



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Caerdydd a'r Fro  
Cardiff and Vale  
University Health Board



# Annual Report 2019-20



"We grow better tomorrows when  
we plant good seeds today"

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You can find out more about us, the work we do, who we work with and how you can get involved by visiting our website:  
[www.healthcharity.wales](http://www.healthcharity.wales)



# Introduction



Firstly, we would like to say thank you to all of our NHS colleagues who worked tirelessly during the Covid-19 pandemic to provide compassionate care to our patients.

Our fundraising year ended in March 2020 with lockdown measures in place to help save lives and protect our NHS. We are sure that we speak for everyone when we say we are so grateful for all you have done, and continue to do so.

2019-20 has been another successful year for Cardiff & Vale Health Charity, supporting an ever-growing variety of patient and staff projects throughout Cardiff and Vale University Health Board.

Whilst the Health Charity is always looking at new and innovative ways to raise money, and relies on the support of our generous fundraisers, donors and volunteers, we continued to demonstrate a strong financial performance, generating an income of £1.36m.

The improved visibility of the Health Charity with new branding across our hospital sites, along with the introduction of a fundraising pod at the University Hospital of Wales; there is a greater awareness of the Health Charity across the organisation.

This year has seen the Health Charity team maximise on the success of annual events for their appeals. The Staff Lottery continues to grow, along with some new ventures such as the RHS Cardiff, Pride Cymru, Three Peaks Challenge and a Divas night.

Although the Health Charity spent £2.127m supporting numerous projects enhancing patient experience and staff wellbeing services across the Health Board, we have not been able to support all the projects that had applied for financial support as the Health Charity needs to work within the resources available.

Moving forward, the Charitable Funds Committee has been working towards drafting a Health Charity Strategy for 2019-25 and a calendar of events for the next twelve months. Due to the current Covid-19 pandemic, this will also include a series of 'virtual' events.

Finally, we would like to thank all our donors, patrons and trustees who have supported us throughout this year. Our sincere gratitude goes to members of the Health Charity team and the Communications team for their commitment and hard work to deliver these projects, and making the Health Charity a success.

We hope you will find the stories contained in the report as humbling, interesting and inspiring as we do.

Charles Janczewski  
Chair of the Health Charity Trustees

Akmal Hanuk  
Chair of the Charitable Funds Committee

# Our year at a glance

This year, you've helped to raise a total of £1.36 million pounds to help make things better.



Donations  
**£734,000**



Legacies  
**£127,000**



Investments  
**£199,000**

## Other trading activities



**£245,000**



**£63,000**



**£37,906**

## Our Appeals



**£12,569**



**£29,347**



**£114,731**



**£101,883**



**1,692**  
new followers

2



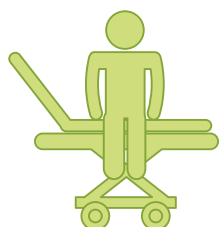
**£6,984**



**729**  
new followers

# How we've spent your money

This year, we've spent £2.127 million making things better for our patients and staff.



**75%**

**Patient education  
and welfare**



**22%**

**Staff education  
and welfare**



**3%**

**Research and  
additional costs**



# Fundraising Highlights





# April - June 2019



Cardiff and Vale University Health Board and Cardiff & Vale Health Charity won a Silver-Gilt medal and also Best Blossoming Bed at RHS Cardiff.

It was a real team effort to bring the Blossoming Bed to life with contributions from Men's Shed Cardiff, the activities team at Hafan y Coed Hospital, Natural Resources Wales, the Health Charity team and community volunteers.

Hundreds of people attended Cardiff Bay Barrage for the second Bed Push Challenge to support Doctors, Nurses, Allied Health, Professionals, Health Board Staff and supporters from Admiral Law who were all raising money for their local hospital wards and departments.

Fourteen teams took part in the Battle of the Beds, hoping to be crowned fastest team, racing their themed bed from one side of the barrage to the other.



First Minister, Mark Drakeford visited Our Orchard - Ein Berllan at University Hospital Llandough to plant a tree which will blossom and grow for the future.

Forget-Me-Not Productions took patients on Ward East 18 at University Hospital Llandough on a trip down the 1940s memory lane, on a reminiscence journey to help evoke memories of times gone by. East 18 is a dementia ward and when activities such as this take place on the ward, staff really notice a positive reaction from the patients.



Staff members Oliver Williams, Lisa Lewis and Jayne Catherall all took part in the Virgin London Marathon in 2019, raising money and awareness of the Health Charity.

# July - September 2019



The Health Charity funded the increased frequency of the free Park and Ride Service from Pentwyn to the University Hospital of Wales. Instead of buses running every 20 minutes, they were increased to every 10 minutes.

The Health Charity has also funded the Park and Ride Service from Toys r Us Car Park to University Hospital Llandough. Both these services help to improve patient experience and make parking easier for both patients and staff.

Year 11 pupils from Ysgol Gymraeg Bro Morgannwg kindly volunteered their time to a project to improve one of the courtyard gardens in Barry Hospital.

The garden was transformed in a short space of time, with trees trimmed, bulbs planted, bee bombs scattered and weeding done. The finished result looked fantastic.



Fifteen people from all over South Wales took part in the first ever Health Charity Three Peaks Challenge. The team took in Cadair Idris, Snowdon and Pen y Fan in 24 hours, all to raise money to make a difference to patients and staff.

Some new guests arrived at the University Hospital of Wales - hundreds of bees have recently taken up residence in hives on the top of the Cochrane Building.

The hives will help the Health Board and Cardiff University, along with assistance from New Link Wales Buzzin' Project to work together to help make super honey as part of the WellBeeing Project.



A new pod landed at the University Hospital of Wales. The pod, which will act as a Health Charity hub, is located in the concourse to help those who wish to find out more information about the official Health Board charity and for staff to find out how to apply for charitable funds.



# October - December 2019



The Health Charity held its second Blue Tie Ball at Mercure Holland House Cardiff raising funds for the Prop Appeal which supports brain injury patients at Rookwood Hospital.

Almost 300 people attended the event. Former patients, staff, families and supporters wore blue ties and blue evening dresses to show their support to The Prop Appeal.

The Health Charity held its annual Pink Tie Gala Dinner at Cardiff Marriott raising funds for The Breast Centre Appeal which supports breast cancer patients with their recovery.

Almost 200 people attended the event, including former patients, staff, families and supporters came along wearing pink ties and pink evening dresses to raise money and show their support to The Breast Centre Appeal.



The Breast Centre at University Hospital Llandough teamed up with Splash Central to provide free swim and exercise sessions for those who have had surgery for breast cancer.

As part of the ongoing strategy to reduce waste across the Health Board, the Health Charity funded recycling bins for crisp packets which were introduced by the Capital, Estates and Facilities Team. The scheme, in conjunction with Terracycle, means that income received from recycling crisp packets will be donated back to the Health Charity.



