

## Bundle Health Board Trustees 24 January 2019

1 19.33 Chairman's Welcome and Introductory Remarks - Mr Mark Polin

2 19.34 Apologies for Absence

3 19.35 Regulatory Update - The Essential Trustee 6 Main Duties

*Recommendation:*

*The Board is asked to note the Essential Trustee 6 Main Duties document for information*

19.35a Regulatory Update\_Board and Committee Coversheet.docx

19.35b Essential Trustee\_6 main duties.pdf

4 19.36 Accounts & Annual Report

*Recommendation*

*The Board, as the Corporate Trustee, is asked to receive the Charitable Funds Annual Report and Financial Statements for 2017/18.*

19.36a Charitable Funds Annual Report and Accounts coversheet and narrative paper.docx

19.36b Awyr Las Annual Report and Accounts 2017-18.pdf

5 19.37 Overview of Awyr Las : Mrs Kirsty Thomson, Head of Fundraising

*Presentation*

6 19.38 Hearts and Minds Grant Scheme : Mrs Kirsty Thomson, Head of Fundraising

*Presentation*

7 19.39 Improving the Visibility of Awyr Las : Mrs Kirsty Thomson, Head of Fundraising

*Presentation*

8 19.40 Closing Comments and Questions

<b>Health Board Trustees</b>  <b>24.1.19</b>	 <b>GIG CYMRU NHS WALES</b>	Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board
<b>To improve health and provide excellent care</b>		

<b>Report Title:</b>	Regulatory Update: The Essential Trustee 6 Main Duties (Author: Charity Commission)
<b>Report Author:</b>	Ms Kirsty Thomson, Head of Fundraising
<b>Responsible Director:</b>	Mr Russell Favager, Executive Director of Finance
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	To ensure all members of the Board are kept up to date with new Charity Commission and Fundraising Regulator Regulation and relevant publications.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	This Essential Trustee 6 Main Duties document is a public document, published by the Charity Commission.
<b>Governance issues / risks:</b>	This Essential Trustee 6 Main Duties document is presented as a reminder of a Trustees role. The Betsi Cadwaladr University Health Board is the legal corporate trustee which means that whilst the Board members are responsible for the administration of the funds, they are not individually trustees of the Charity. The Charity Commission issued a report in August 2018 stating that Trustees must be aware of their responsibilities ( <a href="https://www.gov.uk/government/publications/rspca-official-warning">https://www.gov.uk/government/publications/rspca-official-warning</a> )
<b>Financial Implications:</b>	N/A
<b>Recommendation:</b>	The Board is asked to note the Essential Trustee 6 Main Duties document for information

Health Board's Well-being Objectives		WFGA Sustainable Development Principle	
1.To improve physical, emotional and mental health and well-being for all	✓	1.Balancing short term need with long term planning for the future	✓
2.To target our resources to those with the greatest needs and reduce inequalities	✓	2.Working together with other partners to deliver objectives	✓
3.To support children to have the best start in life	✓	3. Involving those with an interest and seeking their views	✓
4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being	✓	4.Putting resources into preventing problems occurring or getting worse	✓

5.To improve the safety and quality of all services	✓	5.Considering impact on all well-being goals together and on other bodies	✓
6.To respect people and their dignity	✓		
7.To listen to people and learn from their experiences	✓		
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>			
Leadership and governance			
<b>Equality Impact Assessment</b>			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*

# The Essential Trustee

## 6 main duties



**Ensure your charity is carrying out its purposes for the public benefit**

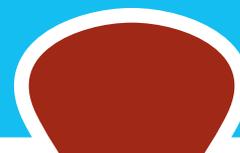
**Comply with your charity's governing document and the law**



**Act in your charity's best interests**



**Ensure your charity is accountable**



**Manage your charity's resources responsibly**



**Act with reasonable care and skill**

# The Governance Jigsaw – The Essential Trustee (CC3)



## It's about knowing:

- what your charity can and can't do within its purposes
- how your charity is fulfilling its purposes and benefiting the public
- what difference your charity is really making

## It's about being:

- familiar with your governing document
- up to date with filing accounts, returns and any changes to your charity's registration details
- aware of other laws that apply to your charity

## It's not about being:

- an expert - but you do need to take reasonable steps to find out

## It's about:

- making balanced, informed decisions
- recognising & dealing with conflicts of interest
- ensuring trustee benefits are allowed
- being prepared to question and challenge
- accepting majority decisions

## It's not about:

- preserving the charity for its own sake
- serving personal interests

## It's about:

- managing risks, protecting assets (reputation) and people
- getting the resources your charity needs
- having and following appropriate controls and procedures
- dealing with land and buildings
- responsibility for, and to, staff and volunteers

## It's about:

- using your skills and experience
- deciding when you need advice
- preparing for meetings
- getting the information you need (financial, management)
- being prepared in case something does go wrong

## It's about:

- meeting legal accounting and reporting requirements
- being able to show that your charity complies with the law and is effective
- being accountable to members and others with an interest in the charity
- ensuring that staff and volunteers are accountable to the board
- welcoming accountability as an opportunity not a burden

<b>Health Board</b>  <b>24.1.19</b>	 <b>GIG CYMRU NHS WALES</b>	Bwrdd Iechyd Prifysgol Betsi Cadwaladr University Health Board
<b>To improve health and provide excellent care</b>		

<b>Report Title:</b>	Charitable Funds Annual Report and Accounts for 2017/18
<b>Report Author:</b>	Rebecca Hughes, Charity Accountant
<b>Responsible Director:</b>	Russell Favager, Executive Director of Finance
<b>Public or In Committee</b>	Public
<b>Purpose of Report:</b>	The attached audited Annual Report and Financial Statements provide the formally reported position for the Charity for 2017/18.
<b>Approval / Scrutiny Route Prior to Presentation:</b>	The audited Annual Report and Charitable Funds Financial Statements for 2017/18 were approved by the Charitable Funds Committee on the 13 <sup>th</sup> December 2018 and they were signed on its behalf by the Chair of the Committee and the Executive Director of Finance.
<b>Governance issues / risks:</b>	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 have been subject to audit with an unqualified audit report. There are no matters of significance raised at audit that need to be brought to the attention of the Corporate Trustee.
<b>Financial Implications:</b>	There are no financial implications for the Health Board from this paper.
<b>Recommendation:</b>	The Board, as the Corporate Trustee, is asked to receive the Charitable Funds Annual Report and Financial Statements for 2017/18.

<b>Health Board's Well-being Objectives</b> <i>(indicate how this paper proposes alignment with the Health Board's Well Being objectives. Tick all that apply and expand within main report)</i>	√	<b>WFGA Sustainable Development Principle</b> <i>(Indicate how the paper/proposal has embedded and prioritised the sustainable development principle in its development. Describe how within the main body of the report or if not indicate the reasons for this.)</i>	√
1.To improve physical, emotional and mental health and well-being for all	√	1.Balancing short term need with long term planning for the future	√
2.To target our resources to those with the greatest needs and reduce inequalities	√	2.Working together with other partners to deliver objectives	√
3.To support children to have the best start in life	√	3. those with an interest and seeking their views	√

4.To work in partnership to support people – individuals, families, carers, communities - to achieve their own well-being	√	4.Putting resources into preventing problems occurring or getting worse	√
5.To improve the safety and quality of all services	√	5.Considering impact on all well-being goals together and on other bodies	√
6.To respect people and their dignity	√		
7.To listen to people and learn from their experiences	√		
<b>Special Measures Improvement Framework Theme/Expectation addressed by this paper</b>			
<i>Not applicable</i>			
<b>Equality Impact Assessment</b>			
<i>Not applicable – the report does not impact directly on staff or patients</i>			

*Disclosure:*

*Betsi Cadwaladr University Health Board is the operational name of Betsi Cadwaladr University Local Health Board*



GIG  
CYMRU  
NHS  
WALES

Bwrdd Iechyd Prifysgol  
Betsi Cadwaladr  
University Health Board

# Charitable Funds Annual Report and Accounts 2017/18

Rebecca Hughes  
Charity Accountant  
Betsi Cadwaladr University Health Board

## **1.0 Introduction**

The purpose of this report is to provide an overview of the key aspects of the Charitable Funds Annual Report and Accounts for 2017/18.

