

## Bundle Charitable Funds Committee 23 January 2024

- 1 14:00 – CF24/11 Introductions and Declarations of Interest
- 2 Item For Noting
- 3 14:05 – CF24/12 Audit Plan 2022/23, Audit Progress & Current Findings Report  
*Russell Caldicott Interim Executive Director of Finance*  
CF24\_12 2022–23 Audit Wales Audit Plan and Audit Progress and Draft Findings Report  
Appendix 1 Betsi Cadwaladr Health Board Audit Plan 2022–23  
Appendix 2 BCU Charitable Funds Audit findings 18.01.24
- 4 For recommendation for endorsement by the Trustee Board
- 5 14:10 – CF24/13 Annual Report and Accounts 2022/23 and Response to Audit Enquiries Letter  
CF24\_13 2022–23 Draft Awyr Las Annual Report and Accounts and Response to Audit Wales  
Enquiries Letter Coversheet (002)  
Annual Report 2022–23 (7)–compressed  
Appendix 2 – Response to Audit Enquiries Letter 2022–23 BCU FHOT
- 6 14:35 – AOB

<b>Teitl adroddiad:</b> <i>Report title:</i>	2022-23 Audit Wales Audit Plan and Audit Progress and Current Findings Report
<b>Adrodd i:</b> <i>Report to:</i>	Charitable Funds Committee
<b>Dyddiad y Cyfarfod:</b> <i>Date of Meeting:</i>	Tuesday, 23 January 2024
<b>Crynodeb Gweithredol:</b> <i>Executive Summary:</i>	<p><u>Audit Plan</u> The Audit Plan 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.</p> <p>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.</p> <p>The Audit also looks at special areas of interest, such as Related Party Disclosures and areas of high risk.</p> <p>The estimated audit fee is £24,174.50 (2022 - £20,937).</p> <p><u>Audit Findings</u> 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.</p> <p>Pending conclusion of the Investment Fund Manager Control Assurance Report issue and assurance that no control weaknesses are identified, a Final ISA260, Audit Opinion and Letter of Representation, will be provided by Audit Wales.</p>
<b>Argymhellion:</b> <i>Recommendations:</i>	The Committee is asked to note the information provided by Audit Wales and the report.
<b>Arweinydd Gweithredol:</b> <i>Executive Lead:</i>	Mr Russell Caldicott, Interim Executive Director of Finance
<b>Awdur yr Adroddiad:</b> <i>Report Author:</i>	Audit Wales

Pwrpas yr adroddiad: <i>Purpose of report:</i>	I'w Nodi <i>For Noting</i> <input checked="" type="checkbox"/>	I Benderfynu arno <i>For Decision</i> <input type="checkbox"/>		Am sicrwydd <i>For Assurance</i> <input type="checkbox"/>
<b>Lefel sicrwydd:</b> <i>Assurance level:</i>	<b>Arwyddocaol</b> <i>Significant</i> <input type="checkbox"/> Lefel uchel o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol  <i>High level of confidence/evidence in delivery of existing mechanisms/objectives</i>	<b>Derbyniol</b> <i>Acceptable</i> <input checked="" type="checkbox"/> Lefel gyffredinol o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol  <i>General confidence / evidence in delivery of existing mechanisms / objectives</i>	<b>Rhannol</b> <i>Partial</i> <input type="checkbox"/> Rhywfaint o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol  <i>Some confidence / evidence in delivery of existing mechanisms / objectives</i>	<b>Dim Sicrwydd</b> <i>No Assurance</i> <input type="checkbox"/> Dim hyder/tystiolaeth o ran y ddarpariaeth  <i>No confidence / evidence in delivery</i>
<p><b>Cyfiawnhad dros y gyfradd sicrwydd uchod. Lle bo sicrwydd 'Rhannol' neu 'Dim Sicrwydd' wedi'i nodi uchod, nodwch gamau i gyflawni sicrwydd 'Derbyniol' uchod, a'r terfyn amser ar gyfer cyflawni hyn:</b></p> <p><i>Justification for the above assurance rating. Where 'Partial' or 'No' assurance has been indicated above, please indicate steps to achieve 'Acceptable' assurance or above, and the timeframe for achieving this:</i></p> <p>This presentation provides acceptable and not significant assurance because it provides an overview of activity only. More detailed plans and activity evaluations are submitted to the Charitable Funds Committee for scrutiny.</p>				
<b>Cyswllt ag Amcan/Amcanion Strategol:</b>		Awyr Las Strategy		
<b>Link to Strategic Objective(s):</b>				
<b>Goblygiadau rheoleiddio a lleol:</b> <i>Regulatory and legal implications:</i>		All activity carried out for and on behalf of the charity is managed in line with Charity Commission guidance and regulation.		
<b>Yn unol â WP7, a oedd EqIA yn angenrheidiol ac a gafodd ei gynnal?</b>  <i>In accordance with WP7 has an EqIA been identified as necessary and undertaken?</i>		Do/Naddo Y/N  N/A		
<b>Yn unol â WP68, a oedd SEIA yn angenrheidiol ac a gafodd ei gynnal?</b>  <i>In accordance with WP68, has an SEIA identified as necessary been undertaken?</i>		Do/Naddo Y/N  N/A		
<b>Manylion am risgiau sy'n gysylltiedig â phwnc a chwmpas y papur hwn, gan gynnwys risgiau newydd (croesgyfeirio at y BAF a'r CRR)</b>		Risks are included in the Charity Risk Register		

<b>Details of risks associated with the subject and scope of this paper, including new risks( cross reference to the BAF and CRR)</b>	
<b>Goblygiadau ariannol o ganlyniad i roi'r argymhellion ar waith</b>  <b>Financial implications as a result of implementing the recommendations</b>	Included with the Annual Accounts
<b>Goblygiadau gweithlu o ganlyniad i roi'r argymhellion ar waith</b>  <b>Workforce implications as a result of implementing the recommendations</b>	N/A
<b>Adborth, ymateb a chrynodeb dilynol ar ôl ymgynghori</b>  <b>Feedback, response, and follow up summary following consultation</b>	N/A
<b>Cysylltiadau â risgiau BAF:</b> (neu gysylltiadau â'r Gofrestr Risg Gorfforaethol)  <b>Links to BAF risks:</b> (or links to the Corporate Risk Register)	Not linked to specific risk on BAF/CRR
<b>Rheswm dros gyflwyno adroddiad i fwrdd cyfrinachol (lle bo'n berthnasol)</b>  <b>Reason for submission of report to confidential board (where relevant)</b>	Amherthnasol  Not applicable
<b>Camau Nesaf:</b> <b>Gweithredu argymhellion</b>  <b>Next Steps:</b> <b>Implementation of recommendations</b>  Audit Wales will provide an ISA 260, Audit Opinion and Letter of Representation, following the conclusion of the audit.	
<b>Rhestr o Atodiadau</b>  <b>List of Appendices:</b>  <u>Appendix 1:</u> 2022-23 Audit Wales Audit Plan <u>Appendix 2:</u> 2022-23 Audit Wales Progress Update and Current Findings Report	

# Betsi Cadwaladr Health Board Funds Held on Trust – Detailed Audit Plan 2023

Audit year: 2022-23

Date issued: January 2024

Document reference: 3996A2024



This document has been prepared as part of work performed in accordance with statutory functions. Further information can be found in our [Statement of Responsibilities](#).

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# About Audit Wales

## Our aims and ambitions

### Assure



the people of Wales that public money is well managed

### Explain



how public money is being used to meet people's needs

### Inspire



and empower the Welsh public sector to improve



Fully exploit our unique perspective, expertise and depth of insight



Strengthen our position as an authoritative, trusted and independent voice



Increase our visibility, influence and relevance



Be a model organisation for the public sector in Wales and beyond

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# Introduction

This Detailed Audit Plan specifies my statutory responsibilities as your external auditor and to fulfil my obligations under the Code of Audit Practice.

It sets out the work my team intends undertaking to address the audit risks identified and other key areas of focus during 2023.

It also sets out my estimated audit fee, details of my audit team and key dates for delivering my audit team's activities and planned outputs.



**Adrian Crompton**

Auditor General for  
Wales

## Audit of financial statements

I am required to issue a report on your financial statements which includes an opinion on their 'truth and fairness' and assess whether the Trustee's Annual Report is prepared in line with guidance and is consistent with the financial statements. I will also report by exception on a number of matters which are set out in more detail in our [Statement of Responsibilities](#).

I do not seek to obtain absolute assurance on the truth and fairness of the financial statements and related notes but adopt a concept of materiality. My aim is to identify material misstatements, that is, those that might result in a reader of the accounts being misled. The levels at which I judge such misstatements to be material is set out later in this plan.

There have been no limitations imposed on me in planning the scope of this audit.

# Your audit at a glance



**My financial statements audit will concentrate on your risks and other areas of focus**

My audit planning identified the following risk:

- Significant financial statement risk - Risk of Management Override



**Materiality**

Materiality	£35,680
Reporting threshold	£1,784

# Financial statements' materiality



**Materiality £35,680**

My aim is to identify and correct material misstatements, that is, those that might otherwise cause the user of the accounts to be misled.

Materiality is calculated using:

- 2022-23 gross expenditure of £1.784 million
- Materiality percentage of 2%

I report to those charged with governance any misstatements above a trivial level (set at 5% of materiality i.e. £1,784).



**Areas of specific interest**

There are some areas of the accounts that may be of more importance to the user of the accounts and we have set a lower materiality level for these:

- Related party disclosures - £10,000 (transactions with Betsi Cadwaladr UHB)
- Related party disclosures - £1,000 (transactions with other related parties other than Betsi Cadwaladr UHB)

# Significant financial statements' risks

Significant risks are identified risks of material misstatement for which the assessment of inherent risk is close to the upper end of the spectrum of inherent risk or those which are to be treated as a significant risk in accordance with the requirements of other ISAs. The ISAs require us to focus more attention on these significant risks.

## Exhibit 1: significant financial statement risks

Significant risk	Our planned response
The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].	The audit team will: <ul style="list-style-type: none"><li>• test the appropriateness of journal entries and other adjustments made in preparing the financial statements;</li><li>• review accounting estimates for bias; and</li><li>• evaluate the rationale for any significant transactions outside the normal course of business.</li></ul>

# Financial statements' audit timetable

I set out below key dates for delivery of my accounts audit work and planned outputs.

## Exhibit 2: key dates for delivery of planned outputs

Planned output	Work undertaken	Report finalised
2023 Detailed Audit Plan	December 2023 – January 2024	January 2024
Audit of financial statements work: <ul style="list-style-type: none"><li>• Audit of Financial Statements Report</li><li>• Opinion on the Financial Statements</li></ul>	December 2023 – January 2024	January 2024

# Fee and audit team

In January 2023 I published the [fee scheme](#) for the 2023-24 year as approved by the Senedd Finance Committee. My fee rates for 2023-24 have increased by 4.8% for inflationary pressures. In addition, my financial audit fee has a further increase of 10.2% for the impact of the revised auditing standard ISA 315 on my financial audit approach. More details of the revised auditing standard and what it means for the audit I undertake is set out in **Appendix 1**.

I estimate your total audit fee will be £24,174.50 (2022 - £20,937)<sup>1</sup>.

Planning will be ongoing, and changes to my programme of audit work, and therefore my fee, may be required if any key new risks emerge. I shall make no changes without first discussing them with the Director of Finance.

## **Our financial audit fee is based on the following assumptions:**

- The agreed audit deliverables sets out the expected working paper requirements to support the financial statements and includes timescales and responsibilities.
- No matters of significance, other than as summarised in this plan, are identified during the audit.

The main members of my team, together with their contact details, are summarised in **Exhibit 3**.

## **Exhibit 3: my local audit team**

<b>Name</b>	<b>Role</b>	<b>Contact number</b>	<b>E-mail address</b>
Matthew Edwards	Engagement Director	02920 320663	matthew.edwards@audit.wales
Michelle Phoenix	Audit Manager	02920 320660	michelle.phoenix@audit.wales
Jodie Williams	Senior Auditor	02920 829351	jodie.williams@audit.wales

We can confirm that team members are all independent of you and your officers.

<sup>1</sup> The fees are exclusive of VAT, which is not charged to you.

# Audit quality

Our commitment to audit quality in Audit Wales is absolute. We believe that audit quality is about getting things right first time.

We use a three lines of assurance model to demonstrate how we achieve this. We have established an Audit Quality Committee to co-ordinate and oversee those arrangements. We subject our work to independent scrutiny by QAD\* and our Chair, acts as a link to our Board on audit quality. For more information see our [Audit Quality Report 2022](#).

## Our People



The first line of assurance is formed by our staff and management who are individually and collectively responsible for achieving the standards of audit quality to which we aspire.

- Selection of right team
- Use of specialists
- Supervisions and review

## Arrangements for achieving audit quality



The second line of assurance is formed by the policies, tools, learning & development, guidance, and leadership we provide to our staff to support them in achieving those standards of audit quality.

- Audit platform
- Ethics
- Guidance
- Culture
- Learning and development
- Leadership
- Technical support

## Independent assurance



The third line of assurance is formed by those activities that provide independent assurance over the effectiveness of the first two lines of assurance.

- EQCRs
- Themed reviews
- Cold reviews
- Root cause analysis
- Peer review
- Audit Quality Committee
- External monitoring

\* QAD is the quality monitoring arm of ICAEW.

# Appendix 1

## The key changes to ISA315 and the potential impact on your organisation

Key change	Potential impact on your organisation
<b>More detailed and extensive risk identification and assessment procedures</b>	<p>Your finance team and others in your organisation may receive a greater number of enquiries from our audit teams at the planning stage of the audit. Requests for information may include:</p> <ul style="list-style-type: none"><li>• information on your organisation's business model and how it integrates the use of information technology (IT);</li><li>• information about your organisation's risk assessment process and how your organisation monitors the system of internal control;</li><li>• more detailed information on how transactions are initiated, recorded, processed, and reported. This may include access to supporting documentation such as policy and procedure manuals; and</li><li>• more detailed discussions with your organisation to support the audit team's assessment of inherent risk.</li></ul>
<b>Obtaining an enhanced understanding of your organisation's environment, particularly in relation to IT</b>	<p>Your organisation may receive more enquiries to assist the audit team in understanding the IT environment. This may include information on:</p> <ul style="list-style-type: none"><li>• IT applications relevant to financial reporting;</li><li>• the supporting IT infrastructure (e.g. the network, databases);</li><li>• IT processes (e.g. managing program changes, IT operations); and</li><li>• the IT personnel involved in the IT processes.</li></ul> <p>Audit teams may need to test the general IT controls and this may require obtaining more detailed audit evidence on the operation of IT controls within your organisation.</p> <p>On some audits, our audit teams may involve IT audit specialists to assist with their work. Our IT auditors may need to engage with members of your IT team who have not previously been involved in the audit process.</p>



Key change	Potential impact on your organisation
<p><b>Enhanced requirements relating to exercising professional scepticism</b></p>	<p>Our audit teams may make additional inquiries if they identify information which appears to contradict what they have already learned in the audit.</p>
<p><b>Risk assessments are scalable depending on the nature and complexity of the audited body</b></p>	<p>The audit team's expectations regarding the formality of your organisation's policies, procedures, processes, and systems will depend on the complexity of your organisation.</p>
<p><b>Audit teams may make greater use of technology in the performance of their audit</b></p>	<p>Our audit teams may make use of automated tools and techniques such as data analytics when performing their audit. Our teams may request different information or information in a different format from previous audits so that they can perform their audit procedures.</p>

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Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

# Audit Progress and Current Findings – Betsi Cadwaladr Health Board Funds Held on Trust

Audit year: 2022-23

Date issued: January 2024

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## Summary of Corrections To Be Made

Audit work undertaken to date has identified the following misstatements that will be corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Work remains ongoing in several audit areas and pending conclusion of the Investment Fund Manager control assurance report issue being concluded and assurance that no control weaknesses are identified.

Value of correction	Nature of correction	Reason for correction
<p><b>Note 2 Related Party Transactions:</b> Various</p>	<p>The related party disclosures have been updated to correct the disclosure of the following transactions:</p> <p><b>Expenditure with related party:</b></p> <ul style="list-style-type: none"> <li>Denbighshire County Council: Increase from £500 to £700.</li> </ul> <p><b>Amounts owed to related party:</b></p> <ul style="list-style-type: none"> <li>Bangor University: Increase from £3,600 to £6,300.</li> <li>Groundwork North Wales: Increase from £nil to (£100).</li> </ul>	<p>To ensure that the related party disclosures are accurate.</p>
<p><b>Annual Report:</b> Various</p>	<p>Several amendments were made to the Annual Report relating to revisions to disclosures of information, narrative changes or typos.</p> <p>The most notable amendment being the findings of the Internal Audit Report presented to Charitable Funds Committee in January 2023 being included within the disclosure.</p>	<p>To ensure the Trustees Annual Report complies with the Charities SoRP.</p>
<p><b>Note 18 Analysis of Liabilities:</b> Creditors under 1 year 'Accruals for grants owed to NHS bodies' increased from £442,000 to £598,000.</p> <p>Creditors over 1 year 'Accruals for grants owed to NHS bodies' decreased from £598,000 to £442,000.</p> <p><b>Values subject to change due to further issue identified.</b></p>	<p>Classification of creditors between long and short term incorrect following agreement to supporting documentation.</p>	<p>To ensure that the classification of creditors is disclosed correctly.</p>

<p><b>Note 22 Post Balance Sheet Events:</b>  Latest market value of investments to be amended from 30 September 2023 of £9,888k to 30 November 2023 of £10,083k.  Movement in investment market value increased from £61k to £256k (2.61%)</p>	<p>The post balance sheet event disclosure has been updated with the latest market value of investments.</p>	<p>To ensure that disclosure within Note 22 Post Balance Sheet Events states the most recent change in market value of investments.</p>
<p><b>Note 14 Tangible Fixed Assets:</b>  Narrative amendment</p>	<p>Tangible Fixed Assets narrative has been updated to reflect the current intentions of the Charity in relation to the land owned from the intention to dispose of the land on the open market to reviewing options on the use of the land within 2024/25.</p>	<p>To ensure that disclosure within Note 14 Tangible Fixed Assets reflects the Charity's current intentions regarding the land owned.</p>

<p><b>Teitl adroddiad:</b></p> <p><i>Report title:</i></p>	<p>2022-23 Draft Awyr Las Annual Report and Accounts and Response to Audit Wales Enquiries Letter</p>
<p><b>Adrodd i:</b></p> <p><i>Report to:</i></p>	<p>Charitable Funds Committee</p>
<p><b>Dyddiad y Cyfarfod:</b></p> <p><i>Date of Meeting:</i></p>	<p>Tuesday, 23 January 2024</p>
<p><b>Crynodeb Gweithredol:</b></p> <p><i>Executive Summary:</i></p>	<p>Awyr Las is the working name for the Betsi Cadwaladr University Health Board Charity and other related charities, Charity number: 1138976. The Betsi Cadwaladr University Health Board is the single trustee for the charity.</p> <p>The Betsi Cadwaladr University Health Board's Board act as the Board of Trustees of the charity. The responsibility for the management and use of the charity's funds lies with the Board, which has established a Charitable Funds Committee for the purpose of making and monitoring arrangements for the control and management of the charity.</p> <p>The attached draft Annual Report and Financial Statements (Appendix 1) which have been subject to Audit and Audit Enquiries Letter (Appendix 2), provide the reported position of the charity for 2022/23.</p> <p>Pending conclusion of the Investment Fund Manager Control Assurance Report issue and assurance that no control weaknesses are identified, a final ISA260 and Audit Opinion and Letter of Representation will be provided by Audit Wales.</p> <p><b><u>2022-23 Draft Annual Report (Appendix 1)</u></b></p> <p>The Annual Report has been drawn up in line with the Charity Commission Charity's statement of recommended practice (SORP), noted here: <a href="http://www.gov.uk">Prepare a charity trustees' annual report - GOV.UK (www.gov.uk)</a>. 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. We are grateful to all those who contributed to and supported in the development of this document.</p> <p><b><u>2022-23 Draft Annual Accounts (Appendix 1)</u></b></p> <p>The Charitable Funds Accounts have been prepared in accordance with the timetable set by the Charity Commission and in line with Charities SORP. The accounts were prepared and submitted to Audit Wales, with the audit taking place by Audit Wales from December 2023 to January 2024.</p>

The Charitable Funds Committee has delegated authority to approve the final accounts. The Board (as Charitable Trustees) will formally receive the draft accounts at the Charitable Funds Trustees Meeting on the 25th January 2024. The deadline for submission to the Charity Commission is the 31st January 2024. The accounts will not be submitted to Welsh Government

### **Statement of Financial Activities**

The Statement of Financial Activities (SoFA) summaries the charity's income and expenditure for the year. Income for the year totalled £2.0m; expenditure was £1.8m, with a net loss on investments of £0.7m, giving a net decrease in funds of £0.5m (Increase in funds of £1.7m in 2021/22).

