins with quiet, reflective improvisation. This is followed by a piece of music that the patients will be familiar with. Music helps many of the patients to unlock emotion and release tension, but it also helps to bring people together on the ward, as people can talk through the quiet playing. Noori says, 'I think the music helps visitors to feel and see that their loved one is being cared for aside from the basics like medical help and food.'

Make It Better

The Cardiff and Vale Public Health team applied for funds to set up two new outdoor gym areas at University Hospital Wales and University Hospital Llandough. The outdoor gym areas support the UHB's aim of promoting healthy living on our hospital sites, and the equipment has been specially designed and sited to be fully accessible.



Patients from the Teenage Cancer Unit at UHW joined Cardiff staff to celebrate the six new exercise machines, including a rowing machine and stationary bicycle, which are free for staff, patients and visitors to use. One young person talked about how her family used the lawn as a space to relax away from the clinical environment, and how having the gym equipment to use had helped her feel less like a patient all the time.

Fundraising Highlights

We would like to thank all of our fundraisers for the hard work you do to support Cardiff & Vale Health Charity and the funds that are close to your hearts. Your stories have made us laugh, cry and inspired us, and while it isn't possible to share every single one, here are some of the highlights from #TeamHealthCharity.



The Better Life Appeal

The Better Life Appeal supports the All Wales Adult Cystic Fibrosis Centre based at University Hospital, Llandough. This is the only adult Cystic Fibrosis Centre in Wales, caring for more than 300 patients aged over 16.

The many donors who have contributed this last year will help pay for the new Cystic Fibrosis ward. The new ward will provide patients with the best facilities, so that staff can give more of the care, support, advice and encouragement that meets the needs of each individual with this life-long disease.

Students at Coleg Gwent encouraged healthiness at their college by spending a day making smoothies and another day climbing to the top of Pen y Fan. They raised **£1,070.42** to help patients suffering from Cystic Fibrosis, in memory of Beth Simms, their much loved and much missed friend.

The annual **Gŵyl Gerdd Dinas Powys Music Festival** kindly nominated the Better Life Appeal as one of their 2015 charities and raised an amazing **£1,500** from their many excellent musical events that attract audiences of hundreds.

Beth Clarke is a current CF patient and this year she banded together with a great team of friends to form **Bertha's Army**, who pledged to raise £10,000 for the Better Life Appeal. Organised events included music nights, tea and cake afternoons and the 500-foot world's longest Zip Wire in North Wales.

In 2015-2016 Bertha's Army raised **£14,467.23** via online giving, though since then they have actually exceeded their target to raise a grand total of £15,082.23! Thank you so much soldiers.





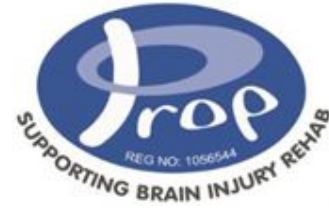
The group also worked with UHB staff to launch the first ever **Llandough Christmas Fun Run**, which took place on Sunday 20th December and included a 1km Fun Run, a 5km race, a Santa's Grotto, a lot of cake, musical entertainment and a warm up with Alex Cuthbert from Cardiff Blues. This event raised **£1,555** through cake stalls, face painting and runners' sponsorship money! This is included in the Bertha's Army online giving total.

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Dr Allison John was born with cystic fibrosis at a time when patients were not expected to live into their teens. Allison has gone on to become the first person in the UK to have four major organ transplants.

In recognition of the care she received from the Cystic Fibrosis Centre, Allison organised a Gala Dinner that raised a staggering **£16,225**. The Gala Dinner included an auction with prizes such as signed Real Madrid and Welsh football shirts from Gareth Bale himself, 4 x VIP tickets to a Manchester United home game with a private tour of Old Trafford, and a signed Manchester United shirt! **Cardiff Round Table** then went on to generously donate a further **£2,000**.

And in addition, Allison's best friends, **Victoria Lambe**, **Nina Prichard** and **Anna Keenlyside**, swam the great North Swim in Lake Windermere and raised a fantastic **£2,815** via online giving in sponsorship for the Better Life Appeal. It's an extraordinary personal achievement and our thanks to all of them for their bravery and commitment.



The Prop Appeal

The Prop Appeal is for patients in the regional Neurosciences Specialist Rehabilitation Unit, currently based at Rookwood Hospital and due to be moved to University Hospital Llandough in 2018. Patients generally have a serious and life changing disability, and often have to cope with re-learning all aspects of daily living.

Money raised by the Appeal is used to create a more stimulating environment for patients. This includes purchasing entertainment systems and interactive games or 'talking books'. The Prop Appeal also aims to provide comfortable and relaxing facilities for both patients and relatives as admissions are often for many months. This includes events such as third annual family day on Saturday 11th July, where patients, families and past patients enjoyed games and food on the lawn, and live music!

Grateful father **Gareth Daniel** ran the Cardiff Half Marathon to raise funds for Prop Appeal, following his daughter being admitted after a devastating heart attack when she was aged just 21. Gareth, his wife Helen and their son Gethin, from Drefach near Cross Hands, raised **£1,931** (from online giving and in cash) and are shown here presenting a cheque to staff. Thank you so much Gareth for your support of the Prop Appeal.



Lloyds Bank Charity Champion **Rhys Howlett** and his colleagues completed the Welsh Three Peaks Challenge. Just one colleague – **Greg Jones** – raised **£507**, and **Sion Wells** raised **£187**!

Rhys was keen to support the Prop Appeal because he has experience of the difference the Appeal makes to people's lives and how hard the staff work. Here the team are pictured at the top of Pen y Fan!



Rookwood Hospital has also benefitted from corporate volunteering by **Lloyds Banking Group in the community**, who have been painting and updating the Ty Hyfryd facility at the hospital.

St David's Shopping Centre's ARISE fund for projects in the community gave a **£960** grant to purchase Dyson multi-use (hot and cold) fans for Rookwood wards. Patients with brain injuries can struggle to regulate their own body temperature, and these multiuse fans will make a difference for patients all year round. Committee members were also welcomed to St David's Shopping Centre for a bucket collection and balloon giveaway for the Prop Appeal – many thanks to all St David's generous shoppers!



NewLaw Solicitors presented the Occupational Therapy team with a grand total of **£4,995.53** this year. One of the leading personal injury legal practices in the UK, NewLaw held pub quizzes, cake sales and some of the braver solicitors completed the Cardiff Triathlon! They also kindly volunteered for the bucket collection day in St David's Shopping Centre.





The Breast Centre Appeal

The Breast Centre at University Hospital Llandough is a specialist provider of breast cancer treatment and therapies. Donations have paid for the development of the rehabilitation centre and a specialist teaching facility – current donations are supporting the complimentary therapy provision, which patients report is making a real difference during their treatment.

Fundraising this year included the annual Breast Centre Gala Ball at City Hall, which was a great success, and the Strictly Top Dancer fundraiser, featuring Julien Macdonald, Breast Centre Patron, for the third consecutive year. Our thanks to Julien for being such a wonderful Patron – you make such an impact on the wellbeing of our patients through your support.

A massive well done to **Daniel Jones**, Breast Centre Manager, and **Katie Lowe**, who have already raised **£111.84** by running the Cardiff World Half Marathon Championship in March 2016, with more still to come in. Originally Daniel planned to run the Half Marathon with his friend Gemma Trigg. Unfortunately, at the time of the Half Marathon, Gemma was recovering from surgery at the Breast Centre. She has now committed to running the Cardiff Half Marathon in October 2016 – and Daniel has also committed to running again. Good luck and good training to you both!

Thank you and well done to **Joanne Prosser**, **Austin Thomas** and **Drew Prosser** who also ran the Cardiff Half Marathon - in October 2015! Joanne has been a regular fundraiser for the Centre in memory of her sister, and has raised a massive **£3,663.76** for services in the Breast Centre.

Christine Murrell and her daughter **Sophie Gape** raised **£1,000** by holding a fabulous Ladies' Night at Whitchurch Rugby Club – a great time was had by all – as their first event of several! Huge thanks to Christine and her family and friends for being so supportive.



Generous staff and customers at Marks and Spencer, Culverhouse Cross raised **£10,496.41** for the Breast Centre Appeal in one amazing year, with in-store events and bucket collections. Staff are pictured here with Michelle Chivers, Breast Centre administrator.



Route 66 Appeal

The Route 66 Appeal improves the lives of 16–30 year olds with life limiting conditions across Wales. These young people are a 'new' population in healthcare. Advances in medicine mean that children with life-limiting conditions, such as neuromuscular, metabolic, respiratory and cardiac illnesses, are now living well into early adulthood but might be reliant on high levels of medical and practical support from day to day.

Donations to the Route 66 Appeal provides equipment people need, raises awareness and supports training amongst adult service providers, and offers support with getting out and about for leisure and work.