The Health Charity was delighted to announce a new partnership with Nathaniel Cars to provide exclusive benefits to Cardiff and Vale University Health Board employees.

# January - March 2020

The Health Charity launched its new website, which was updated to a fresh, modern design. The new look and feel site provides a better understanding of what the Health Charity does. The website now supports online payments for events, purchases and ticketing, making financial transactions much easier for donors and event participants.



The Staff Lottery MegaDraw delighted one lucky winner, Michelle Cawley, with a mega prize of £10,000. Michelle, who works in the Short Stay Surgical Unit at the University Hospital of Wales was delighted to win the prize said: "I'm totally choked. I don't normally get good news, thank you so much to the Health Charity for this win."

## Caring during Covid-19 #SpreadTheLove



The Health Charity responded quickly to this unprecedented crisis by setting up a Justgiving campaign called #SpreadTheLove. Supermarkets set up donation points where the public could donate food, drinks, snacks and essentials. The Health Charity made contact with individuals, businesses, organisations and suppliers to ensure that frontline staff received food, drinks snacks and essentials to help with staff wellbeing and welfare.

The Health Charity set up Staff Havens at University Hospital of Wales and University Hospital Llandough, where staff could take some time out from their wards and departments, to rest and recuperate during the Covid-19 pandemic.

The Health Charity received a number of large donations in April 2020 to the #SpreadTheLove campaign. These donations came from Gareth and Emma Bale, Aaron Ramsey and Sir Stanley Thomas, all to help staff on the frontline during Covid-19.



Artist Nathan Wyburn created this iconic image which the Health Charity championed and displayed as a thank you to staff across all hospital sites.



Beautiful rainbow pictures were sent in to staff by local school children to help boost morale. The Health Charity helped display these images on wards throughout the Health Board.

# Annual Accounts 2019-20



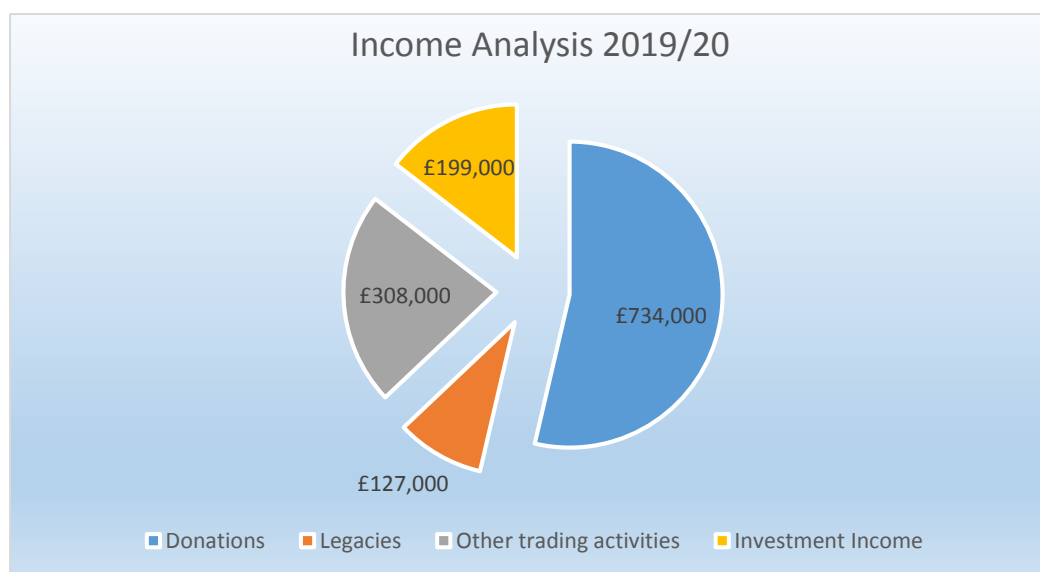
## Financial Achievements and Performance

### Income Summary

Incoming resources for the year 2019/20 totalled £1.368m which represents a decrease of £0.632m from the previous financial year.

The Charity's income was generated from donations, legacies, investment income and other trading activities.

### Income Analysis



#### Donations (53% - £0.734m)

The Charity is very grateful to have received donations of £0.734m to help us achieve our goals and objectives.

#### Legacies (9% - £0.127m)

The Charity received £0.127m in legacies. We are extremely grateful to those individuals who remembered our wards and departments in their will.

#### Other Trading Activities (23% - £0.308m)

The Charity generated £0.245m from the Cardiff and Vale Staff Lottery and a further £0.063m from other trading activities.

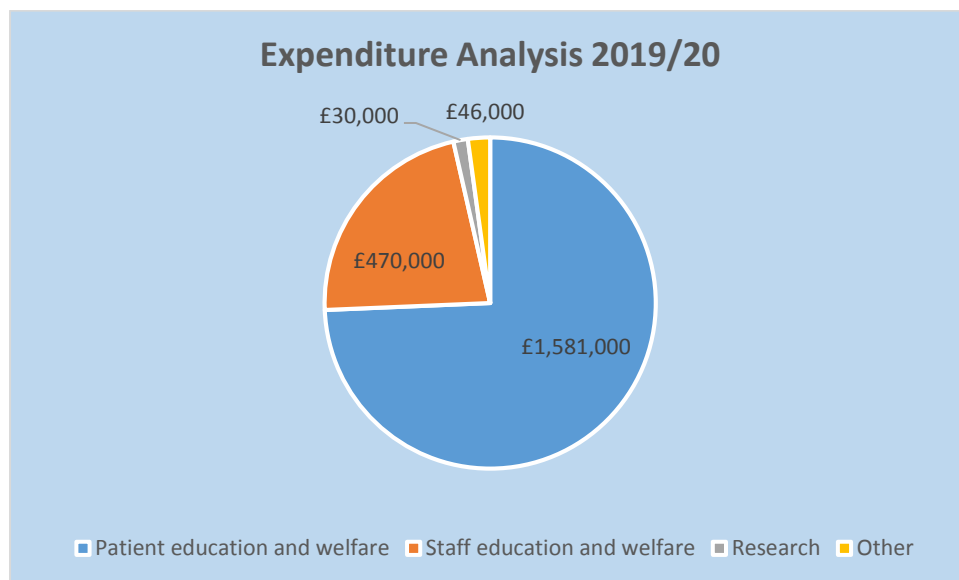
#### Investment Income (15% - £0.199m)

Dividends and Interest from the Charity's Investment Portfolio was £0.199m)

## Expenditure Summary

In 2019/20 expenditure on charitable activities was £2.127m. This included patient education and welfare, staff education and welfare, research and other expenditure.

## Expenditure Analysis



## Investments and Performance

During 2019/20 the Charity had market value losses of £0.615m.

