

CHARITABLE FUNDS COMMITTEE MEETING EXTRAORDINARY MEETING

Tuesday 23rd January 2024

TEAMS

Present

Mr Dyfed Jones Independent Member (Chair)
Mrs Karen Balmer Independent Member
Mrs Rhian Watcyn Jones Independent Member

In Attendance

Mr Russell Caldicott Interim Executive Director of Finance
Ms Paula Clayton Assistant Accountant
Miss Amy Harding Communications Officer
Ms Andrea Hughes Director of Finance
Mrs Natalie Morrice-Evans EA to Executive Director of Finance / Committee secretariat
Mrs Michelle Phoenix Audit Wales Representative
Ms Kirsty Thomson Head of Charitable Support
Miss Jodie Williams Audit Wales Representative

	Welcome & Introductions	
CF24/11	<p>Apologies & Declarations of Interest</p> <p>Apologies from: Mr Gareth Evans, Dr Nick Lyons and Mrs Angela Wood.</p> <p>The Chair declared an interest as trustee of the Anglesey Charitable trust in his role as a Councillor on Anglesey CC.</p> <p>The Head of Charitable Support declared an interest as Deputy Chair, NHS Charities Together and involvement in the Love Hope Strength Charitable Foundation as a volunteer and advisor. She advised that her family business, Poblado Coffi, has donated gifts to the Awyr Las charity.</p> <p>Independent Member Karen Balmer declared an interest as CEO of the Groundwork North Wales Group of Charities which includes: Groundwork North Wales Wild Ground Refurbs Flintshire</p> <p>The Interim Executive Director of Finance declared interests as follows: Fellow of the Association of Chartered Certified Accountants (ACCA) Member of the Healthcare Financial Management Association (HFMA) Liaison Strategic Advisor</p>	

	Director of P4eH Limited	
CF24/12	<p>CF24/13 Annual Report and Accounts 2022/23 and Response to Audit Enquiries Letter</p> <p>The Interim Executive Director of Finance updated the committee on the audit plan explaining that the audit plans sets out the work plan which Audit Wales will undertake during December 2023 to January 2024, to discharge their statutory responsibilities as the external auditor to fulfil their obligations under the Code of Audit Practice. The Audit aims to identify and correct material misstatements, that is, those that might otherwise cause the user of the accounts into being misled. The Materiality levels were set at £35,680 (2% of Gross Expenditure). Any misstatements above a trivial level (set at 5% of materiality i.e. £1,784) will be reported to those charged with governance. The Audit also looks at special areas of interest, such as Related Party Disclosures and areas of high risk. The estimated audit fee is £24,174.50 (2022 - £20,937). Audit Findings</p> <p>The Audit took place as planned during December 2023 and January 2024 and an Audit Progress and Current Findings Report has been provided by Audit Wales. This contains a list of misstatements in the draft accounts that have since been corrected by management. Pending conclusion of the Investment Fund Manager Control Assurance Report issue and assurance that no control weaknesses are identified, a Final ISA260,</p> <p>Audit Opinion and Letter of Representation, will be provided by Audit Wales.</p> <p>It was resolved that the Committee: The committee Noted the Report.</p>	
CF24/13	<p>CF24/13 Annual Report and Accounts 2022/23 and Response to Audit Enquiries Letter</p> <p>Annual Report and Accounts 2022/23 (Appendix 1)</p> <p>The draft annual report was shared with the committee noting that the report has been drawn up in line with the Charity Commission Charity’s statement of recommended practice (SORP). Examples of charitable expenditure to benefit patients across North Wales, fundraising activities and supporters’ events from 2022/23 have been included in the Annual Report to illustrate the work of the charity throughout the financial year. Reference is also made to the internal audit that was carried out in 2022 and the findings of an external review of the charity, carried out by Fundraising Training Ltd.</p> <p>Appreciation and thanks was given by The Chair to all the team members who had contributed to the completion of the report.</p>	

The Charitable accounts are available within the report with the following areas being highlighted:

- Total income is £2.0m, which is reporting a reduction of £0.8m from previous year (£2.8m in 2021/22). Of this, £1.3m is a reduction in legacies, which is offset by a £0.4m increase in Donations and £0.1m increase in Investment income.
- Total expenditure is £1.8m (£1.4m in 2021/22), an increase of £0.4m from previous year, of which £0.5m is an increase in expenditure on Charitable Activities.
- During 2022/23, the net loss on investments totalled £0.7m compared to a gain of £0.3m in 2021/22. The value of fixed asset investments at 31 March 2023 was £9.8m.
- The funds of the charity at the end of the 2022-23 totalled £11.8m (2021-22 - £12.3m), comprising £4.7m Unrestricted funds and £7.1m Restricted funds.
- The year-end balance held in investments was £9.8m, a reduction of £0.7m from 2021/22.
- Debtors, as analysed in 'Note 16. Analysis of current debtors' have decreased by £0.1m to £1.7m (£1.8m in 2021/22).

It was resolved that the Committee:

The Committee Endorsed Appendix 1 The Annual Report and Accounts 2022/2023.

Response to Audit Enquiries Letter (Appendix 2)

It was explained to the committee by the Interim Executive Director of Finance that the letter from Audit Wales formally seeks documented consideration and understanding of a number of governance areas that are relevant to the Charitable Funds Committee and requests that 'responses should be formally considered and communicated to us on behalf of both management and those charged with governance'.

Given the delegated powers to the Charitable Funds Committee, the Charitable Funds Committee are asked to note the enquiries to management and responses that were provided to Audit Wales and confirm they agree with the responses provided.

It was resolved that the Committee:

Noted the enquiries and agreed the responses provided with the Audit Enquiries Letter within Appendix 2

	Dates CFC meetings:	
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Trustees AGM: Thursday 25 January 2024