### **Incoming Resources**

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.

Legacies in particular are a volatile and unpredictable source of income that can vary greatly from year to year.

### **Expenditure**

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. This is also offset by a £0.1m reduction in expenditure on Raising Funds. Further breakdown on expenditure is detailed within the Notes to the Accounts 'Note 7- Analysis of expenditure on raising funds' and 'Note 8 - Analysis of expenditure on charitable activity'.

### **Movement in Investments**

Many of the donations and legacies that the charity receives cannot be spent immediately, as they need to be accumulated to fund the most appropriate purchases. These donations are therefore invested in order to generate income and protect their value in real terms.

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. Markets have been very volatile during 2022/23 and a challenging year for investors. Markets have been hard hit by worries over inflation and rise in interest rates, hence the significant reduction in stock market performance. There has been some recovery in the value of investments since year end and the value as at 30 November 2023 was £10.1m as per Note 22.

### **Balance Sheet**

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. Restricted funds are those that have a legal restriction placed on them, such as legacies. These funds are further split into general funds and designated (earmarked) funds, which are identified to specific areas and/or services.



### **Fixed Assets**

During 2017/18 a piece of land located in Porthmadog was donated to the charity. The land was independently and professionally valued at open market value by the District Valuer in March 2021 at £0.15m. The charity is still holding this land and is included on the Charity's Balance Sheet. The charity is reviewing options on the use of the land and intends to decide on plans for its future sale or use in 2024/25.

The year-end balance held in investments was £9.8m, a reduction of £0.7m from 2021/22.

### **Current Assets**

Debtors, as analysed in 'Note 16. Analysis of current debtors' have decreased by £0.1m to £1.7m (£1.8m in 2021/22).

Cash balances of £1.5m is £0.4m higher than cash held at the end of March 2021/22. Cash held at the end of the year is higher than would usually be held, but is required to pay creditors that fall due at the start of the new financial year.

### **Liabilities**

Short Term Creditors is £0.9m which is £0.1m less than previous year. Long Term Creditors is £0.4m, an increase of £0.3m from previous year. Further analysis of Creditors is provided in Note 18 to the Account - Analysis of liabilities. The £0.3m increase in Long Term Creditors is due to the increase in accruals for grants owed to NHS bodies, which are the funding commitments made by the charity.

### **Other Notes**

Other key items included in the financial statements are as follows.

### **Related Party Transactions (Note 2)**

This note identifies the transactions made with the Health Board. As the Health Board and Charitable Funds accounts are produced under different accounting regulations, there is a timing difference as to when a grant that has been awarded by the charity is recognised. Therefore, this note contains two disclosures; one that mirrors that in the Health Board accounts and one that agrees to the expenditure reported through the charity accounts.

This note also includes details on Board members' interests where appropriate.

### **Post Balance Sheet Events (Note 22)**

Due to the time delay between the balance sheet date and the date of signing the accounts, plus the materiality of the investments to the charity, a post balance sheet event is always recorded showing the movement in the value of the investments over this time.

### **2022-23 Audit Enquiries Letter (Appendix 2)**

	<p>The Charities response to the Audit Enquiries letter is detailed in Appendix 2. 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.</p>			
<p><b>Argymhellion:</b> <b>Recommendations:</b></p>	<p>The Charitable Funds Committee is asked to recommend Appendix 1, the Draft Annual Report and Accounts, for endorsement by the Trustee Board. The Charitable Funds Committee is asked to note Appendix 2, the 2022-23 Audit Enquiries letter and BCUHB's response to this.</p> <p>On 25/01/24 the Trustee Board will be asked to approve a decision to provide delegated authority to the Chair of the Charitable Funds Committee and the Interim Executive Director of Finance to sign off the Final Accounts once the ISA 260 and the Audit opinion is received. The Letter of Representation will be signed at this stage.</p>			
<p><b>Arweinydd Gweithredol:</b> <b>Executive Lead:</b></p>	Mr Russell Caldicott, Interim Executive Director of Finance			
<p><b>Awdur yr Adroddiad:</b> <b>Report Author:</b></p>	<p>Kirsty Thomson, Head of Fundraising</p> <p>Bethan Roberts, Principal Finance Manager-Financial Reporting</p>			
<p><b>Pwrpas yr adroddiad:</b> <b>Purpose of report:</b></p>	<p>I'w Nodi <i>For Noting</i></p> <p><input type="checkbox"/></p>	<p>I Benderfynu arno <i>For Decision</i></p> <p><input checked="" type="checkbox"/></p>	<p>Am sicrwydd <i>For Assurance</i></p> <p><input type="checkbox"/></p>	
<p><b>Lefel sicrwydd:</b> <b>Assurance level:</b></p>	<p>Arwyddocaol <i>Significant</i></p> <p><input type="checkbox"/></p> <p>Lefel uchel o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol</p> <p><i>High level of confidence/evidence in delivery of existing mechanisms/objectives</i></p>	<p>Derbyniol <i>Acceptable</i></p> <p><input checked="" type="checkbox"/></p> <p>Lefel gyffredinol o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol</p> <p><i>General confidence / evidence in</i></p>	<p>Rhannol <i>Partial</i></p> <p><input type="checkbox"/></p> <p>Rhywfaint o hyder/tystiolaeth o ran darparu'r mecanweithiau / amcanion presennol</p> <p><i>Some confidence / evidence in delivery of</i></p>	<p>Dim Sicrwydd <i>No Assurance</i></p> <p><input type="checkbox"/></p> <p>Dim hyder/tystiolaeth o ran y ddarpariaeth</p> <p><i>No confidence / evidence in delivery</i></p>

	<i>delivery of existing mechanisms / objectives</i>	<i>existing mechanisms / objectives</i>	
<p>Cyfiawnhad dros y gyfradd sicrwydd uchod. Lle bo sicrwydd 'Rhannol' neu 'Dim Sicrwydd' wedi'i nodi uchod, nodwch gamau i gyflawni sicrwydd 'Derbyniol' uchod, a'r terfyn amser ar gyfer cyflawni hyn:</p> <p><b>Justification for the above assurance rating. Where 'Partial' or 'No' assurance has been indicated above, please indicate steps to achieve 'Acceptable' assurance or above, and the timeframe for achieving this:</b></p> <p>This presentation provides acceptable and not significant assurance because it provides an overview of activity only. More detailed plans and activity evaluations are submitted to the Charitable Funds Committee for scrutiny.</p>			
<p><b>Cyswllt ag Amcan/Amcanion Strategol:</b></p> <p><b>Link to Strategic Objective(s):</b></p>	<p>Aligned to the Awyr Las Charity Strategy</p>		
<p><b>Goblygiadau rheoleiddio a lleol:</b></p> <p><b>Regulatory and legal implications:</b></p>	<p>All activity carried out for and on behalf of the charity is managed in line with Charity Commission guidance and regulation.</p>		
<p><b>Yn unol â WP7, a oedd EqIA yn angenrheidiol ac a gafodd ei gynnal?</b></p> <p><b>In accordance with WP7 has an EqIA been identified as necessary and undertaken?</b></p>	<p>Equality Impact (EqIA) and a socio-economic (SED) impact assessments not applicable.</p>		
<p><b>Yn unol â WP68, a oedd SEIA yn angenrheidiol ac a gafodd ei gynnal?</b></p> <p><b>In accordance with WP68, has an SEIA identified as necessary been undertaken?</b></p>	<p>Equality Impact (EqIA) and a socio-economic (SED) impact assessments not applicable.</p>		
<p><b>Manylion am risgiau sy'n gysylltiedig â phwnc a chwmpas y papur hwn, gan gynnwys risgiau newydd (croesgyfeirio at y BAF a'r CRR)</b></p> <p><b>Details of risks associated with the subject and scope of this paper, including new risks( cross reference to the BAF and CRR)</b></p>	<p>All risks are included in the Charity Risk Register and are reviewed by the Committee on an annual basis.</p>		
<p><b>Goblygiadau ariannol o ganlyniad i roi'r argymhellion ar waith</b></p> <p><b>Financial implications as a result of implementing the recommendations</b></p>	<p>See Executive Summary and Appendices.</p>		
<p><b>Goblygiadau gweithlu o ganlyniad i roi'r argymhellion ar waith</b></p>	<p>Not applicable – Paper is to present the financial position of the charity.</p>		

<p><b><i>Workforce implications as a result of implementing the recommendations</i></b></p>	
<p><b>Adborth, ymateb a chrynodeb dilynol ar ôl ymgynghori</b></p> <p><b><i>Feedback, response, and follow up summary following consultation</i></b></p>	<p>Not applicable – Paper is to present the financial position of the charity.</p>
<p><b>Cysylltiadau â risgiau BAF:</b> (neu gysylltiadau â'r Gofrestr Risg Gorfforaethol)</p> <p><b><i>Links to BAF risks:</i></b> <i>(or links to the Corporate Risk Register)</i></p>	<p>Not linked to specific risk on BAF/CRR</p>
<p><b>Rheswm dros gyflwyno adroddiad i fwrdd cyfrinachol (lle bo'n berthnasol)</b></p> <p><b><i>Reason for submission of report to confidential board (where relevant)</i></b></p>	<p>Amherthnasol</p> <p>Not applicable</p>
<p><b>Camau Nesaf:</b> <b>Gweithredu argymhellion</b></p> <p><b><i>Next Steps:</i></b> <b><i>Implementation of recommendations</i></b></p> <p>Committee to recommend draft Annual Report and Accounts for ratification by the Trustees. Delegated Authority will be sought from the Trustees for the Chair of the Charitable Funds Committee and the Interim Executive Director of Finance to sign off the Final Accounts once the Final ISA 260 and the Audit opinion is received. The Letter of Representation will also be signed at that stage.</p>	
<p><b>Rhestr o Atodiadau</b></p> <p><b><i>List of Appendices:</i></b></p> <p><u>Appendix 1</u>: 2022-23 Annual Report and Financial Statements (Draft) <u>Appendix 2</u>: Response to Audit Wales Enquiries Letter</p>	

# Awyr Las Annual Report & Accounts

2022/2023



Elusen GIG Gogledd Cymru

**Awyr Las**  
**Blue Sky**

The North Wales NHS Charity

Awyr Las / Blue Sky is the working title of Betsi Cadwaladr  
University Health Board Charity & Other Related Charities  
Registered Charity Number 1138976



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# Welcome

Brightening patients' lives.  
Going over and above for service users.  
Supporting transformative change for  
our NHS services in North Wales.  
Together.



When I recently became the Chair of the Charitable Funds Committee, I was reminded of how and why the charity came to be known as Awyr Las. Over a decade ago, Rhys, a teenager in Bangor, asked what the charity does and was met with the answer: thanks to people like you, the charity brightens patients' days by going over and above what the NHS can provide. It was Rhys who suggested the name, Blue Sky, because he and his classmates thought it perfectly described what the charity does for patients, service users and communities across the region.

Since joining the Charitable Funds Committee last year, I've come to understand that Awyr Las does much more than brighten people's lives. You too can get a sense of how Awyr Las has helped make transformational change for patients and service users through reading this Annual Report, or by receiving regular updates on the charity's digital platforms. I have also come to realise how fortunate we all are that families, community groups, companies and charities want to show their appreciation for our NHS teams, remember and celebrate loved ones and help make lasting change for their local populations by supporting Awyr Las.

As you will see from the stories within this Annual Report and Accounts for 2022/23, across North Wales people like Rhys continue to shape the charity by giving time and money, and sharing suggestions. The facts and figures included in this report once again demonstrate how wonderfully generous and supportive our communities across North Wales are, and how accomplished our NHS teams across the region are.

I recently met Lynda, a social care practitioner in the Renal Unit in Ysbyty Gwynedd who has been in the NHS for 37 years. Lynda plays an integral role in the lives of her patients and colleagues as well as in the coordination of the Unit's charitable fund and charitable partnerships.



*Pictured: chemotherapy patient on Alaw Ward, Ysbyty Gwynedd, receiving treatment and cold cap therapy (top); Adra Christmas Carol Concert with Dyfed Jones and Lynda Tomos pictured (bottom)*

Lynda's determination to help patients receive the very best care possible made me truly see why so many people want to give back.

Thanks to the passion and dedication of folk like Rhys and Lynda, Awyr Las has been able to touch thousands of people's lives by giving over £30 million since 2010 to help enhance the care, treatment and support that patients and service users receive in our hospitals and health centres, community clinics and from our home-based services.

There have been challenges within the NHS in recent years, especially here in North Wales. I am proud to be part of a charity that recognises these challenges and can genuinely help our NHS teams cope better in these times. I have seen how the charity helps NHS teams rise to the challenges they face, and how the funding ensures patients and service users across the region continue to receive the very best treatment, and benefit from the latest innovations in healthcare.

On behalf of the Charitable Funds Committee, our esteemed Honorary President Lord Barry Jones, Charitable Funds and Charitable Partnerships Team and all our other NHS colleagues, I would like to thank everyone who has given, volunteered, acted as advocates for our charity, or partnered with us, for your support.

Together, with the continued support and involvement of people like Rhys, Lynda and you, I have no doubt that next year we will move another step closer to fulfilling our vision of exceptional care in our hospitals and having healthier communities across North Wales.

Thank you



**DYFED JONES**  
**CHAIR OF THE CHARITABLE FUNDS**  
**COMMITTEE**  
**JANUARY 2024**



The Charitable Funds Committee oversees Awyr Las on behalf of its Corporate Trustee. Read more about the Charitable Funds Committee here: [Charitable Funds Committee - Betsi Cadwaladr University Health Board \(nhs.wales\)](https://www.nhs.uk/charitable-funds-committee-betsi-cadwaladr-university-health-board).



# Highlights of 2022/23

## April 2022

Over £1,400 has been raised in memory of Cledwyn Williams who sadly passed away in January 2022. The former lorry driver received excellent care at Ysbyty Gwynedd and Ysbyty Alltwen, and donations were split between the pulmonary rehabilitation service and the falls prevention service.



## May 2022

A huge thank you and well done to Paul Pryce who completed the Manchester Marathon in 2022 in memory of his beloved dad, Cyril George Pryce. Paul raised £1,250 for Glyndwr Ward at Wrexham Maelor Hospital, where his dad received excellent care.

## June 2022

Former Manchester United and Wales footballing legend Mickey Thomas climbed Mount Snowdon with his surgeon and lead nurse to raise money for extra equipment at Wrexham Maelor Hospital in June 2022. Mickey is so grateful for everything that the surgeon and healthcare team has done for him, and managed to raise almost £16,000 to support the surgical team in Wrexham Maelor!



## July 2022

Tîm Siw was formed by loved ones in memory of Susannah Woods who sadly passed away in May 2022 after being treated for ovarian cancer and acute myeloid leukaemia at both Alaw Ward, Ysbyty Gwynedd, and The North Wales Cancer Treatment Centre. Family and friends of Susannah described her as “one of a kind”, and climbed Ben Nevis to raise more than £5,000 in her memory.

Pictured: Susannah Woods when she qualified as a midwife

## August 2022

Primary school children from all over Wales can now learn the skills to save a life thanks to a new 'CPR song'. The song was officially launched on 18 August 2022 with Welsh Elvis, Wynne Roberts, Chaplain at Ysbyty Gwynedd, and Jess, a secondary school girl who sings the song with Elvis. Each year around 6,000 people suffer a cardiac arrest in Wales and evidence shows that if CPR and defibrillation is performed swiftly then survival rates can be dramatically improved by up to 70%.



## September 2022

A charity ride out by the motorbike club, Kraken's Fury MCC Pwllheli, raised an incredible £392 for Ysbyty Gwynedd's Special Care Baby Unit. 30 bikes gathered in Pwllheli and rode to Aberystwyth and back again to raise the money. Jon Caswell, the Sargent at Arms at the club, had a very personal reason for organising the ride as his new born son received treatment on the unit after he was born in 2006.



## October 2022

Ultra marathon runner, Nia Gwynn, has raised thousands of pounds for Awyr Las: The North Wales NHS Charity since she started fundraising in 2014. In 2022, Nia ran the London Marathon for Ty Enfys in Ysbyty Gwynedd.

Since Nia has started fundraising, she has completed eight marathons including the London Marathon four times, and the Berlin Marathon in memory of her father Dr Norman Jones, who was a consultant radiologist at Ysbyty Gwynedd before passing away in 2018.

She has raised a total of more than £8,000 for various causes at Ysbyty Gwynedd over the years.



## November 2022



A cheque for £2,000 was presented to the Cardiology Department in November 2022 in loving memory of Clive Fisk, a former Chief Echocardiographer at Ysbyty Gwynedd, after he sadly passed away earlier in the year. Clive was the Head of Cardiology Investigations from the early 1980s to 2012 and was a pioneer in echocardiography and instrumental in its implementation in North West Wales.

## December 2022

After being diagnosed with breast cancer at the end of 2021, Ruth Hogan wanted to thank the teams that cared for her during her treatment and surgeries at Ysbyty Gwynedd and Ysbyty Glan Clwyd. Ruth originally thought the lump she found was from one of her horses bumping into her, but after numerous scans and biopsies, she got the devastating diagnosis of a 6cm tumour. She has undergone three surgeries to have it removed, breast reconstruction and radiotherapy.

A glamorous ball was held in December 2022 and an incredible £11,216.47 was raised for the Gwynedd Breast Cancer Research Fund.



## January 2023



On New Year's Day 2022, Sam Johnson woke up and decided to run 1,000 miles in a year to raise money for the North Wales Cancer Treatment Centre where her brother, Simon, had been receiving treatment. As a novice runner, Sam was averaging 19 miles a week.

Sam had no time off from her huge challenge, and raised £6,502 for the North Wales Cancer Appeal on behalf of her brother. The team were thrilled to receive the fantastic donation following the end of her challenge in January 2023.



## February 2023

Thanks to Critical Care staff at Wrexham Maelor Hospital, families are now able to take a bereavement box home to support them through the loss of a loved one.

Sarah Anglesea-Davies and Katie Sinclair, both Senior Sisters, and Hayley Whitehead-Wright, Senior Staff Nurse, on the Critical Care Unit at the hospital have created the boxes to support families through an incredibly tough time. They felt it was the “right thing to do” for families.

The Unit sadly sees around 12 deaths per month, so the boxes make a difference to a large number of local families. On average the boxes cost £10 each and have only been made possible thanks to donations to the Wrexham Unit.



## March 2023

Shaun Loughran has been receiving chemotherapy treatment at the North Wales Cancer Treatment Centre for over two years since being diagnosed with bowel cancer in 2020.