## Overall financial position

The overall value of the Charity as at 31<sup>st</sup> March 2020 has decreased from an opening balance of £10.679m to £8.937m. This movement of £1.742m is represented by net expenditure of £1.120m, investment losses of £0.615m and asset revaluation of £0.007m.

## **Structure, Governance and Management**

### **The Charity**

The Health 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 Local Health Board (UHB) is the Corporate Trustee for the Health 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 Health Charity to Cardiff and Vale University Local Health Board General Purpose Charity – Registered Charity number 1056544. The Health Charity has a number of constituent charities and these are listed below:

- Catherine Jenkins
- 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 University Health Board (Expendable Funds) Common Investment Fund. This combines the funds of the Health Charity into one pool for investment purposes.

### **Constitution**

Cardiff and Vale University Local Health Board holds charitable funds as sole corporate trustee and the board members of the Health Board are jointly responsible for the management of those charitable funds. The membership of the board was as follows at the time the annual report was approved.



## **Independent Members**

|                    |   |
|--------------------|---|
| Maria Battle       | Chair until 5 <sup>th</sup> August 2019   |
| Charles Janczewski | Interim Chair from 6 <sup>th</sup> August 2019                                  |
| Akmal Hanuk        | Independent Member – Local Community  |
| Dawn Ward          | Independent Member – Trade Union  |
| Eileen Brandreth   | Independent Member – Information, Communication and Technology                  |
| Prof Gary Baxter   | Independent Member – University   |
| John Union         | Independent Member - Finance  |
| John Antoniazzi    | Independent Member – Estates until 31 <sup>st</sup> October 2019                |
| Sara Moseley       | Independent Member – Third Sector   |
| Michael Imperato   | Independent Member – Legal Interim Vice Chair from 9 <sup>th</sup> October 2019 |
| Susan Elsmore      | Independent Member – Local Authority  |
| Rhian Thomas       | Independent Member – Capital & Estates (From 1 <sup>st</sup> February 2020)     |

## **Officer Members**

|                   |   |
|-------------------|---|
| Leonard Richards  | Chief Executive   |
| Graham Shortland  | Medical Director until 18 <sup>th</sup> April 2019  |
| Dr Sharon Hopkins | Director of Transformation and Informatics and Deputy Chief Executive until 23 <sup>rd</sup> June 2019. |
| Fiona Kinghorn    | Director of Public Health   |
| Robert Chadwick   | Executive Director of Finance   |
| Stuart Walker     | Executive Medical Director from 17 <sup>th</sup> July 2019  |
| Martin Driscoll   | Director of Workforce and OD. Deputy Chief Executive from 1 <sup>st</sup> November 2019.                |
| Abigail Harris    | Executive Director of Planning  |
| Dr Fiona Jenkins  | Executive Director of Therapies and Health Sciences   |
| Ruth Walker       | Executive Director of Nursing   |
| Steve Curry       | Chief Operating Officer   |
| Nicola Foreman    | Director of Corporate Governance  |
| Jonathan Gray     | Director of Transformation from 2 <sup>nd</sup> December 2019   |
| Peter Durning     | Interim Executive Medical Director April 19 <sup>th</sup> – 16 <sup>th</sup> July 2019                  |

## 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 Health Charity
- Determine the Health Charity's investment strategy
- Agree expenditure plans
- Determine fundraising objectives and strategy

The members of the committee who served during 2019/20 are listed below:

|                    |  |
|--------------------|--|
| Akmal Hanuk        | Committee Chair and Independent Member Community   |
| Fiona Jenkins      | Executive Director of Therapies and Health Science |
| John Union         | Independent Member Finance                         |
| Maria Battle       | Chair – Cardiff and Vale Health Board              |
| Martin Driscoll    | Executive Director of Workforce and OD             |
| Nicola Foreman     | Director of Corporate Governance                   |
| Charles Janczewski | Interim Chair - Cardiff and Vale Health Board      |
| Ruth Walker        | Executive Director of Nursing                      |

## 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  
2nd Floor, Woodland House,  
Cardiff, CF14 4HH

## **Investment Risk Management**

The Investment Management Company screen the investments prior to purchase for compliance with the ethical policy. In addition existing holdings are screened on a regular basis to ensure continued compliance. If the fund were to purchase a position in a holding which did not comply and was identified as part of the post purchase process, the investment would be subsequently sold.

The portfolio does not have investments in companies whose principal manufacturing activities are tobacco, alcohol, armaments and pornography / adult entertainment related. This includes common investment funds (and similar products) that incorporate these in their portfolio.

## **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

From a process point of view there is no individual fund that holds all the reserves, however the current level of reserves is considered more than adequate for current needs. Going forward the Charity will review the reserves policy to reflect any changes to the Charity's financial position.

## **Investment Contract Risk**

Cardiff and Vale Health Charity currently has a contract with Cazenove Capital Management which was awarded in September 2015 for an initial period of two years with an option to extend for a further two years. The Charitable Funds Committee agreed to exercise the option of extending the contract for a further two years to September 2019. This has been extended further until such time the new contract is awarded, which is estimated to be January 2021.

The Charity seeks to maximise the total return on funds while adopting a conservative policy on risk and flexible structure in respect of Asset Class Distribution. The portfolio is structured to enable a range of investments in order to yield a competitive rate of return. The investment director has delegated authority to purchase and sell investments as market opportunities arise. The Investment Managers formally attend and report to the Charitable Funds Committee twice a year.



## 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

|                            |  |
|----------------------------|--|
| <b>Bankers</b>             | Government Banking Service<br>Southern House<br>7th Floor<br>Wellesley Grove<br>Croydon<br>CF9 1WW |
| <b>Investment Managers</b> | Cazenove Capital Management<br>12 Moorgate<br>London<br>EC2R 6DA                                   |
| <b>External Auditors</b>   | Auditor General for Wales<br>24 Cathedral Road<br>Cardiff<br>CF11 9LJ                              |
| <b>Internal Auditors</b>   | NWSSP Internal Audit Department<br>1st Floor, Woodland House<br>Cardiff<br>CF14 4HH                |
| <b>VAT Advisors</b>        | Ernst & Young LLP<br>The Paragon<br>Counterslip<br>Bristol<br>BS1 6BX                              |

# **CARDIFF & VALE HEALTH CHARITY ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2020**

## **Foreword**

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

## **Statutory Background**

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

The Trustees have been appointed under s11 of the NHS and Community Care Act 1990.