The accounts were prepared and submitted to the Wales Audit Office (WAO) at the end of August 2018, with the audit work taking place throughout September, October and November. The timing for the submission of the accounts was agreed due to staffing constraints within the WAO, which meant that they could not undertake the audit earlier in the year.

The Accounts have been subject to audit, with an unqualified audit report. The Annual Report and Charitable Funds Financial Statements for 2017/18 were approved by the Charitable Funds Committee on the 13<sup>th</sup> December 2018 and they were signed on its behalf by the Chair of the Committee and the Executive Director of Finance. The deadline for submission to the Charity Commission is the 31<sup>st</sup> January 2019. The accounts are not submitted to Welsh Government.

## **2.0 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 £2.5m, expenditure was £3.1m, with gains on investments of £0.1m, giving a net decrease in funds of £0.5m (increase in funds of £1.8m in 2016/17).

### **2.1 Incoming Resources**

Total income of £2.5m shows a decrease of 3% year on year (£2.6m in 2016/17) due to a fall in donations and legacies. As can be seen in 'Note 3. Income from donations and legacies', £0.1m of this relates to a decrease in legacies. Legacies are a volatile and unpredictable source of income that can vary greatly from year to year. Part of the charity's strategy is to increase the legacy income it receives, but work done now takes on average 7 years to show any effect and so this is a long term plan.

### **2.2 Expenditure**

Expenditure of £3.1m was 82% higher year on year (£1.7m in 2016/17). 'Note 6. Analysis of expenditure on raising funds' and 'Note 7. Analysis of charitable activity' provide the breakdown of expenditure between the running costs of the charity, fundraising costs and grants made.

The primary reason for the increase in expenditure is a rise in grants awarded of 108% (£2.7m in 2017/18 compared to £1.3m in 2016/17). The analysis of this over the different grant categories is shown below.

Type of Grant	2017/18 £'000	2016/17 £'000	Movement £'000
Grants for NHS Capital expenditure	1,104	260	844
Staff education and welfare	652	268	384
Patient education and welfare	886	809	77
Medical research	(13)	(14)	1
Other	30	0	30
<b>Total</b>	<b>2,659</b>	<b>1,323</b>	<b>1,336</b>

All categories of grant have shown an increase in expenditure year on year as the charity has sought to increase the requests for funding it receives by engaging with fund advisors to determine priorities for individual services and departments.

### 2.3 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 2017/18 gains on these investments totalled £0.1m compared to a gain of £1.1m in 2016/17. Weaker markets and some economic uncertainty contributed to the smaller gain during the year. The charity takes a moderate risk, long term strategy with its investments.

## 3.0 Balance Sheet

The funds of the charity at the end of the year totalled £7.6m, comprising £4.3m of unrestricted funds and £3.3m of 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.

### 3.1 Fixed Assets

During 2017/18 a piece of land located in Porthmadog was donated to the charity. The land was valued by the District Valuer at open market value and was brought onto the charity's balance sheet at £0.1m. The charity intends to dispose of the land during 2018/19, with net proceeds being used for the benefit of the Madog community.

The year-end balance held in investments was £7.6m, which is an increase of £0.1m from 2016/17.

### 3.2 Current Assets

Debtors, as analysed in 'Note 15. Analysis of current debtors' have increased by 20% to £0.8m (£0.7m in 2016/17). This is due to an increase in accrued income for legacies,

where we have been confirmed as a beneficiary in a Will and probate has been granted, but the distribution of the estate had not been completed.

Cash balances held have increased by 104% to £0.9m (£0.4m in 2016/17) as commitments made during the year have not yet materialised.

### **3.3 Liabilities**

Creditors, as can be seen in 'Note 17. Analysis of liabilities', amounted to £1.8m which is a 260% increase year on year (£0.5m in 2016/17). This primarily due to an increase in accruals for grants owed to NHS bodies, which are the funding commitments made by the charity and corresponds to the increased expenditure seen during the year. Three of the largest commitments that the charity had at the end of 2017/18 were for the Hybrid Theatre, the Staff Engagement Strategy and the Dewi Ward development. Together they comprised over half of the 2017/18 accruals for grants owed to NHS bodies balance.

Creditors owed to BCU have also increased by 258% to £0.2m (£0.01m in 2016/17). These are the amounts owed to the Health Board for expenditure it has paid on the charity's behalf and will vary depending on what commitments have materialised during any given month.

## **4.0 Other Notes**

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

### **4.1 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.

### **4.2 Post Balance Sheet Events (Note 21)**

Due to the time delay between the balance sheet date and the sign off of 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.

An additional post balance sheet event is also recorded that has adjusted the accounts. This relates to the reduction in June 2018 of the Workforce Development Strategy funding commitment by £205,000 to £245,000. This arose from a significant amendment in scope of some projects included within the Strategy that had previously

been presented to the charity by the Health Board. The effect of this reduction in the accounts has been to reduce both expenditure on Charitable Activities for staff education and welfare and Funding Commitments by £205,000. The monies released as a result have been returned to the fund, increasing the Total Funds carried forward at 31<sup>st</sup> March 2018 from £4,110,000 to £4,315,000.

## **5.0 Conclusion**

The Charitable Funds Accounts have been prepared in accordance with the timetable set by the Charity Commission and in line with Charities SORP.

The final Annual Report and Charitable Funds Financial Statements for 2017/18 were approved by the Charitable Funds Committee on the 13<sup>th</sup> December 2018 and they were signed on its behalf by the Chair of the Committee and the Executive Director of Finance.

The audited accounts will be submitted to the Charity Commission prior to 31<sup>st</sup> January 2019.

## **6.0 Recommendation**

The Board, as the Corporate Trustee, is asked to receive the Charitable Funds Annual Report and Financial Statements for 2017/18.



Awyr Las  
Blue Sky

# Annual Report and Accounts 2017 to 2018

*Awyr las / Blue Sky is the working title of the Betsi Cadwaladr  
University Health Board Charity & Other related charities.  
Registered Charity Number: 1138976*



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## Foreword by the Chair of the Charitable Funds Committee

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Welcome to the Awyr Las Annual Report and Financial Statements for 2017/18.

Awyr Las has a clear mission: to enhance the Betsi Cadwaladr University Health Board's ability to improve the health and wellbeing of people across North Wales and deliver excellent care. The Charity provides new facilities and state of the art equipment across the region; special projects and complementary activities for patients; and research and additional training programmes, but it also offers so much more. For many people, Awyr Las helps to offer a smile when they need it, a helping hand when they want it, and an extra bit of comfort or security when they are least expecting it.

This is my first report as Chair, so I would like to take this opportunity to extend my sincere and grateful thanks to all the dedicated supporters who have contributed this year to further the Charity's mission, and to help the Charity's individual funds achieve their objectives. I also wish to thank the Charity's Fund Advisors, the NHS members of staff who voluntarily oversee the Charity's 371 funds, and the members of the Charity's Advisory Group, the patient representatives and NHS staff members who together scrutinize all grant requests over £5,000.

I am delighted to be reviewing a year in which Awyr Las's supporters have once again made a significant difference to patients through the Charity's wide-ranging grants programme. In a year when the Charity has spent £2.8m to support patients and NHS staff, I am also buoyed by the huge amount of support the Charity continues to receive from local people, organisations and businesses. Over £2.5m has been given from

*“Over £2.5m has been given from donations, fundraising and legacies this year”*

donations, fundraising, legacies and investment income this year. This is a credit to the fantastic nursing, medical and support teams that we have across North Wales; the fact that so many people wish to give back to show their thanks demonstrates how grateful many people are for the excellent care and treatment they receive.

There have been many highlights this year for the Charity, including large-scale fundraising events like the By Your Side Walk, Snowdon Rocks and school visits with our mascot, 'Nel Del'. The real highlights for all of us involved in Awyr Las are when we see the impact that donations in the community and on wards and hospital departments have on our patients, and when we learn about the impact that grants for research and development have on NHS staff and how additional training and services leads to providing better care for patients.

There has been a great deal of positivity associated with the Charity over the past year, which is much deserved, but there is still a great deal more that we can all do to better Awyr Las. As the new Chairperson of Awyr Las, I look forward to working with the Awyr Las Support Team to build on the Charity's reporting mechanisms, so more people can be made aware of the impact that donations make. I look forward to hearing more from the Fund Advisors about their future plans for services and how donations through the Charity can help to really enhance the care that patients receive both in the community and in our hospitals.