Karine Langlois and **Alana Wilcox** generously committed to and completed a sky dive and raised an amazing **£458** and **£410** respectively for the Route 66 Appeal. Alana said, 'It was really scary during the free fall, but once the parachute opened it was amazing. I don't think I will do it again – I think maybe our next fundraiser will just be a coffee morning!'



Cardiff City Football Club kindly donated **£1,000** from the Football Association's Community Shield to the Route 66 Appeal at Cardiff's home game against Millwall on Saturday 18th April 2015 (Result: 0-0)

Gareth Seville, season ticket holder at Cardiff City and beneficiary of the Route 66 Appeal, joined Alun Williams, representative of Cardiff & Vale Health Charity, to receive the cheque from Ken Choo, Cardiff City Football Club CEO. Gareth has since sadly passed away, and is lovingly remembered by all of us who knew him.

And for our other funds . . . !

Tesco Western Avenue approached the Charity in May regarding some children's books and general fiction books that they had been unable to sell and wanted to donate. Due to their kind donation we were able to deliver eight bags of books to CAVOC, UHW Ward A6, and services at Whitchurch Hospital, and additional books and toys to the Children's Centre at UHL and the Trauma Clinic at UHW. Our deliveries and their enthusiastic reception by staff were chronicled on Twitter and much enjoyed by the Charity's followers.



The Emergency Unit at UHW have had a very active year of fundraising: **Cath Morris**, nurse in the Emergency Unit, held a very spooky Halloween Ball at the Heath Sports and Social Club, and an Emergency (Unit) Pub Quiz on 5th February to purchase a new heart scanner for the Emergency Unit at UHW. Many thanks to **The Publicity Centre**, who presented a cheque for **£150** to Cath on the night!

Thanks to the team's 'fright'fully hard work the Unit has raised **£1,103** in total.



Staff from the Emergency Unit also climbed the Welsh Three Peaks in August, and donated **£209** to the NHS Veterans Wales service, which is based in UHW and is a mental health service specifically for combat veterans.

Narberth and Whitland Rotary Club kindly presented the Teenage Cancer Fund at University Hospital Wales with **£2,000** raised at their annual Dragon Boat Racing event! The Teenage Cancer Unit at University Hospital of Wales was particularly important to them, as young people from their community had recently received treatment there.

Emily Thorne faced her biggest ever physical challenge and raised a wonderful **£1,101.12** for the Luke Jenkins fund (which supports the Children's Heart Unit for Wales). She's pictured here completing the first official Olympic-scale triathlon in Cardiff Bay: a one-mile open water swim, a 24-mile cycle and a six-mile run. Thank you so much for your support and determination, Emily.

The **Sophie Pearson Community Fund** donated an amazing **£8,000**, also to the Children's Heart Unit for Wales, from a host of fundraising events including the annual Rugby 7s tournament. The Fund, set up in memory of Sophie Pearson, has supported the Unit for many years now; our thanks to all the family and friends who fundraise so faithfully.



The wonderful **Great Roath Bake Off** used plenty of baking powder to raise **£920** - an amazing amount of dough! - for the Stroke Rehabilitation Ward (A6 South) at University Hospital of Wales. Thank you so much to Wayne Courtney, the organising committee, supporters, musicians and of course bakers who made the event such a success!

Our sincere thanks to the many members of **Windsor Bowling Club** in Penarth, who together donated **£200** to the Parkinson's Disease Clinic, which is based in Rookwood Hospital. Your support is much appreciated.

The Children's Centre at University Hospital Llandough, supported by Admiral, held a Gala Ball at Cardiff City Football Stadium to raise money for the extras provided to children with disabilities and their families from the community team. Everyone had a lovely time!



Again in Roath, the **Waterloo Gardens Fete** in July chose the Children's Heart Unit for Wales as one of their three charities for the event, and donated **£1,300** to purchase specialist equipment that families can use and borrow, meaning parents can monitor their child safely at home and spend less time on the ward. Huge thanks to the organisers, one of whom, Lottie Stokes, is pictured here with her family.

Members of **Greenfield Baptist Church in Llanelli** again held their annual Strawberry Tea and raised an amazing **£750** for the Blood and

Marrow Transplant Unit at University Hospital of Wales. This is their third donation to the Charity over the years – thank you all very much for your valued support.

Graham Hughes set himself the challenge of running the Cardiff 10k for Ward C2 (the Liver Unit). He said, 'This is because I owe my life to the Liver Unit. I vowed when given the all clear that I will raise money for the Liver Unit to try to help others. I have only praise for the staff on C2 ward who took on my case, and my family and I owe my life to all involved in my care.' Graham has raised an amazing **£5,837** for the Liver Unit.



Staff members from B4 Neurosurgery at Cardiff and Vale University Health Board received a cheque for **£553** when **Boycezone**, the Max Boyce tribute band, paid a visit. Dressed like their hero, the band sang on the streets and in pubs across Cardiff before Wales's rugby games in the 2015 Rugby World Cup, to raise money for the Neurosurgery Ward. Thank you Boycezone!



The Health Charity was very well represented this year at the Cardiff Half Marathon with **more than forty staff members** running for different wards and departments. Together they raised a grand total of **£13,016.47!** The Health Charity would like to thank our generous Half Marathon team sponsors: the **Cardiff and Vale Unison Health Branch** and **The Publicity Centre**.

Imogen John and a team of fellow medical students at Cardiff University nominated UHW's Bone Marrow Transplant Unit and Llamau (a Cardiff-based housing charity) to be the beneficiaries of **Med Day 2015**, the annual medical school fundraiser. Students took part in multiple challenges and bucket collections over just one weekend in November.

In a departure from the normal competition run by the Charity, this year we approached talented staff member and photographer **Kimberley Hortop**, from the Medical Genetics Directorate. Kimberley kindly agreed to allow the Charity to use her photographs as Christmas cards.



A massive thank you to **staff at Brecknock House**, University Hospital of Wales, who celebrated Christmas early on Friday 4th December, with a cake sale and Christmas jumpers. Together, staff raised an extraordinary **£160** for the Neonatal Fund at Cardiff and Vale Health Charity and really got into the Christmas spirit!



Long term supporters **Friends of Cardiff Royal Infirmary** have sadly decided to wind up their fundraising endeavours. We are grateful to them for the difference they have made to CRI patients over the last forty years, and the **£20,000** donation they have made this year for new equipment in the community physiotherapy service.



Becky Gough and **Sam Spencer** (pictured left) braved treacherously cold waves at the Saundersfoot New Year's Day Swim, and raised **£165.03** for the Neonatal Intensive Care Unit at University Hospital of Wales. Becky's nephew was cared for by the Unit.

An amazing 'Martha's Dancing Heart' Ball organised by **Michelle Graham** and family raised an incredible **£11,534.57** for the Children's Heart Unit for Wales in the Noah's Ark Children's Hospital for Wales at the end of January. This money will be spent on items that mean parents can track the children's cardiac function at home, instead of keeping children on the ward for constant monitoring.



The **Moondance Foundation** generously gave **£40,000**, and the **Hospital Saturday Fund** a grant of **£2,000**, to our appeal to purchase five AutoPulse 'Non-Invasive Cardiac Support Pumps', also known as mechanical CPR devices.

These machines are used now in emergency situations in wards at UHL and UHW and the Emergency Unit at UHW, and are making a real difference to the outcomes of our sickest patients. The Resuscitation Service, whose members are pictured here, would also like to share their thanks with our supporters.

Legacies

Between April 2015 and March 2016 the Charity recorded £66,916.30 in legacies. On behalf of all the staff and patients at Cardiff and Vale University Health Board, we are grateful to those individuals who remembered our wards and departments in their will, and who have been able to support the areas of healthcare in Cardiff and the Vale that matter most to them.

Management of legacies are a key responsibility for the Charity, and we seek to ensure that legacy donations are used in absolute accordance with the wishes of the giver.

Detailed below are the material legacy gifts we have recorded this year, and the services that have benefitted from these kind donations.

In May 2015, the late Mrs Sarah Lloyd-Evans gifted £5,787.36 to the University Hospital Llandough General Purpose Fund.

In September 2015, the late Mr Wyndham Lewis Harries gifted £10,000 to the Epilepsy Unit at the University Hospital of Wales.

In December 2015, the late Mrs Audrey Rose Collins kindly remembered the Neonatal Intensive Care Unit at University Hospital of Wales and gifted £1,000 in her will.

In December 2015, the late Mr Alan Lance Griffiths gifted £500 to the General Purpose Fund at the Noah's Ark Children's Hospital for Wales.

In February 2016, the late Mrs Dilys Mary Wales gifted £2,000 to Medical Neurology fund at the University Hospital of Wales.