## **Main Purpose of the Funds Held on Trust**

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

**Statement of Financial Activities for the year ended 31st March 2020**

|   |      | Unrestricted<br>funds<br>£000 | Restricted<br>funds<br>£000 | Endowment<br>funds<br>£000 | Total<br>2019-20<br>£000 |
|---|------|-------------------------------|-----------------------------|----------------------------|--------------------------|
|   | Note |                               |                             |                            |                          |
| <b>Incoming resources from generated funds:</b>           |      |                               |                             |                            |                          |
| Donations and Legacies                                    | 4    | 650                           | 211                         |                            | 861                      |
| Other trading activities                                  | 5    | 11                            | 297                         |                            | 308                      |
| Investments   | 6    | 139                           | 59                          | 1                          | 199                      |
| <b>Total incoming resources</b>                           |      | <b>800</b>                    | <b>567</b>                  | <b>1</b>                   | <b>1,368</b>             |
| <b>Expenditure on :</b>                                   |      |                               |                             |                            |                          |
| Raising funds   | 7    | 206                           | 155                         |                            | 361                      |
| Charitable activities                                     | 8    | 1,799                         | 307                         | 21                         | 2,127                    |
| <b>Total expenditure</b>                                  |      | <b>2,005</b>                  | <b>462</b>                  | <b>21</b>                  | <b>2,488</b>             |
| Net gains / (losses) on investments                       | 14   | -612                          | 0                           | -3                         | -615                     |
| <b>Net income / ( expenditure)</b>                        |      | <b>-1,817</b>                 | <b>105</b>                  | <b>-23</b>                 | <b>-1,735</b>            |
| Transfer between funds                                    |      | 10                            | -9                          | -1                         | 0                        |
| <b>Net movement in funds</b>                              |      | <b>-1,807</b>                 | <b>96</b>                   | <b>-24</b>                 | <b>-1,735</b>            |
| Gains / (losses) on revaluation of fixed assets           | 13   |                               |                             | -7                         | -7                       |
| <b>Reconciliation of Funds</b>                            |      | <b>-1,807</b>                 | <b>96</b>                   | <b>-31</b>                 | <b>-1,742</b>            |
| Total Funds brought forward as at 1 April 2019 (Restated) | 20   | 6,365                         | 1,771                       | 2,543                      | 10,679                   |
| <b>Total Funds carried forward as at 31 March 2020</b>    |      | <b>4,558</b>                  | <b>1,867</b>                | <b>2,512</b>               | <b>8,937</b>             |

The notes on page 22 to 36 form part of these accounts



**Cardiff and Vale University Local Health Board Charities Accounts 2018/19**

**Statement of Financial Activities for the year ended 31st March 2019**

|   |      | Unrestricted | Restricted   | Endowment    | Total           |
|---|------|--------------|--------------|--------------|-----------------|
|   | Note | £000         | £000         | £000         | 2018-19<br>£000 |
| <b>Incoming resources from generated funds:</b>           |      |              |              |              |                 |
| Donations and Legacies                                    | 4    | 947          | 525          |              | 1,472           |
| Other trading activities                                  | 5    | 3            | 318          |              | 321             |
| Investments   | 6    | 145          | 61           | 1            | 207             |
| <b>Total incoming resources</b>                           |      | <b>1,095</b> | <b>904</b>   | <b>1</b>     | <b>2,000</b>    |
| <b>Expenditure on :</b>                                   |      |              |              |              |                 |
| Raising funds   | 7    | 211          | 157          |              | 368             |
| Charitable activities                                     | 8    | 1,061        | 433          | 22           | 1,516           |
| <b>Total expenditure</b>                                  |      | <b>1,272</b> | <b>590</b>   | <b>22</b>    | <b>1,884</b>    |
| Net gains / (losses) on investments                       | 14   | 335          | 0            | 2            | 337             |
| <b>Net income / ( expenditure)</b>                        |      | <b>158</b>   | <b>314</b>   | <b>-19</b>   | <b>453</b>      |
| Transfer between funds                                    |      | 10           | -6           | -4           | 0               |
| <b>Net movement in funds</b>                              |      | <b>168</b>   | <b>308</b>   | <b>-23</b>   | <b>453</b>      |
| Gains / (losses) on revaluation of fixed assets           | 13   |              |              | 43           | 43              |
| <b>Reconciliation of Funds</b>                            |      | <b>168</b>   | <b>308</b>   | <b>20</b>    | <b>496</b>      |
| Total Funds brought forward as at 1 April 2018 (Restated) | 20   | 6,197        | 1,463        | 2,523        | 10,183          |
| <b>Total Funds carried forward as at 31 March 2019</b>    |      | <b>6,365</b> | <b>1,771</b> | <b>2,543</b> | <b>10,679</b>   |

## Balance Sheet as at 31 March 2020

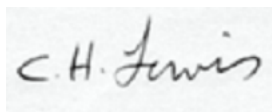
|  |      | Unrestricted<br>funds | Restricted<br>Income<br>funds | Endowment<br>funds | Total<br>31 March<br>2020 | Total<br>31 March<br>2019 |
|--|------|-----------------------|-------------------------------|--------------------|---------------------------|---------------------------|
|  | Note | £000                  | £000                          | £000               | £000                      | £000                      |
| <b>Fixed assets:</b>                           |      |                       |                               |                    |                           |                           |
| Tangible Assets                                | 13   |                       |                               | 2,476              | 2,476                     | 2,503                     |
| Investments                                    | 14   | 3,975                 | 1,488                         | 36                 | 5,499                     | 6,114                     |
| <b>Total fixed assets</b>                      |      | <b>3,975</b>          | <b>1,488</b>                  | <b>2,512</b>       | <b>7,975</b>              | <b>8,617</b>              |
| <b>Current assets:</b>                         |      |                       |                               |                    |                           |                           |
| Debtors  | 15   | 115                   | 42                            |                    | 157                       | 498                       |
| Cash and cash equivalents                      | 16   | 849                   | 366                           |                    | 1,215                     | 1,848                     |
| <b>Total current assets</b>                    |      | <b>964</b>            | <b>408</b>                    | <b>0</b>           | <b>1,372</b>              | <b>2,346</b>              |
| <b>Liabilities:</b>                            |      |                       |                               |                    |                           |                           |
| Creditors: Amounts falling due within one year | 17   | 381                   | 29                            |                    | 410                       | 284                       |
| <b>Net current assets / (liabilities)</b>      |      | <b>583</b>            | <b>379</b>                    | <b>0</b>           | <b>962</b>                | <b>2,062</b>              |
| <b>Total net assets / (liabilities)</b>        |      | <b>4,558</b>          | <b>1,867</b>                  | <b>2,512</b>       | <b>8,937</b>              | <b>10,679</b>             |
| <b>The funds of the charity:</b>               |      |                       |                               |                    |                           |                           |
| Endowment Funds                                | 20   |                       |                               | 36                 | 36                        | 40                        |
| Revaluation Reserve                            | 20   |                       |                               | 2,476              | 2,476                     | 2,503                     |
| Restricted income funds ( Restated) *          | 20   |                       | 1,867                         |                    | 1,867                     | 1,771                     |
| Unrestricted income funds ( Restated) *        | 20   | 4,558                 |                               |                    | 4,558                     | 6,365                     |
| <b>Total funds</b>                             |      | <b>4,558</b>          | <b>1,867</b>                  | <b>2,512</b>       | <b>8,937</b>              | <b>10,679</b>             |