This year has seen a change in the profile of the Awyr Las Support Team, and we now have a Fundraising Support Manager in the East, in the Central area of North Wales and in the West. We have decided to invest in providing more support for those who choose to give back to their local healthcare services because we want to ensure that all supporters that give through the Charity receive the appreciation and recognition they deserve.

Thank you to everyone who has chosen to support their local healthcare services through Awyr Las this year. All contributions are valuable, and all help in some way to advance healthcare provision in North Wales. I must pay tribute to the Honorary President of Awyr Las, Lord Barry Jones, for his outstanding support and commitment to the Charity throughout this year, and also to the Robins Volunteers in our hospitals. The Robins programme is part-funded through donations given to Awyr Las, and the help the volunteers give in the hospitals is gratefully appreciated by everyone.

The support the Charity receives is really helping to make sure people in North Wales can access the very best care and treatment possible. Awyr Las supports many very ordinary healthcare services, but thanks to your generosity, the Charity is able to do extraordinary things. Thank you.

**Bethan Russell Williams**

**Chair of the Charitable Funds Committee**

**December 13, 2018**



## Awyr Las at a glance



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## Awyr Las' history and purpose

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Awyr Las (officially titled Betsi Cadwaladr University Health Board Charity and other related Charities) is a registered Charity (registered number 1138976) 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.

The Betsi Cadwaladr University Health Board is the legal corporate trustee which means that whilst the Board members are responsible for the administration of the funds, they are not individually trustees of the Charity.

*“Awyr Las is the umbrella Charity for over 370 charitable funds”*

Awyr Las is the umbrella Charity for over 370 Charitable Funds which together support wards, units, departments, specialities and community projects right across North Wales. Donations given through the Charity help dedicated NHS staff in hospitals and in communities across North Wales to offer an enhanced healthcare service, offering patients and their families the very best care and treatment available.

The Charity's priorities are decided by frontline nursing and medical staff. Thanks to your support, Awyr Las funds state-of-the-art equipment and new facilities; extra staff training and world-class research; special projects and additional services; complementary therapies and extra patient comforts which are all over and above what NHS core funding can provide.

Since 2010 Awyr Las has funded £25m of improvements to health care services across the region thanks to the generosity of local people, national Foundations and grateful

patients from far and wide. This support has made a real difference to the lives of patients and their families.

*“The Charity does not replace statutory NHS funding”*

As the Charity does not replace statutory NHS funding, your donations will genuinely improve the care available to local people in ways that would not otherwise be possible.





## Awyr Las' purpose and activities

### Mission & Vision

The Charity's overarching mission is to enhance BCUHB's ability to improve the health and wellbeing of people across North Wales and deliver excellent care. Our vision links to that of Betsi Cadwaladr University Health Board. Awyr Las aims to help create an environment in North Wales which promotes equality for all with an emphasis on staying well and active.

*"During the year 2017/18, grants totalling £2.7m were made"*

Expenditure grants from the Charity are made in accordance with Charity law, the Charity's constitution and the wishes and directions of donors. During the year 2017/18, grants totalling £2.7m were made, which helped the Health Board to make a real difference to the patients and their families across North Wales.

### Values

The Charity's values aligns with the values of BCUHB. These are:



**Rhoi cleifion yn gyntaf**  
**Put patients first**



**Gweithio gyda'n gilydd**  
**Working together**



**Dysgu ac arloesi**  
**Learn and innovate**



**Cyfarthrebu'n agored ac yn onest**  
**Communicate openly and honestly**



**Gwerthfawrogi a pharchu ein gilydd**  
**Value and respect each other**

### **The Charity's purpose**

The Charity exists for two reasons, both of which are equally important and both of which have a huge impact on the care and treatment that patients receive:

- To ensure that BCUHB's strategic priorities of improving healthcare can be met.
- To ensure that those who want to give back to specific health care services are able to do so in a way which supports local priorities.

*“There is a very real need for support from charitable sources in order to provide excellent care”*

NHS Charities have been in existence since 1948 and have always played an important role in the above but now more than ever. As we are living longer, many of us with complex health issues and diseases, there is a very real need for support from charitable sources in order to provide excellent care. The Charity has traditionally focused on supporting secondary care, particularly cancer services, but there are two pressing issues which the Health Board needs to address: 90% of the care people receive is from primary care and community services, and with predicted rises in cases of dementia and other mental health issues, cancer, diabetes and heart conditions there will be ever increasing demands on these services. There are also evident health inequalities in North Wales, with those living in the least deprived areas likely to live 13 years longer in better health than those living in the most deprived areas.

The challenge that faces the Charity is to effectively continue to provide the support needed on wards and departments in secondary care settings and secure the support to address the two pressing needs: to improve primary & community care provision and; to reduce health inequality.

### **The Charity Support Team's purpose**

The Charity's support team, made up of finance, fundraising and administrative support staff, exists to ensure that the Charity's mission can be carried out. The support

team also provides assistance to other charities like the Leagues of Friends which provide direct charitable support to BCUHB.

The support team: manages the Charity's financial accounts, investment portfolio and grants programmes; provides assistance to and guidance for the Fund Advisors who oversee the Charity's different Funds; helps fundraisers who want to organise events and activities in aid of the Charity; organise fundraising events and initiatives to raise money in aid of the Charity; promote giving to healthcare services and keep in touch with supporters.

*"In 2017/18 we were able to claim £8k in gift aid"*

The team also ensures that Awyr Las maximises your donations by reclaiming thousands of pounds in Gift Aid annually. If you are a UK taxpayer and make a simple declaration when donating then, in many cases, for every £1 donated the Charity receives 25p of Gift Aid. In 2017/18 we were able to claim £8,000 in Gift Aid.

### **What Awyr Las has achieved thanks to your support**

Awyr Las serves the patients and staff of the Betsi Cadwaladr University Health Board. The Charity supports a wide range of health-related activities to improve the quality of services for patients and staff, including:

- Equipment to improve patients' experiences in and out of our hospitals;
- Improvements to the quality of the care environment for patients;
- Health promotion and research projects;
- Special projects including arts in health and wellbeing activities and complementary therapies;
- Training for the benefit of local healthcare services and teaching equipment; and
- Making improvements to Health Board facilities for staff and patient purposes.



## Wigs for Dermatology & Cancer Patients

We are proud to provide regular support to patients that suffer hair loss from either the cancer treatment they have received or as a result of a dermatological condition. Hair loss can have a huge emotional impact on patients and having this service means that patients have access to a qualified wig advisor/fitter alongside their appointments for treatment. The provision of a wig greatly helps with a patient's sense of wellbeing.

## The BCUHB Robin Volunteers

The Robins received the Best UK Befriending Project Award in 2010 by the Mentoring & Befriending Foundation and were praised on ITV News for their 'meet and greet service' at Wrexham Maelor hospital; we are honoured to be able to support the work of over 200 fantastic volunteers throughout all of our hospitals over this financial year and the next. The Robins range from mature Robins wishing to 'give something back', to younger people wanting invaluable experience at the beginning of their careers in healthcare.



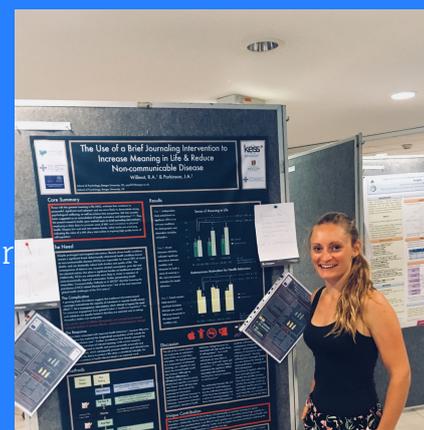
## Laser Surgery Equipment for Head and Neck Cancer Service in North Wales



Head and neck cancer has been centralised in BCUHB to Glan Clwyd Hospital. Awyr Las has contributed towards laser surgery equipment, which will ensure that patients are treated in a timely manner whilst also receiving the best care possible. This is achieved by reducing the need for chemotherapy and radiotherapy and hence minimizing complications after treatment.