His good friend, Gary Eccleston, chose to raise money for the North Wales Cancer Appeal by trekking the Himalayas with the aim of completing three base camps, three peaks and three high passes in 21 days.



Gary completed the challenge and raised a huge £2,130 in the process, he said: “I thought I’d raise some money for a good cause and asked Shaun to choose a charity close to his heart, and he chose the North Wales Cancer Appeal.

“He’s been going through a lot with cancer, a brain tumour, and cancer again and still remains positive and is an absolute inspiration.”

# About the charity

Awyr Las is the NHS charity for North Wales, the area served by Betsi Cadwaladr University Health Board (BCUHB). The charity's purpose is to help people, especially the most vulnerable people, across the region access the very best healthcare and wellbeing support in a timely way.

**In practice, this means that donations to Awyr Las fund things like:**

- ✓ Brand new equipment and technology
- ✓ Specialist training and development opportunities for NHS staff and volunteers
- ✓ Innovative research projects and trials
- ✓ Additional services, for example, complementary therapy for patients with cancer
- ✓ Extra patient comforts, such as more comfortable dialysis chairs

Everything that the charity funds goes over and above what the NHS provides, complementing what the NHS already offers. Awyr Las does not replace the statutory funding for the NHS from the government.

Together, the enhancements made possible by donations to Awyr Las help make sure that people in North Wales can benefit from better NHS services when they need them the most. Everything the charity can do is thanks to donations and grants from individuals, organisations and Foundations. The resulting improvements have made, and continue to make, a real difference to the lives of patients and NHS staff, in ways that would not have been possible without donations and support. The charity funds projects and ideas in hospitals and the community – from emergency departments to community resource teams, maternity wards to eye clinics – and through its 418 designated funds, can support all areas of healthcare in North Wales.



Derived from the geography of North Wales, the Awyr Las heart motif is symbolic of the charity's duty to enhance healthcare for everyone in the region.

## Designated funds

Awyr Las is currently comprised of 418 designated funds, representing almost every BCUHB ward, service, department and project across North Wales.

Designated funds are aligned with specific wards, departments or services and the money held within them can only be used to benefit the associated healthcare area. When a new fund is established, an objective is set and at least one Fund Advisor named. It is the responsibility of Fund Advisors to ensure that expenditure from their designated funds contributes to the stated objectives. Fund Advisors have an in-depth understanding of their ward, service or department. The role is fulfilled by staff at the heart of the NHS – people like Ward Managers, Consultants and Matrons – and they use their knowledge to inform their fundraising and decisions about charitable expenditure. This helps to make sure that designated funds have the greatest possible impact on patients and NHS staff.

When you donate to a designated fund, it goes straight to that healthcare area and is made available for multidisciplinary clinical teams to use towards projects and priorities decided at the ward level.

## Non-designated funds

Few wards, services and departments do not have a designated fund for their healthcare area. The Charitable Funds and Charitable Partnerships Team can provide support to establish one, or funding can be requested from the charity's non-designated fund.

When donors give to Awyr Las without specifying where they want the money to go, it is assigned to the charity's non-designated fund. These donations are important, even though they are in the minority. This is because they allow BCUHB staff who do not have their own fund, or who do not have enough money in their designated fund, to still get support from the charity. Non-designated donations are directed to priority projects.

Without a doubt, all donations from the public help dedicated NHS staff in hospitals and in communities across North Wales to go over and above for their patients, offering the very best care and treatment available.

## Vision

Patients in North Wales have the best experience in our hospitals and in our communities.

## Mission

To improve the health and wellbeing of people across North Wales and deliver excellent care. In other words, the charity's mission is to help NHS teams in the region do more for their patients, through funding improvements to healthcare settings, supporting additional staff and patient wellbeing services and providing grants for research and innovation.

## Purpose

To provide a meaningful, impactful means for those who want to support healthcare services to do so, in a way that supports local evidence-based priorities.

## Values

Awyr Las shares the same set of values that guides the Health Board's work. These are:

- ✓ Put patients first
- ✓ Work together
- ✓ Value and respect each other
- ✓ Learn and innovate
- ✓ Communicate openly and honestly

The Charitable Funds and Charitable Partnerships Team and the Board, as well as over 19,000 BCUHB employees who represent Awyr Las, are responsible for ensuring that everything the charity does reflects these ideals. In addition to the shared values, the work of the charity is underpinned by three guiding principles:

- ✓ Patients are at the heart of Awyr Las
- ✓ NHS staff are the lifeblood of Awyr Las
- ✓ Be true to those who support Awyr Las



I wanted others to benefit from the excellent care I had, and I wanted to say thank you to those who have taken such good care of me. Taking on the challenge and smashing my target was a great feeling. Seeing the gratitude from the nursing staff, and knowing I've helped others, is something that will stay with me forever.

*Half marathon runner, Denbighshire*



# Strategy

For 75 years, NHS charities have worked alongside the NHS, and played a key role in helping to enhance healthcare services. A great deal has changed since Aneurin Bevan introduced the National Health Service: technology and new treatments are transforming healthcare and our lifestyles, most of us are living longer and our expectations are different. Modern health and social care, which focuses on keeping people healthy and well, is fundamentally different from the hospital-based NHS of 75 years ago.

Arguably, the pressure that the NHS faces now, post Covid-19 pandemic, are greater than ever. In March 2023, there were about 576,000 individual patients on treatment waiting lists in Wales.<sup>1</sup> One-year survival rates for most cancer types has decreased.<sup>2</sup> The picture looks bleak, but the response at a national level gives hope, with the introduction of plans to address challenges in both primary and secondary care.<sup>3</sup>

In 2021, as everyone began to reflect on the impact that the Covid-19 pandemic had had on North Wales, it became evident that the charity has a two-fold challenge. The charity needed to continue to provide the support for wards and departments in both primary and secondary care settings, whilst simultaneously securing the financial support needed to address the pressing issues outlined above in the short, medium, and long-term.

The charity worked with UCS Consultants in 2020/21 and then with Fundraising Training Ltd in 2022/23 to develop a new strategy for 2024-2027 and a long-term plan for Charitable Funds and Charitable Partnerships, which will be published in 2024. The Awyr Las strategy will be consistent with BCUHB's priorities as outlined in the "Living Healthier, Staying Well" plan, namely:

- ✓ Setting up lifestyle services that help people make the right choices and keep well
- ✓ Tackling health inequalities and promoting equality
- ✓ Making the most of our partnership working
- ✓ Strengthening our protection and prevention services
- ✓ Concentrating on health in the early years

The charity's new strategy will have a focus on making sure the right action is taken at the right time to help patients to access diagnosis, support, care and treatment in timely way, and help build long-term resilience in our local communities. Where possible, the charity will seek to support the programme for transforming and modernising planned care in Wales and reducing waiting lists<sup>4</sup> by supporting the transformation of outpatient services, improving communication with patients and help minimise health inequalities.



## Strategy (continued)

The strategic planning and research that has taken place since 2021 has demonstrated the continued importance and relevance of both volunteering and philanthropic support – giving time and giving money – in enhancing patient care and experience. In recognition of this, Awyr Las is making a commitment to support the Health Board in North Wales to become a volunteer and supporter centric organisation by 2050. Instilling a culture within our NHS services that celebrates and encourages voluntary activity will help strengthen our healthcare services here in North Wales. This ambition aligns with the milestones laid out in Wales' Well-being of Future Generations (Wales) Act (2015).<sup>5</sup> This Act puts in place seven well-being goals, which will underpin the principles of the charity strategy for 2024–2027.

<sup>1</sup> [NHS activity and performance summary: March and April 2023 | GOV.WALES](#)

<sup>2</sup> [Official statistics show impact of pandemic on cancer survival rates - Public Health Wales \(nhs.wales\)](#)

<sup>3</sup> See: [Strategic Programme - Primary Care One \(nhs.wales\)](#) and [A Healthier Wales \(gov.wales\)](#)

<sup>4</sup> [Our programme for transforming and modernising planned care in Wales and reducing the waiting lists \(gov.wales\)](#)

<sup>5</sup> [Well-being of Future Generations \(Wales\) Act 2015: the essentials \[HTML\] | GOV.WALES](#)

# The Charitable Funds and Charitable Partnerships Support Team

Finance, fundraising and engagement, communications and administrative support staff make up the charity's support team. This is in place to ensure that the charity can efficiently meet its objectives. The responsibilities of the charity support team are varied and include:

- ✓ Managing the charity's finances, investment portfolio, and grant programmes effectively
- ✓ Providing direction and practical help to the charity's Fund Advisors, who are the custodians of the charity's designated funds
- ✓ Offering help, advice, and encouragement to fundraisers who generously choose to organise events and activities in favour of the charity to ensure that they have a positive experience
- ✓ Raising the charity's profile in hospitals and the community so that more people are motivated to donate, fundraise, or volunteer
- ✓ Communicating well with supporters and the wider community, from direct communication with fundraisers to broad messaging via social media
- ✓ Reclaiming Gift Aid to increase the value of donations to the charity
- ✓ Supporting independent charities – such as the Leagues of Friends – who provide additional direct philanthropic contributions to BCUHB, adding value to the Health Board's and charity's work.

# Reaching key milestones and adapting to change in 2022/23

During the first six months of 2022/23, the charity focussed on sustaining income generation whilst reviewing its strategic planning. The charity sought to develop its strategic and operational priorities over this period and NHS Wales Shared Services Partnership (NWSSP) at this time carried out an internal audit. From September 2022 to March 2023, the Charity drew up a two-year development plan to address recommendations, with a particular focus on improving systems and introducing new processes to enhance effectiveness, especially around impact monitoring and reporting. The recommendations included:

- Impetus on increasing awareness of the charity at all levels of the organisation.
- Policies and procedures associated with all aspects of the charity reviewed, to include grants management and fundraising.

Notably the following was achieved in 2022/23:

- ✓ A wide range of strategic programmes received funding and others were identified to receive charitable funding over the next five years to help enhance and transform patient services.
- ✓ Existing partnerships were nurtured and new relationships were created with potential donors to help ensure ongoing charitable funding for priority patient services, particularly in the areas of cancer care and mental health.
- ✓ The development of new communications and grants coordination work streams and successful recruitment to affiliated roles within the Charitable Funds support team.
- ✓ As well as supporting with a range of successful challenge activities, special events and corporate sponsorship opportunities throughout the year, planning for a memorable NHS 75th Anniversary event involving staff from across the region and raising substantial additional funds.

There were changes in the Charitable Funds Committee membership and in the Corporate Trustee Board membership in December 2022 and February 2023, which contributed to delays in the implementation of recommendations of the charity's internal and external audit, with a number of actions to be completed by the end of 2023/24 that includes:

- ✓ New charity procedures including: Financial Procedures and Policies; Fundraising and Donation Guidance; Volunteer co-ordination
- ✓ New systems including: Support Care package; Charitable Grants monitoring
- ✓ New plans including the Strategy for 2024-2027

The feedback from patients, service users and staff who have benefitted from the charity, and who have chosen to help make a difference for patients through supporting the charity, demonstrates that, whilst improvements will always be made to how the charity operates, in 2022/23, the charity made a significant difference for communities across North Wales and is greatly appreciated across the region.

# More heart-warming stories

Thirty-five hardy souls braved the cold in January 2022 and walked 25km and 50km in aid of the Conwy Child Development Centre in Ysgol y Gogarth, Llandudno.

The walk was organised by Tom Prytherch and the team raised an incredible £3,715 for the centre to help provide added extras for children in the local area, including adding a new sand pit for the children to enjoy.

Tom said: "Noah, my four-year-old grandson, goes to Conwy Child Development Centre and he loves it there. "We walked around Llandudno and the Great Orme, we had a fantastic day and I'm organising another walk next year for the same cause."



Kind-hearted bikers donated over 100 Easter eggs to the Children's Ward at Ysbyty Gwynedd, and presented Alaw Ward with a £1,312 cheque!

The Anglesey Motorbike Club hold an annual Easter egg run around Anglesey, and over 230 motorbikes joined in the fun in 2022. Each rider donated at least £5, and many also donated Easter eggs to go to the Children's Ward at the hospital.



Fundraiser John Parry walked 17 miles from Caernarfon Castle to the summit of Yr Wyddfa with a group of 15 friends to raise money for the Urology Unit at Ysbyty Gwynedd. The team also chose to wear catheters to highlight urology causes.

John and his team raised an incredible £2,700 for the unit to help provide added extras for patients that go over and above what the NHS can fund. Linda Williams, Uro-Oncology Clinical Nurse Specialist, said: "The staff on the Urology Unit are extremely grateful of Mr Parry's efforts in raising money for the unit, and also for raising awareness of urology issues.





A former health care worker from the Ablett Ward retired after 23 years and raised £1,270 for patients on the ward.

Roger Clayton felt it was time to pursue new challenges but wanted to do something as a parting gift for his former colleagues and patients, so walked the entire Anglesey Coastal path in nine days, a total of 144 miles!

The Flying9's Car Club drove 300 miles to all 14 castles located in North and Mid Wales in aid of the Friends of Renal Care at Ysbyty Glan Clwyd.

Justin Humphries, one of the organisers, wanted to thank the Friends of Renal Care and the staff at the hospital for the amazing care he received during and after his kidney transplant in 2016.

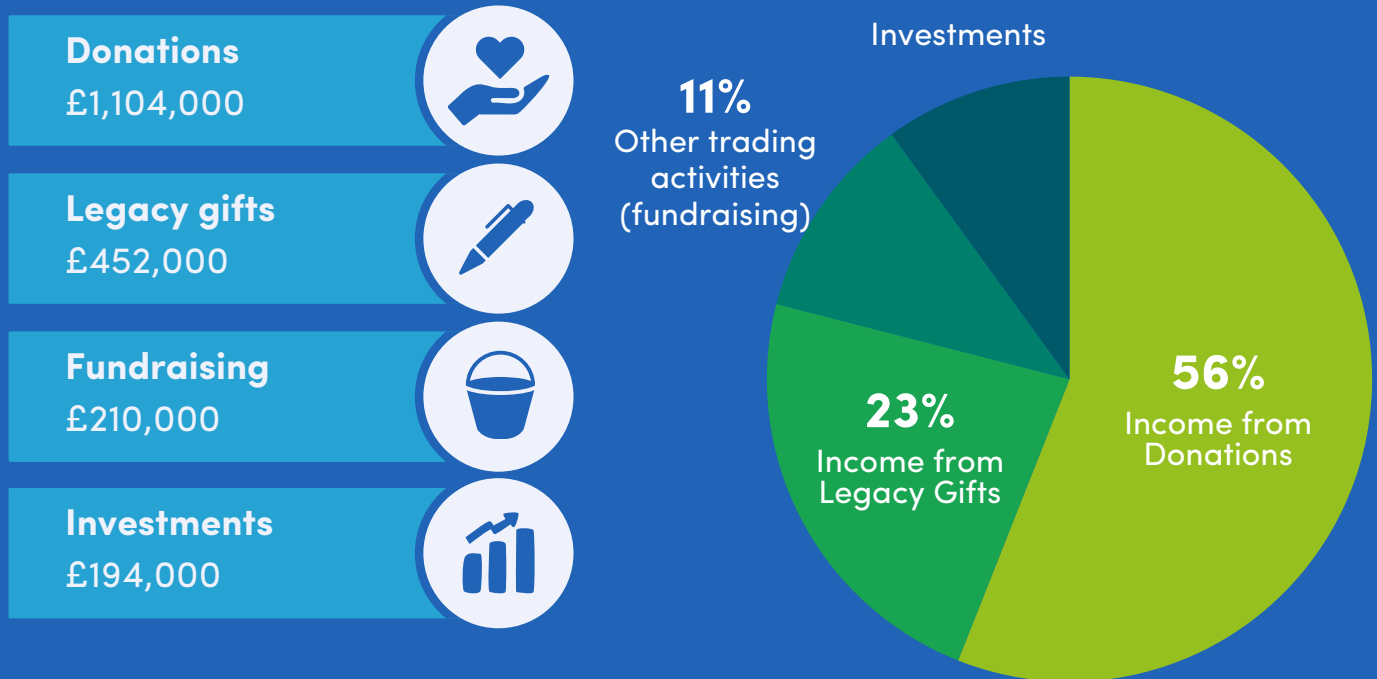
The Flying 9's Club started at Flint Castle, drove down to Powis Castle and Castell y Bere in Mid Wales, coming back to Conwy Castle all in one day, raising over £2,500!



# The year at a glance

In the 2022/23 financial year, Awyr Las received an incredible amount of donations that has, and will, enable us to fund research, equipment, training, and patient and staff amenities.

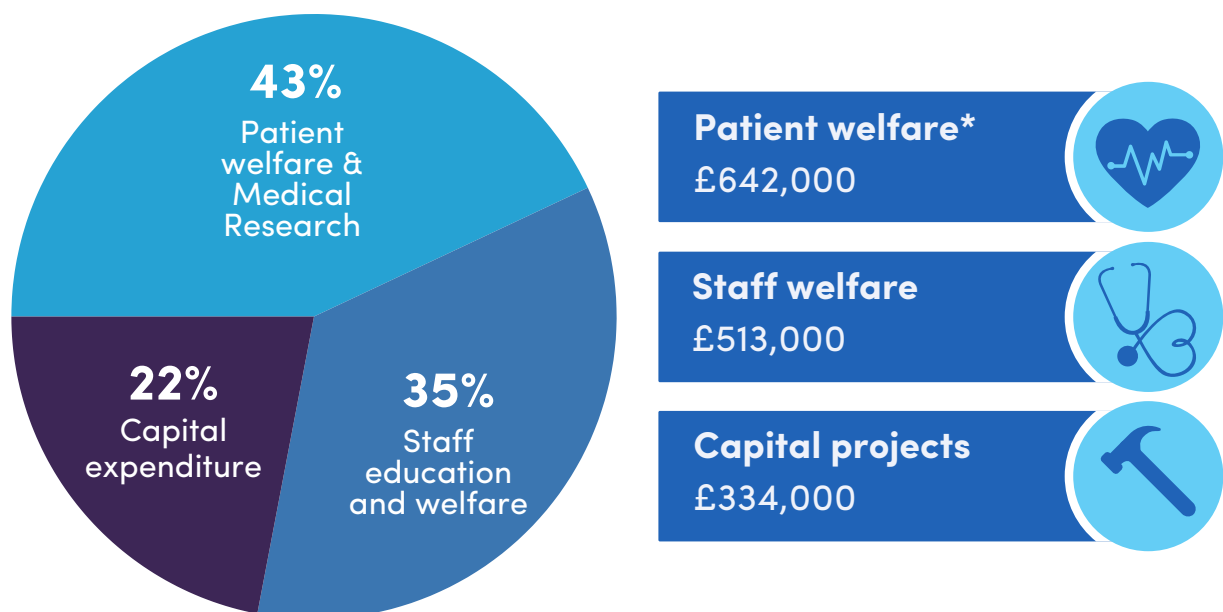
## Income



**Total income: £1,960,000**

## Expenditure

Awyr Las has funded some amazing items that have allowed the NHS to go over and above for patients, families and staff members across North Wales. Below show where donations have been spent throughout the year.