\* See note 2 prior year restatement

Interim Director of Finance

Mr Christopher Lewis

Date: 26 January 2021



The notes on page 22 to 36 form part of these accounts

## Statement of Cash Flows for the year ending 31 March 2020

|   | Note | Total<br>Funds<br>2019-20<br>£000 | Total<br>Funds<br>2018-19<br>£000 |
|---|------|-----------------------------------|-----------------------------------|
| <b>Cash flows from operating activities:</b>                              |      |                                   |                                   |
| <b>Net cash provided by (used in) operating activities</b>                | 18   | -832                              | -270                              |
| <b>Cash flows from investing activities:</b>                              |      |                                   |                                   |
| Dividend, interest and rents from investments                             | 6    | 199                               | 207                               |
| Movement in Investment Cash   | 14   | -73                               | 104                               |
| Proceeds from the sale of investments                                     |      | 727                               | 1,570                             |
| Purchase of investments   | 14   | -654                              | -974                              |
| <b>Net cash provided by (used in) investing activities</b>                |      | <b>199</b>                        | <b>907</b>                        |
| <b>Change in cash and cash equivalents in the reporting period</b>        |      | <b>-633</b>                       | <b>637</b>                        |
| <b>Cash and cash equivalents at the beginning of the reporting period</b> | 16   | 1,848                             | 1,211                             |
| <b>Cash and cash equivalents at the end of the reporting period</b>       | 16   | <b>1,215</b>                      | <b>1,848</b>                      |

The notes on page 22 to 36 form part of these accounts

# NOTES TO THE ACCOUNTS

## 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. 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 Investment Risk Management and Reserves Policy sections of the annual report for more information).

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

### b) 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.

**c) 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.

**d) 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.

**e) Income resources from endowment funds**

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

**f) Resources expended and irrecoverable VAT**

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

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

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

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.

#### **g) 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 are apportioned on an average fund balance basis.

#### **h) Fundraising costs**

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

#### **i) 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 8.

**j) Debtors**

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

**k) Cash and cash equivalents**

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

**l) Creditors**

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

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

**m) Realised gains and losses**

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

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening carrying value (or purchase date if later).

**n) 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 1<sup>st</sup> April 2017, 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) Assets in the course of construction are valued at current cost.
- iii) Capitalisation threshold is £5,000
- iv) Movements in revaluation are recorded in the revaluation reserve on the balance sheet

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 Welsh Government and HM Treasury. Movements in revaluations are recognised in the Revaluation Reserve.

## 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) Impairments, where incurred in the year, are separately identified in note 13 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.
- iii) The estimated remaining life of the assets are split between engineering (15 years) and structure (45 years).

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

## 2. Prior Year Restatement

To correctly state the classification of the Charity's restricted and unrestricted funds as at 31 March 2018 and 31 March 2019, for both dates the following disclosures have been restated:

| <u>Statement of Financial Activities 2019-20</u>                | <u>£ k</u> |
|---|------------|
| unrestricted funds brought forward increased by                 | 220        |
| restricted funds brought forward decreased by                   | 220        |
| <u>Statement of Financial Activities 2018-19</u>                |            |
| unrestricted funds brought forward increased by                 | 200        |
| restricted funds brought forward decreased by                   | 200        |
| expenditure on charitable activities, unrestricted increased by | 78         |
| expenditure on charitable activities, restricted decreased by   | 78         |
| net gain/loss on investments, unrestricted increased by         | 98         |
| net gain/loss on investments, restricted decreased by           | 98         |
| <u>Balance Sheet</u>  |            |
| unrestricted funds at 31 March 2019 increased by                | 220        |
| restricted funds at 31 March 2019 decreased by                  | 220        |

## 3. 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.

The table below relates to the related party financial transactions for financial year 2019/20.

| <b>Related Party</b>          | <b>Income<br/>related party<br/>2019/20<br/>£000</b> | <b>Expenditure<br/>related party<br/>2019/20<br/>£000</b> | <b>Amounts owed<br/>to related party<br/>2019/20<br/>£000</b> | <b>Amounts due<br/>from related party<br/>2019/20<br/>£000</b> |
|-------------------------------|--|---|---|--|
| Cardiff Council               |  | 1   |   | 5  |
| Cardiff and Vale Health Board |  | 955   | 310   | 27   |
| Cardiff University            |  | 44  |   | 1  |

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

| <b>Board Member</b> | <b>Related Party Relationship</b>   |
|---------------------|---|
| Susan Elsmore       | Cabinet Member for Social Health Care and Wellbeing for the City of Cardiff Council |
| Eileen Brandeth     | Director of Information and Technology at Cardiff University                        |
| Len Richards        | Independent Member of Cardiff University  |
| Prof Gary Baxter    | Pro Vice Chancellor College of Biomedical Life Sciences                             |

The table below relates to the related party financial transactions for financial year 2018/19. The format of the note was changed for 2019/20 consistent with the LHB's revenue accounts. The tables for receipts and payment were replaced with income and expenditure for 2019/20.

| <b>Related Party</b>          | <b>Payments to<br/>related party<br/>2018/19<br/>£000</b> | <b>Receipts from<br/>related party<br/>2018/19<br/>£000</b> | <b>Amounts owed<br/>to related party<br/>2018/19<br/>£000</b> | <b>Amounts due<br/>from related party<br/>2018/19<br/>£000</b> |
|-------------------------------|---|---|---|--|
| Cardiff and Vale Health Board | 1,073   |   | 98  | 21   |
| Cardiff University            | 43  |   | 19  | 1  |
| Swansea University            | 2   |   |   |  |
| Welsh Government              | 4   |   |   |  |
| Blake Morgan Solicitors       |   | 1   |   |  |
| Cardiff Council               | 17  |   | 1   |  |



**4. Income from donations and legacies**

|           | Unrestricted<br>funds<br>£000 | Restricted<br>Income<br>funds<br>£000 | Endowment<br>funds<br>£000 | Total<br>2019-20<br>£000 | Total<br>2018-19<br>£000 |
|-----------|-------------------------------|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Donations | 549                           | 185                                   |                            | 734                      | 732                      |
| Legacies  | 101                           | 26                                    |                            | 127                      | 740                      |
|           | <b>650</b>                    | <b>211</b>                            | <b>0</b>                   | <b>861</b>               | <b>1,472</b>             |