## PHD KESS part funding

This collaborative research project combines insight from Bangor University and Public Health Wales, and is financially sponsored by Awyr Las and the European Social Fund. The primary aim of the project is to promote healthy decision-making at the population level, in order to reduce the prevalence and impact of lifestyle driven health conditions. A specific focus also relates to the alleviation of health inequalities across socioeconomic groups. Four research studies have been conducted, which include the design and evaluation of two motivational diary interventions, an investigation of the highly successful physical activity initiative 'Parkrun', and a lab-based study to determine the value of metacognitive strategies, or 'mantras', in healthy eating behaviour.





## Birthday Cakes

Being in hospital can be a lonely experience for many patients especially on your birthday. Funding from Awyr las has enabled ward staff to surprise patients on their birthday.

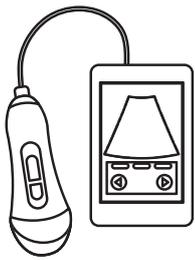
"She was overjoyed as they sang for her. All the staff and patients in the room were given a piece of birthday cake and enjoyed it!"

## 12 x 7 day heart rate monitors for Ysbyty Wrexham Maelor

12 x 7 day heart rate monitors were purchased for Ysbysty Wrexham using Awyr Las funding. These purchases will reduce the waiting list for patients needing 7 day heart monitors and increase the quality of care received by patient due to less delays before treatment.



## Ultrasound Diagnostic Machine for CMATS East



Thanks to funding from Awyr Las, Clinical Musculoskeletal Assessment and Treatment Service (CMATS) in the East can provide this facility which will mean that patients can attend for an assessment of their condition and receive a diagnostic test at the same time. This avoids a long wait for an appointment with the radiology service or for a consultant's opinion and will prevent a delay in commencing care and management of the patient's condition. This will clearly improve the efficiency of the patient pathway and improve the quality of care; it is likely to mean that a patient will get better outcome following their intervention as they are treated earlier.

## Christmas lunches for patients

The positive impact the Awyr Las funds had on our clients at Christmas, was that it provided a sense of normalising which is an integral part of the recovery principles in mental health. This sense of normalisation was due to the funds which were used for both staff and clients to go out for a Christmas meal together. Social inclusion is also a vital part of mental health recovery, and using the charitable funds to go out for a Christmas meal provided this sense of inclusion. Without having access to such funds at Christmas, we would not be able to provide our clients with such opportunities to engage in activities which support their recovery.



## Trilogy non Invasive Ventilation Machine, Critical Care Unit, Ysbyty Gwynedd

A trilogy ventilation machine is designed to provide ventilation support for a wide range of patients with varying conditions by using a mask (non-invasive). These machines are critical to treat patients with respiratory failures (type i and ii) and can reduce admission to ITU.

"The Robins are brilliant, without them we would feel lost."

"The funding received was used to purchase three stroke chairs to facilitate patients getting out of bed who lack sitting posture which is helping to benefit the patient. The chairs are specialised and support patients as part of their rehabilitation process."

"It made me forget I was in hospital for a while going out for a Christmas meal"

## How has Awyr Las helped you?

"Thanks to Awyr Las I no longer have to worry about finding a parking space when I go for my treatment."

"The funding from Awyr Las has enabled us to purchase the best medical equipment available for our ward."

"I'm supporting my local mental health service because the stigma around mental health is still a huge issue, and I want to give back to show my appreciation for the care I've received."

"I want to make sure that people with dementia receive the very best care in the most appropriate surroundings, and that is why I support Awyr Las"

"I used to be a teacher in the local area before and I like to continue giving back by helping people less fortunate than me"



"I'd also love to get involved in more fundraising in the future as I have really enjoyed it and it's so important."

## Why are you donating to Awyr Las?

"The added extras, big or small, can make a real difference to patient experience and hospital environments."

"It's great that local people can support local hospitals. Their support can make a real difference to local patients"

"As well as bringing much needed funds to the NHS, particularly here in North Wales, I want to take as much positivity and hope from my experience as possible - I know that this has been a huge contributing factor to my recovery so far"

## Financial Summary

The following figures are taken from the full accounts approved on 13th December 2018, 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. In this section, you can learn how the money was raised and how the money raised is making a difference for patients and their families.



£2.5m

Total Income



£3.1m

Total Expenditure

*“Almost all of our income comes from the voluntary efforts of staff and the general public”*

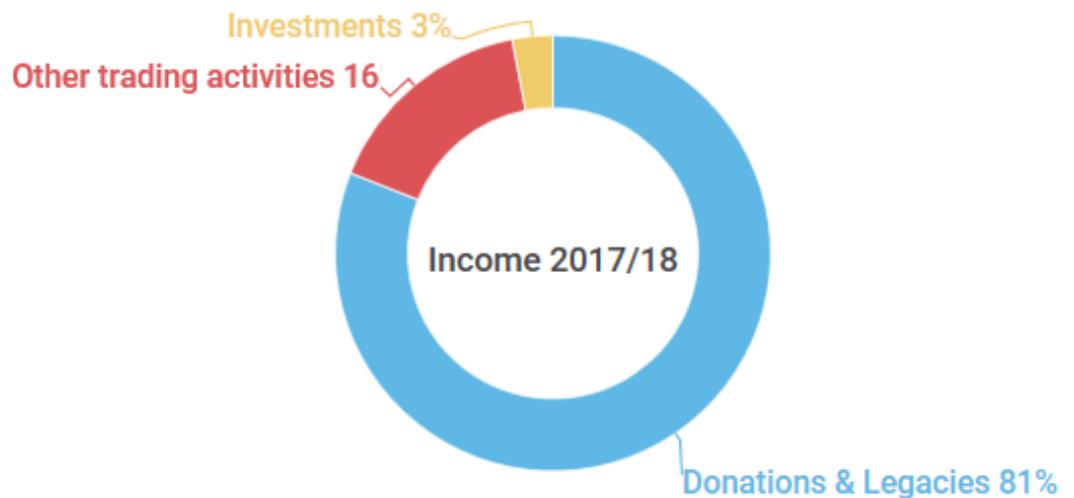
Almost all of the Charity's income comes from the voluntary efforts of NHS staff and the general public. **Overall, the Charity has spent £0.8m more than it received this year which aligns with Awyr Las' strategic plan to utilise funds promptly whenever possible.** The total funds available to the charity has decreased from £8.094m to £7.597m at the end of 2017/18.



*Sponsored head shave for Alaw Ward & CCU Ysbyty Gwynedd in memory of her son William to thank staff for the wonderful care he received before sadly passing away.*

### Source of Income

The chart below shows the sources of income for Awyr las. The largest represents gifts, donations and legacies from the public.



#### Donations and Legacies (£2,013,000)

In detail:

- Donations (£1,170,000): from a few pence in a collecting box to several hundred pounds from grateful relatives, all the gifts given through the Charity are thankfully received and all contribute to making a significant difference for patients receiving care and treatment in North Wales.
- Legacies (£843,000): NHS services in North Wales are fortunate to be remembered by so many people each year in their Wills. Significant legacies received during this year included:
  - ❖ A legacy of £110,000 for the Alaw Cancer Ward, Ysbyty Gwynedd

- ❖ A legacy of £100,000 split equally between the Cancer Fund and Critical Care Unit at Ysbyty Glan Clwyd
- ❖ A legacy of £70,000 for the Alaw Cancer Ward, Ysbyty Gwynedd
- ❖ A legacy of £57,000 from the Livsey fund for a new Ultrasound machine in Ysbyty Glan Clwyd

During 2017/18 over 5,000 generous people and organisations supported the 370 plus funds that together form the Charity. We would like to extend our thanks to the many individuals who continue to give donations and make a huge difference to patients and their families across North Wales.