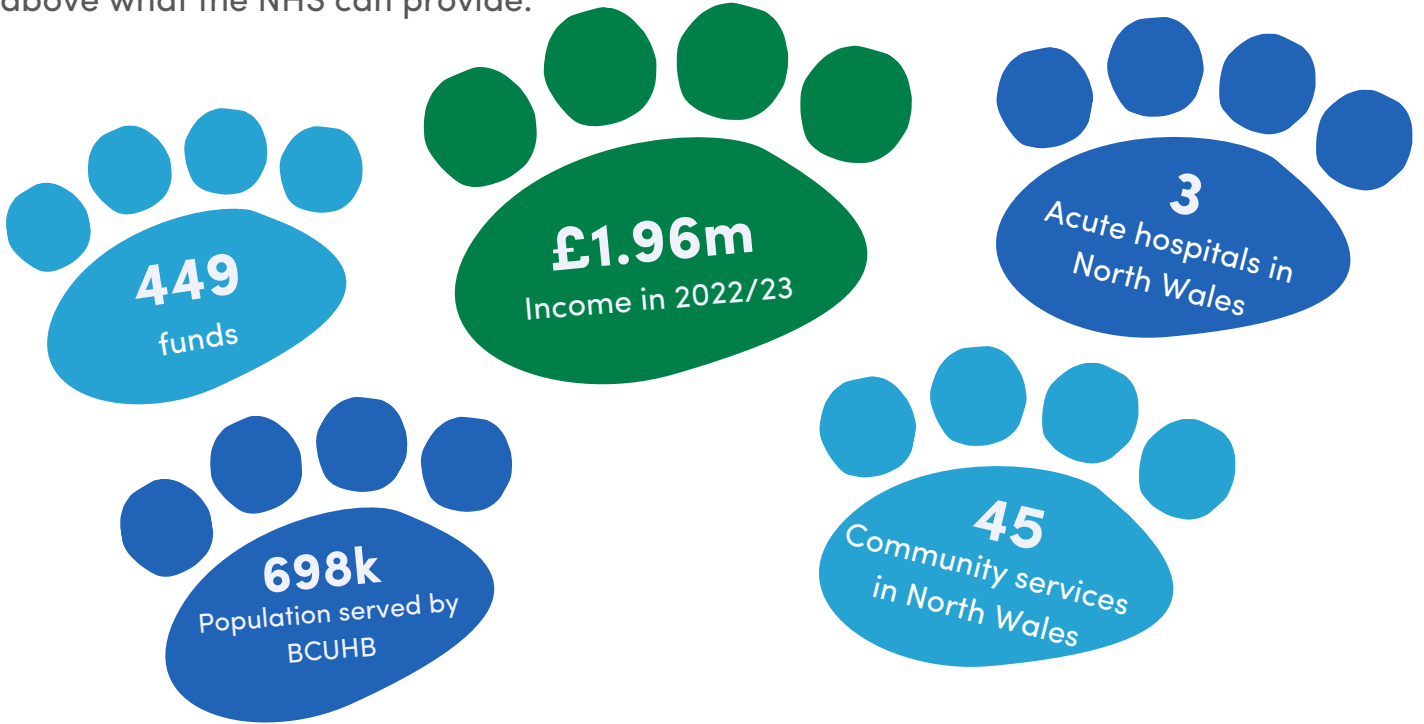
**Total expenditure: £1,489,000**

\*Total Patient Education & Welfare and Medical Research expenditure is made up of Patient Expenditure and Welfare £688,000, however this is offset by a negative expenditure of £46,000 against Medical Research due to a breast cancer related research project being withdrawn by the applicant due to a change in circumstances.



# Background information

Awyr Las covers the whole of North Wales and uses donations to improve healthcare in acute hospitals and community sites across the region. Almost every ward, department or service has a designated fund that can be used to fund things that go over and above what the NHS can provide.



# Priority areas

Cancer care, children's services, mental health and research are some of Awyr Las' priority areas for improving care, treatment and support for patients and their families. Over the 2022/23 financial year, huge steps have been taken to provide care that is over and above what the NHS can provide.



# What can be funded with your donations?

**£10,000**

A suicide prevention programme

**£1,000**

The installation of three defibrillators in towns and rural areas across North Wales

**£250**

Garden furniture to support with patient rehabilitation

**£50**

One night's stay in parental accommodation

**£5**

Toys for children

**£5,000**

Additional equipment for wards and departments to support patients through their treatment and recovery

**£500**

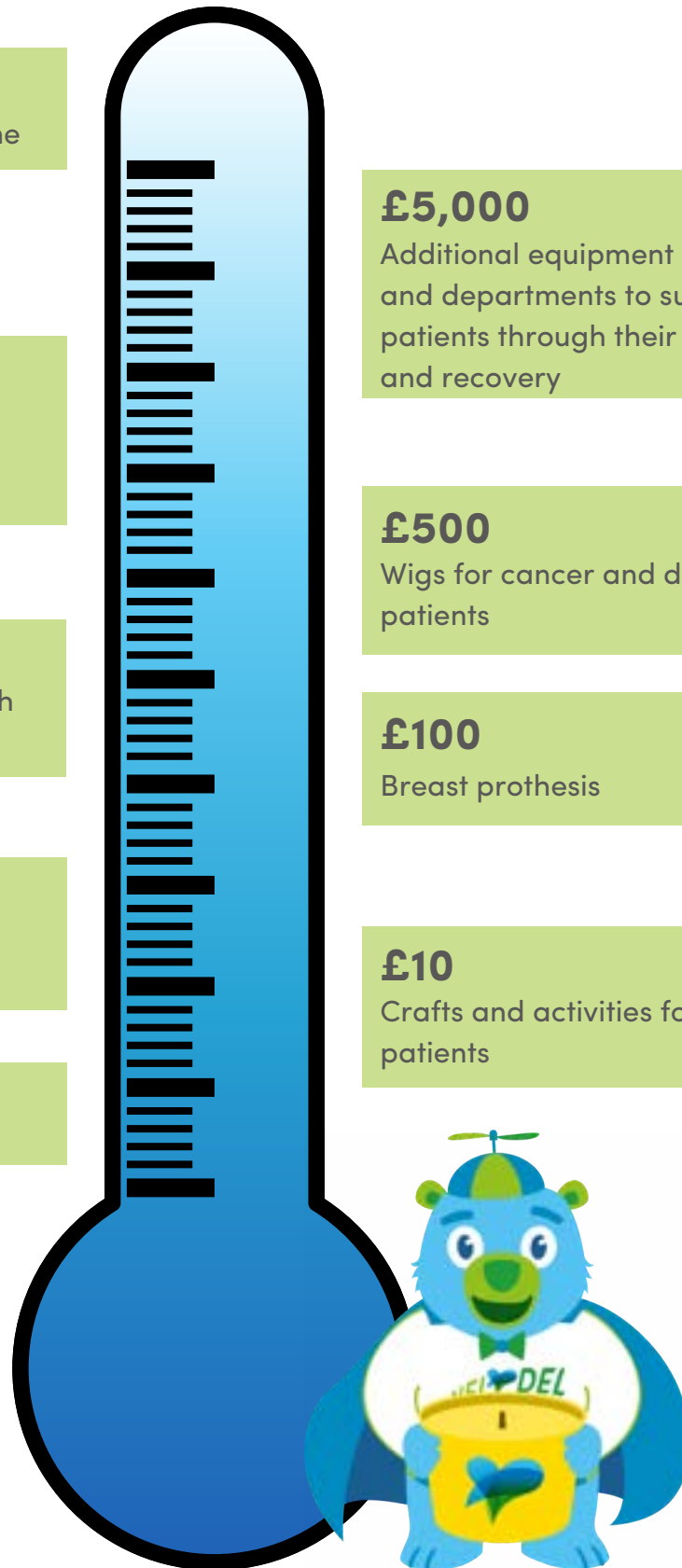
Wigs for cancer and dermatology patients

**£100**

Breast prosthesis

**£10**

Crafts and activities for dementia patients



# The impact of your support

Families, organisations, businesses and individuals together made 4,052 donations to Awyr Las in 2022/23. All donations have and will make a difference for patients, their families and for NHS staff, volunteers and partners. The average donation amount in 2022/23 was £318.85.

Donations given this year have helped fund small comforts to big projects including toys and games for children and dementia patients, to large-scale capital projects to improve services across the Health Board.

## Magic tables for rehabilitation

Patients living with cognitive challenges including dementia, learning disabilities and those going through long-term rehabilitation in Llandudno were supplied with Magic Tables thanks to funding from The North Wales NHS Charity.

Three tables have been funded in the 2022/23 year, and the interactive light technology has been helping to stimulate physical cognitive engagement with excellent results. The tables are lightweight meaning they can be moved between social spaces and rooms to benefit all patients in rehabilitation.



## Dementia activities

Gardening is an activity proven to alleviate stress, anxiety and boredom for people living with dementia, and throughout summer 2022, patients at Colwyn Bay Community Hospital and Llandudno General Hospital were able to receive tabletop sessions thanks to your donations.

Tabletop sessions were provided by The King's Fund following an approved grant for the two community hospitals to help stimulate senses and memory in dementia patients.



## First in Wales bladder treatment

A new cutting-edge technology using lasers to treat bladder cancer and other bladder issues was approved in 2022/23. The laser treatment is now offered at Wrexham Maelor Hospital, the first in Wales to be able to offer this treatment thanks to charitable funding of £14,275.

The Trans Urethral Laser Ablation (TULA) has been proven to be highly effective in treating early-stage bladder cancer with minimal side effects and a high success rate. More importantly, the treatment can be done through outpatients reducing the amount of time patients need to be in hospital for procedures.

Surgeon Professor Iqbal Shergill, Urology Clinical Lead at the hospital, said: "You can have TULA under local anaesthesia in urology procedures and in most cases you should be able to go home the same day following the procedure, and it only takes between 10 and 20 minutes to complete."



## Preventing hair loss with cold caps

Cold caps are incredible pieces of equipment that are offered to chemotherapy patients throughout North Wales to help prevent hair loss during treatment.

In 2022/23 new cold caps were funded at each cancer unit to ensure that all patients wanting to try using cold caps are able to throughout their chemotherapy treatment.

Over £100,000 has been spent on increasing the amount of cold caps available throughout the region meaning more patients can be offered a cold cap at their appointments. The treatment has been proven to work incredibly well for some patients.

The cold cap reduces the temperature of the scalp, making blood vessels smaller and reducing the blood flow to the scalp which can stop some chemotherapy drugs from affecting hair follicles.

The caps are worn throughout each chemotherapy treatment and is an optional treatment that goes over and above what the NHS would usually offer. The treatment wouldn't be made possible without incredibly kind donations to our cancer units.



# Legacy gifts

NHS services in North Wales are fortunate to be remembered by so many people each year in their wills. Legacy gifts help fund research, cutting-edge equipment and special projects. The legacy of those who choose to include a healthcare service in their will can be felt for many years by patients and staff who benefit from their generosity.

In 2022/23, Awyr Las received a total of £452,000 in legacy gifts, making a huge difference to patients and services across North Wales.

All legacies, large and small, help make a difference for patients.

## Gifts in Kind

Gifts in Kind worth £1,859 were received and used for the benefit of patients and staff in 2022/23. This figure is considerably lower than the 2021/22 value of Gifts in Kind, which stood at £5,935. There are plans to introduce a new system to record Gifts in Kind from 2024/25 so all donated items and services, including food, toys, gardening supplies and other equipment are:

- ✓ Recorded and reported effectively
- ✓ Reviewed by infection prevention and/or all relevant internal service teams so all necessary risk assessments can be completed in advance of receipt
- ✓ Appropriately acknowledged so those donating receive the recognition they deserve

Grateful thanks to everyone who chooses to donate items and services for the benefit of patients and staff. Your support is hugely appreciated by all who benefit!

## Star Box

Thanks to incredible sponsors including Shooting Star Cancer Support, NetWorld Sports, Yorkshire Tea, Morrisons Wrexham, Asda Wrexham, Lyan Packaging, Gresford Craft Group, Love Hope Strength Foundation, Bidfood and Kevin Longley Chocolatier, the Star Box was formed in 2023.

The box is made up of comforting and useful items for new chemotherapy patients and is there to offer a little bit of extra support and comfort at the start of treatment.

The Shooting Star Unit at Wrexham Maelor Hospital see around 40 new chemotherapy patients per month and have been providing all new patients with a Star Box since launching in early 2023, this wouldn't have been made possible without organisations offering gifts to help create the boxes.



## Vara Sports

Just before Christmas 2022, Vara Sports made a festive trip to Ysbyty Glan Clwyd's Children's Unit to spread some festive cheer with a huge delivery of toys!

The team delivered over £400 worth of toys to the Children's Unit to help children who sadly had to spend time in hospital over the Christmas period, to have a little bit of fun on the ward. A huge thank you goes to everyone at Vara Sports who contributed to this incredible donation.



## Penrallt Baptist Church

Wards and departments at Ysbyty Gwynedd received an amazing donation of Christmas goodies from Penrallt Baptist Church in Bangor. Minister John delivered the sweet treats to be delivered to wards and departments throughout the hospital so they can enjoy a little bit of festive cheer this year!

A huge thanks goes to all that donated at Penrallt Baptist Church.



## RAF Valley

The team at RAF Valley have donated hundreds of items over the years to benefit patients at Christmas time.

Padre Mike, Reverend at RAF Valley who leads on the donations, said: "We are so happy to donate to staff and patients in Ysbyty Gwynedd to bring a little festive cheer at Christmas. We hope everyone enjoys their treats this year." The gifts were given to wards throughout Ysbyty Gwynedd to help bring a little bit of Christmas spirit to the hospital over the festive period.



# Looking ahead

The charity's focus for 2023/24 will be to draw up and lay the foundations for the charity's 2024-2027 strategy. The charity will also ensure the 75th anniversary year of the NHS is recognised with celebration and with investment that will help to ensure that the people of North Wales will receive excellent care in hospitals and in the community for decades to come.

As well as redoubling the charity's focus on early intervention, a new strategy for 2024-2027 will provide a road-map for addressing several key themes that emerged during the pandemic, including:

- ✓ Supporting staff health and wellbeing, making sure they are cared for and supported to remain resilient
- ✓ Encouraging innovation and research to help drive improvements in the quality of care and the patient experience in North Wales
- ✓ Collaborating with health and social care providers, local charities, our communities, and our patients and their families to build strong relationships that enable us to find creative solutions to the challenges we face.

## Volunteer support

Additionally, we continue to seek to build on the relationships made with local people and community groups which have chosen to support Awyr Las in recent years.



## Governance

### Linked charities

The charity's registration incorporates a linked charity, the North Wales Cancer Appeal (NWCA). A very active subsidiary, NWCA volunteers work alongside NHS staff in the North Wales Cancer Treatment Centre and raise additional funds for priority projects that benefit patients and families affected by cancer.

### Trustee recruitment, appointment and induction

The charity has a sole Corporate Trustee, the Betsi Cadwaladr University Health Board (BCUHB). Whilst BCUHB Members undertake responsibility for the administration of the charity's funds as part of their tenure of the Board, they do not hold trustee status as individuals. The Chair and Independent Members of the Health Board are appointed by the Minister for Health and Social Services of the Welsh Government, with the Executive Directors being appointed in accordance with Health Board policy. New members of the Board are provided with appropriate induction and training on behalf of the Executive Director of Finance. Orientation documentation provided for new members includes the previous year's annual reports and financial statements, copies of the charity's governing documents, and relevant Charity Commission publications.

## Charity staff

The charity does not directly employ any staff. The day-to-day management of the charity is delegated to the Executive Director of Finance. Members of the Charitable Funds and Charitable Partnerships Team are employed by the Health Board and then recharged to the charity in accordance with the proportion of their time that has been spent on charity work.

## Key management personnel remuneration

The trustees have concluded that the Corporate Trustee through the Charitable Funds Committee comprises the key management personnel of the charity as they are in control of directing the charity.

The charity does not make any payments for remuneration nor to reimburse expenses to the charity trustees for their work undertaken as trustee. Trustees are required to disclose all relevant interests, register them with the Health Board and withdraw from decisions where a conflict of interest arises. All related party transactions are disclosed in note 2 to the accounts.

## The charity's advisors

Bankers: NatWest Bank, 5 Queen St, Rhyl, Denbighshire, LL18 1RS

Investment advisors: Brewin Dolphin, Time Central, Gallowgate, Newcastle upon Tyne, NE1 4SR

Registered auditors: Audit Wales, 1 Capital Quarter, Tyndall Street, Cardiff, CF10 4BZ

## The charity's investments

Many of the donations received by the charity cannot be spent right away since they must be accumulated, in order to fund the most pressing and relevant items to improve patient care. As a result, Awyr Las invests these contributions in order to earn income and protect their real-world worth. During the financial year 2022/23, Brewin Dolphin Limited was the charity's investment manager.

## Ethical investment framework

The Trustee has adopted an ethical framework for investments, with underlying principles supporting an ethical component of the overall investment strategy.

## Investment strategy

The Ethical Framework has given direction to the Investment Managers to develop a suitable investment strategy. The investment strategy is consistent with these ethical principles, whilst affording sufficient flexibility to provide the best balance of risk and reward for the charity.

During the financial year 2022/23, the portfolio was managed in accordance with this agreed strategy. It is recommended that there is negative exclusion of investment in companies manufacturing and distributing:

Alcoholic products

Tobacco products



Any products which may be considered in conflict with the Health Board's activities, investment in companies which have a poor record in human rights and child exploitation and/or which derive their profits from countries with poor human rights records should not be permitted. In addition, investment in companies that demonstrate compliance with the principles of the Equality Act 2010 should be supported.

Investment performance is monitored by the Charitable Funds Committee at its quarterly meetings. The committee receives reports from the investment managers explaining the portfolio's performance, the level of risk seen and expectations for the future.

## Charitable Funds Committee

Operational responsibility for the administration of the charity is delegated to a Charitable Funds Committee, a committee of the full Health Board.

### Purpose

The purpose of Betsi Cadwaladr University Health Board's Charitable Funds Committee is to make and monitor arrangements for the control and management of the Health Board's Charitable Funds, held within the BCUHB charity, Awyr Las. All voting members of the Health Board can act as corporate trustees of the charity. The committee ordinarily meets quarterly. In 2022/23 exceptional circumstances led to some significant changes within the Health Board's Executive and Non-Executive teams, which meant that some planned meetings needed to be postponed or cancelled altogether. The meeting agendas, minutes and attendance of the meetings held in 2022/23 can be found here: [Charitable Funds Committee – Betsi Cadwaladr University Health Board \(nhs.wales\)](#).

### Membership

Members: Up to four Independent Members, including the Chair and Vice Chair of the committee and three Executive Members

Chair: An Independent Member

Vice Chair: Another Independent Member

Executive Members:

Executive Director of Finance (Lead Director)

Executive Director of Nursing

Executive Medical Director

### Charitable Funds Committee membership 2022/23

A number of changes to Committee membership occurred during the year and are reflected in the table at Appendix 1.

### BCUHB Board Membership 2022/23

A number of changes to Board membership, including interim and acting up arrangements, have occurred during the year and are reflected in the table at Appendix 1.

## Performance

The overall goal of the charity is to benefit staff and patients at Betsi Cadwaladr University Health Board in accordance with the preferences of supporters. The Charitable Funds and Charitable Partnerships Team and the Charitable Funds Committee undertake a number of key activities.

## Connecting with staff

To accomplish its goal, the Charity Support Team prioritises actions that promote awareness among Health Board employees, assisting them to learn about fundraising and the money accessible to them from the charity. The team also focuses on simplifying the methods for raising and applying for money, as well as empowering staff to innovate and utilise existing funding (or, in the absence of funding, to proactively raise the necessary monies) to help them to implement their ideas. The charity continues to embrace technology, including video conferencing, to stay connected with staff.

## Evaluating requests for funding

To ensure that the charity's money is well spent and meets with its objectives, all applications for grants over £5,000 require ratification and/or authorisation from the Charitable Funds Committee (CFC), which is a committee of the full Health Board.

The Charitable Funds Advisory Group (CFAG) was established at the start of 2016 to provide further scrutiny of applications. The CFAG is a sub-committee of the Charitable Funds Committee. The CFAG now reviews applications online, rather than in person. The CFAG has a remit to consider all funding applications over £5,000 from general or specific charitable funds and recommend them for approval or rejection to the Charitable Funds Committee. The Charitable Funds Committee then approves, rejects or requests more information for the applications.