**5. Other trading activities**

|               | Unrestricted<br>funds<br>£000 | Restricted<br>Income<br>funds<br>£000 | Endowment<br>funds<br>£000 | Total<br>2019-20<br>£000 | Total<br>2018-19<br>£000 |
|---------------|-------------------------------|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Staff lottery |                               | 245                                   |                            | 245                      | 242                      |
| Other trading | 11                            | 52                                    |                            | 63                       | 79                       |
|               | <b>11</b>                     | <b>297</b>                            | <b>0</b>                   | <b>308</b>               | <b>321</b>               |

**6. Gross investment income**

|  | Unrestricted<br>funds<br>£000 | Restricted<br>Income<br>funds<br>£000 | Endowment<br>funds<br>£000 | Total<br>2019-20<br>£000 | Total<br>2018-19<br>£000 |
|--|-------------------------------|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Fixed asset equity and similar<br>investments. | 131                           | 56                                    | 1                          | 188                      | 198                      |
| Short Term Investments                         | 8                             | 3                                     |                            | 11                       | 9                        |
| Deposits and cash on deposit                   |                               |                                       |                            |                          |                          |
|  | <b>139</b>                    | <b>59</b>                             | <b>1</b>                   | <b>199</b>               | <b>207</b>               |

**7. Analysis of expenditure on raising funds**

|                            | Unrestricted<br>funds<br>£000 | Restricted<br>Income<br>funds<br>£000 | Endowment<br>funds<br>£000 | Total<br>2019-20<br>£000 | Total<br>2018-19<br>£000 |
|----------------------------|-------------------------------|---------------------------------------|----------------------------|--------------------------|--------------------------|
| Fundraising office         | 189                           | 81                                    |                            | 270                      | 266                      |
| Fundraising events         |                               | 67                                    |                            | 67                       | 78                       |
| Investment management fees | 17                            | 7                                     |                            | 24                       | 24                       |
|                            | <b>206</b>                    | <b>155</b>                            | <b>0</b>                   | <b>361</b>               | <b>368</b>               |

## **Cardiff and Vale University Local Health Board Charities Accounts 2019/20**

### **8. Analysis of charitable activity**

|                               | <b>Activities<br/>taken<br/>£000</b> | <b>Support<br/>costs<br/>£000</b> | <b>Total<br/>2019-20<br/>£000</b> | <b>Total<br/>2018-19<br/>£000</b> |
|-------------------------------|--------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Patient education and welfare | 1,484                                | 97                                | 1,581                             | 1,073                             |
| Staff education and welfare   | 457                                  | 13                                | 470                               | 367                               |
| Research                      | 28                                   | 2                                 | 30                                | 45                                |
| Other                         | 24                                   | 2                                 | 26                                | 11                                |
| Depreciation                  | 20                                   |                                   | 20                                | 20                                |
|                               | <b>2,013</b>                         | <b>114</b>                        | <b>2,127</b>                      | <b>1,516</b>                      |

## **Cardiff and Vale University Local Health Board Charities Accounts 2019/20**

### **9 Grants**

The charity does not make grants to individuals or the Health Board

The charity does operate a Charitable Funds Bids Panel which approves grants to the Third Sector on an annual basis.

During 2019/20 £0.033m was approved by the Charitable Funds Committee.

During 2018/19 the Charity approved a sum of £0.025m to the Third Sector.

The table below provides the details of the grant payments.

| <b>Organisation</b>           | <b>2019/20<br/>£000</b> | <b>2018/19<br/>£000</b> |
|-------------------------------|-------------------------|-------------------------|
| GLAMORGAN VOLUNTARY SERVICES  | 33                      |                         |
| RECOVERY CYMRU COMMUNITY      |                         | 3                       |
| WALES COUNCIL FOR DEAF PEOPLE |                         | 2                       |
| CRUSE BEREAVEMENT CARE        |                         | 4                       |
| CHURCH ARMY                   |                         | 7                       |
| ADHD                          |                         | 4                       |
| THE GOOD GYM LTD              |                         | 5                       |
| <b>Total</b>                  | <b>33</b>               | <b>25</b>               |

## **Cardiff and Vale University Local Health Board Charities Accounts 2019/20**

### **10. Allocation of support costs**

|                            | <b>Raising<br/>funds<br/>£000</b> | <b>Charitable<br/>activities<br/>£000</b> | <b>Total<br/>2019-20<br/>£000</b> | <b>Total<br/>2018-19<br/>£000</b> |
|----------------------------|-----------------------------------|---|-----------------------------------|-----------------------------------|
| Governance                 |                                   |   |                                   |                                   |
| Audit Wales                | 0                                 | 10  | 10                                | 10                                |
| Internal Audit             | 0                                 | 10  | 10                                | 10                                |
| Investment Management Fees | 24                                | 0   | 24                                | 24                                |
| Total governance           | <b>24</b>                         | <b>20</b>                                 | <b>44</b>                         | <b>44</b>                         |
| Finance and administration |                                   | 94  | 94                                | 94                                |
|                            | <b>24</b>                         | <b>114</b>                                | <b>138</b>                        | <b>138</b>                        |

The finance and administration payment is to a related party (Cardiff and Vale University Health Board). and this relates to staff costs.

|                       | <b>Unrestricted<br/>funds<br/>£000</b> | <b>Restricted<br/>Income<br/>funds<br/>£000</b> | <b>Endowment<br/>funds<br/>£000</b> | <b>Total<br/>Funds<br/>2019-20<br/>£000</b> |
|-----------------------|--|---|-------------------------------------|---|
| Raising funds         | 17                                     | 7   | 0                                   | 24  |
| Charitable activities | 80                                     | 34  | 0                                   | 114   |
|                       | <b>97</b>                              | <b>41</b>                                       | <b>0</b>                            | <b>138</b>                                  |

### **11. 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.

### **12. Auditor's remuneration**

The auditor's remuneration of £10,000 (2018/19:£10,000) relates to the audit of the statutory annual report and accounts only.