### **Other Trading Activities (£403,000)**

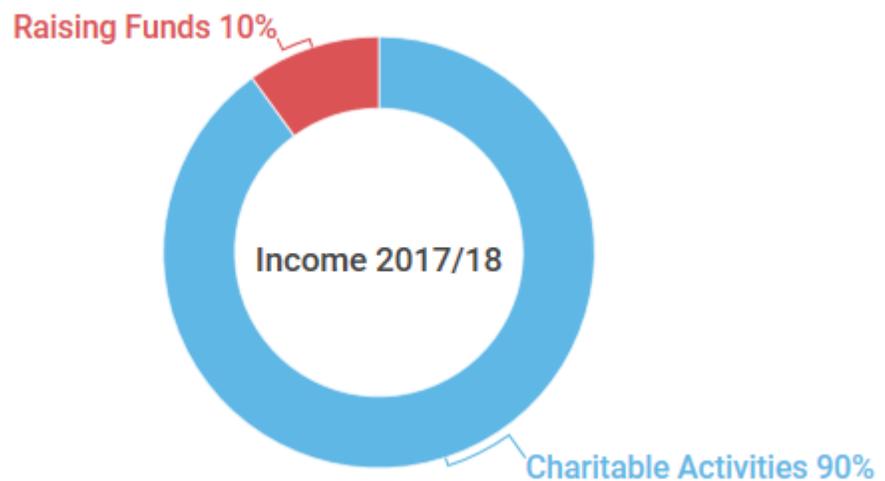
By supporting an existing fundraising event or organising one of their own with the knowledge and approval of the Charity, thousands of people have had a good time whilst raising money for Awyr Las over the past year. Committed volunteers, supported by the Fundraising Support Team, organised hundreds of 'in aid of' events from small cake bakes to large-scale gala dinners this year and took part in organised events and challenges across the globe.



### **Investment Income (£67,000)**

By investing funds not immediately required for use by the Charity, interest and dividends have been accrued.

### Source of expenditure



### Grants for NHS Capital (£1,104,000)

- a) Equipment: With advances in technology and technological obsolescence of existing equipment the Charity makes a real difference by purchasing new medically advanced items in a timely manner, ensuring that patients can access new equipment much faster than it would otherwise be possible.
- b) Buildings: Throughout this year Awyr Las has funded several schemes for refurbishing NHS buildings and facilities and improving the environment for patients and their families. These improvements just wouldn't be possible without the generous support given through Awyr Las.



### Staff Education and Welfare (£652,000)

The Charity helps to ensure that patients receive the highest quality of care through funding additional training opportunities, including specialist conferences in order to expand NHS staff's knowledge and to bring new ideas back to North Wales. Awyr Las also funds extra amenities and special projects that staff will benefit from.



### Patient Education and Welfare (£886,000)

Awyr Las has supported a huge number of patient-related purchases and activities during the year. Examples include funding wigs for Cancer and Dermatology patients who have lost their hair and funding of the Robin Volunteers programme in hospitals.



### Medical Research (-£13,000)

Medical Research (-£13,000). Research is a long-term endeavour and our projects explore new ideas which we hope will be proven in the future to be of benefit. During 2017/18 underspend on previously committed expenditure for a project has led to us reporting a negative figure against this area.



### Other (£30,000)

### Financial health

The assets and liabilities of Awyr Las as at 31st March 2018 are shown below, compared with the position at 31st March 2017. Further details can be seen in the financial statements section.

	<b>31 March 2018</b>	<b>31 March 2017</b>
	<b>£000</b>	<b>£000</b>
<b>Tangible assets</b>	135	0
<b>Fixed asset investments</b>	7,572	7,440
<b>Net current assets/(liabilities)</b>	<b>(82)</b>	660
<b>Creditors falling due after more than one year</b>	<b>(28)</b>	<b>(6)</b>
<b>Total Net Assets</b>	<b>7,597</b>	<b>8,094</b>
<b>Restricted designated funds</b>	3,282	3,584
<b>Unrestricted designated funds</b>	4,315	4,510
<b>Total Funds</b>	<b>7,597</b>	<b>8,094</b>

A few helpful definitions:

- **Tangible assets** is land donated to the charity.
- **Fixed asset investments** are investments in quoted stocks and shares.

- **Net current assets** represent cash held plus money owed to the Charity, less money owed by the Charity to others and any outstanding liabilities (commitments made for grant funding that has not yet been spent).
- **Creditors falling due after more than one year** represent commitments made for grant funding where the scheme runs for more than one year.
- **Restricted designated funds** represent the money held by the Charity which can only be used for specific purposes.
- **Unrestricted designated funds** represent the 370 plus designated funds which are identified to specific areas and/or services. They have been created in line with sections 90 and 91 of the National Health Service Act 1977 which require that the trustees respect, as far as practicable, the specific intentions of the gifts received through wards, departments and specialities. By designating funds the trustees ensure that those gifts are channelled towards charitable purposes in those areas.
- **Undesignated Funds** represent those funds available for distribution by the trustees at their discretion.

### Our Investments

Many of the donations and legacies received cannot be spent immediately, as they need to be accumulated to fund the most appropriate purchases to improve patient care. Therefore, Awyr Las invests these donations in order to generate income and protect their value in real terms. The Charity's investment managers are Rothschild Wealth Management Limited.

The Trustee has adopted an ethical framework for investments, with underlying principles supporting an ethical component of the overall investment strategy. This has given direction to the investment manager to develop a suitable investment strategy which is consistent with these ethical principles, whilst affording sufficient flexibility to

*“The Trustee has adopted an ethical framework for investments”*

provide the best balance of risk and reward for the Charity. The portfolio is managed in accordance with this agreed strategy, which is as follows:

‘It is recommended that there is negative exclusion of investment in companies manufacturing and distributing:

- Alcoholic products;
- Tobacco products; and
- 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.

*“Investment performance is monitored by the Charitable Funds Committee”*

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.



**Dulas Ward, Ysbyty Gwynedd with blood pressure monitor and fans purchased using Awyr Las funds.**

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## Performance

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### Performance against objectives

The overall objective of the Charity is to provide support for the benefit of patients receiving care and treatment from the Betsi Cadwaladr University Health Board in accordance with the wishes of the Charity's donors.

To ensure that the Charity's money is well spent and meets with its objectives, all applications for grants over £5,000 require approval from either the Charitable Funds Advisory Group or the Charitable Funds Committee.

The Charitable Funds Advisory Group was established at the start of 2016 to provide further scrutiny of applications. The Advisory Group is a sub-Group of the Charitable Funds Committee and has a wide-ranging membership from medical staff to patient representatives. For applications between £5,000 and £25,000, the Advisory Group has delegated authority from the Committee to make a decision on approving or otherwise. For applications of over £25,000, the Advisory Group will provide comments for the Charitable Funds Committees' consideration to help inform their decision. Applications are required to provide details on key service benefits and ways to measure them, risks and mitigations, and how the proposal addresses health inequalities.

*“Charitable Funds Advisory Group was established at the start of 2016 to provide further scrutiny”*

### Our Fundraising Performance

The fundraising section of the Support Team is responsible for promoting fundraising for and giving to the Charity, ensuring that it is carried out in line with regulation and best practice, and for coordinating fundraising activities related to NHS facilities, services and projects. The Team provides support for Awyr Las' fundraisers and donors and it also offers assistance to the 70 plus other charitable groups and associations that

provide financial and voluntary support for hospital sites and healthcare services across North Wales.

Frontline and NHS support staff across North Wales play a key role in promoting what is their Charity, many taking time to visit schools and organisations, and forging relationships with local and national businesses, trusts and foundations.

The Fundraising Support Team provides help and advice for anyone who wishes to safely and legally raise funds for the Charity, and this year developed the first workshops on fundraising planning for Fund Advisors.

The Fundraising Support Team has launched and supported a number of high profile appeals, events and activities this. During the year, total income from fundraising (shown as other trading activities in the Statement of Financial Activities) increased from last year by £47,000 to £403,000. The Charity's fundraising activity is benchmarked against similar charities through the Association of NHS Charities the fundraising cost to income ratios are regularly monitored.

Whilst many individuals and groups do indeed support the NHS in North Wales by organising fundraising events, many others donate their time, ideas, goods and expertise. Together all supporters make a huge and invaluable difference to the lives of patients and their families.