In March 2016, the late Dr Rosslyn Chidgey gifted £20,000 for clinical research into Heart Disease, and also £20,000 for research into Rheumatoid Arthritis.

In March 2016, the late Mrs Frances Joan Edwards gifted £7,575.82 to the Neonatal Intensive Care Unit at University Hospital of Wales.

If you would like more information on how to leave a gift in your will to Cardiff & Vale Health Charity please contact the Charity office on 029 2184 1802.

Structure, Governance and Management

The Charity

The Charity was created on 3rd June 1996 by Declaration of Trust and following reorganisations of health services, was amended by Supplementary Deed on 12th July 2001 and 2nd December 2010. Cardiff and Vale University Health Board (UHB) is the Corporate Trustee for the Charity. The UHB delegates responsibility for the management of the funds to the Charitable Funds Committee. The aim of the Corporate Trustee (Trustee) is to raise and use charitable funds to provide the maximum benefit to the patients of Cardiff and Vale UHB and associated local health services in Cardiff and the Vale of Glamorgan, by supplementing and not substituting government funding of the core services of the NHS.

Registration

The Charitable Funds held by the Cardiff and Vale NHS Trust transferred to the Cardiff and Vale UHB by virtue of Statutory Instrument 2009 No. 1558 The National Health Service Trusts (Transfer of Staff, Property, Rights and Liabilities) (Wales) order 2009. The supplemental deed dated 2nd December 2010 formally changed the name of the Charity to Cardiff and Vale University Local Health Board General Purpose Charity – Registered Charity number 1056544. The Charity has a number of constituent charities and these are listed below:

- Catherine Jenkins Institute
- Education and Training General Charity
- Rookwood Hospital Charity
- Rookwood Hospital General Charity
- Research and Development General Charity
- Staff and Patient Welfare and General Charity
- Training Research and Education Fund
- UHW General Charity

The registration also encompasses Cardiff and Vale NHS Trust (Expendable Funds) Common Investment Fund. This combines the funds of the Charity into one pool for investment purposes.

Trustee Membership

Independent Members

Maria Battle	Chair
Prof Marcus Longley	Vice Chair
Ivar Grey	Independent Member - Finance
Eileen Brandreth	Independent Member – ICT
Margaret McLaughlin	Independent Member – Third (Voluntary) Sector
Martyn Waygood	Independent Member - Legal
Stuart Egan	Independent Member – Trade Union
Prof Elizabeth Treasure	Independent Member – University

Officer Members

Alice Casey	Executive Programme Director Unscheduled Care
Abigail Harris	Executive Director of Planning
Julie Cassley	Deputy Director of Workforce and OD
Dr Sharon Hopkins	Interim Chief Executive
Dr Fiona Jenkins	Executive Director of Therapies & Health Science
Steve Curry	Interim Chief Operating Officer
Dr Graham Shortland	Medical Director
Ruth Walker	Executive Director of Nursing
Robert Chadwick	Executive Director of Finance
Fiona Kinghorn	Interim Executive Director of Public Health

Charitable Funds Committee

The Committee is empowered with the responsibility to:

- Control, manage and monitor the use of the funds resources for the public benefit, having regard for the guidance issued by the Charity Commission
- Agree Governance arrangements for standards and monitoring
- Review strategy to maximise benefits to the Charity
- Determine the Charity's investment strategy
- Agree expenditure plans
- Determine fundraising objectives and strategy

Members of the Committee who served during the financial year were:

Martyn Waygood	(Committee Chair) Independent Member – Legal
Stuart Egan	Independent Member – Trade Union
Margaret Mclaughlin	Independent Member – Third Sector
Fiona Jenkins	Director of Therapies and Health Science
Christopher Lewis	Deputy Director of Finance
Robert Chadwick	Director of Finance
Peter Welsh	Board Secretary
Abigail Harris	Director of Planning
Nigel Gibbs	Staff Side Representative

Mike Jones	Chair, Charitable Funds Panel
Jane Rowlands-Mellor	Lead Nurse, Patient Experience
Angela Hughes	Acting Director of Patient Experience / Claims and Concerns Manager

Charitable Funds

Our Charity is made up of more than 300 different funds, each with a specific purpose whether for research, training or for a specific area of a hospital or department. All money received is allocated to these funds. The general purpose fund is used where the donor wishes the Charity to allocate money to support projects and activities most in need of support across the whole of the UHB. Each fund is managed by a specialist fund holder – generally a specialist in the particular field relevant to the fund. The Charity is responsible for providing guidance, financial information and advice to fund holders.

We manage three types of funds:

Unrestricted funds – these are general funds and are those funds that may be spent at the discretion of the Trustees to enhance the services across the UHB

Restricted funds – these can only be spent in accordance with the restrictions imposed when the funds were donated, granted or raised by the Charity.

Endowment funds – where capital funds are made available to our Charity and the Trustees are legally required to invest or retain them. Where a permanent endowment exists, Trustees have no automatic power to spend the capital. If the fund is an expendable endowment, trustees have the power to convert capital to income.

The day to day administration of funds is undertaken by:

Charitable Fund Department
Cardiff and Vale University Health Board
6th Floor, Brecknock House,
University Hospital of Wales,
Heath Park, Cardiff, CF14 4XW

Risk Management

Investment Risk

The risk is mitigated by agreeing an Investment Policy with the nominated Investment Managers. This policy includes ethical consideration which states that there is to be no investment in companies which manufacture Alcohol, Tobacco, or Armaments, these being contrary to the UHB's health policies.

Reserves Policy

The strategy of the Corporate Trustee is to apply charitable funds within a reasonable time of receipt, ideally within one to two years, unless there are specific requirements attached to income. Historically, the level of expenditure has been generally approximated to the level of income, with greater than required reserves held to manage any fluctuations.

The current reserves policy states that the Charity should hold the following reserves:

- A separate fixed asset investment reserve, based on 10% of the value fixed asset investments (circa £550,000)
- A minimum of £500,000 to ensure that there is sufficient funds for on-going commitments

Financial Control Risk

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

- Ensure that spending is in accordance with objects and priorities agreed by the Charitable Funds Committee
- Ensure the criteria for spending charitable monies are fully met
- Ensure that accounting records are maintained
- Ensure devolved decision making is within specific parameters.

Internal Audit also undertakes annual reviews to evaluate the adequacy of procedures and controls, to ensure compliance and to provide reasonable assurance over:

- Achievement of management objectives for the systems
- Economic and efficient use of resources
- Compliance with policies and procedures
- Safeguarding of assets

The Internal Audit reports are presented to both the Charitable Funds Committee and the Audit Committee, and this is a key measure in mitigating control risk.

Advisors

Bankers	Government Banking Service Southern House 7th Floor Wellesley Grove Croydon, CF9 1WW	NatWest Bank Plc 3rd Floor One Kingsway Cardiff, CF10 3AQ
Investment Managers	Cazenove Capital Management 12 Moorgate London, EC2R 6DA	
External Auditors	Wales Audit Office 24 Cathedral Road Cardiff, CF11 9LJ	
Internal Auditors	Cardiff and Vale Internal Audit Department 1st Floor, Brecknock House Heath Park Cardiff, CF14 4XW	
VAT Advisors	Ernst & Young LLP The Paragon Counterslip Bristol, BS1 6BX	

Cardiff and Vale University Local Health Board Charitable Fund Accounts 2015-16**Cardiff and Vale University Local Health Board Charity Reigstration Number 1056544****Annual Accounts 2015 - 2016****FOREWORD**

These accounts have been prepared by the trustees 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 (FRS102) issued on 16 July 2014 and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

Statutory Background

Cardiff and Vale University Local Health Board are the Corporate Trustees of the Funds Held

Cardiff and Vale University Local Health Board Charitable Fund Accounts 2015-16

Statement of Financial Activities for the year ended 31 March 2016

		Unrestricted funds	Restricted funds	Endowment funds	Total Funds 2015/16
	Note	£000	£000	£000	£000
Incoming resources from generated funds					
Donations and Legacies	3	593	233	0	826
Other trading activities	4	0	167	0	167
Investments	5	144	34	1	179
Other					
Total incoming resources		737	434	1	1,172
Expenditure on :					
Raising funds	6	61	80	0	141
Charitable activities	7	1,008	265	23	1,296
Other		0	0	0	0
Total expenditure		1,069	345	23	1,437
					0
Net gains / (losses) on investments	13	-274	-65	-2	-341
Net income / (expenditure)		-606	24	-24	-606
					0
Transfer between funds		14	-14		0
Net movement in funds		-592	10	-24	-606
Gains / (losses) on revaluation of fixed assets	12			70	70
Reconciliation of Funds		-592	10	46	-536
Total Funds brought forward as at 1 April 2015	21	6,413	1,018	2,353	9,784
Total Funds carried forward as at 31 March 2016		5,821	1,028	2,399	9,248