## Cardiff and Vale University Local Health Board Charities Accounts 2019/20

### 13. Tangible fixed assets

|  | Freehold Land<br>and Buildings<br>2019/20<br>£000 | Freehold Land<br>and Buildings<br>2018/19<br>£000 |
|--|---|---|
| <b><u>Cost or valuation</u></b>        |   |   |
| <b>Opening Balance</b>                 | 2,543   | 2,500   |
| Additions                              | 0   | 0   |
| Revaluations                           | -7  | 43  |
| Disposals                              | 0   | 0   |
| Impairments                            | 0   | 0   |
| <b>Closing Balance</b>                 | 2,536   | 2,543   |
| <b><u>Accumulated depreciation</u></b> |   |   |
| <b>Opening Balance</b>                 | 40  | 20  |
| Disposals                              | 0   | 0   |
| Revaluations                           | 0   | 0   |
| Impairments                            | 0   | 0   |
| Charge for year                        | 20  | 20  |
| <b>Closing Balance</b>                 | 60  | 40  |
| <b>Opening NBV</b>                     | 2,503   | 2,480   |
| <b>Closing NBV</b>                     | 2,476   | 2,503   |

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

## Cardiff and Vale University Local Health Board Charities Accounts 2019/20

### 14.Fixed asset investments

#### Movement in fixed assets investments

|   | Investments<br>Listed<br>on Stock<br>Exchange<br>£000 | Cash<br>Held in<br>Investment<br>Portfolio<br>£000 | Total<br>2019-20<br>£000 | Total<br>2018-19<br>£000 |
|---|---|--|--------------------------|--------------------------|
| Market value brought forward                              | 5,855   | 259  | 6,114                    | 6,477                    |
| Add: additions to investments at cost                     | 654   |  | 654                      | 974                      |
| Less disposals at carrying value                          | (725)   |  | (725)                    | (1,454)                  |
| Add any gain / (loss) on revaluation                      | (617)   |  | (617)                    | 221                      |
| Movement of cash held as part of the investment portfolio |   | 73   | 73                       | (104)                    |
| <b>Market value as at 31st March 2020</b>                 | <b>5,167</b>  | <b>332</b>   | <b>5,499</b>             | <b>6,114</b>             |

The outbreak of the Covid-19 pandemic has impacted global financial markets creating uncertainty surrounding illiquid asset values. As at 31 March 2020, our property managers consider that less weight can be attached to valuations, resulting in valuations being reported on the basis of 'material valuation uncertainty. This material valuation uncertainty affecting the current year's accounts relates to three Property Investments with a total value of £495,227.

The loss on revaluation relates to the unrealised loss, however the overall loss of £0.615m, as shown in the Statement of Financial Activities is calculated by also adjusting for realised Gains of £0.002m. (2018/19 £0.116m). As at 31<sup>st</sup> March 2020 the following investment was considered material: UBS ETF MSCI USA Socially Responsible ETF.

The Charity's investment are handled by investment 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 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 perform



## Cardiff and Vale University Local Health Board Charities Accounts 2019/20

### 15. Analysis of current debtors

| Debtors under 1 year | Total<br>31 March<br>2020<br>£000 | Total<br>31 March<br>2019<br>(Restated)<br>£000 |
|----------------------|-----------------------------------|---|
| Other debtors        | 5                                 | 15  |
| Prepayments          | 57                                | 53  |
| Accrued Income       | 95                                | 430   |
|                      | <b>157</b>                        | <b>498</b>                                      |
| Total debtors        | <b>157</b>                        | <b>498</b>                                      |

The re-statement reflects the movement of £430k from the other debtors line to accrued income.

### 16. Cash at bank and in hand

|              | 31 March<br>2020<br>£000 | 31 March<br>2019<br>£000 |
|--------------|--------------------------|--------------------------|
| Cash at bank | 1,215                    | 1,848                    |
|              | <b>1,215</b>             | <b>1,848</b>             |

### 17. Analysis of liabilities

|                               | Total<br>31 March<br>2020<br>£000 | Total<br>31 March<br>2019<br>£000 |
|-------------------------------|-----------------------------------|-----------------------------------|
| <b>Creditors under 1 year</b> |                                   |                                   |
| Other creditors               | 383                               | 245                               |
| Accruals                      | 27                                | 39                                |
|                               | <b>410</b>                        | <b>284</b>                        |
| Total creditors               | <b>410</b>                        | <b>284</b>                        |

## **Cardiff and Vale University Local Health Board Charities Accounts 2019/20**

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

|   | <b>Total<br/>2019-20<br/>£000</b> | <b>Total<br/>2018-19<br/>£000</b> |
|---|-----------------------------------|-----------------------------------|
| <b>Net income / (expenditure) (per Statement of Financial Activities)</b> | <b>(1,735)</b>                    | 453                               |
| <b>Adjustment for:</b>  |                                   |                                   |
| Depreciation charges  | 20                                | 20                                |
| (Gains) / losses on investments   | 615                               | <b>(337)</b>                      |
| Dividends, interest and rents from investments                            | <b>(199)</b>                      | <b>(207)</b>                      |
| (Increase) / decrease in debtors  | 341                               | <b>(260)</b>                      |
| Increase / (decrease) in creditors  | 126                               | 61                                |
| <b>Net cash provided by (used in) operating activities</b>                | <b><u>(832)</u></b>               | <b><u>(270)</u></b>               |

### **19. Role of volunteers**

Cardiff and Vale Health Charity continue to be extremely grateful to all the volunteers who support fundraising with so much energy, passion, and skill. The Charity could not achieve all their objectives without the on-going commitment of the volunteers to make such a difference to patients and staff.

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.

## 20. Analysis of Funds

### a. Analysis of endowment funds

|                   | Balance<br>1 April<br>2019<br>(Restated)<br>£000 | Income<br>£000 | Expenditure<br>£000 | Transfers<br>£000 | Gains<br>and<br>losses<br>£000 | Balance<br>31 March<br>2020<br>£000 |
|-------------------|--|----------------|---------------------|-------------------|--------------------------------|-------------------------------------|
| Catherine Jenkins | 40   | 1              | (1)                 | (1)               | (3)                            | 36                                  |
|                   | <b>40</b>  | <b>1</b>       | <b>(1)</b>          | <b>(1)</b>        | <b>(3)</b>                     | <b>36</b>                           |

### b. Analysis of restricted material fund movements

|  | Balance<br>1 April<br>2019<br>(Restated)<br>£000 | Income<br>£000 | Expenditure<br>£000 | Transfers<br>£000 | Gains<br>and<br>losses<br>£000 | Balance<br>31 March<br>2020<br>£000 |
|--|--|----------------|---------------------|-------------------|--------------------------------|-------------------------------------|
| Cystic Fibrosis Better Life Appeal Fund        | 382  | 102            | (8)                 |                   |                                | 476                                 |
| Phillips Legacy - Asthma Research              | 207  | 7              | (5)                 |                   |                                | 209                                 |
| Breastcare Unit - General Purpose              | 193  | 115            | (86)                |                   |                                | 222                                 |
| May Legacy - Asthma Research                   | 142  | 4              | (3)                 |                   |                                | 143                                 |
| Murphy Legacy ( Morfa Day Unit - General Purpo | 101  | 3              | (14)                |                   |                                | 90                                  |
| Childrens Telemetry Appeal ( General Purpose)  | 92   | 4              | (2)                 |                   |                                | 94                                  |
| Chidgey Legacy                                 | 89   | 3              | (2)                 |                   |                                | 90                                  |
| Gould Legacy ( Haematology)                    | 82   | 11             | (2)                 |                   |                                | 91                                  |
| Gould Legacy ( Bone Marrow Unit)               | 82   | 11             | (2)                 |                   |                                | 91                                  |
| Bone Marrow Transplant Appeal                  | 77   | 7              | (2)                 |                   |                                | 82                                  |
| Other  | 324  | 300            | (336)               | (9)               |                                | 279                                 |
|  | <b>1,771</b>                                     | <b>567</b>     | <b>(462)</b>        | <b>(9)</b>        | <b>0</b>                       | <b>1,867</b>                        |