# BY YOUR SIDE WALK - 2017

Over  
**£100,000**  
raised for cancer services  
in North Wales

Over  
**130**  
miles in total

Over  
**50**  
Volunteers

Over  
**250**  
people with cancer, dementia  
and carers summiting  
Snowdon on the Snowdon  
Rocks Train

**11**  
walking days

Over  
**1,500**  
people of all ages  
getting involved

Wales For  
Blue Sky



WRTH  
DY  
OCHR

BY  
YOUR  
SIDE



## Future Plans

The Charity's strategic plans are outlined in the Awyr Las Strategy for 2016-21, which is available to download from the Charity's website, [www.awyrlas.org.uk](http://www.awyrlas.org.uk). This plan highlights the importance of the four pillars of the Charity – the 'Bens':

- **Beneficiaries:** the patients and families we serve
- **Benefactors:** the donors whose gifts ensure the Charity can continue to enhance healthcare provision
- **Bendigedig:** the NHS Staff across North Wales
- **Benevolent:** the volunteers who give their time to support the Charity

The 'Bens' lie at the heart of all Awyr Las' future plans. The principal goals for the Charity are to help:

1. Create *transformational change* for the most vulnerable across the region
2. Support *impactful change* for patients and their families at a local level

### Transformational Change

The Charity aims to prioritise the needs reflected in BCUHB's Living Healthier, Staying Well strategy in order to improve the health and wellbeing of the most vulnerable across the region. Awyr Las provides support for all patients and service users but in order to help create transformational change a greater emphasis is being placed on:

- ✓ Older people
- ✓ Children
- ✓ Mental Health services

Impactful Change

The Charity's Support Team is working with operational staff, patients and their carers to identify local requirements including new equipment and facilities; special projects; research and education programmes so that donations through the Charity will help support impactful change for patients and their families at a local level.

The Awyr Las Support Team is also focussing on achieving key operational goals, which are detailed in the Awyr Las Strategy for 2016-21.

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## Governance

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### Our grant making policy

Awyr Las makes grants from both its restricted and unrestricted funds. These funds are further split into undesignated funds and designated (earmarked) funds.

- I. Undesignated funds – These funds are received by the Charity with no particular preference expressed by donors or a preference for the donations to be applied to the greatest priorities. These are used to fund things that are either needed across the Health Board, or in areas/services that do not have their own fund. The Head of Financial Services acts as the Fund Advisor on undesignated funds and so can authorise expenditure up to £5,000. Undesignated funds have been decreasing in value significantly over the last few years and this is an ongoing challenge for the Charity as it limits the things that can be funded where there is no suitable designated fund.
  
- II. Designated funds – Within Awyr Las, the majority of donations sit in one of the 371 designated funds which are linked 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 oversees the income and expenditure of 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.

### Scheme of delegation for Awyr Las

<i>Value of expenditure (£)</i>	<i>Authorisation required by</i>
<i>£0 - £5,000</i>	Undesignated Funds – Head of Financial Services Designated Funds – Fund Advisor
<i>£5,001 – £25,000</i>	One of the above; and Relevant Senior Manager; and Relevant Chief Financial Officer; and Capital Programme Manager Charitable Funds Advisory Group
<i>Above £25,000</i>	All of the above; and Charitable Funds Committee

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

### Reserves policy

Reserves that are part of a Charity’s unrestricted income funds which are freely available to spend on any of the Charity’s purposes. The reserves policy explains why a Charity is holding a particular amount of reserves and should take into account the Charity’s financial circumstances and other relevant factors.

To establish the Charity’s target level of reserves, a number of factors were considered:

- Anticipated levels of income and expenditure for the current and future years;  
and

- Future needs and opportunities, commitments and risks. This includes looking at future plans, projects or other spending needs that cannot be met from the income of a single year's budget.

Taking these into account, the Charity's reserves policy for 2017/18 was as follows:

*'The reserves policy has the objective of ensuring that the Charity has sufficient funds available to maintain liquidity, cover unforeseen risks and provide for future opportunities. The Charity relies heavily on income from donations, fundraising and legacies. These are unpredictable sources that can vary year to year. Therefore the Charity needs sufficient reserves to be able to continue its activities in the event of fluctuations in its income. The Charity has a target level of reserves of £3,060,000. This is based on the following calculation, with average figures taken from the last three years' of audited accounts:*

**"The Charity has a target level of reserves of £3,060,000"**

- One year's administration costs (support costs, fundraising costs and investment management costs).
- 25% of the value of investments held.
- 25% of the grant-funded activity expenditure.

*The target level of reserves will be reassessed on an annual basis. The Trustee will review the actual reserves held against the target throughout the year, to ensure that sufficient funds are held within the Charity, whilst also continuing to utilise funds within a reasonable period of receipt.'*

The available unrestricted reserves as at the 31st March 2018 totalled £4,155,000, the reserves were above the target. The Charity will continue to promote a culture which recognises that the Charity's should be spent within a realistic timescale and work with fund advisors to develop plans to utilise the donations received.



Nel Del entertaining Jack on the children's ward

## **How the North Wales NHS Charity's affairs are organised: Reference and Administration Details**

The Betsi Cadwaladr University Health Board Charity and other related Charities (the Charity), registered Charity number 1138976, is constituted under a trust deed dated 23rd September 2010.

It is registered with the Charity Commission as the 'Umbrella Charity and Other Related Charities', with objects that the funds be used 'for any charitable purpose or purposes relating to the National Health Service'. This registration arrangement, which simplifies the statutory reporting requirements, is formally recognised by a Declaration of Trust held by the Charity Commission.

Within this group registration arrangement there are two charities,

- Betsi Cadwaladr University Health Board Charity
- The North Wales Cancer Appeal (previously The Ron and Margaret Smith Cancer Appeal)

On 24th June 2013, the Charitable Funds Committee agreed to rename the main Betsi Cadwaladr University Health Board Charity as Awyr Las Gogledd Cymru/Blue Sky North Wales – Awyr Las for short. This name has been entered on the Charity Commission's Register.

The Betsi Cadwaladr University Health Board is the legal corporate trustee of the Charity, which means that whilst the Board members are responsible for the administration of the funds, they are not individually trustees of the Charity. The Chair and Independent Members of the Health Board are appointed by the Cabinet Secretary for Health and Social Services of the Welsh Government, with the Executive Directors being appointed in accordance with Health Board policy.

### **The Awyr Las Trustee**

The Betsi Cadwaladr University Health Board is the legal corporate trustee of the Charity.

The corporate trustee has delegated the responsibility for the administration of the Charity to the Charitable Funds Committee. This is a formal Committee of the full Health Board consisting of a minimum of two Independent Members and two Executive Directors, including the Health Board's Executive Director of Finance. The Charitable Funds Committee meets at least four times a year.

### **Trustee Recruitment, Appointment and Induction**

The Board Members of the Health Board make up the corporate trustee. 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, along with previous year's Annual Reports and Financial Statements, copies of the Charity's Governing Documents and relevant Charity Commission publications.

The voting Board Members of the corporate trustee during the 2017/18 financial year were as follows:



**Mr G Doherty**  
Chief Executive



**Mrs G Harris**  
Executive Director of Nursing and  
Midwifery



**Mr R Jones**  
Interim Executive Director of  
Workforce and Organisational  
Developments  
(from 20 Nov 2017)



**Mr J M Jones**  
Executive Director of Workforce  
and Organisational Developments  
(to 19 Nov 2017),  
Director of External Investigations  
(from 20 Nov 2017)



**Mr G Lang**  
Executive Director of Strategy



**Dr Evan Moore**  
Executive Medical Director



**Ms M Olsen**  
Chief Operating Officer



**Ms T Owen**  
Executive Director of Public Health



**Mr R Favager**  
Executive Director of Finance



**Mr A Thomas**  
Executive Director of Therapies  
and Health Sciences



**Dr P Higson**  
Chairman



**Mrs M Hanson**  
Vice Chair



**Mrs M W Jones**  
Independent Member



**Mr C Stradling**  
Independent Member



**Cllr B Feeley**  
Independent Member



**Cllr Cheryl Carlisle**  
Independent Member



**Mr J Cunliffe**  
Independent Member



**Ms J Dean**  
Independent Member  
(until 31 Dec 17)



**Mrs L Meadows**  
Independent Member



**Prof J Rycroft-Malone**  
Independent Member



**Mrs B Russell Williams**  
Independent Member

**Our Staff and Advisors**

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 Awyr Las Support 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. The Health Board Senior Manager responsible for the administration of the Charity is Peter Lewis, Head of Financial Services (during the reporting year, Helen MacArthur held this post). The Charity Accountant is Rebecca Hughes and the Head of Fundraising is Kirsty Thomson.

**Bankers**

NatWest Bank Plc

High Street

St Asaph

Denbighshire

LL17 0RF

**Investment Advisors**

Rothschild Wealth Management (UK) Ltd

New Court

St Swithin's Lane

London

EC4N 8AL

**Registered Auditors**

Wales Audit Office

24 Cathedral Road

Cardiff

CF11 9LJ

**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 charge of directing and controlling 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.