Membership of the CFAG is varied. Like the CFC, members of the CFAG use their specialist knowledge to make informed decisions on funding, taking into account local needs and organisational priorities.

## Applying for funding

Applicants must outline their proposed project's outcomes and how they will be measured in order to be considered for funding. They must also show that they have assessed the risks and investigated mitigating factors. All grant applicants must show how their plan would help to reduce health inequalities.

## Complaints

The Charitable Funds and Charitable Partnerships Team did not uncover any failure to comply with Fundraising Regulation by staff or Awyr Las volunteers in 2022/23. The charity received no official fundraising-related complaints in the past year.

## Charitable Funds and Charitable Partnerships Team

To help meet the charity's objectives, the Charitable Funds and Charitable Partnerships Team works thematically, with dedicated communications, partnership and finance support roles within the team. The charity's Support Team continues to streamline its processes and develop relationships with other teams within the Betsi Cadwaladr University Health Board to ensure it can provide the highest possible level of donor and partner care.

### Public benefit

In planning activities for the year, and when considering applications for grant funding, the trustees consider the Charity Commission's guidance on public benefit.

## The charity's grant-making process

Both restricted and unrestricted funds are used to make grants through the charity. These funds are further split into non-designated (general) funds and designated (earmarked) funds.

### Authorisation and levels of funding

Projects costing less than £5,000 can be authorised by a Fund Advisor – the colleagues that act as guardians for their designated funds – thus enabling NHS staff to gain prompt access to funding. Because of this, staff can quickly implement their ideas, meaning the tangible positive differences they wish to achieve for their patients or colleagues can be realised almost immediately.

There is a formal application and scrutiny process for requests of £5,000 or more. The Charitable Funds Advisory Group (CFAG) has a remit to consider all funding applications over £5,000 and recommend them for approval or rejection to the Charitable Funds Committee. The Charitable Funds Committee then takes the decision based on the information provided in the applications and from the CFAG members. The application process is designed to be accessible, whilst ensuring projects receive rigorous scrutiny to ensure they are robust, innovative, and realistically able meet the objectives set out by the applicant.

### Non-designated funds

These funds are given to the charity with no preference expressed by the donor. They are used to fund things that are needed either across the region, or in areas/services that do not have their own fund.

The Finance Director acts as the Fund Advisor on non-designated funds and so can authorise expenditure up to £5,000. Non-designated funds have been decreasing in value significantly over recent years. This is an ongoing challenge for the charity as it limits the things that can be funded where there is no suitable designated fund.



## Designated funds

Within Awyr Las, most donations sit in one of the 418 designated funds, which are aligned to specific wards and departments. Every fund has at least one Fund Advisor, who is the authorised signatory on the fund for purchases up to £5,000. Fund Advisors receive monthly statements outlining the income and expenditure on the fund. For all expenditure over £5,000, a scheme of delegation is in place whereby additional approvals are required from the senior team for that area in the Health Board and the Charitable Funds Committee. This ensures that applications are fully reviewed and assessed alongside the objectives of the charity.

## Financial summary

The following figures are taken from the full accounts approved on 25th January 2023, which carry an unqualified audit report. The accounts should be viewed in full if more details are required. This part of the Trustee's annual report comments on key features of those accounts. The full accounts have also been logged with the Charity Commission. Almost all the charity's income comes from the voluntary efforts of NHS staff and the general public.

This year, donations generated £1,104,000 - 56% of the charity's total income. Legacy gifts formed 23% of the charity's income (£452,000). Fundraising accounted for 11% of the charity's total income (£210,000). Investment of funds not immediately required by the charity has generated £194,000 in returns, equating to 10% of Awyr Las' total income.

## Financial health

The assets and liabilities of Awyr Las as at 31st March 2023 are shown below, compared with the position at 31st March 2022. Find further details in the financial statements section.

## Balance Sheet as at 31 March 2023

	Unrestricted funds £000	Restricted Income funds £000	Total 31 March 2023 £000	Total 31 March 2022 £000
Note				
<b>Fixed assets:</b>				
Tangible assets	14	150	0	150
Investments	15	3,813	6,014	9,827
<b>Total fixed assets</b>		<b>3,963</b>	<b>6,014</b>	<b>10,536</b>
<b>Current assets:</b>				
Debtors	16	669	1,015	1,684
Cash and cash equivalents	17	589	895	1,484
<b>Total current assets</b>		<b>1,258</b>	<b>1,910</b>	<b>3,168</b>
<b>Liabilities:</b>				
Creditors: Amounts falling due within one year	18	(358)	(544)	(902)
<b>Net current assets / (liabilities)</b>		<b>900</b>	<b>1,366</b>	<b>2,266</b>
<b>Total assets less current liabilities</b>		<b>4,863</b>	<b>7,380</b>	<b>12,243</b>
Creditors: Amounts falling due after more than one year	18	(176)	(266)	(442)
<b>Total net assets / (liabilities)</b>		<b>4,687</b>	<b>7,114</b>	<b>11,801</b>

The notes on pages 32 to page 52 form part of these accounts.

Signed :

Name : Dyfed Jones (Chair of Trustees)

Date :

# Risk analysis

As part of the Charitable Funds Committee meetings, the trustees consider the major risks facing Awyr Las.

## Managing risk

The main risks to the charity are usually reviewed by the Charitable Funds Committee on a quarterly basis. The charity's Risk Register can be viewed here, pages 207–226: [Bundle Charitable Funds Committee 18 October 2022 \(nhs.wales\)](#). An individual risk analysis is completed for all Awyr Las events and activities, and for new processes and ways of working introduced by members of the Charitable Funds and Charitable Partnerships Team.

# Reserves

Reserves are the charity's unrestricted income funds that are freely available to spend on any of the charity's purposes.

A good reserves policy gives confidence to stakeholders that the charity's finances are being managed and provides an indicator of future funding needs and its overall resilience.

The reserves policy takes into account the charity's financial circumstances and other relevant factors. Deciding on the level of reserves that a charity needs to hold is an important part of financial management and forward planning. Reserves levels which are higher than needed may tie up money unnecessarily. If reserves are too low, then the charity's solvency and its future activities can be put at risk.

The charity, drawing on Charity Commission guidance and examples of best practice from other charities, has adopted a reserves policy that includes a target level of reserves. As is good practice, the reserves policy is kept under review to ensure it meets the changing needs and circumstances of the charity.

The Charitable Funds Committee reviews the Awyr Las Reserves Policy and the target level of reserves annually. In March 2022, it was agreed that the target level of reserves would be based on expenditure that has been approved in principle, as well as considering the latest audited accounts.

The charity's target level of reserves is based on the following calculation:

- One year's operational costs
- 25% of the 3-year average value of investments held
- 25% of the 3-year average value of charitable activity (grants) expenditure

The reserves target for 2022/23, set by the Charitable Funds Committee in March 2022 is £3.754 million.

Total funds of the Charity at 31 March 2023 were £11.8million (2021-22: £12.3million) of which £7.1million is restricted and £4.7million is unrestricted (2021-22: £6.9million and £5.4million).

The Charity is therefore holding reserves (£4.7million) at a higher level than the target value (£3.754million).

The unrealised investment losses during 2022-23 are £0.702million. An element of these unrealised losses have already corrected in the first half year of 2023-24.

This highlights the importance of generating unrestricted donations for the Charity so that the Trustee has the maximum flexibility to respond to future needs of patients as they arise.

One of the charity's reserves can only be realised by disposing of tangible fixed assets (see tangible fixed assets, note 14 in the Accounts)

Name	Position	Term
<b>Independent Board members from 1 April 2022 to 27 February 2023</b>		
Mark Polin	Chair	Until 27 February 2023
Lucy Reid	Vice Chair	Until 27 February 2023
Cllr Cheryl Carlisle	Independent Member	Until 27 February 2023
Nichola Callow	Independent Member	Until 27 February 2023
John Cunliffe	Independent Member	Until 27 February 2023
Hugh Evans	Independent Member	Until 27 February 2023
John Gallanders	Independent Member	Until 27 February 2023
Jaqueline Hughes	Independent Member	Until 27 February 2023
Cllr Richard Medwyn Hughes	Independent Member	Until 27 February 2023
Richard Micklewright	Independent Member	Until 27 February 2023
Linda Tomos	Independent Member	Until 27 February 2023
<b>Independent Board members from 27 February 2023</b>		
Dyfed Edwards	Chair	Appointed 27 February 2023
Rhian Watcyn Jones	Independent Member	Appointed 27 February 2023
Karen Balmer	Independent Member	Appointed 27 February 2023
Gareth Williams	Independent Member	Appointed 27 February 2023
<b>Associate Board Members</b>		
Clare Budden	Associate Member	N/A
Morwena Edwards	Associate Member	Tenure ended June 2022
Jane Wild	Associate Member	N/A
Fôn Roberts	Associate Member	Appointed 29 July 2022

<b>Executive Board Members</b>		
<b>Jo Whitehead</b>	Chief Executive Officer	Until 15 November 2022
<b>Gill Harris</b>	Executive Director of Integrated Clinical Services / Acting Chief Executive Officer	Acting CEO from 16 November 2022 to 27 March 2023
<b>Dr Nick Lyons</b>	Executive Medical Director /Deputy Chief Executive Officer	Acting CEO from 27 March 2023 to 2 May 2023
<b>Molly Marcu</b>	Interim Board Secretary	N/A
<b>Gaynor Thomason</b>	Interim Executive Director of Nursing and Midwifery	Until 31 July 2022
<b>Angela Wood</b>	Executive Director of Nursing and Midwifery	Appointed 1 August 2022

# Accounts for the year ended 31 March 2023

## FOREWORD

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition issued October 2019 and applies to reporting periods beginning on or after 1 January 2019. This edition consolidates the changes to the Statement of Recommended Practice (SORP) for Update Bulletins 1 and 2, the Charities Act 2011 and changes to UK Generally Accepted Practice since the launch of SORP (FRS102) on 16 July 2014, as it applies for reporting periods beginning on or after 1 January 2015.

## STATUTORY BACKGROUND

The Betsi Cadwaladr University Health Board is the corporate trustee of the charity under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990.

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

Awyr Las, the working name of the Betsi Cadwaladr University Health Board Charity and other related Charities, is a registered charity and is constituted under a trust deed dated 23rd September 2010. Within the charity group registration there are two subsidiary charities:

- Betsi Cadwaladr University Health Board Charity; and
- The North Wales Cancer Appeal.

## 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 Betsi Cadwaladr University Health Board.

## Statement of Financial Activities for the year ended 31 March 2023

	Unrestricted funds	Restricted Income funds	Total Funds	
Note	£000	£000	2022-23 £000	
<b>Incoming resources from generated funds:</b>				
Donations and legacies	3	1,002	554	1,556
Other trading activities	5	150	60	210
Investments	6	98	96	194
<b>Total incoming resources</b>	<b>1,250</b>	<b>710</b>	<b>1,960</b>	
<b>Expenditure on:</b>				
Raising Funds	7	146	149	295
Charitable activities	8	999	490	1,489
<b>Total expenditure</b>	<b>1,145</b>	<b>639</b>	<b>1,784</b>	
Net gains / (losses) on investments	15	(350)	(352)	(702)
<b>Net income / (expenditure)</b>	<b>(245)</b>	<b>(281)</b>	<b>(526)</b>	
<b>Transfer between funds</b>	20	(458)	458	0
<b>Other recognised gains / (losses)</b>				
Gains / (losses) on revaluation of fixed assets	14	0	0	0
<b>Net movement in funds</b>	<b>(703)</b>	<b>177</b>	<b>(526)</b>	
<b>Reconciliation of Funds</b>				
Total Funds brought forward	21	5,390	6,937	12,327
<b>Total Funds carried forward</b>	<b>4,687</b>	<b>7,114</b>	<b>11,801</b>	

## Statement of Financial Activities for the year ended 31 March 2022

		Unrestricted funds £000	Restricted Income funds £000	Total Funds 2021-22 £000
<b>Incoming resources from generated funds:</b>				
Donations and legacies	3	727	1,750	2,477
Other trading activities	5	210	48	258
Investments	6	59	43	102
<b>Total incoming resources</b>		<b>996</b>	<b>1,841</b>	<b>2,837</b>
<b>Expenditure on:</b>				
Raising Funds	7	230	140	370
Charitable activities	8	747	280	1,027
<b>Total expenditure</b>		<b>977</b>	<b>420</b>	<b>1,397</b>
Net gains / (losses) on investments	15	160	108	268
<b>Net income / (expenditure)</b>		<b>179</b>	<b>1,529</b>	<b>1,708</b>
<b>Transfer between funds</b>	20	(63)	63	0
<b>Other recognised gains / (losses)</b>				
Gains / (losses) on revaluation of fixed assets	14	0	0	0
<b>Net movement in funds</b>		<b>116</b>	<b>1,592</b>	<b>1,708</b>
<b>Reconciliation of Funds</b>				
Total Funds brought forward	21	5,274	5,345	10,619
<b>Total Funds carried forward</b>		<b>5,390</b>	<b>6,937</b>	<b>12,327</b>



## Balance Sheet as at 31 March 2023

	Unrestricted	Restricted	Total	Total
	funds	Income	31 March	31 March
Note	£000	funds	2023	2022
		£000	£000	£000
<b>Fixed assets:</b>				
Tangible assets	14	150	0	150
Investments	15	3,813	6,014	10,386
<b>Total fixed assets</b>		<b>3,963</b>	<b>6,014</b>	<b>10,536</b>
<b>Current assets:</b>				
Debtors	16	669	1,015	1,833
Cash and cash equivalents	17	589	895	1,120
<b>Total current assets</b>		<b>1,258</b>	<b>1,910</b>	<b>2,953</b>
<b>Liabilities:</b>				
Creditors: Amounts falling due within one year	18	(358)	(544)	(996)
<b>Net current assets / (liabilities)</b>		<b>900</b>	<b>1,366</b>	<b>1,957</b>
<b>Total assets less current liabilities</b>		<b>4,863</b>	<b>7,380</b>	<b>12,493</b>
Creditors: Amounts falling due after more than one year	18	(176)	(266)	(166)
<b>Total net assets / (liabilities)</b>		<b>4,687</b>	<b>7,114</b>	<b>12,327</b>

The notes on pages 32 to page 52 form part of these accounts.

Signed :

Name : Dyfed Jones (Chair of Trustees)

Date :

## Statement of Cash Flows for the year ending 31 March 2023

	Note	Total Funds 2022-23 £000	Total Funds 2021-22 £000
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	19	<b>313</b>	<b>153</b>
<b>Cash flows from investing activities:</b>			
Dividend, interest and rents from investments	6	194	102
Proceeds from the sale of investments	15	1,541	7,902
Purchase of investments	15	(1,805)	(8,275)
(Increase) / decrease in cash awaiting investment	15	122	311
<b>Net cash provided by (used in) investing activities</b>		<b>52</b>	<b>40</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>365</b>	<b>193</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	17	1,119	926
<b>Cash and cash equivalents at the end of the reporting period</b>	17	<b>1,484</b>	<b>1,119</b>

## Note on the Accounts

### 1 Accounting Policies

#### a) Basis of preparation

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

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) second edition issued October 2019 and applies to reporting periods beginning on or after 1 January 2019. This edition consolidates the changes to the Statement of Recommended Practice (SORP) for Update Bulletins 1 and 2, the Charities Act 2011 and changes to UK Generally Accepted Practice since the launch of SORP (FRS102) on 16 July 2014, as it applies for reporting periods beginning on or after 1 January 2015.

The accounts (financial statements) have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and as amended in the second edition issued October 2019.

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

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

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

## **b) Funds structure**

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

- A restricted fund or
- An endowment fund.

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

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

Those funds which are neither endowment nor restricted income funds, are unrestricted income funds which are sub-analysed between designated (earmarked) funds where the Trustees have set aside amounts to be used for specific purposes or which reflect the non-binding wishes of donors and unrestricted funds which are at the Trustees' discretion, including the general fund which represents the charity's reserves. The major funds held in each of these categories are disclosed in note 21.

### **c) Incoming resources**

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

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

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

### **d) Incoming resources from legacies**

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

Receipt is probable when:

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

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

### **e) Resources expended and irrecoverable VAT**

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

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

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

## **f) Recognition of expenditure and associated liabilities as a result of grants**

Grants payable are payments made to linked, related party or third party NHS bodies and non NHS bodies, in furtherance of the charitable objectives of the funds held on trust, primarily relief of those who are sick.

Grant payments are recognised as expenditure when the conditions for their payment have been met or where there is a constructive obligation to make a payment.

A constructive obligation arises when:

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

The 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 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 have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 11.

## **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 Boards' 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) Tangible assets**

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price (or value of the asset on a full replacement cost basis if donated), costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs. Tangible fixed assets are capitalised if they are capable of being used for more than one year and have a cost equal to or greater than £5,000.

Land is stated at open market value. Valuations are carried out by a professional valuer at least every five years with an impairment review undertaken in all other years. No depreciation is applied to land.

Tangible fixed assets are derecognised on disposal or when no future economic benefits are expected. On disposal, the difference between the net disposal proceeds and the carrying amount is recognised in the Statement of Financial Activities (SoFA).

### **k) Investments**

Investments are a form of basic financial instrument. Fixed asset investments are initially recognised at their transaction value and are subsequently measured at their fair value (market value) at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year. Investments are included in the Balance Sheet at the current mid price market value quoted by the Investment Managers, Brewin Dolphin. The SORP recommends that the bid price market value be used in valuing stocks and shares, although the difference between bid and mid market price is not material, the difference as at 31st March 2023 being £3.8k.

The main form of financial risk faced by the charity is that of volatility in equity markets and other investment markets due to wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors. Further information on the charity's investments can be found in note 15.

### **l) Debtors**

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

### **m) Cash and cash equivalents**

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

### **n) Creditors**

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

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

### **o) Realised gains and losses**

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

## **2 Related party transactions**

During the year none of the Trustee's Representatives or members of the key management staff or their close relatives have undertaken any material transactions with the Betsi Cadwaladr University Health Board Charitable Funds.

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 seek to benefit personally from such decisions. Declarations of personal interest have been made in both capacities and are available to be inspected by the public.

The Charity has made grant payments for revenue and capital to the Betsi Cadwaladr University Health Board. Such payments are for specific items which are in furtherance of the Charity's objectives. The Betsi Cadwaladr University Health Board prepares its accounts in accordance with the Government Financial Reporting Manual (FRM) and International Financial Reporting Standards (IFRS), whereas the Charity prepares its accounts in accordance with FRS 102. The Charity, therefore, recognises a constructive obligation when it awards a grant, whereas the Health Board recognises it when the grant is received. This creates a timing issue as the Charity recognises expenditure before the Health Board does.

In its accounts and under FRS 102, the Charity recognises that it has made grant payments to the Betsi Cadwaladr University Health Board totalling £1.38million (2021-22: £0.94 million).

Under the FReM and IFRS, grant payments to the Betsi Cadwaladr University Health Board totalled £1.16 million (2021-22: £1.24 million). The Charity reported liabilities of £0.26m with the Health Board as at 31st March 2023 (2021-22: £0.29m).

The audited accounts of the Betsi Cadwaladr University Health Board are included in their annual report and accounts and are available from their website.

All Board Members are required to submit an annual Declaration of Interests covering the following seven areas:

- Interest in a company which may compete for an NHS contract to supply goods and services to Betsi Cadwaladr University Local Health Board
- Any self-beneficial interest in a private care home, hostel or independent health care provider
- Any relevant outside employment, including self employment, whilst employed by the Health Board
- Interest in the Pharmaceutical Industry or Allied Commercial Sector
- Personal links to, or relationships with, individuals in local or national government / AMs / MPs
- Councillorships, Directorships or any other relevant position
- Any other matters to declare (including issues relating to personal relationships and maintaining clear professional boundaries)

Declarations are also required where an individual Board member does not have any interests to declare.