The notes on pages 28 to 45 form part of these accounts

Cardiff and Vale University Local Health Board Charitable Fund Accounts 2015-16
Statement of Financial Activities for the year ended 31 March 2015

		Unrestricted funds	Restricted funds	Endowment funds	Total Funds 2014/15
	Note	£000	£000	£000	£000
Incoming resources from generated funds					
Donations and Legacies	3	859	241	0	1,100
Other trading activities	4	0	151	0	151
Investments	5	150	31	1	182
Other					
Total incoming resources		1,009	423	1	1,433
Expenditure on :					
Raising funds	6	46	68	0	114
Charitable activities	7	1,094	148	21	1,263
Other		0	0	0	0
Total expenditure		1,140	216	21	1,377
Net gains / (losses) on investments	13	405	78	3	486
Net income / (expenditure)		274	285	-17	542
Transfer between funds		14	-14		0
Net movement in funds		288	271	-17	542
Gains / (losses) on revaluation of fixed assets	13			64	64
Reconciliation of Funds				47	606
Total Funds brought forward as at 1 April 2015	21	6,125	747	2,306	9,178
Total Funds carried forward as at 31 March 2015		6,413	1,018	2,353	9,784

The notes on pages 28 to 45 form part of these accounts

Cardiff and Vale Charity Balance Sheet as at 31 March 2016

		Unrestricted	Restricted	Endowment	Total	Total
	Note	funds	Income	funds	31 March	31 March
		£000	funds	£000	2,016	2015
		£000	£000	£000	£000	£000
Fixed assets:						
Tangible Assets	12	0	0	2,362	2,362	2,314
Investments	13	5,422	933	37	6,392	6,733
Total fixed assets		5,422	933	2,399	8,754	9,047
Current assets:						
Debtors	14	155	28	0	183	86
Cash and cash equivalents	15	508	88	0	596	730
Total current assets		663	116	0	779	816
Liabilities:						
Creditors: Amounts falling due within one year	16	264	21	0	285	79
Net current assets / (liabilities)		399	95	0	494	737
Total assets less current liabilities		5,821	1,028	0	9,248	9,784
Creditors: Amounts falling due after more than one year	16	0	0	0	0	0
Total net assets / (liabilities)		5,821	1,028	2,399	9,248	9,784
The funds of the charity:						
Endowment Funds	19			37	37	39
Revaluation Reserve	19			2,362	2,362	2,314
Restricted income funds	19		1,028		1,028	1,018
Unrestricted income funds	19	5,821			5,821	6,413
Total funds		5,821	1,028	2,399	9,248	9,784

The notes on pages 28 to 45 form part of these accounts

Director of Finance.....

Date.....

Cardiff and Vale Charity Statement of Cash Flows for the year ending 31 March 2016

	Note	Total Funds 2015-16 £000	Total Funds 2014-15 £000
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	17	(313)	(331)
Cash flows from investing activities:			
Dividend, interest and rents from investment:	5	179	182
Movement in Investment Cash	13	(101)	142
Proceeds from the sale of investments	13	800	602
Purchase of investments	13	(699)	(745)
Net cash provided by (used in) investing activities		179	181
Change in cash and cash equivalents in the reporting period		(134)	(150)
Cash and cash equivalents at the beginning of the reporting period	15	730	880

The notes on pages 28 to 45 form part of these accounts

CARDIFF AND VALE UNIVERSITY LOCAL HEALTH BOARD CHARITABLE FUND ACCOUNTS 2015-16

1. Accounting policies

a) Basis of Preparation

The financial statements have been prepared under the historic cost convention, with the exception of tangible fixed assets and investments which have been included at a valuation.

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

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

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

In future years, the key risks to the Charity are a fall in income from donations or a fall in 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).

b) Reconciliation with previous generally accepted accounting practice

In preparing these accounts, the Trustees have considered whether any restatement of comparatives was required to comply with the FRS 102 and the Charities SORP FRS 102. No restatements were required although there has been a change in the analysis of governance costs and cash and cash equivalents.

Governance costs: previously, these had been separately analysed on the face of the statement of financial activity. Governance costs are now classified as a support cost and have therefore been apportioned for charitable activities. There is no effect on the total expenditure for 2014/15 or 2015/16.

Reconciliation of reported total expenditure

	Expenditure on raising funds £'000	Expenditure on charitable activities £'000	Governance costs £'000	Total expenditure £'000
2016 expenditure as previously reported	243	1,107	27	1,377
Adjustment for the reapportionment of governance costs		27	(27)	0
2016 expenditure as restated	243	1,134	0	1,377

c) Where there is a legal restriction on the purpose to which a fund may be put, the fund is classified either as:

- A restricted fund or
- An endowment fund

Restricted funds are those where the donor has provided for the donation to be spent in furtherance of a specified charitable purpose.

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

Those funds which are neither endowment nor restricted income fund, 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.

d) Incoming resources

All incoming resources are 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.

e) Income 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 generation are met.

f) Income resources from endowment funds

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

g) 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.

A constructive obligation arises when:

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

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

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

h) **Allocation of support costs**

Support costs are those costs which do not relate directly to a single activity. These include staff costs, costs of administration, internal and external audit costs. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 10.

i) **Fundraising costs**

The costs of generating funds are those costs attributable to generating income for the charity, other than those costs incurred in undertaking charitable activities or the costs incurred in undertaking trading activities in furtherance of the charity's objects. The costs of generating funds represent fundraising costs together with investment management fees. Fundraising costs include expenses for fundraising activities and a fee paid to a related party, the Health Board, under a fundraising agreement. The fee is used to pay the salaries and overhead costs of the Health Boards's fundraising office.

j) **Charitable Activities**

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are

apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 7.

k) Debtors

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

l) Cash and cash equivalents

Cash at bank and in hand is held to meet the day to day running costs of the charity as they fall due. Cash equivalents are short term, highly liquid investments, usually in 90 day notice interest bearing savings accounts.

m) Creditors

Creditors are amounts owed by the charity. They are measured at the amount that the charity expects to have to pay to settle the debt. Amounts which are owed in more than a year are shown as long term creditors.

n) 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).

o) Fixed Assets

Investments are stated at market value at balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Tangible fixed assets are valued at current cost as follows:

- i) The land and buildings in respect of Rookwood Hospital was revalued as at 1st April 2012, and the revaluation reflected the restriction to hospital use only. Where appropriate between valuations an appropriate index, supplied from the Welsh Government, is applied to revalue the asset.
- ii) Equipment is valued at the lower of estimated net replacement cost or recoverable amount;
- iii) Assets in the course of construction are valued at current cost.
- iv) Capitalisation threshold is £5,000

Professional valuations are carried out by the District Valuer Service every five years, which (as the commercial arm of the Valuation Office Agency) is part of HMRC. The valuations are carried out in accordance with Institute of Chartered Surveyors (RICS) Appraisal and Valuation Manual insofar as these terms are consistent with the agreed requirements of the National Assembly for Wales and HM Treasury.

Depreciation

- i) Depreciation is charged on each main class of tangible asset as follows: land and assets in the course of construction are not depreciated. Buildings, installations and fittings are depreciated on their revalued amount over the assessed remaining life of the asset as advised by the professional valuers;
- ii) Equipment is depreciated on current cost over the estimated life of the asset using the following standard lives (guidance on standard lives has been issued under WHC (2000) 07 “FRS15 tangible fixed assets”);
- iii) Impairments, where incurred in the year, are separately identified in note 7 and charged to the funds of the charity where caused by price fluctuations and to the Statement of Financial Activities for the year when the impairment was recognised.

Donated Assets are capitalised at their valuation on full replacement cost basis on receipt and are revalued and depreciated as described above.

2. Related party transactions

Cardiff and Vale University Local Health Board is the Corporate Trustee of the Charity.

During the year, other than noted below, there are no other material related party transactions involving the Corporate Trustee, board members or senior key management staff.

Board Members (and other senior staff) take decisions both on Charity and Exchequer matters but endeavour to keep the interests of each discrete and do not benefit personally from such decisions. Declarations of personal interest have been made and are available to be inspected by the public.

The Local Health Board has close links with Cardiff University which includes the sharing of staff as well as sharing accommodation on the University Hospital of Wales Site.

	Payments to related party	Receipts from related party	Amounts owed to Related Party	Amounts due from related party
	£,000	£,000	£,000	£,000
Cardiff University	66	2	4	10
Cardiff & Vale Health Board	573	220	130	14
Cardiff Council	2		8	
University of South Wales	2			

The table below includes the names of the individual board members and the relationship with the related party.