**Risk Analysis**

As part of the Charitable Funds Committee meetings that take place at least four times a year, the trustees consider the major risks facing Awyr Las. The Committee has reviewed systems and identified steps to mitigate those risks. Five major or moderate risks have been identified and arrangements have been put in place to mitigate those risks.

**I. Fundraising**

There are four themes under this risk: Risk of non-compliance with fundraising regulations; the risk of involvement with third parties; the risk that the Charity

is not aware of all fundraising taking place in its name; and a risk that not all basic processes are in place to ensure the very best support.

To mitigate the first of these risks the Charity has become a member of the Fundraising Regulator and is a member of the Association of NHS Charities. The Charity's Support Team members are encouraged to attend workshops and carry out additional training to ensure all members are aware of existing and new regulation and guidance.

The Charity works with a number of third parties, including fundraisers and volunteers. In order to ensure all arrangements with these third parties are clear and set out at the start of the collaboration, third-parties and a representative from the Charity Support Team signs a Collaborative Working Agreement (JWA) which lays out the terms of the relationship.

The Charity has numerous supporters, many of whom organise fundraising events in aid of the Charity. The Charity Support Team continues to foster good working relationships with staff across North Wales to ensure good communication links with staff, the public and donors to make sure people are aware of the need to seek approval from the Charity Support Team for any fundraising being undertaken in the Charity's name.

A revised marketing and stewardship plan has been drawn up which is being implemented over the next 2 years. This plan is designed to help make sure all supporters receive the recognition they deserve, and are kept abreast of how

their donations make a difference should they choose to keep in touch with the Charity Support Team.

## II. Fund Advisors

The Charity's Fund Advisors act on behalf of the Trustees in making certain decisions, but are not always aware of the Charity Commission guidelines that they need to follow. This creates a governance risk for the Charity. To mitigate this risk a Fund Advisor Handbook has been developed to provide guidance and support to Fund Advisors in discharging their responsibilities. This document includes an Accountability Agreement for all Fund Advisors to ensure that roles and responsibilities are understood and accepted. All Fund Advisors are obliged to undertake an Annual Review of their fund. A rolling programme of Fund Advisor training has been established to minimise the governance risk for the Charity.

## III. Appeals

There is a risk that the Charity could give grants to and fundraise for items and services that are not strategic priorities. In order to prevent this from happening, and in order to enable *transformational change* for the most vulnerable across the region to happen, the Charity Support Team are working to launch strategic appeals to support the following four main patient groups:

- ✓ Older people
- ✓ Children and young people
- ✓ People with Mental Health issues
- ✓ Families affected by cancer

The appeals may support preventative programmes as well as new facilities, equipment and additional services for primary care and community settings as well as Ysbyty Glan Clwyd, Ysbyty Gwynedd and Wrexham Maelor.

New internal communication and marketing campaigns are being rolled out to encourage more *impactful change* for patients and their families at a local level. The Charity's Support Team members are working with nursing and medical colleagues to identify small but significant changes needed or new pieces of equipment. The team is helping to develop promotional projects to help encourage giving to support these priorities, which otherwise wouldn't be funded, or which can't be funded in a timely manner through NHS core funding.

#### **IV. Staff Engagement with the Charity**

An engaged workforce is crucial to the success of the Charity. There is a risk that staff are disengaged, or unaware of the Charity, and so do not positively promote it with patients and potential donors. To mitigate against this, an action plan is being rolled out to better inform and involve all staff. At the centre of this plan are Charity Champions who at ward, department or locality level can help promote the impact of the Charity.

#### **V. Investments**

A large proportion of the Charity's assets are held within the investment portfolio. There is a risk that the portfolio falls significantly in value and severely impairs the Charity's ability to support future projects. Monitoring of investments and the portfolio performance therefore needs to be a continual process. The Charity's investment portfolio is monitored on a monthly basis by

the Charity Support Team and on a quarterly basis by the Charitable Funds Committee. The investment policy is reviewed by the Committee on an annual basis, in conjunction with the Investment Managers, to ensure it remains relevant to the Charity's long-term strategy.

### **Wider Networks**

Awyr Las is one of over 250 NHS linked charities in England and Wales who are eligible to join the Association of NHS Charities. As a member Charity, Awyr Las has the opportunity to discuss matters of common concern and exchange information and experiences, join together to lobby government departments and others, and to participate in conferences and seminars which offer support and education for staff and members of the Charitable Funds Committee.

### **Related Parties**

Members of the Health Board (and other senior staff) take decisions both on Charity and Health Board matters but endeavour to keep the interests of each discrete. The Charity provides the majority of its grants to the Betsi Cadwaladr University Health Board.

### **Awyr Las' Relationship with the Wider Community**

The support given through Awyr Las and other charities that directly support North Wales' hospitals and community health care services has a huge impact on patients and also on staff. The Awyr Las Support Team and volunteers continue to forge strong relationships with NHS members of staff and local organisations and businesses that play a vital role in the success of the Charity.

NHS staff regularly hold cheque presentations and small events to show their gratitude for donations, inviting supporters and potential supporters to come and learn more about how specific donations make a difference in different wards and departments.

### **Volunteers**

**NHS Staff across North Wales would like to pay tribute to:**

- Awyr Las' volunteers for their time, passionate support and commitment.
- The NHS members of staff who give of their time out of hours in support of the Charity.
- Awyr Las' fundraisers who do so much to encourage others to enrich the lives of others through donations and fundraising activities.



## Your Support

Having read all about the Charity, please consider supporting the work of Awyr Las. The challenge facing Awyr Las in the future is to maintain and grow support so that patients can continue to benefit from improvements to care and treatment offered through Awyr Las grants.

All donations make a difference:



## Give today to support Awyr Las

There are many ways you can support Awyr Las: by donating money, time or your talent. Awyr Las depends on your contributions. If you would like to make a donation or support any of fundraising activities, please visit the Awyr Las website or contact the Fundraising Support Team on:

**Telephone**      01248 384395  
**Email**            awyrlas@wales.nhs.uk  
**Website**        www.awyrlas.org.uk.



The Alaw Unit in Ysbyty Gwynedd recently welcomed volunteers from Tesco and The National Trust who organised a 'garden makeover'.

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## Financial Statements

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### **BETSI CADWALADR UNIVERSITY CHARITY & OTHER RELATED CHARITIES**

### **ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2018**

#### **FOREWORD**

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

#### **STATUTORY BACKGROUND**

The Betsi Cadwaladr University Local Health Board is the corporate trustee of the charity under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990. The Trustees have been appointed under s11 of the NHS and Community Care Act 1990.

#### **MAIN PURPOSE OF THE FUNDS HELD ON TRUST**

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

## Statement of Financial Activities for the year ended 31 March 2018

	Note	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2017-18 £000
<b>Incoming resources from generated funds:</b>				
Donations and legacies	3	1,137	876	2,013
Other trading activities	5	347	56	403
Investments	6	41	26	67
<b>Total incoming resources</b>		<b>1,525</b>	<b>958</b>	<b>2,483</b>
<b>Expenditure on:</b>				
Raising Funds	7	309	29	338
Charitable activities	8	1,391	1,371	2,762
<b>Total expenditure</b>		<b>1,700</b>	<b>1,400</b>	<b>3,100</b>
Net gains / (losses) on investments	15	83	37	120
<b>Net income / (expenditure)</b>		<b>(92)</b>	<b>(405)</b>	<b>(497)</b>
Transfer between funds	20	(103)	103	0
<b>Net movement in funds</b>		<b>(195)</b>	<b>(302)</b>	<b>(497)</b>
<b>Reconciliation of Funds</b>				
Total Funds brought forward	21	4,510	3,584	8,094
<b>Total Funds carried forward</b>		<b>4,315</b>	<b>3,282</b>	<b>7,597</b>