The following tables details all interests declared by Board Members during the 2022-23 financial year including any material transactions with related parties.

#### Directors/Executive Directors

Name	Details of positions held during the financial year	Dates positions held	Details of interest declared
<b>Directors/Executive Directors</b>			
J Whitehead	Chief Executive	01.04.22 - 31.03.23	Spouse is on the GP Performers List and works as a locum in GP practices and the Health Board's GP Out of Hours Service.
N Lyons	Executive Medical Director	01.04.22 - 31.03.23	Wife works for the Health Board as an Allied Health Professional (AHP) in Cancer Services
G Thomason	Interim Executive Director of	01.04.22 - 31.07.22	Director of Regency Circle Ltd a provider of management consultancy services
A Wood	Executive Director of Nursing	01.08.22 - 31.03.23	Member of the Royal College of Nursing
R Nolan	Acting Executive Director of	01.09.22 - 30.11.22	Wife is Regional Assurance Director for Mersey Internal Audit Agency Step-son works for Meditech as a software developer Director and Trustee, BMC access and Conservation Trust
S Webster	Interim Executive Director of	03.01.23 - 31.03.23	Director, Respiratory Innovation Wales Limited
J C Stockport	Executive Director	01.04.22 - 31.03.23	Director, Great Selection Trading Ltd
A Thomas	Executive Director Therapies	01.04.22 - 16.10.22	Spouse is employed by Boots UK as an Accuracy Checking Technician. Son is employed by the Health Board (nature of the role has not been disclosed)
G Evans	Acting Executive Director	01.04.22 - 31.03.23	Wife is an employee of the Health Board as a Nurse on an Intensive Care Unit



### Independent Board Members

M Poin OBE QPM	Chair	01.04.22 - 27.02.23	Wife is employed by the Health Board as a Health Visitor
O Edwards	Chair	27.02.23 - 31.03.23	Llond Bol Foodbank - Volunteer Non-Executive Director - Antur Iantlle Cyfyngedig Former Non-Executive Director - Welsh Finance Authority (to 27.02.2023) Former Non-Executive Director - Public Health Wales IHS Trust (to 27.02.2023) Commissioner - Northern Transport Commission Member - Welsh Language Partnership Council, Welsh Government Member - Plaid Cymru Member - CND Cymru Member - Institute of Welsh Affairs Member - Calfaria Chapel, Penygroes Wife is employed by the Health Board as a Lead Practice Education Facilitator Sister-in-law is employed by the Health Board as a Sonographer
L J Reid	Independent Member and	01.04.22 - 27.02.23	Committee Chair for the Primary Care Appeals Service, NHS Resolution Specialist advisor for the Care Quality Commission Justice of the Peace for HMCTS, North Wales Central Director of Anakasis Ltd which provides specialist training and advisory services to NHS England Husband is a GP in St Asaph, Denbighshire
Prof N Callow	Independent Member	01.04.22 - 27.02.23	Pro Vice-Chancellor Learning and Teaching and Head of College of Human Sciences, Bangor University
Cir C Carlisle	Independent Member	01.04.22 - 27.02.23	County Councillor for Conwy Ward, Conwy County Borough Council Cabinet Member for Social Care and Safeguarding Deputy Chairman (political) Clwyd West Conservatives Governor at Ysgol Bryn Eilan Member of the Conwy and Denbighshire Joint Adoption Panel Panel member of Conwy and Denbighshire Public Services Board
J Curfitt	Independent Member	01.04.22 - 27.02.23	Director of Abernet Ltd Member of the Joint Audit Committee, North Wales Police and Crime Commissioner
H Hesketh Evans OBE	Independent Member	01.04.22 - 27.02.23	Councillor for Denbighshire County Council Founder Chairman and Member North Wales Economic Ambition Board
J F Hughes	Independent Member	01.04.22 - 27.02.23	Daughter is employed in an administrative role for the Health Visitor Team in Caernarfon
Cir R Medwyn Hughes	Independent Member	01.04.22 - 27.02.23	Director of Medtel Limited Local Authority member for Plaid Cymru, Gwynedd County Council Member of the Care Scrutiny Committee and the Audit and Governance Committee at Gwynedd County Council Councillor - Bangor City Community/Town Council
R Micklewright	Independent Member	01.04.22 - 27.02.23	Fellow of the Chartered Institute of Public Finance and Accountancy (CIPFA) Member of the Institute of Directors Director, Derryscroft Ltd Wife works in the NHS
J Gallanders BEM	Independent Member	01.04.22 - 27.02.23	Clerk at Maestor South Community Council Chair at Wrexham Warehouse Project
L Tomos CBE	Independent Member	01.04.22 - 27.02.23	Trustee for Cyngor Llyfrau Cymru/Books Council of Wales
G Williams	Independent Member	27.02.23 - 31.03.23	Welsh Government - Chair of the expert panel supporting the Independent Commission on the Constitutional Future of Wales Director - Galdeford Investments Ltd Director - Ludlow and District Community Association Ltd T/A Ludlow Assembly Rooms Chair and Director - Mid Wales Opera Ltd
K Balmer CIPFA	Independent Member	27.02.23 - 31.03.23	Member of the Chartered Institute of Public Finance and Accountancy (CIPFA) Chief Executive Officer Groundwork North Wales Board Member Natural Resources Wales Founder and Trustee Cycling 4 All Director, IK Tech Limited Director, Nant Mill Community Trust Director, Skill Hive CIC
R Watcyn Jones	Independent Member	27.02.23 - 31.03.23	Trustee and Chair of Hanes Llandocho

### Associate Board Members

M Edwards	Associate Board Member	01.04.22 - 25.06.22	Corporate Director and Statutory Director of Social Services at Gwynedd Council Lead Director for ADSS Cymru on the Welsh Language Member of the Welsh Language Partnership Board Chair of the Regional Integrated Commissioning Board Member of the Regional Partnership Board
F Roberts	Associate Board Member	29.07.22 - 31.03.23	Director of Social Services and Head of Children's Services Isle of Anglesey County Council Leadership Group Member ADSS Cymru Chair Person Dawns i Bawb Member of Plaid Cymru
C Budden	Associate Board Member	01.04.22 - 31.03.23	Chief Executive of Clwyd Alyn Housing Association Director, Tai Ely Limited Director, Tai Tai Limited Director, Penarian Housing Finance plc Welsh Government Housing Support National Advisory Board Member Vice Chair of the North Wales and Mersey Dee Business Council Fellow of the Chartered Institute of Housing
J Wild	Associate Board Member	01.04.22 - 31.03.23	Trustee and Officer of the British Society of Audiology Sister is a GP

Footnote \*

No other Health Board members who served during the 2022-23 financial year disclosed any related party interests.

Where Directors had made declarations in previous years but these had not been updated in 2022-23 the most recent available information, including the year of declaration, has been included in this note.

The following Directors made nil declarations in 2021-22 but these were not updated or confirmed for 2022-23:

Name	Details of position	Date position held
A L Brereton	Board Secretary	01.04.2022 - 03.04.2022
G Harris	Executive Director of Integrated Clinical Delivery/Deputy Chief Executive Acting Chief Executive	01.04.2022 - 15.11.2022 16.11.2022 - 31.03.2023

H Hesketh Evans joined and left the Health Board during the year and did not make a declaration. Information within the note was published on the Health Board's website during the term of office.

Material transactions between the Charity and related parties disclosed during 2022-23 were as follows:	Expenditure with related party £000	Amounts owed to related party £000	Income from related party £000	Amounts owed by related party £000
Bangor University	43.9	6.3	1.6	0.0
Conwy County Council	1.0	0.0	0.2	0.0
Denbighshire County Council	0.7	0.0	0.0	0.0
Cyngor Gwynedd/Gwynedd County Council	0.0	0.0	1.0	1.0
Groundwork North Wales	0.7	-0.1	0.0	0.0

### 3 Income from donations and legacies

	<b>Unrestricted funds £000</b>	<b>Restricted Income funds £000</b>	<b>Total 2022-23 £000</b>	<b>Total 2021-22 £000</b>
Donations	1,002	102	<b>1,104</b>	746
Legacies	0	452	<b>452</b>	1,731
	<b>1,002</b>	<b>554</b>	<b>1,556</b>	<b>2,477</b>

### 4 Role of volunteers

Like all charities, the Betsi Cadwaladr University Health Board Charity is reliant on a team of volunteers for our smooth running. Our volunteers perform two roles:

- Fund advisors – Within the Charity there are 449 (2021-22: 435) designated funds which are identified to specific areas and/or services. Every fund has at least one fund advisor, who acts as the authorised signatory on the fund for purchases up to £5,000 and receives monthly statements as to the income and expenditure on the fund. Fund advisors are responsible for ensuring that the expenditure they authorise from their funds is appropriate and fits in with the objects of the fund and the Charity. They are also responsible for ensuring that their designated fund is never in a deficit position.
- Fundraisers – A number of volunteers actively support the Charity by running events such as coffee mornings, sponsored walks and sports tournaments, as well as supporting events directly organised by the charity.

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

### 5. Other trading activities

Income from other trading activities arises from fundraising events that are organised by the Charity, or by volunteers in aid of the Charity. These include events such as coffee mornings, cake bakes, sporting challenges and sponsored walks. The Charity generated £210,000 income from other trading activities during the financial year (2021-22 £258,000).

## 6. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Total 2022-23 £000	Total 2021-22 £000
Fixed asset equity and similar investments	93	96	189	102
Short term investments, deposits and cash on deposit	5	0	5	0
	<b>98</b>	<b>96</b>	<b>194</b>	<b>102</b>

## 7. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Total 2022-23 £000	Total 2021-22 £000
Fundraising office	115	114	229	241
Fundraising events	6	5	11	57
Investment management	17	17	34	38
Support costs	8	13	21	34
	<b>146</b>	<b>149</b>	<b>295</b>	<b>370</b>

## 8. Analysis of expenditure on charitable activity

	Grant funded activity £000	Support costs £000	Total 2022-23 £000	Total 2021-22 £000
Grants for NHS Capital expenditure	310	24	334	153
Staff education and welfare (including gift in kind)	480	33	513	78
Patient education and welfare	647	41	688	635
Medical research	(56)	10	(46)	160
	<b>1,381</b>	<b>108</b>	<b>1,489</b>	<b>1,026</b>

Gifts in kind worth £1,859 were received and used for the benefit of staff in 2022-23 (2021-22 £5,935).

## 9. Analysis of grants

The Charity does not make grants to individuals. All grants are made to the Betsi Cadwaladr University Health Board to provide for the care of NHS patients in furtherance of our charitable aims. The total cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity, is disclosed in note 8.

The Trustees operate a scheme of delegation for the charitable funds, under which fund advisors manage the day to day disbursements on their projects, in accordance with the directions set out by the Trustees in the Charity Standing Financial Instructions. Funds managed under the scheme of delegation represent ongoing activities and it is not possible to segment these activities into discrete individual grant awards. The Trustees do make grant awards based on invited applications from the Betsi Cadwaladr University Health Board.

## 10. Movements in funding commitments

	Current liabilities £000	Non-current liabilities £000	Total 31 March 2023 £000	Total 31 March 2022 £000
Opening balance at 1 April (see note 18)	575	166	741	1,010
Increase / (decrease) in liabilities	23	276	299	(269)
<b>Closing balance at 31 March (see note 18)</b>	<b>598</b>	<b>442</b>	<b>1,040</b>	<b>741</b>

As described in notes 8 and 9, the charity awards a number of grants in the year. Many grants are awarded and paid out in the same financial year. However, some grants, especially those relating to research and development or for funding specific posts are multi-year grants paid over a longer period.

## 11. Allocation of support costs

Governance costs are those support costs which relate to the strategic and day to day management of a charity.

Support and overhead costs are allocated between fundraising activities and charitable activities based on the proportion of expenditure incurred against them both during the year. These support and overhead costs are then further allocated to unrestricted and restricted funds based on the balance held in these funds.

	<b>Raising funds £000</b>	<b>Charitable activities £000</b>	<b>Total 2022-23 £000</b>	Total 2021-22 £000
<b>Governance</b>				
External audit	4	20	<b>24</b>	21
Finance and administration	7	37	<b>44</b>	45
<b>Total governance</b>	<b>11</b>	<b>57</b>	<b>68</b>	<b>66</b>
Finance and administration	8	43	<b>51</b>	50
Other costs	2	8	<b>10</b>	9
	<b>21</b>	<b>108</b>	<b>129</b>	<b>125</b>

	<b>Unrestricted funds £000</b>	<b>Restricted Income funds £000</b>	<b>Total Funds 2022-23 £000</b>	Total Funds 2021-22 £000
Raising funds	8	13	<b>21</b>	33
Charitable activities	42	66	<b>108</b>	92
	<b>50</b>	<b>79</b>	<b>129</b>	<b>125</b>

## 12. 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 Trustees.

## 13. Auditors remuneration

The auditors remuneration of £24,174 (2021-22: £20,937) related solely to the audit of the statutory annual report and accounts.

## 14. Tangible fixed assets

	<b>Freehold land 2022-23 £000</b>	Freehold land 2021-22 £000
<b>Cost and valuation</b>		
Balance brought forward	150	150
Additions	0	0
Revaluations	0	0
Disposals	0	0
Balance at 31 March	<u>150</u>	<u>150</u>
<b>Depreciation and impairments</b>		
Balance brought forward	0	0
Disposals	0	0
Impairment	0	0
Balance at 31 March	<u>0</u>	<u>0</u>
Net book value at 1 April	150	150
<b>Net book value at 31 March</b>	<u>150</u>	<u>150</u>

During 2017-18, a piece of land located in Porthmadog was donated to the charity, for the benefit of the Madog Community & Hospital fund. The land was independently and professionally valued at open market value by the District Valuer in March 2021. There has been no impairment to the land in 2022-23. The charity is reviewing options on the use of the land and intends to decide on plans for its future sale or use in 2024/25

## 15. Fixed asset investments

### Movement in fixed assets investments

	<b>Total 2022-23 £000</b>	Total 2021-22 £000
Market value brought forward	10,387	10,057
Add: additions to investments at cost	1,805	8,275
Less disposals at carrying value	(1,541)	(7,902)
Increase / (decrease) in cash awaiting investment	(122)	(311)
Add net gain / (loss) on revaluation	(702)	268
<b>Market value as at 31 March</b>	<u>9,827</u>	<u>10,387</u>



All investments are carried at their fair value.

All of the Charity's investments are held within a portfolio which is managed by Brewin Dolphin Limited. The key objective of the portfolio is to preserve and grow the investments' value in real terms, in order to continue to support charitable distributions over the long term. In order to meet this objective, the Trustees have agreed on a 'balanced' approach for the investment strategy. A 'balanced' portfolio is intended to achieve steady growth over the long term through a diversified approach to investment. Attention is paid to avoiding the worst of the downside and capturing some, but not all, of the upside of financial market returns. Capital preservation in real terms over a long time horizon is the primary objective, and some volatility is acceptable in order to achieve this.

The environment for investors remains challenging, highly volatile and valuations are much lower. In managing our portfolios, Brewin Dolphin Limited assess these risks and the potential impact they will have on the portfolio on an on-going basis. They also adjust investments to make the most of opportunities and to protect against risks as they see them. Risks promote uncertainty and make markets unpredictable over short periods. A solid allocation to diversifying assets and portfolio protection has therefore been maintained, resulting in risk within the portfolio being considerably lower than the broader equity markets.

## 16. Analysis of current debtors

### Debtors under 1 year

	<b>Total 31 March 2023 £000</b>	<b>Total 31 March 2022 £000</b>
Accrued income	<b>1,646</b>	1,807
Prepayments	<b>0</b>	0
Other debtors	<b>38</b>	26
	<b><u>1,684</u></b>	<b><u>1,833</u></b>

## 17. Analysis of cash and cash equivalents

	<b>Total 31 March 2023 £000</b>	<b>Total 31 March 2022 £000</b>
Cash in hand	<b>1,484</b>	1,120
	<b><u>1,484</u></b>	<b><u>1,120</u></b>

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

## 18. Analysis of liabilities

	<b>Total 31 March 2023 £000</b>	Total 31 March 2022 £000
<b>Creditors under 1 year</b>		
Trade creditors	47	56
Creditors owed to Betsi Cadwaladr University Health Board	257	296
Accruals for grants owed to NHS bodies	598	575
Other accruals	0	3
Deferred Income	0	66
	<b>902</b>	<b>996</b>
<b>Creditors over 1 year</b>		
Accruals for grants owed to NHS bodies	442	166
	<b>442</b>	<b>166</b>
<b>Total creditors</b>	<b>1,344</b>	<b>1,162</b>

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

	<b>Total 2022-23 £000</b>	Total 2021-22 £000
<b>Net income / (expenditure) (per Statement of Financial Activities)</b>	<b>(526)</b>	1,708
<b>Adjustment for:</b>		
(Gains) / losses on investments	702	(268)
Dividends, interest and rents from investments	(194)	(102)
Donated fixed assets	0	0
(Increase) / decrease in debtors	149	(1,037)
Increase / (decrease) in creditors	182	(148)
<b>Net cash provided by (used in) operating activities</b>	<b>313</b>	<b>153</b>

## 20. Transfer between funds

There has been the following transfers between material designated funds:

- £457,716 was transferred from General Funds (unrestricted) to various restricted funds to reimburse net overall charity costs, less income from interest and investment gain/loss. This is also included in Other Funds in Note 21.b.

## 21. Analysis of funds

### a) Analysis of restricted fund movement

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains and (losses) £000	Balance 31 March 2023 £000
Leukaemia/Allied Blood Disease - YMW	196	3	(6)	15	(12)	196
Cardiology Fund - East	167	2	(31)	12	(9)	141
Wrexham Maelor General Fund	251	6	(7)	18	(14)	254
Wrexham Medical Institute	324	5	(10)	25	(19)	325
Pathology Leukaemia/Haematology - Glai	127	2	(6)	9	(7)	125
Cancer Charitable Fund - Glan Clwyd	808	150	(117)	82	(64)	859
General Fund - Glan Clwyd	348	140	(15)	24	(17)	480
North Wales Cancer Centre Appeal	551	137	(34)	58	(45)	667
BCU Legacies Fund	1,756	(205)	0	0	0	1,551
Ysbyty Gwynedd General Purposes	669	25	(21)	52	(41)	684
Llandudno General Purposes	245	88	(10)	17	(12)	328
Ruthin Community Hospital General Purp	174	3	(22)	16	(12)	159
Ophthalmic Unit - H M Stanley	134	3	(12)	13	(10)	128
Renal Unit - YG	101	2	(13)	10	(8)	92
Oncology Fund - Glan Clwyd	99	2	(18)	8	(7)	84
Other Funds	987	347	(317)	99	(75)	1,041
	<b>6,937</b>	<b>710</b>	<b>(639)</b>	<b>458</b>	<b>(352)</b>	<b>7,114</b>

The objects of each of the restricted funds are to benefit the patients of the area, department or service stated in the funds' name, in accordance with the Charity's overall objectives. There is one fund listed above that is not aligned to a specific area:

- The BCU Legacies fund holds the accruals for legacies where probate has been granted, but we have not yet received the cash. This fund is used to protect the designated funds from fluctuations in the final legacy received. When the legacy is received it will be credited to the designated fund specified in the Will and the accrual will be reversed out from the BCU Legacies fund.

The Trustees have set an opening or closing balance of £100,000 or above as the threshold for the separate reporting of material designated funds. In the interests of accountability and transparency a complete breakdown of all such funds is available upon written request.