Board Member	Related Party Relationship
Mrs Maria Battle	Council Member Cardiff University.
Mr Adam Cairns	Honorary visiting professor Cardiff University.
Dr Sharon Hopkins	Public Health Advisory Committee NICE
Mrs Abigail Harris	Husband is a Board member of Wales Council for Voluntary Action and a relative is a Trustee for of the Teenage Cancer Trust.
Mr Christopher Lewis	Mr Christopher Lewis is the president of the Wales Branch of HFMA.
Mr Peter Welsh	His son is a freelance web designer for Rhys Welsh Ltd and his wife is an optician at RN Roberts and GL Rees opticians.
Mrs Eileen Brandreth	Director of Information Technology at Cardiff University.
Mr Christopher Elmore	County Councillor and Cabinet Member of Vale of Glamorgan Council and Chair of Barry YMCA.
Professor Marcus Longley	Director of the Welsh Institute for Health and Social Care at the University of Wales.
Mrs Margaret McLaughlin	Trustee at Safer Wales and undertakes sessional work for the Wales Council for Voluntary Action. Her Husband is Professor of Human Molecular Genetics at Cardiff University.
Mrs Elizabeth Treasure	Deputy Vice Chancellor of Cardiff University.
Mr Stuart Egan	County Councillor for Vale of Glamorgan Council.
Mr Ivar Grey	Non-Executive Director of Finance Wales plc.
Mrs Sian-Walker-McAllister	Director of Health and Social Care at Cardiff Council.
Mrs Paula Martyn	Chair of the Stakeholder Reference Group for Hywel Dda.

3. Income from donations and legacies

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2015-16 £000	Total 2014-15 £000
Donations	526	233		759	653
Legacies	67			67	447
	593	233	0	826	1,100

4. Other trading activities

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2015-16 £000	Total 2014-15 £000
Staff lottery	0	167	0	167	151
	0	167	0	167	151

5. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2015-16 £000	Total 2014-15 £000
Fixed asset equity and similar investments, deposits and cash on deposit	144	34	1	179 0	182
	144	34	1	179	182

6. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted funds £000	Total 2015-16 £000	Total 2014-15 £000
Fundraising office	42	10	52	31
Fundraising events		65	65	58
Investment management	19	5	24	25
Support costs (Inc Governance)				
	61	80	141	114

7. Analysis of charitable activity

	Activities taken directly £000	Support costs £000	Total 2015-16 £000	Total 2014-15 £000
Patient education and welfare	929	74	1,003	884
Staff education and welfare	174	18	192	237
Research	50	4	54	101
Other	12	14	26	20
Depreciation	21	0	21	21
	1,186	110	1,296	1,263

8. Analysis of grants

The charity does not make grants to individuals. The Charity does not make grants to the Health Board, the Charity does operate a Charitable Funds Bids Panel, which upon receipt of an invoice, on occasion require the reimbursement of monies to the Health Board. All expenditure is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity, is disclosed in note 7.

The trustees operate a scheme of delegation for the charitable funds whereby the Heads of Operation and Service Delivery are the delegated approvers up to a limit of £25k. Over this limit all expenditure is also approved by the Charitable Funds Committee. Funds managed under the scheme of delegation represent ongoing activities and it is not possible to segment these activities into discrete individual grant awards.

9. Allocation of support costs

	Raising funds £000	Charitable activities £000	Total 2015-16 £000	Total 2014-15 £000
Governance				
External audit (WAO)		10	10	10
Internal Audit		9	9	10
Finance and administration				
Other professional fees	24		24	25
Total governance		19	43	45
Finance and administration		91	91	88
Other professional fees				
Other costs				
	24	110	134	133
	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total Funds 2015-16 £000
Raising funds				0
Charitable activities	107	26	1	134
	107	26	1	134

10. 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.

11. Auditors remuneration

The auditor's remuneration of £10,000 (2015/16) relates to the audit of the statutory annual report and accounts only.

Cardiff and Vale University Local Health Board Charitable Fund Accounts 2015-16**12. Tangible fixed assets**

	Freehold land and buildings	Other interests in land and buildings	Plant and machinery	Fixtures, fittings and equipment	Assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
Balance at 1 April 2015	2,376					2,376
Additions	0					0
Revaluations	70					70
Disposals	0					0
Impairments	0					0
Balance at 31 March 2016	2,446					2,446
Accumulated depreciation						
Balance at 1 April 2015	62					62
Disposals						0
Revaluations	22					22
Impairments						0
Charge for year	0					0
Balance at 31 March 2016	84					84
NBV at 31 March 2016	2,362					2,362
NBV at 31 March 2015	2,314					2,314

Rookwood Hospital is the only Tangible Fixed Asset recognised in “Freehold Land and Buildings”

13. Fixed asset investments

	Investments Listed on Stock Exchange £000	Cash Held in Investment Portfolio £000	Total 2015-16 £000	Total 2014-15 £000
Market value brought forward	6,322	411	6,733	6,246
Add: additions to investments at cost	699		699	745
Less disposals at carrying value	(800)		(800)	(585)
Add any gain / (loss) on revaluation	(341)		(341)	469
Movement of cash held as part of the investment portfolio		101	101	(142)
Market value as at 31st March 2016	5,880	512	6,392	6,733

As at 31 March 2016 the following Investment was considered material: Brown Advisory US flexible Equity SRI Fund: holding amounts to 6.7% (2014/15 6.5%) of the total portfolio. The significance of financial instruments to the ongoing financial sustainability of Cardiff and Vale Charity is considered in the risk analysis section of the trustees' annual report.

The main shorter term risk from financial instruments lies in the combination of capital volatility and consistency in annual income. Sustained low interest rates and "quantitative easing" have made seeking yield from safer haven assets such as high quality bonds and cash difficult. The risk facing the bond market in this environment is that when interest rates do start to rise and move towards historical normal levels, there will be the significant risk of a fall in capital values.

Although the stronger economy should result in improving dividend yields, there is concern that the market conditions will change and this may not be the case. Liquidity risk is anticipated to be low as all assets are readily tradable in normal market conditions. The Investments are mainly traded in markets with good liquidity and high trading volumes. Cardiff and Vale Health Charity have no material investment holdings in markets subject to exchange controls or trading conditions.

The Charity's Investments are handled by expert investments advisors appointed by the Charity using the appropriate Health Board purchasing contract process. The Charity operates an investment policy that provides for a high degree of diversification of holdings within investment asset classes. A large proportion of investments are made with companies listed on a UK stock exchange or incorporated in the UK.

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

The Investment Management Company attends the Charitable Funds Committee twice a year to discuss all aspects of investment performance and the factors influencing the performance. The asset class allocation is an integral part of the discussion as this is intrinsically linked to minimising risk within the portfolio.

14. Analysis of current debtors

Debtors under 1 year	Total 31 March 2016 £000	Total 31 March 2015 £000
Accrued income		
Other debtors	138	86
	<hr/> 138 <hr/>	<hr/> 86 <hr/>
Debtors over 1 year		
Other debtors	45	
Total debtors	<hr/> 183 <hr/>	<hr/> 86 <hr/>

15. Analysis of cash and cash equivalents

	31 March 2016 £000	31 March 2015 £000
Cash in hand	596	730
Notice deposits (less than three months)		
	<hr/> 596 <hr/>	<hr/> 730 <hr/>

16. Analysis of liabilities

Creditors under 1 year	Total 31 March 2016 £000	Total 31 March 2015 £000
Trade creditors		
Other creditors	264	79
Accruals	21	
	<hr/> 285 <hr/>	<hr/> 79 <hr/>

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

	Total 2015-16 £000	Total 2014-15 £000
Net income / (expenditure) (per Statement of Financial Activities)	(606)	542
Adjustment for:		
Depreciation charges	22	21
(Gains) / losses on investments	341	(486)
Dividends, interest and rents from investments	(179)	(182)
Loss / (profit) on the sale of fixed assets		
(Increase) / decrease in stocks		
(Increase) / decrease in debtors	(97)	54
Increase / (decrease) in creditors	206	(280)
Net cash provided by (used in) operating activities	<u>(313)</u>	<u>(331)</u>

18. Role of volunteers

The Charity is grateful to the volunteer fundraisers who support particular wards and departments. Health Board volunteers have kindly supported the Llandough Fun Run this year, and deserve huge thanks for making sure the event went with a swing!

The Charity aims to work more closely with Health Board volunteers in order to develop more specific Charity Champion roles, including supporting our runners at the Cardiff Half Marathon and supervising the charity collection tins.

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.