See Note 2 prior year restatement

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

|                                    | Balance<br>1 April<br>2019<br>(Restated)<br>£000 | Income<br>£000 | Expenditure<br>£000 | Transfers<br>£000 | Gains<br>and<br>losses<br>£000 | Balance<br>31 March<br>2020<br>£000 |
|------------------------------------|--|----------------|---------------------|-------------------|--------------------------------|-------------------------------------|
| <b>Unrestricted Funds</b>          |  |                |                     |                   |                                |                                     |
| Unrestricted Delegated             | 1,500  |                | -561                |                   | -612                           | 327                                 |
| Unrestricted Non Delegated         | 444  |                | -315                |                   |                                | 129                                 |
|                                    | <b>1,944</b>                                     |                | <b>-876</b>         | <b>0</b>          | <b>-612</b>                    | <b>456</b>                          |
| <b>Designated Funds</b>            |  |                |                     |                   |                                |                                     |
| Hughes Legacy ( Cardiology)        | 318  | 10             | -22                 |                   |                                | 306                                 |
| UHW Nurses                         | 249  | 45             | -15                 |                   |                                | 279                                 |
| Biggs Legacy Cardiac Research      | 150  | 4              | -42                 |                   |                                | 112                                 |
| Geriatric Research (UHW)           | 134  | 4              | -3                  |                   |                                | 135                                 |
| Leukaemia & Lymphona               | 127  | 20             | -3                  |                   |                                | 144                                 |
| UHW Patients General               | 122  | 4              | -10                 |                   |                                | 116                                 |
| Haematology Day Unit               | 106  | 16             | -12                 |                   |                                | 110                                 |
| Cardiff & Vale Teenage Cancer Ward | 50   | 32             | -1                  |                   |                                | 81                                  |
| Other                              | 3,165  | 665            | -1,021              | 10                |                                | 2,819                               |
|                                    | <b>4,421</b>                                     | <b>800</b>     | <b>-1,129</b>       | <b>10</b>         |                                | <b>4,102</b>                        |
| <b>Total</b>                       | <b>6,365</b>                                     | <b>800</b>     | <b>-2,005</b>       | <b>10</b>         | <b>-612</b>                    | <b>4,558</b>                        |

See Note 2 prior year restatement

### d. Revaluation Reserve

|          | Balance<br>1 April<br>2019<br>£000 | Income<br>£000 | Expenditure<br>(Depreciation)<br>£000 | Transfers<br>£000 | Gains<br>and<br>losses<br>£000 | Balance<br>31 March<br>2020<br>£000 |
|----------|------------------------------------|----------------|---------------------------------------|-------------------|--------------------------------|-------------------------------------|
| Rookwood | 2,503                              |                | -20                                   |                   | -7                             | 2,476                               |
|          | <b>2,503</b>                       | <b>0</b>       | <b>-20</b>                            | <b>0</b>          | <b>-7</b>                      | <b>2,476</b>                        |

## **Cardiff and Vale University Local Health Board Charities Accounts 2019/20**

### **Additional Notes**

#### **21. Commitments**

|  | <b>2019/20</b> |
|--|----------------|
|  | <b>£000</b>    |
| <b>The funds have the following commitments:</b>     |                |
| Charitable projects                                  |                |
|  | <hr/>          |
| <b>Total</b>   | <b>930</b>     |
|  | <hr/>          |
| <b>Name of commitment</b>                            | <b>£000</b>    |
| Horatio's Garden ( CFC16/143) ( 1-3 Years)           | 500            |
| Employee Wellbeing ( CTM 19/06/008) (1-3 years)      | 125            |
| Staff Recognition Awards ( CFC 18/052) ( 4 Years)    | 20             |
| Disposal of Rookwood ( CTM 19/06/009) ( 1-2 Years)   | 155            |
| UHB Transport Solutions ( CT/19/03/007) ( 1-3 years) | 130            |
|  | <hr/>          |
|  | <b>930</b>     |
|  | <hr/>          |

Commitments are funded from the Charity's Unrestricted Funds

#### **22. Donated Assets**

During the year the Charity purchased assets to the value of £0.061m. These are included in the Charity's Statement of Financial Activities and are classified as Donated Assets in the LHB Financial Statements.

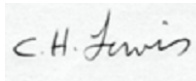
#### **23. Post Balance Sheet Events**

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 2020 and the date the financial statements are approved. The fair value of the investments held by the Charity at 31st March 2020 has changed in the intervening period as follows:

|            | <b>31 March 2020</b> | <b>6 January 2021</b> |
|------------|----------------------|-----------------------|
|            | <b>£000</b>          | <b>£000</b>           |
| Investment | 5,499                | 6,492                 |

As Financial Trustee of the funds held on trust I am responsible for:

- the maintenance of financial records appropriate to the activities of the fund(s).
- the establishment and monitoring of a system of internal control.
- the establishment of arrangements for the prevention of fraud and corruption.
- the preparation of annual financial statements which give a true and fair view of the funds held on trust and the results of their operations.



.....26 January.....2021

.....On behalf of Financial Trustee



## **Cardiff and Vale University Local Health Board Charities Accounts 2019/20**

### **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 26 January 2021

## **The independent auditor's report of the Auditor General for Wales to the Trustee of Cardiff and Vale University Local Health Board Charity**

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

#### **Opinion**

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

In my opinion the financial statements:

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

#### **Basis for opinion**

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

#### **Emphasis of Matter**

I draw attention to Note 14 to the financial statements, which describes the impact of the COVID-19 pandemic on the valuation of property fund investments as at 31 March 2020. As a result of the pandemic the fund manager's valuer declared a 'material valuation uncertainty' in three of their professional valuation reports, with a total valuation of £495,227. All three valuation reports were dated 31 March 2020. The Charity has included these property fund investments in the financial statements at that date. My opinion is not modified in respect of this matter.

#### **Conclusions relating to going concern**

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

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

### **Report on other requirements**

#### **Other information**

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

In connection with my audit of the financial statements, my responsibility is to read the other information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the

course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies, I consider the implications for my report.

### **Matters on which I report by exception**

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

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

## **Responsibilities**

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

As explained more fully in the statement of trustee responsibilities set out on page 38, the trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustee determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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



Adrian Crompton  
Auditor General for Wales  
29 January 2021

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