## b) Analysis of unrestricted and material designated fund movements

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains and (losses) £000	Balance 31 March 2023 £000
Cancer Support Group - YMW	358	26	(114)	0		270
Cardiology Department Central - Patients Fun	107	4	(39)	0		72
Cancer Charitable Fund - Glan Clwyd	802	47	0	0		849
Madog Community & Hospital Fund - Land	135	0	0	0		135
Alaw Ward - YG	785	273	(90)	0		948
Gynae Services - West	108	1	(21)	0		88
General Funds - West	133	(1)	0	0		132
General Funds - Llandudno	131	0	0	0		131
General Funds - Investment Gains / Losses	1,979	(105)	0	0	(591)	1,283
Other Funds	857	1,005	(881)	(458)	241	764
	<b>5,375</b>	<b>1,250</b>	<b>(1,145)</b>	<b>(458)</b>	<b>(350)</b>	<b>4,672</b>

The objects of each of the unrestricted funds are to benefit the patients of the area, department or service stated in the funds' name, in accordance with the Charity's overall objectives. There is one fund listed above that is not aligned to a specific area:

- The Investment Gains fund holds the unallocated and unrealised gains and losses on the investment portfolio. This fund is used to protect the other designated funds from fluctuations in the investment values.

The General Funds include all donations for which a donor has not expressed any preference as to how the funds shall be spent. These funds are applied for any charitable purpose to the benefit of the patients of the Health Board, at the discretion of the Trustees.

The Trustees have set an opening or closing balance of £100,000 or above as the threshold for the separate reporting of material designated funds. In the interests of accountability and transparency a complete breakdown of all such funds is available upon written request.

## 22. Post balance sheet events

The accounting statements are required to reflect conditions applying at the end of the financial year. No adjustments have therefore been made in respect of changes to the market value of investments following the end of the accounting period.

The Charity receives a quarterly portfolio report from its investment managers and the market value of investments held by the Charity has increased by £256,000 to the end of November 2023, as detailed below:

	31 March 2023 £000	30 November 2023 £000	Movement £000	Movement %
Investments	9,827	10,083	256	2.61%

## Statement of the Trustee's Finance Representative's Responsibilities

As the Trustee's Finance Representative for the Charity, I am responsible for:

- the maintenance of financial records appropriate to the activities of the funds.
- 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 Charity and the results of its operations.

In fulfilment of these responsibilities I confirm that the financial statements set out on pages 1 to 16 attached have been compiled from and are in accordance with the financial records maintained by the Trustee and with applicable accounting standards and policies for the NHS.

Trustee's Finance Representative

Date of sign off

## Statement of the Trustee's Responsibilities in Respect of the Accounts

The Trustee's Representatives are required under the Charities Act 2011 to prepare accounts for each financial year. The Welsh Government, with the approval of HM Treasury, directs that these accounts give a true and fair view of the financial position of the Charity. In preparing those accounts, the Trustee's Representatives are required to:

- apply on a consistent basis accounting policies laid down by the First Minister for Wales with the approval of HM Treasury.
- make judgements and estimates which are reasonable and prudent.
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts.

The Trustee's Representatives confirm that they have complied with the above requirements in preparing the accounts.

The Trustee's Representatives are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction by the Welsh Government. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the Trustees

Dyfed Jones  
Trustee's Representative / Date

Russell Caldicott  
Trustee's Finance Representative / Date

# Appendix 1: Board and Committee Membership 2022/23

A number of changes to Board membership, including interim and acting up arrangements, have occurred during 2022/23 and are reflected in the table below.

Name	Position	Term
Chris Stockport	Executive Director of Transformation, Strategic Planning and Commissioning	N/A
Gareth Evans	Acting Director of Therapies and Health Services	N/A
Adrian Thomas	Executive Director of Therapies and Health Services	Until 16 October 2022
Teresa Owen	Executive Director of Public Health	N/A
Sue Green	Executive Director of Workforce and Organisational Development	N/A

## Committee membership

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
Mark Polin	Chair (to 27.02.23)		<ul style="list-style-type: none"> <li>Chair of the Board</li> <li>Chair Remuneration and Terms of Service Committee</li> </ul>	
Lucy Reid	Independent Member Vice Chair (to 27.02.23)	<ul style="list-style-type: none"> <li>Community</li> <li>Primary Care and Mental Health</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Chair Quality, Safety and Experience Committee</li> <li>Chair Mental Health and Capacity Compliance Committee</li> <li>Member Remuneration and Terms of Service Committee</li> </ul>	<ul style="list-style-type: none"> <li>Concerns</li> </ul>



Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
Cllr Cheryl Carlisle	Independent Member (to 27.02.23)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board member</li> <li>Member Quality, Safety and Experience Committee</li> <li>Member Mental Health and Capacity Compliance Committee</li> <li>Member Charitable Funds Committee</li> </ul>	<ul style="list-style-type: none"> <li>Carers</li> <li>Children and Young People</li> </ul>
Cllr Richard Medwyn Hughes	Independent Member (to.27.02.23)	<ul style="list-style-type: none"> <li>Local Authority</li> </ul>	<ul style="list-style-type: none"> <li>Board member</li> <li>Chair Audit Committee</li> <li>Vice Chair Remuneration and Terms of Service Committee</li> </ul>	<ul style="list-style-type: none"> <li>Patient and Public Involvement</li> <li>Welsh Language</li> </ul>
Prof Nicola Callow	Independent Member (to 27.02.2023)	<ul style="list-style-type: none"> <li>University</li> </ul>	<ul style="list-style-type: none"> <li>Board member</li> <li>Vice Chair Partnerships, People and Population Health Committee</li> </ul>	
Jackie Hughes	Independent Member (to 27.02.2023)	<ul style="list-style-type: none"> <li>Trade Union</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Member Remuneration and Terms of Service Committee</li> <li>Member Quality, Safety and Experience Committee</li> <li>Chair Charitable Funds Committee</li> <li>Ex Officio Local Partnership Forum</li> </ul>	<ul style="list-style-type: none"> <li>Violence and aggression</li> <li>Equality</li> </ul>
John Cunliffe	Independent Member (to 27.02.2023)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Chair Performance, Finance and Information Governance Committee</li> <li>Member Partnerships, People and Population Health Committee</li> </ul>	
Hugh Evans	Independent Member (to 27.02.23)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Member Audit Committee</li> <li>Member Quality, Safety and Experience Committee</li> </ul>	

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
Richard Micklewright	Independent Member (to 27.02.23)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Member Audit Committee</li> <li>Member Performance, Finance and Information Governance Committee</li> </ul>	
Linda Tomas	Independent Member (to.27.02.23)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Member Performance, Finance and Information Governance Committee</li> <li>Chair Partnerships, People and Population Committee</li> <li>Member Charitable Funds Committee</li> </ul>	
Dyfed Edwards	Independent Member (from 27.02.2023)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Chair</li> <li>Chair Remuneration and Terms of Service Committee</li> </ul>	

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
Rhian Watcyn Jones	Independent Member (from 27.02.23)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Chair Quality, Safety and Experience Committee (from 19.05.23)</li> <li>Member Remuneration and Terms of Service Committee (from 28.04.23)</li> </ul>	
Karen Balmer	Independent Member (from 27.02.23)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Chair Audit Committee (from 15.05.23)</li> <li>Member Remuneration and Terms of Service Committee (from 28.04.23)</li> <li>Member Performance, Finance and Information Governance Committee (from 12.05.23)</li> </ul>	

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
Gareth Williams	Independent Member (from 27.02.23)	<ul style="list-style-type: none"> <li>Community</li> </ul>	<ul style="list-style-type: none"> <li>Board Member</li> <li>Chair Performance, Finance and Information Governance Committee (from 12.05.23)</li> <li>Member Remuneration and Terms of Service Committee (from 28.04.23)</li> <li>Member Audit Committee (from 15.05.23)</li> </ul>	
Jo Whitehead	Chief Executive (to 15.11.22)		<ul style="list-style-type: none"> <li>Board Member</li> <li>In attendance Remuneration and Terms of Service Committee</li> <li>In attendance Audit Committee (at least annually)</li> <li>Joint Chair / Member Local Partnership Forum</li> </ul>	
Gill Harris	<p>Deputy Chief Executive (to 15.11.22)</p> <p>Executive Director Integrated Clinical Delivery (from 01.04.23)</p> <p>Acting CEO (from 16.11.22 to 27.03.23)</p>		<ul style="list-style-type: none"> <li>Board Member</li> <li>In attendance Quality, Safety and Experience Committee (to July 2022)</li> <li>Member Local Partnership Forum</li> <li>In attendance Performance, Finance and Information Governance Committee</li> <li>In attendance Partnerships, People and Population Health Committee</li> <li>In attendance Audit Committee</li> </ul>	
Gaynor Thomason	Interim Executive Director Nursing and Midwifery (to 31.07.22)		<ul style="list-style-type: none"> <li>Board Member</li> <li>Lead Director / in attendance Quality, Safety and Experience Committee (to August 2022)</li> <li>Member Local Partnership Forum</li> <li>In attendance Performance, Finance and Information Governance Committee</li> </ul>	

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
			<ul style="list-style-type: none"> <li>In attendance Partnerships, People and Population Health Committee</li> </ul>	
Angela Wood	Executive Director Nursing and Midwifery (from 01.08.22)		<ul style="list-style-type: none"> <li>Board Member</li> <li>Lead Director / in attendance Quality, Safety and Experience Committee (from August 2022)</li> <li>Member Local Partnerships Forum</li> <li>In attendance Performance, Finance and Information Governance Committee</li> <li>In attendance Partnerships, People and Population Health Committee</li> </ul>	
Sue Hill	Executive Director of Finance		<ul style="list-style-type: none"> <li>Board Member</li> <li>In attendance Audit Committee</li> <li>Lead Director / in attendance Charitable Funds Committee</li> <li>Lead Director / in attendance Performance, Finance and Information Governance Committee</li> <li>Member Local Partnership Forum</li> </ul>	
Rob Nolan	Acting Executive Director of Finance (from 12.10.22 to 12.11.22)		<ul style="list-style-type: none"> <li>Board Member</li> <li>In attendance Audit Committee</li> <li>Lead Director / in attendance Charitable Funds Committee</li> <li>Lead Director / in attendance Performance, Finance and Information Governance Committee</li> <li>Member Local Partnership Forum</li> </ul>	
Steve Webster	Interim Executive Director of Finance (from 03.01.23)		<ul style="list-style-type: none"> <li>Board Member</li> <li>In attendance Audit Committee</li> <li>Lead Director / in attendance Charitable Funds Committee</li> </ul>	

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
			<ul style="list-style-type: none"> <li>• Lead Director / in attendance Performance, Finance and Information Governance Committee</li> <li>• Member Local Partnership Forum</li> </ul>	
Teresa Owen	Executive Director of Public Health		<ul style="list-style-type: none"> <li>• Board Member</li> <li>• In attendance Quality, Safety and Experience Committee</li> <li>• In attendance Partnerships, People and Population Health Committee</li> <li>• Lead Director / in attendance Mental Health and Capacity Compliance Committee</li> </ul>	
Sue Green	Executive Director of Workforce and Organisational Development (OD)		<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Lead Director / in attendance Remuneration and Terms of Service Committee</li> <li>• In attendance Performance, Finance and Information Governance Committee</li> <li>• In attendance Partnerships, People and Population Health Committee</li> <li>• Lead Director / Member Local Partnership Forum</li> <li>• In attendance Quality, Safety and Experience Committee</li> </ul>	
Dr Nick Lyons	Executive Medical Director / Deputy CEO		<ul style="list-style-type: none"> <li>• Board Member</li> <li>• In attendance Quality, Safety and Experience Committee</li> <li>• Member Charitable Funds Committee</li> <li>• In attendance Remuneration and Terms of Service Committee</li> <li>• In attendance Strategy, Partnerships and Population Health Committee</li> </ul>	

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
Dr Chris Stockport	Executive Director of Transformation and Planning		<ul style="list-style-type: none"> <li>• Board Member</li> <li>• In attendance Quality, Safety and Experience Committee</li> <li>• Lead Director / in attendance Partnerships, People and Population Health Committee</li> <li>• In attendance Performance, Finance and Information Governance Committee</li> </ul>	
Adrian Thomas	Executive Director Therapies and Health Sciences (to 16.10.22)		<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Lead Director / in attendance Healthcare Professionals Forum</li> <li>• In attendance Quality, Safety and Experience Committee</li> </ul>	
Gareth Evans	Acting Executive Director Therapies and Health Sciences		<ul style="list-style-type: none"> <li>• Board Member</li> <li>• Lead Director / in attendance Healthcare Professionals Forum</li> <li>• In attendance Quality, Safety and Experience Committee</li> </ul>	
Molly Marcu	Interim Board Secretary		<ul style="list-style-type: none"> <li>• Board Member</li> <li>• In attendance Audit Committee</li> <li>• In attendance Remuneration and Terms of Service Committee</li> </ul>	

## Associate Board Member

Name	Position	Area of expertise / representation role	Board Committee membership	Champion roles
Morwena Edwards	Associate Member (to 25.06.22)	Representative of Directors of Social Services	<ul style="list-style-type: none"> <li>• Associate Board Member</li> </ul>	
Clare Budden	Associate Member	Chair Stakeholder Reference Group	<ul style="list-style-type: none"> <li>• Associate Board Member</li> </ul>	
Jane Wild	Associate Member	Chair Healthcare Professionals Forum	<ul style="list-style-type: none"> <li>• Associate Board Member</li> <li>• In attendance Quality, Safety and Experience Committee</li> </ul>	
Fôn Roberts	Associate Member (from 29.07.22)	Representative of Directors of Social Services	<ul style="list-style-type: none"> <li>• Associate Board Member</li> </ul>	





**The address of the charity and  
the Corporate Trustee's principal office is:**

Awyr Las  
Ysbyty Gwynedd  
Penrhosgarnedd  
Bangor  
Gwynedd  
LL57 2PW

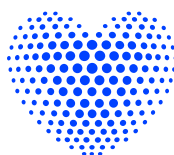
**Awyr Las: The North Wales NHS Charity**

Registered Charity Number 1138976

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



Registered with  
**FUNDRAISING  
REGULATOR**



Member of  
**NHS  
CHARITIES  
TOGETHER**

*This document is available online. The maintenance and integrity of the BETSI CADWALADR UNIVERSITY HEALTH BOARD CHARITY's website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.*

*The photos and quotes in this document are used with the permission of those who appear within them. Please note: photographs were taken at various points throughout the year when different guidance was in effect regarding face masks and distancing.*

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Dyfed Jones, Chair of the Charitable Funds Committee  
Russell Caldicott, Interim Executive Director of Finance  
Betsi Cadwaladr University Health Board  
Block 5 Carlton Court  
St Asaph Business Park  
St Asaph  
LL17 0JG

**Reference:** AW/BCUFHOT/ 2022-23

**Date issued:** January 2024

Dear Dyfed & Russell,

### **Audit enquiries to those charged with governance and management**

The Auditor General's Statement of Responsibilities sets out that he is responsible for obtaining reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused by fraud or error. It also sets out the respective responsibilities of auditors, management and those charged with governance.

This letter formally seeks documented consideration and understanding on a number of governance areas that impact on our audit of your financial statements. These considerations are relevant to both the management of Betsi Cadwaladr University Health Board (the Health Board) and 'those charged with governance' (the Charitable Funds Committee).

I have set out below the areas of governance on which I am seeking your views:

1. Matters in relation to fraud

Audit enquiries to those charges with governance and management. Please contact us in Welsh or English / cysylltwch â ni'n Gymraeg neu'n Saesneg.

2. Matters in relation to laws and regulations
3. Matters in relation to related parties

The information you provide will inform our understanding of the Charity and its business processes and support our work in providing an audit opinion on your 2022-23 financial statements.

I would be grateful if you could update the attached table in [Appendix 1 to Appendix 3](#) for 2022-23.

The completed [Appendix 1 to Appendix 3](#) should be formally considered and communicated to us on behalf of both management and those charged with governance by **18 January 2024**. In the meantime, if you have queries, please contact me on 02920 320660 or [Michelle.Phoenix@audit.wales](mailto:Michelle.Phoenix@audit.wales).

Yours sincerely



Michelle Phoenix

Audit Manager

## Appendix 1

### Matters in relation to fraud

International Standard for Auditing (UK) 240 covers auditors' responsibilities relating to fraud in an audit of financial statements. This standard has been revised for 2022-23 audits.

The primary responsibility to prevent and detect fraud rests with both management and 'those charged with governance', which for the charity is the Charitable Funds Committee. Management, with the oversight of those charged with governance, should ensure there is a strong emphasis on fraud prevention and deterrence and create a culture of honest and ethical behaviour, reinforced by active oversight by those charged with governance.

As external auditors, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error. We are required to maintain professional scepticism throughout the audit, considering the potential for management override of controls.

### What are we required to do?

As part of our risk assessment procedures we are required to consider the risks of material misstatement due to fraud. This includes understanding the arrangements management has put in place in respect of fraud risks. The ISA views fraud as either:

- The intentional misappropriation of assets (cash, property, etc); or
- The intentional manipulation or misstatement of the financial statements.

We also need to understand how those charged with governance exercises oversight of management's processes. We are also required to make enquiries of both management and those charged with governance as to their knowledge of any actual, suspected or alleged fraud, management's process for identifying and responding to the risks and the internal controls established to mitigate them.

## Enquiries of management – in relation to fraud

Question	2022-23 Response
<p>1. What is management's assessment of the risk that the financial statements may be materially misstated due to fraud? What is the nature, extent and frequency of management's assessment?</p>	<p>Management's assessment is that material risk of misstatement due to fraud is <b>low</b> for the following reasons:</p> <ul style="list-style-type: none"><li>• Principal assurance provided through the conduct and performance of a professional finance function and the design and implementation of extensive financial systems that provide the Health Board's financial data</li><li>• The financial systems have been designed to satisfy the requirements of the Standing Orders, Scheme of Delegation, Standing Financial Instructions and BCU Finance policies and procedures</li><li>• The financial statements are compiled from information provided from the financial systems, which comply with requirements of the relevant accounting concepts and conventions, International Accounting Standards, the Welsh Government Manual of Accounts and HM Treasury's Financial Reporting Manual</li><li>• The year-end financial statements are produced using the same data and transactions that have been used for management reporting and accounting throughout the year;</li></ul>

Audit enquiries to those charges with governance and management. Please contact us in Welsh or English / cysylltwch â ni'n Gymraeg neu'n Saesneg.

## Enquiries of management – in relation to fraud

Question	2022-23 Response
	<ul style="list-style-type: none"><li>• There is ongoing review and monitoring of the financial position throughout the year. Reports are produced by senior members of the Finance Department and these are reviewed by the Finance Director. A quarterly Finance Report is produced for the Charitable Funds Committee.</li><li>• Internal Audit provides regular audits of key financial systems each year. A programme of audit work has been delivered in accordance with public sector internal audit standards by the NHS Wales Shared Services Partnership. The scope of this work is agreed with the Audit Committee and is focussed on significant risk areas and local improvement priorities;</li><li>• There is an active counter-fraud department. The Internal Audit report confirmed reasonable assurance.</li></ul> <p>Audit Wales completing a review of Effectiveness of Counter-Fraud Arrangements at the Health in September 2020, please see below extract;</p>

Audit enquiries to those charges with governance and management. Please contact us in Welsh or English / cysylltwch â ni'n Gymraeg neu'n Saesneg.