19. Analysis of funds

a. Analysis of endowment fund movements

	Balance 1 April 2015 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2016 £000
Catherine Jenkins	39	1	(1)		(2)	37
	39	1	(1)	0	(2)	37

b. Analysis of Restricted Funds

	Balance 1 April 2015 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2016 £000
Diabetes Investigation	12	0	0	0	0	12
UHW General	282	50	(30)		(19)	283
Education and Training	19				(1)	18
Staff & Patients Welfare	436	376	(298)	(14)	(29)	471
Research & Development	267	8	(17)		(16)	242
Training Research & Education	2					2
ECCO						
Other						
	1,018	434	(345)	(14)	(65)	1,028

c. Analysis of unrestricted and material designated fund movements

	Balance 1 April 2015 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2016 £000
Unrestricted (Income)	6,413	737	(1,069)	14	(274)	5,821
There are currently 262 Unrestricted funds. Listed below are the top ten funds by value.						
	6,413	737	(1,069)	14	(274)	5,821

6

Fund No	Purpose	Balance 31/03/2016 £,000
9809	Unrestricted Non Delegated	1,182,732.87
9810	Unrestricted Delegated	704,643.56
9460	Woods Legacy - ULHB General Purpose	216,538.03
9600	UHW Nurses	180,721.74
9634	9634 Morgan Legacy - Renal Unit	159,109.08
9504	9504 Lung Research	155,010.76
9153	9153 Geriatric Research	145,869.24
9683	9683 CDF Post Grad Med Centre	145,851.52
9524	9524 Leukaemia & Lymphoma	138,937.47
9407	Williams Legacy Pacemaker Cardiac	107,683.97

d. Revaluation Reserve

	Balance 1 April 2015 £000	Income £000	Expenditure (Depreciation) £000	Transfers £000	Gains and losses £000	Balance 31 March 2016 £000
Rookwood	2,314		-22		70	2,362
	2,314		-22		70	2,362

Cardiff and Vale University Local Health Board Charitable Fund Accounts 2015-16**Additional Notes****20. Commitments**

	2014/15	
	£000	£000
The funds have the following commitments:		
Charitable projects	79	238
Total	79	238

Name of commitment	£000	£000
Patient Line CFC December 2013	0	48
Purchase of Pacing Chamber Boxes CFC March 2015 (CFC 15/008)	0	84
Cardiff Blues CFC March 2015 (CFC15/012)	0	5
Mentoring Coaching Programme (Breaking Barriers) CFC March 2015 (CFC15/018)	21	21
Ophthalmology RNIB eye clinic CFC 14/047	0	20
Volunteering Funding CFC March 2015	0	60
End of an Era - The Whitchurch Closure Plans CFC/15/039	10	0
Refurbishment of Postgraduate Training Facilities CFC 15/048	6	0
Third Sector Small Grant Programme CFC 15/066	20	0
Patient WIFI CFC 15/027	22	0
	79	238

The above commitments are funded from the Unrestricted Non-Delegated Funds, apart from the Third Sector Small Grant Programme which was funded from the Staff Lottery Fund.

21. Donated Assets

During the year the Charity purchased assets to the value of £317k. These are included in the Charity's Statement of Financial Activities and are classified as Donated Assets in the LHB Financial Statements.

22. Post Balance Sheet Events

The Funds Held on Trust had no post balance sheet events requiring adjustment to the accounts, although note the following valuation in respect of Investments.

The financial statements are required to reflect the conditions applying at the end of the financial year. Therefore no adjustments are made for any changes in fair value of investments between 31 March 2016 and the date the financial statements are approved. The fair value of investments held by the Charity at 31st March 2016 has changed in the intervening period as follows:

	£,000	£,000
Investment	6,392	7,252

23. Contingent Liabilities

Voluntary Income received in the year may not be spent within the timescales specified by the donor and / or it may not be possible.

24. Legacies

During 2015/16 the Charity were notified of one legacy for 2016/17, however there is no requirement for this to be recognised in the Statement of Financial Activities because the estate's accounts had not been finalised as at 31st March 2016. Therefore it is not possible to reliably measure the value of the legacy.

Cardiff and Vale University Local Health Board Charitable Fund Accounts 2015-16

STATEMENT OF TRUSTEE RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

The trustee is required to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the trustee should follow best practice and:

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

The trustee is responsible for keeping accounting records which disclose with reasonable accuracy 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 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 in preparing the accounts.

By order of the trustee

Signed:

Trustee Dated 2017

Financial Trustee Dated 2017

Audit report of the Auditor General to the Trustee of Cardiff and Vale University Local Health Board Charitable Fund

Report of the Auditor General for Wales to the Trustee of Cardiff and Vale University Local Health Board Charitable Fund

I have audited the financial statements of Cardiff and Vale University Local Health Board Charitable Fund for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Trustee and independent auditor

As explained more fully in the Trustee's Responsibilities Statement set out on page 47, the trustee is responsible for the preparation of financial statements which give a true and fair view.

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 responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustee[s]; and the overall presentation of the financial statements.

In addition, I read all the financial and non-financial information in the Trustee's Annual Report, 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.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2016 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Charities Act 2011.

Opinion on other matters

In my opinion the information in the Trustee's Annual Report is consistent with the financial statements.

Matters on which I am required to report by exception

I have nothing to report in respect of the following matters where the Charities Act 2011 requires me to report to you if, in my opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Emphasis of Matter

Your attention is drawn to the fact that the Charity has prepared its financial statements in accordance with the Charities SORP 2015 in preference to the Charities SORP 2005 which is referred to in the extant regulations but has been withdrawn. We understand this has been done in order for the accounts to provide a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Huw Vaughan Thomas
Auditor General for Wales
January 2017

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ



WALES AUDIT OFFICE
SWYDDFA ARCHWILIO CYMRU

Archwilydd Cyffredinol Cymru
Auditor General for Wales

Audit of Financial Statements Report and Management Letter – Cardiff and Vale University Local Health Board Charitable Fund Account

Audit year: 2015-16

Date issued: January 2017

Document reference: 107A2017

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

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

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

info.officer@audit.wales.

The team who delivered the work comprised John Herniman, Alison Butler, David Burridge, Liz Dutulescu and Jennie Morris

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This document summarises the conclusions on the 2015-16 audit of the Board's charitable funds including our recommendations for the year. The Auditor General intends to issue an unqualified audit report on your financial statements. There are some issues to report to you prior to their approval.

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Summary report

Introduction

- 1 The purpose of this report is twofold:
 - to set out for consideration the matters arising from the audit of the financial statements of the Cardiff and Vale University Local Health Board Charitable Fund (the Charity), for 2015-16, that require reporting to those charged with governance, in time to enable appropriate action; and
 - to formally communicate the completion of our audit and capture the recommendations arising from our audit work for the year.
- 2 The Auditor General's responsibilities were set out in our Audit Plan along with your responsibilities as those charged with governance; we do not repeat them in detail again here.
- 3 We confirm we have undertaken the audit as planned and our performance against the agreed measures and actual fee compared to planned fee are reported in [Appendix 4](#). We have no other issues to report to you other than in this report.
- 4 We are grateful to the Charity and its staff for their assistance and draft accounts provided during the course of our audit.
- 5 The Auditor General is responsible for providing an opinion on whether the financial statements give a true and fair view of the financial position of the Charity at 31 March 2016 and its income and expenditure for the year then ended.
- 6 We do not try to obtain absolute assurance that the financial statements are correctly stated, but adopt the concept of materiality. In planning and conducting the audit, we seek to identify material misstatements in your financial statements, namely, those that might result in a reader of the accounts being misled.
- 7 The quantitative level at which we judge such misstatements to be material for the Charity is £28,740 for all account areas. Whether an item is judged to be material can also be affected by certain qualitative issues such as legal and regulatory requirements and political sensitivity.

Status of the audit

- 8 We received the draft financial statements for the year ended 31 March 2016 on 1 August 2016. We commenced our audit work in October and have now substantially completed the audit work.
- 9 We are reporting to you the more significant issues arising from the audit, which we believe you must consider prior to approval of the financial statements. The audit team has already discussed these issues with the Deputy Director of Finance.

Proposed audit report

- 10 It is the Auditor General's intention to issue an unqualified audit report on the financial statements once you have provided us with a Letter of Representation based on that set out in [Appendix 1](#).
- 11 Although not qualified, our opinion does include an emphasis of matter paragraph which draws attention to the fact that the accounts have been prepared in line with the Charities SORP 2015. The extant regulations requires accounts to be prepared line with the Charities SORP 2005, however this has been replaced by the 2015 SORP. Therefore in order to provide a true and fair view in line with UK GAAP, SORP 2015 has been complied with. This has been referred to in all Welsh NHS bodies' charitable funds opinions.
- 12 The proposed audit report is set out in [Appendix 2](#).

Significant issues arising from the audit

Uncorrected misstatements

- 13 We set out below the non-material misstatements we identified in the financial statements which have been discussed with management but remain uncorrected. We request that these are corrected or, if you decide not to correct them, we ask that you provide us with the reasons for non-correction.

Income is overstated by £8,750

- 14 Two items of income which were received in 2015-16 but relate to funding for 2016-17 activities have not been accounted for as deferred income. Income is therefore overstated by £8,750.
 - Income of £15,000 was received into the Cardiology Research Fund to fund a nursing post for one year from September 2015. Therefore £7,500 of this relates to 2016-17.
 - Income of £5,000 was received to fund the shuttle bus at Llandough Hospital for the period July 2015 to June 2016. Therefore £1,250 of this relates to 2016-17.

Expenditure is overstated by £3,270

- 15 Two payments made in-year included elements of services provided to the Charity in 2016-17 with a value of £3,270. These have not been accounted for as prepayments, therefore expenditure is overstated by this amount.
 - Bid panel expenditure of £8,400 was paid out in-year for the provision of 30 live music concerts in hospitals, however, nine of these concerts took place

in 2016-17. Therefore £2,520 of this payment should have been accounted for as a prepayment.

- A payment of £4,500 for a 12 month marketing contract included two months in 2016-17, therefore £750 should have been accounted for as a prepayment.

Gift Aid income of £5,800 received in July 2016 but relating to donations received in 2015-16 was excluded from year-end debtors and income

- 16 The final gift aid claim for 2015-16 was delayed until after the year due to the non-availability of staff. This claim should have been accounted for as a debtor as the donations to which the claim related to were all made prior to 31 March 2016.

For six items of income totalling £10,300 there was insufficient documentation to confirm the correct classification in the accounts

- 17 The following items of income have been classified as donations:
- receipts totalling £6,000 received from four organisations in relation to 'Autumn Welsh Respiratory SPR training week' have been classified as donations;
 - £1,800 was received from a medical company for clinical trials and has been classified as a donation; and
 - £2,500 was received from Cardiff Council for 'Play Support'.

For each of these items, there was not enough information to confirm whether this income represented a charge by the Charity for the provision of goods or a service, or whether they were voluntary contributions. If they are the latter then they are correctly classified as donations, otherwise they should be considered as charitable activities or other trading income. As these are all classification issues, this does not impact on the total amount of income recorded for the year.

The impact of all the uncorrected misstatements in the accounts

- 18 The net impact on the Net Expenditure for the year of all the above uncorrected misstatements is £320. There is also no material impact on any figures in the Balance Sheet.
- 19 Management have decided not to correct these misstatements as they are immaterial individually and cumulatively. This misstatement does not affect our overall audit opinion, but is reported for you to, confirm or not, your agreement not to amend.

Corrected misstatements

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

Other significant issues arising from the audit

- 21 In the course of the audit, we consider a number of matters both qualitative and quantitative relating to the accounts and report any significant issues arising to you. There were no significant issues arising in these areas this year:
- **We have one concern about the qualitative aspects of your accounting practices and financial reporting.** This was the first year that the accounts were required to be prepared in line with the requirements of the new Charities SORP (FRS102). We found that the coding structure in the ledger and the detailed information supporting some of the transactions made it difficult to assess whether some of the transactions were correctly classified in line with the new requirements of the SORP. This has led to a number of the amendments made to the accounts and also the uncorrected misstatements. We have therefore made recommendations in [Appendix 5](#) to remedy this in the short term for the 2016-17 financial statements, and longer term for the 2017-18 accounts onwards. Other than this issue, we found the information provided to be relevant, reliable, comparable, material and easy to understand. We concluded that accounting policies and estimates are appropriate and financial statement disclosures unbiased, fair and clear.
 - **We did not encounter any significant difficulties during the audit.** We received information in a timely and helpful manner and were not restricted in our work.
 - **There were no significant matters discussed and corresponded upon with management which we need to report to you.**
 - **There are no other matters significant to the oversight of the financial reporting process that we need to report to you.**
 - **We did not identify any material weaknesses in your internal controls.** During the audit some less significant control weaknesses were identified and these are reported in [Appendix 4](#).
 - **There are not any other matters specifically required by auditing standards to be communicated to those charged with governance.**

Recommendations arising from our 2015-16 audit work

- 22 The recommendations arising from our audit work are set out in [Appendix 5](#). Management has responded to them and we will follow up progress 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.

Independence and objectivity

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

Appendix 1

Final Letter of Representation

[Audited body's letterhead]

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

[Date]

Representations regarding the 2015-16 financial statements

This letter is provided in connection with your audit of the financial statements of Cardiff and Vale University Local Health Board Charitable Fund for the year ended 31 March 2016 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

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

Management representations

Responsibilities

We have fulfilled our responsibilities for:

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

Information provided

We have provided you with:

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

- unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects the Cardiff and Vale University Local Health Board Charitable Fund 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 and consequently these items have not been adjusted for in the 2015-16 accounts. A summary of these are set out below:-

- Two items of Income which were received in 2015-16 but relate to funding for 2016-17 activities have not been accounted for as deferred income, so resulting in income being overstated by £8,750.

- Two payments made in-year included elements of services provided to the Charity in 2016-17 with a value of £3,270. These have not been accounted for as prepayments therefore expenditure is overstated by this amount.
- Gift Aid income of £5,800 received in July 2016 but relating to donations received in 2015-16 was excluded from year-end debtors. Income is understated by this amount.
- For six items of income totalling £10,300 there was insufficient documentation to confirm the correct classification in the accounts.

Representations by those charged with governance

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

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Trustee on 26 January 2017. 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:

Interim Chief Executive

26 January 2017

Signed by:

Chair of Trustees

26 January 2017

Appendix 2

Proposed audit report of the Auditor General to the Trustee of Cardiff and Vale University Local Health Board Charitable Fund

I have audited the financial statements of Cardiff and Vale University Local Health Board Charitable Fund for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of Trustee and independent auditor

As explained more fully in the Trustee's Responsibilities Statement set out on page 46, the trustee is responsible for the preparation of financial statements which give a true and fair view.

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 responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require me to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustee; and the overall presentation of the financial statements.

In addition, I read all the financial and non-financial information in the Trustee's Annual Report, 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.

Opinion on financial statements

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the Charity as at 31 March 2016 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Charities Act 2011.

Opinion on other matters

In my opinion the information in the Trustee's Annual Report is consistent with the financial statements.

Matters on which I am required to report by exception

I have nothing to report in respect of the following matters where the Charities Act 2011 requires me to report to you if, in my opinion:

- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

Emphasis of Matter

Your attention is drawn to the fact that the Charity has prepared its financial statements in accordance with the Charities SORP 2015 in preference to the Charities SORP 2005 which is referred to in the extant regulations but has been withdrawn. We understand this has been done in order for the accounts to provide a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

Huw Vaughan Thomas
Auditor General for Wales
Date:

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Appendix 3

Summary of corrections made to the draft financial statements which should be drawn to the attention of the Trustee of Cardiff and Vale University Local Health Board Charitable Fund

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

Exhibit 1: Summary of corrections made to the draft financial statements

Value of correction	Nature of correction	Reason for correction
£221,000 (Prior year also amended by £160,000)	Income from the Charity's appeals transferred to Donations from Charitable Activities.	Income from appeals was originally classified as Charitable Activity income. However, this is not in line with the SORP and so is now more correctly classified as donations in Note 3.
£167,000 (Prior year also amended by £151,000)	Income from the Staff Lottery was moved from Charitable Activities to Other Trading Income.	To correctly classify this income as required by the SORP. Staff Lottery income is listed as an example of trading income in the SORP.
£249,000 (Prior year also amended by £129,000)	Expenditure was reclassified from fundraising expenditure to Charitable Activities.	Bid Panel expenditure was erroneously classified as fundraising expenditure in Note 6. It has now been classified as Charitable Activities in Note 7.
£101,000	The Investments note was amended to show that in-year additions were £699,000 instead of £800,000 and disposals were £800,000 instead of £699,000. A new line 'Movement in cash held in investments' was also added.	To correctly disclose the actual movements in the year and also comply with the disclosure requirements of the SORP.
£45,000	Transfer from short-term to long-term debtors.	A refund from a supplier for faulty goods is being recovered over a three year period. This change correctly

Value of correction	Nature of correction	Reason for correction
		shows the amount due to be repaid in over one year's time.
£50,000	Reclassification of amount due from a supplier from accruals to creditors.	To correct the classification of an unpaid invoice at year-end.
N/A	<p>Presentational changes:-</p> <p>the establishment of a revaluation reserve with a closing balance of £2,362,000 from the endowment fund balance on the face of the Balance Sheet and Note 19 amended;</p> <p>the list of Trustees on pages 19 & 20 in the Annual Report was updated to reflect those in post at the date the accounts were approved;</p> <p>the related parties note (Note 2) expanded to show the relationship of the Trustee with the related parties;</p> <p>the investments note (Note 13) was expanded to show all movements in-year including cash;</p> <p>Auditor's remuneration disclosures updated in Note 11 to expressly state that it relates to audit of the financial statements;</p> <p>and</p> <p>a breakdown of the larger unrestricted funds has been added to Note 19.</p>	Changes made to comply with the disclosure requirements of the new SORP.