## Enquiries of management – in relation to fraud

Question	2022-23 Response
	<p><b>EXTRACT:</b></p> <p><b>Our assessment identified that the Health Board demonstrates a commitment to counter-fraud, has suitable arrangements to support the prevention and detection of fraud and is able to respond appropriately where fraud occurs...</b></p> <p>Further, the Health Board has implemented recommendations made by Internal Audit, the Fraud e-learning module is now included within the Health Board's mandatory training for staff and fraud risk assessments used as a live resource, now integrated within the general risk management framework to ensure that these risks are appropriately managed and escalated as necessary.</p>
2. Do you have knowledge of any actual, suspected or alleged fraud affecting the audited body?	The Health Board actively encourages officers to report suspected fraud and regularly undertakes fraud prevention activities, investigating suspected fraudulent activity in year.



## Enquiries of management – in relation to fraud

Question	2022-23 Response
	<p>There were no cases under review in the 2022/23 financial year, involving the Charity. Fraud prevention activities form a material element of the Annual Workplan of the Health Board Counter Fraud Team.</p> <p>All instances or referrals of actual, suspected or alleged fraud affecting the Health Board are investigated by the Health Board's Local Counter Fraud Team. The investigations are recorded on the NHS Counter Fraud Authority (NHSCFA) Case Management System.</p> <p>All investigation outcomes, progress and sanctions are reviewed by the Head of the Counter Fraud Service Wales (CFSW) team. The Health Board provides a quarterly statistical return to CFSW which is used to collate the information for the Counter Fraud Steering Group and Welsh Government.</p> <p>All Counter Fraud work is reported to the Audit Committee both prospectively (agreeing the plan) and retrospectively (reporting back findings and progress against planned and new reactive activity).</p>

Audit enquiries to those charges with governance and management. Please contact us in Welsh or English / cysylltwch â ni'n Gymraeg neu'n Saesneg.

## Enquiries of management – in relation to fraud

Question	2022-23 Response
<p>3. What is management's process for identifying and responding to the risks of fraud in the audited body, including any specific risks of fraud that management has identified or that have been brought to its attention?</p>	<p>The Health Board's governance and control frameworks are designed to ensure that losses due to fraud are prevented where possible or detected and addressed after the event.</p> <p>The Health Board endorsed Standing Orders, Standing Financial Instructions and Scheme of Delegation to provide a framework for discharge of activities and fraud prevention (though systems are not designed to avert collusion).</p> <p>The Health Board endorses policies and procedures designed to assure the Board on governance and fraud prevention. The policies and procedures reviewed by NHS Wales Internal Audit team and the Audit Committee (the Committee charged with governance) receiving independent assurances over the System of Internal Control in place throughout the Health Board.</p> <p>The Internal Audit function reports findings to the Audit Committee, with engagement with management to identify areas for improvement. The agreed actions are then reviewed for completeness by the Audit Committee through oversight of the outstanding recommendations.</p>

## Enquiries of management – in relation to fraud

Question	2022-23 Response
	<p>A core area of review annually in provision of the Head of Internal Audit Opinion centres upon financial systems, ensuring cash holdings remain securely held within the Health Board and payments secure and appropriately authorised.</p> <p>There is an active local counter-fraud department within the Health Board, the department having access to wider technical expertise and intelligence for tackling fraud available across NHS Wales should that be required in individual cases.</p> <p>The members of the counter-fraud team are fully qualified as Accredited Counter Fraud Specialists and undertake regular training to satisfy all CPD requirements.</p> <p>The Head of Local Counter Fraud meets regularly with the Finance Director - Operational Finance and Head of CFSW, to discuss all relevant fraud issues and the Local Counter Fraud team hold meetings with Internal Audit to discuss specific themes which may impact the Health Board. Also, meetings with colleagues in Workforce to discuss investigations, which require a Disciplinary Investigation to be undertaken.</p>

## Enquiries of management – in relation to fraud

Question	2022-23 Response
	<p>System Weaknesses and the appropriate remedies which are identified from fraud investigation work are reported to Audit Committee, NHSCFA and CFS Wales.</p>
<p>4. What classes of transactions, account balances and disclosures have you identified as most at risk of fraud?</p>	<p>Transactions and balances most at risk of fraud are flagged in the reporting to Board and include:</p> <ul style="list-style-type: none"><li>• those involving desirable assets, e.g., cash</li><li>• payroll-related fraud (but these are immaterial to the Charity Accounts)</li><li>• potential conflicts and management of interests (in the context of good practice over procurement and other decision-making which can have a significant financial effect, and disclosure of related party transactions required in the Charity Accounts)</li></ul> <p>In relation to the management and disclosure of interests all relevant staff are required to disclose interests and the offer/receipt of gifts and hospitality etc.</p>

## Enquiries of management – in relation to fraud

Question	2022-23 Response
	<p>Directorates/Departments have access to an electronic system for Declarations of Interest and offers of Gifts and Hospitality. Leads have been identified for each Directorate/Department who are responsible for ensuring compliance.</p> <p>The Health Board commissioned an Internal Audit review to strengthen oversight of declaration of interests. Charitable Funds Committee Members and Trustees are also required to declare any ongoing and ad-hoc potential conflicts of interest. Guidance issued to members articulating the need to make a declaration if uncertainty exists as to whether a declaration is required or not.</p> <p>In relation to procurement activity, the Health Board has an approved set of Standing Financial Instructions, Scheme of Delegation and Standing Orders to ensure processes are in place for appropriate decision-making The Contract Award process involves a structured approach to evaluation, declarations of independence by evaluators and an independent sign off prior to contract award.</p>

## Enquiries of management – in relation to fraud

Question	2022-23 Response
5. Are you aware of any whistleblowing or complaints by potential whistle blowers? If so, what has been the audited body's response?	The Head of Local Counter Services is not aware of any whistleblowing disclosures made locally relating to Fraud during 2022-23, which have been made under the provisions of Whistleblowing Legislation – the Public Interest Disclosure Act 1998 (PIDA).
6. What is management's communication, if any, to those charged with governance regarding their processes for identifying and responding to risks of fraud?	<p>Regular reporting by Counter Fraud to the Audit Committee and Board via the Chair's assurance report from the Audit Committee and with Executive Director of Finance.</p> <p>The Head of Local Counter Fraud Services meets with the Chair of the Audit Committee on a quarterly basis for a private one to one meeting to discuss fraud issues and risks.</p>
7. What is management's communication, if any, to employees regarding their views on business practices and ethical behaviour?	<p>All of the Health Board's policies and related procedures are published on its intranet and are accessible to staff. These include the Anti-Fraud, Bribery and Corruption Policy that has been approved by the Audit Committee and is publicised and promoted in the electronic staff newsletter.</p>

## Enquiries of management – in relation to fraud

Question	2022-23 Response
	<p>The Health Board has, since April 2021 included Counter Fraud training in its Mandatory Training Programme for all staff, via the completion of a Counter Fraud eLearning module. The NHS Wales Counter Fraud Operational Report for Q4 shows that over 16,000 of Health Board staff had completed the training – over 80% of the current total staff.</p> <p>The Health Board publishes on its intranet an Executive Counter Fraud message from the Chief Executive Officer. That draws to staff's attention the Health Board's stance on fraud and its specific policy on Local Counter Fraud, Bribery and Corruption. It also signposts the route for staff to raise concerns with the counter fraud team.</p> <p>Staff who wish to report fraud may do so anonymously via the NHSCFA Protect Fraud and Corruption Reporting Line or an On-Line Fraud Reporting Tool and Local Counter Fraud messages are regularly included in staff payslips, with regular reports and news articles are also reported in the Health Board's electronic staff bulletins.</p>
8. For service organisations, have you reported any fraud to the user entity?	Neither the Charity or the Health Board operates as a service organisation.

### Enquiries of those charged with governance – in relation to fraud

Question	2022-23 Response
1. Do you have any knowledge of actual, suspected or alleged fraud affecting the audited body?	<p>I was appointed as an Independent Member of the Board of BCUHB in the 2023/24 financial year and was formally asked to take on the role of Charitable Fund Committee Chair.</p> <p>My knowledge of the control environment which was in operation throughout 2022-23 is therefore limited to what has been reported by management to the BCUHB Board and to the Charitable Funds Committee since my appointment and to the limited other evidence which I have sought and which has been made available to me.</p> <p>I have reviewed the response to this question given by management (see above) and I have no knowledge or reason to disagree with that response.</p>



## Enquiries of those charged with governance – in relation to fraud

Question	2022-23 Response
<p>2. What is your assessment of the risk of fraud within the audited body, including those risks that are specific to the audited body's business sector?</p>	<p>My assessment of the risk of fraud within the Charitable Accounts is low based on management responses included within the above declaration.</p> <p>Governance and oversight exercised by the body of Trustees and Charitable Funds Committee was disrupted during 2022-23 as a result of significant changes in the Board and other senior personnel. The newly formed Board of Trustees and Charitable Funds Committee now in place, normal processes for assessing and responding to fraud-related risks has resumed.</p> <p>I am advised that the Committee engages within the Local Counter Fraud Work plan, which is based on fraud risk assessments, and monitors the progress of work undertaken throughout the year by reviewing regular progress reports.</p> <p>The Audit Committee receives an Annual Report of the Local Counter Fraud work and may approve changes to the work plan at any time throughout the year to reflect any changes that may be required to counter new risks which may develop.</p>

## Enquiries of those charged with governance – in relation to fraud

Question	2022-23 Response
	<p>I am aware that these arrangements are now reinstated and are being applied appropriately in 2023-24.</p> <p>Regular progress reports did not happen in 2022/23 due to key staff absence. The Annual Counter Fraud Report received at the August 2023 Audit Committee.</p>
<p>3. How do you exercise oversight of;</p> <ul style="list-style-type: none"> <li>• management's processes for identifying and responding to the risk of fraud in the audited body, and</li> <li>• the controls that management has established to mitigate these risks?</li> </ul>	<p>I reiterate the short time I have been a member of the Board and Chair of the Charitable Fund Committee. However, The Health Board has an established Counter Fraud team that remain visible throughout the organisation, as referred to throughout this report, with findings routinely reported to Audit Committee and through private session with the Chair of Audit Committee.</p> <p>Internal Audit work for production of the Head of Internal Audit Opinion (HOIAO) assesses the 'Systems of Internal Control' to assure policies and procedures in place can be relied upon.</p> <p>The assurance I can give centres upon about current and future proposed arrangements, as opposed to practices that were applied during 2022-23</p>

## Appendix 2

### Matters in relation to laws and regulations

International Standard for Auditing (UK and Ireland) 250 covers auditors' responsibilities to consider the impact of laws and regulations in an audit of financial statements.

Management, with the oversight of those charged with governance, is responsible for ensuring that the Charities operations are conducted in accordance with laws and regulations, including compliance with those that determine the reported amounts and disclosures in the financial statements.

As external auditors, we are responsible for obtaining reasonable assurance that the financial statements are free from material misstatement due to fraud or error, taking into account the appropriate legal and regulatory framework. The ISA distinguishes two different categories of laws and regulations:

- laws and regulations that have a direct effect on determining material amounts and disclosures in the financial statements;
- other laws and regulations where compliance may be fundamental to the continuance of operations, or to avoid material penalties.

### What are we required to do?

As part of our risk assessment procedures we are required to make enquiries of management and those charged with governance as to whether the Charity is in compliance with relevant laws and regulations. Where we become aware of information of non-compliance or suspected non-compliance we need to gain an understanding of the non-compliance and the possible effect on the financial statements.

## Enquiries of management – in relation to laws and regulations

Question	2022-23 Response
<p>1. Is the audited body in compliance with relevant laws and regulations? How have you gained assurance that all relevant laws and regulations have been complied with? Are there any policies or procedures in place?</p>	<p>Yes. The Charitable Funds Committee gains assurance from the Health Board endorsed set of Standing Orders, Standing Financial Instructions and Scheme of Delegation to provide a business framework for ensuring the operation of services are within relevant legislative requirements, with additional policies and procedures produced to support delivery.</p> <p>Compliance over operation of and adherence to these policies and procedures is assured through independent review by the Internal Audit service, reporting to the Audit Committee, Audit Committee Chair and Executive Director of Finance on findings and action plans agreed with key officers within the Health Board to strengthen areas as required, these findings reported to Health Board members.</p> <p>The Charitable Funds Committee gains assurance over the Health Board's compliance with relevant law and regulations (both directly related to financial reporting and also more broadly from the perspective of the Health Board's medical/clinical/ healthcare business perspective) through a variety of sources. These include:</p>

## Enquiries of management – in relation to laws and regulations

Question	2022-23 Response
	<ul style="list-style-type: none"><li>• established systems within its departments, policies, self-assessments, network of groups and Executive</li><li>• performance and accountability reviews;</li><li>• internal and external audit reviews;</li><li>• feedback from inspections and external reports e.g., HIW, Royal Colleges, CHC reports;</li><li>• the Office of the Board Secretary (OBS) monitoring Board business to ensure compliance with Standing Orders (NHS Wales Act 2006);</li><li>• the OBS circulating Welsh Health Circulars and requiring confirmation from the relevant Director that action has been taken to ensure compliance with the requirements;</li><li>• the Financial Conformance Report collates a number of aspects of conformance and non-conformance with Standing Financial Instructions and is submitted to the Audit Committee.</li></ul>
2. Have there been any instances of non-compliance or suspected non-compliance with relevant laws and regulations in the financial year, or earlier with an ongoing impact on this year's audited financial statements?	There has not been any instances of non-compliance or suspected non-compliance with relevant laws and regulation since 1st April 2022.

### Enquiries of management – in relation to laws and regulations

Question	2022-23 Response
3. Are there any potential litigations or claims that would affect the financial statements?	No.
4. Have there been any reports from other regulatory bodies, such as HM Revenues and Customs which indicate non-compliance?	No, not in relation to the Charity Accounts.
5. Are you aware of any non-compliance with laws and regulations within any service organisation since 1 April of the financial year?	None in relation to the Charity Accounts.

Audit enquiries to those charges with governance and management. Please contact us in Welsh or English / cysylltwch â ni'n Gymraeg neu'n Saesneg.

## Enquiries of those charged with governance – in relation to laws and regulations

Question	2022-23 Response
1. Are you aware of any non-compliance with laws and regulations that may be expected to have a fundamental effect on the operations of the entity?	The Charity is not aware of any non-compliance with relevant laws and regulations of a fundamental nature, in relation to the Charity Accounts.
2. How does the Charitable Funds Committee, in your role as those charged with governance, obtain assurance that all relevant laws and regulations have been complied with?	<p>The Charitable Funds Committee gains assurance from the Health Board endorsement of the Standing Orders, Scheme of Delegation and Standing Financial Instructions and the additional policies developed within the Health Board to provide further guidance for delivery of the objectives of the Health Board, to ensure compliance with all relevant laws and regulations.</p> <p>The Charitable Funds Committee, also gains assurance from the Audit Committee which is Chaired by an Independent Member (with all members of Audit Committee independent members) with management representation evident within the Committee and independent assurance obtained through;</p> <ul style="list-style-type: none"><li>• An agreed plan of work from NHS Wales Internal Audit, Audit Committee receiving reports on systems of internal control to include recommendations for</li></ul>

## Enquiries of those charged with governance – in relation to laws and regulations

Question	2022-23 Response
	<p>action to be taken by management (these actions agreed with key officers)</p> <ul style="list-style-type: none"><li>• NHS Wales Counter Fraud affirming the work they are to undertake to promote a fraud aware culture and ensure compliance with relevant legislation.</li></ul> <p>External Audit provide assurance the Charity annual financial statements and Annual Report represent a true and fair view of the activities of the Charity.</p> <p>The Charitable Funds Committee therefore takes assurance from independent review of BCUHB's established systems, policies, self-assessments, network groups and Executive reporting mechanisms as described above.</p>



## Appendix 3

### **Matters in relation to related parties**

International Standard for Auditing (UK) 550 covers auditors' responsibilities relating to related party relationships and transactions.

The nature of related party relationships and transactions may, in some circumstances, give rise to higher risks of material misstatement of the financial statements than transactions with unrelated parties.

Because related parties are not independent of each other, many financial reporting frameworks establish specific accounting and disclosure requirements for related party relationships, transactions and balances to enable users of the financial statements to understand their nature and actual or potential effects on the financial statements. An understanding of the entity's related party relationships and transactions is relevant to the auditor's evaluation of whether one or more fraud risk factors are present as required by ISA (UK and Ireland) 240, because fraud may be more easily committed through related parties.

### **What are we required to do?**

As part of our risk assessment procedures, we are required to perform audit procedures to identify, assess and respond to the risks of material misstatement arising from the entity's failure to appropriately account for or disclose related party relationships, transactions or balances in accordance with the requirements of the framework.

## Enquiries of management – in relation to related parties

Question	2022-23 Response
1. Have there been any changes to related parties from the prior year? If so, what is the identity of the related parties and the nature of those relationships? Confirm these have been disclosed to the auditor.	Yes – disclosable related parties, their nature and any changes are disclosed in the Health Board Annual Accounts.
2. What transactions have been entered into with related parties during the period? What is the purpose of these transactions? Confirm these have been disclosed to the auditor.	The Notes to the Health Board Accounts discloses each declared interest and the value of the Health Board's transactions with the interest during the financial year.
3. What controls are in place to identify, account for and disclose related party transactions and relationships?	<p>All Directorates/Departments have access to the electronic system for Declarations of Interest and offers of Gifts and Hospitality. Leads have been identified for each Directorate/Department who are responsible for ensuring compliance.</p> <p>The process and system are undergoing an extensive review as part of the process of implementing the internal audit recommendations from the 2021/22 review of declarations, in order to increase the declarations compliance rate.</p>

Audit enquiries to those charges with governance and management. Please contact us in Welsh or English / cysylltwch â ni'n Gymraeg neu'n Saesneg.

## Enquiries of management – in relation to related parties

Question	2022-23 Response
	<p>The Local Counter Fraud Team will be required to have an input to the new systems for Declarations of Interest and offers of Gifts and Hospitality, to ensure that they are adequately fraud proofed and contain the relevant Fraud Prevention Declarations.</p> <p>During meetings, Board members are also obliged to declare any ongoing and ad-hoc potential conflicts of interest pertaining to the agenda as and when they arise, and these are recorded in the minutes.</p> <p>Whilst disclosure is the responsibility of individuals, examples of what might be considered relevant areas for disclosure are provided within the guidance and Board Members are advised that if in doubt to disclose any potential interest.</p> <p>The Health Board requires all Senior Managers to disclose interests and to complete a declaration of interests form which records all relevant related parties.</p> <p>When preparing the Health Board Annual Accounts, the information disclosed for Executives and Independent Members is cross-referenced to known sources to ensure</p>

Audit enquiries to those charges with governance and management. Please contact us in Welsh or English / cysylltwch â ni'n Gymraeg neu'n Saesneg.

## Enquiries of management – in relation to related parties

Question	2022-23 Response
	<p>completeness. Where individuals are identified with potential further disclosable interests these are approached individually by the office of the Board Secretary and asked to confirm the relevant details.</p> <p>Registers of Directors' Interests are also uploaded to the Health Board's external web-site.</p>
<p>4. What controls are in place to authorise and approve significant transactions and arrangements:</p> <ul style="list-style-type: none"><li>• with related parties, and</li><li>• outside the normal course of business?</li></ul>	<p>Where potential conflicts are identified (see Q3 above), staff are expected to step aside from decision-making and their managers are expected to put appropriate management arrangements in place.</p> <p>Transactions and arrangements with related parties, including significant and outside the normal course of business are subject to the requirements of the Health Board's Standing Orders, Standing Financial Instructions and Scheme of Reservation and Delegation of Powers.</p>

## Enquiries of those charged with governance – in relation to related parties

Question	2022-23 Response
1. How does the Charitable Funds Committee, in its role as those charged with governance, exercise oversight of management's processes to identify, authorise, approve, account for and disclose related party transactions and relationships?	The Charitable Funds Committee, gains assurance from the Health Board's Audit Committee who receives an annual report on declarations of interest / gifts and hospitality from the Office of the Board Secretary and confirms to the Board the adequacy of the system in place.