Appendix 4

Wales Audit Office performance measures

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

Exhibit 2: Targets for delivery of work

Planned output	Target	Outcome
Audit of Financial Statements Report and Management Letter	January 2017	January 2017
Opinion on Financial Statements	January 2017	January 2017

The estimated audit fee set out in our Audit Plan was £10,017. Our actual audit fee was in line with our original estimate.

Appendix 5

Recommendations arising from our 2015-16 audit work

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

Exhibit 3: Matter arising 1

Matter arising 1 – The coding structure for income and expenditure within the ledger is not appropriate for producing the financial statements	
Findings	<p>Income</p> <p>The Charities SORP required income to be categorised under the following high level headings:-</p> <ul style="list-style-type: none"> • Donations and Legacies • Charitable Activities • Investment income • Other trading activities <p>The SORP also sets out the types of income that should be categorised under each of these headings.</p> <p>The coding structure within the ledger for recording income only provides users with the option of treating income as donations or investment income.</p> <p>The lack of appropriate ledger codes made collating the accounts more difficult. We also identified a number of miss-classifications during our audit some of which were adjusted for and others, which were not material, were not. For these unadjusted errors, there was insufficient information available for the accounts preparer to correctly classify the income in line with the SORP</p> <p>Expenditure</p> <p>The SORP requires expenditure to be split between fundraising and charitable activities.</p> <p>Although the coding structure for expenditure in the ledger does provide for a detailed breakdown of expenditure, it does not easily split out expenditure under these two headings.</p>
Priority	High
Recommendation	<p>1. For 2016-17 an exercise needs to be undertaken as part of the accounts preparation process to review all major income items and reclassify them in line with the guidance in the SORP. For any income items where uncertainty exists, project managers need to provide additional information.</p>

Matter arising 1 – The coding structure for income and expenditure within the ledger is not appropriate for producing the financial statements	
	<p>2. For 2017-18 the coding structure needs to be amended to include as a minimum the high level headings above. All staff responsible for coding income should be provided with guidance from the SORP explaining the types of income that fall under these headings so that the income can be correctly categorised.</p> <p>3. The expenditure coding structure needs to be split between those which are fundraising and charitable activities.</p>
Accepted in full by management	
Management response	Agreed
Implementation date	March 2017

Exhibit 4: Matter arising 2

Matter arising 2 – Retrospective approval was needed from the Charitable Funds Committee for a payment of £46,408.70 for thoracic instruments due to an error made when raising the order	
Findings	<p>A purchase order was raised by a member of Cardiff and Vale staff for the purchase of thoracic instruments and paid for by the UHB.</p> <p>We understand that this was raised as a purchase order in the UHB's books in error and that a retrospective bid was therefore made to the charity. This was later approved and the charity provided the funding for this payment.</p>
Priority	Low
Recommendation	Staff should be reminded of the need to ensure that all expenditure is approved in line with the Charity's procedures.
Accepted in full by management	
Management response	Agreed
Implementation date	February 2017

Exhibit 5: Matter arising 3

Matter arising 3 –	
Findings	<p>The Charity paid £2,139 for the flights of a guest speaker from overseas to speak at a conference organised by the charity.</p> <p>The invoice for the flights showed the itinerary, however it included one flight which it appeared was not relevant for the purpose of the visit.</p> <p>There was no evidence to suggest that this flight was queried prior to the invoice being paid.</p>
Priority	Low
Recommendation	The Charity should ensure that all expenditure incurred is adequately explained and supported.
Accepted in full by management	
Management response	Agreed
Implementation date	February 2017

Wales Audit Office
24 Cathedral Road
Cardiff CF11 9LJ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone : 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

Swyddfa Archwilio Cymru
24 Heol y Gadeirlan
Caerdydd CF11 9LJ

Ffôn: 029 2032 0500

Ffacs: 029 2032 0600

Ffôn testun: 029 2032 0660

E-bost: post@archwilio.cymru

Gwefan: www.archwilio.cymru

USE OF WOODS LEGACY	
Name of Meeting : Board of Trustees	Date of Meeting: 26 th January 2017
Executive Lead : Director of Corporate Governance	
Author : Director of Corporate Governance	
Caring for People, Keeping People Well : The application of this legacy fund supports the wellbeing of patients and staff	
Financial impact : Utilisation of legacy funding	
Quality, Safety, Patient Experience impact : The application should provide a better patient experience	
Health and Care Standard Number: Not applicable	
CRAF Reference Number: Not applicable	
Equality and Health Impact Assessment Completed: Not applicable	

ASSURANCE AND RECOMMENDATION

ASSURANCE is provided by:

- Consideration of proposals by the Charitable Funds Committee with authorization sought from the Trustees.

The Trustees are asked to:

- **APPROVE** the recommendations of the Charitable Funds Committee with regard to the allocation of the Woods legacy, as outlined below.

SITUATION

Two years ago the Health Charity took receipt of a considerable financial legacy of £214k. This legacy has not yet been utilized. The Charitable Funds Committee have considered expenditure proposals against this fund. Given that these are material amounts the proposal has been brought to the Trustees for approval.

BACKGROUND

The late Mr Clive Woods left a substantial financial legacy for the general charitable purpose of the Health Charity. On settlement in February 2015, this was for a total of £214k. Having accrued some interest, the fund total in January 2017 stands at £216k.

This sum has been considered by the Charitable Funds Committee, and following some debate, they have recognized three specific projects they would like to see supported: the extension of the Medical Skills Suite at University Hospital of Wales, the Orchard Project at University Hospital Llandough, and the Make It Better Fund.

These projects:

- Show an enhancement of both clinical and holistic health, wellbeing and care for the UHB's patients, as required by the Health Charity's objects;
- Are an appropriate statement of the priorities and aims of the Health Charity and UHB;
- Require significant funding that this legacy can provide;
- Offer long-term benefit from the late Mr Woods' generosity.

ASSESSMENT

The proposed application of the Woods legacy is as follows:

- Medical Skills Suite (£100,000)
- Orchard Project (£80,000)
- Make It Better/Staff Lottery Panel (£36,000)

Details of each of these schemes is set out below.

Medical Skills Suite (£100,000)

The Charitable Funds Committee considered a funding request on the expansion of the Medical Skills Suite at their meeting on 20th December 2016. A copy of this is attached for information.

The Committee agreed that the project had considerable merit, especially with regard to the ultimate benefit to patients as a result of more available training facilities.

The proposal includes an initial 10-year Memorandum of Understanding with Cardiff University for the use of their accommodation at UHW. There are no additional ongoing revenue costs and the expansion will not require an increase of current staffing. The Committee were reassured to hear that there was also potential to reduce some of the costs of the facility as VAT could be reclaimed on some items.

The Wales Deanery, in early 2017, agreed that they would also contribute £20,000 to the project. This has reduced the proposed application to the Woods Legacy fund to £100,000 instead of the original sum of £120,000. Cardiff School of Medicine will also contribute £50,000 towards costs.

The Charitable Funds Committee has agreed expenditure of £140,000 from the Health Charity's Post Graduate Medical Education Fund, also in support of this project.

Orchard Project (£80,000)

The Orchard Project was considered at the Charitable Funds Committee's Away Day in December 2016, and there was general support for allocating further funding to the project.

The support that the Orchard has already received includes £12,000 from Tesco Bags for Help scheme and just under £20,000 from the Health Charity's Make It Better (general purpose) Fund. The Orchard is also one of the chosen charities of the Mayor of the Vale of Glamorgan this year.

As the trustees will be aware, the Charity Office is working with the Communications Team to develop a fundraising campaign for the Orchard.

Allocated funding from the Woods legacy would support the first phase of Orchard development to progress in 2017. The full cost of Phase 1 is estimated to cost £150,000, followed by subsequent phases.

Phase 1 includes (not necessarily in order of completion):

- Site survey
 - including ecological and species report
- Preparatory work:
 - the selective clearing of scrub and trees
 - preservation of hedgerows
 - project specifications, costings estimate, planting plans, preliminary maintenance schedule
 - recruitment of possible partners (such as Woodland Trust, Plantlife Cymru, NHS Forest)
- Public launch of fundraising campaign and Orchard/allotment plans

Make It Better/Staff Lottery Panel (£36,000)

It is proposed that the remaining £36k be added to the Make It Better Fund, for distribution via the Make It Better/Staff Lottery Panel (previously known as the Charitable Bids Panel). At the current time, the Panel frequently have more quality bids than they have funds available.

Monitoring

As a key source of support for the above projects, the Charitable Funds Committee is keen to ensure that teams involved in the delivery regularly report on progress, in order that the CFC can fully discharge its duties in regard to scrutiny.

The Committee would also require particular attention to be paid to the opportunities to promote legacy giving to the Health Charity as part of the communications around the Medical Skills Centre and the Orchard Project.