## Statement of Financial Activities for the year ended 31 March 2017

	Note	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2016-17 £000
<b>Incoming resources from generated funds:</b>				
Donations and legacies		1,087	1,044	2,131
Other trading activities		306	50	356
Investments		41	27	68
<b>Total incoming resources</b>		<b>1,434</b>	<b>1,121</b>	<b>2,555</b>
<b>Expenditure on:</b>				
Raising Funds		274	35	309
Charitable activities		861	552	1,413
<b>Total expenditure</b>		<b>1,135</b>	<b>587</b>	<b>1,722</b>
Net gains / (losses) on investments		623	434	1,057
<b>Net income / (expenditure)</b>		<b>922</b>	<b>968</b>	<b>1,890</b>
Transfer between funds		(1)	1	0
<b>Net movement in funds</b>		<b>921</b>	<b>969</b>	<b>1,890</b>
<b>Reconciliation of Funds</b>				
Total Funds brought forward		3,589	2,615	6,204
<b>Total Funds carried forward</b>		<b>4,510</b>	<b>3,584</b>	<b>8,094</b>

## Balance Sheet as at 31 March 2018

	Note	Unrestricted funds £000	Restricted Income funds £000	Total 31 March 2018 £000	Total 31 March 2017 £000
<b>Fixed assets:</b>					
Tangible assets	14	135	0	135	0
Investments	15	4,151	3,421	7,572	7,440
<b>Total fixed assets</b>		<b>4,286</b>	<b>3,421</b>	<b>7,707</b>	<b>7,440</b>
<b>Current assets:</b>					
Debtors	16	467	374	841	700
Cash and cash equivalents	17	487	389	876	430
<b>Total current assets</b>		<b>954</b>	<b>763</b>	<b>1,717</b>	<b>1,130</b>
<b>Liabilities:</b>					
Creditors: Amounts falling due within one year	18	(917)	(882)	(1,799)	(470)
<b>Net current assets / (liabilities)</b>		<b>37</b>	<b>(119)</b>	<b>(82)</b>	<b>660</b>
<b>Total assets less current liabilities</b>		<b>4,323</b>	<b>3,302</b>	<b>7,625</b>	<b>8,100</b>
Creditors: Amounts falling due after more than one year	18	(8)	(20)	(28)	(6)
<b>Total net assets / (liabilities)</b>		<b>4,315</b>	<b>3,282</b>	<b>7,597</b>	<b>8,094</b>
<b>The funds of the charity:</b>					
Restricted income funds	21	3,282	3,282	3,282	3,584
Unrestricted income funds	21	4,315	4,315	4,315	4,510
<b>Total funds</b>		<b>4,315</b>	<b>3,282</b>	<b>7,597</b>	<b>8,094</b>

The notes on pages 32 to 45 form part of these accounts

Signed : .....

Name : .....(Chair of Trustees)

Date : 13th December 2018

## Statement of Cash Flows for the year ending 31 March 2018

	Note	Total Funds 2017-18 £000	Total Funds 2016-17 £000
<b>Cash flows from operating activities:</b>			
<b>Net cash provided by (used in) operating activities</b>	19	<b>391</b>	<b>(2,371)</b>
<b>Cash flows from investing activities:</b>			
Dividend, interest and rents from investments	6	67	68
Proceeds from the sale of investments	15	1,248	3,420
Purchase of investments	15	(1,182)	(1,701)
Increase / (decrease) in cash awaiting investment	15	(78)	201
<b>Net cash provided by (used in) investing activities</b>		<b>55</b>	<b>1,988</b>
<b>Change in cash and cash equivalents in the reporting period</b>		<b>446</b>	<b>(383)</b>
<b>Cash and cash equivalents at the beginning of the reporting period</b>	17	430	813
<b>Cash and cash equivalents at the end of the reporting period</b>	17	<b>876</b>	<b>430</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) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

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

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

In future years, the key risks to the Charity are a fall in income from donations or 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 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 but deferred and shown on the balance sheet as deferred income.

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

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

**(f) Recognition of expenditure and associated liabilities as a result of grants (cont.)**

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

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

**(g) Allocation of support costs**

Support costs are those costs which do not relate directly to a single activity. These include staff costs, costs of administration, internal and external audit costs. Support costs 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 professionally at five-yearly intervals 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 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.

The main form of financial risk faced by the charity is that of volatility in equity markets and 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 parties related to them has 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 FREM and 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 £2.86 million (2016-17: £1.32 million). Under the FREM and IFRS, grant payments to the Betsi Cadwaladr University Health Board totalled £1.66 million (2016-17: £4.68 million). The audited accounts of the Betsi Cadwaladr University Health Board are included in their annual report and are available from their website.

Name	Details	Interests
Dr E Moore	Executive Medical Director	Wife is the Clinical Director of Breast and Endocrine Surgery at the Royal Liverpool and Broadgreen University.
Mr G M Lang	Executive Director of Strategy	Governor of Coleg Cambria.
Mr C Wright	Director of Corporate Services	No declaration was received during the 2017/18 financial year as Mr Wright left the Health Board in May 2017. During the previous financial year Mr Wright had disclosed that his partner was a Director of University Hospital of South Manchester NHS Foundation Trust (UHSM). This Trust became part of a newly formed Manchester University NHS Foundation Trust on 1st October 2017.
Mrs M Hanson	Vice Chair	Undertakes occasional lecturing/supervision at Chester University for which payment can be claimed. Member of Public Health Wales Advisory Board and Fellow of the Royal Society for Public Health.
Mrs M W Jones	Independent Member	Member of the Development Board of Bangor University
Cllr B Feeley	Independent Member	Elected County Councillor and Cabinet Member for Denbighshire County Council.
Ms J Dean	Independent Member and Trades Union Representative	Partner is a part-time employee of Bangor University.
Cllr C Carlisle	Independent Member	As a member of Conwy County Borough Council sits on the group that looks at the provision of CAMHS services within Conwy.
Mrs N Stubbins	Associate Board Member - Director of Social Services	Statutory Director of Social Services, Denbighshire County Council.

Material transactions between the Charity and related parties disclosed above during 2017-18 were as follows:	Expenditure with related party £000	Amounts owed to related party £000
Bangor University	8	0
Conwy County Borough Council	6	1
Denbighshire County Council	5	4
University of Chester	4	3

There was no income from or amounts due from these related parties.

### 3. Income from donations and legacies

	Unrestricted funds £000	Restricted Income funds £000	Total 2017-18 £000	Total 2016-17 £000
Donations	1,137	33	1,170	1,162
Legacies	0	843	843	969
	<b>1,137</b>	<b>876</b>	<b>2,013</b>	<b>2,131</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 370 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 in aid of 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.

### 6. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Total 2017-18 £000	Total 2016-17 £000
Fixed asset equity and similar investments	41	26	67	67
Short term investments, deposits and cash on deposit	0	0	0	1
	<b>41</b>	<b>26</b>	<b>67</b>	<b>68</b>

## 7. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Total 2017-18 £000	Total 2016-17 £000
Fundraising office	195	0	195	186
Fundraising events	81	4	85	53
Investment management	26	20	46	49
Support costs	7	5	12	21
	<b>309</b>	<b>29</b>	<b>338</b>	<b>309</b>

## 8. Analysis of charitable activity

	Grant funded activity £000	Support costs £000	Total 2017-18 £000	Total 2016-17 £000
Grants for NHS Capital expenditure	1,104	39	1,143	326
Staff education and welfare	652	29	681	276
Patient education and welfare	886	33	919	824
Medical research (commitment not required)	(13)	1	(12)	(13)
Other	30	1	31	0
	<b>2,659</b>	<b>103</b>	<b>2,762</b>	<b>1,413</b>

## 9. Analysis of grants

The charity does not make grants to individuals. All grants are made to the Health Board to provide for the care of NHS patients in furtherance of our charitable aims. The total cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity, is disclosed in note 7.

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 Health Board.

## 10. Movements in funding commitments

	Current liabilities £000	Non-current liabilities £000	Total 31 March 2018 £000	Total 31 March 2017 £000
Opening balance at 1 April (see note 18)	291	6	297	2,842
Movement in liabilities	1,118	22	1,140	(2,545)
<b>Closing balance at 31 March (see note 18)</b>	<b>1,409</b>	<b>28</b>	<b>1,437</b>	<b>297</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 a 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.

	Raising funds £000	Charitable activities £000	Total 2017-18 £000	Total 2016-17 £000
<b>Governance</b>				
External audit	1	9	10	10
Finance and administration	5	42	47	44
<b>Total governance</b>	<b>6</b>	<b>51</b>	<b>57</b>	<b>54</b>
Finance and administration	5	44	49	52
Other costs	1	8	9	9
	<b>12</b>	<b>103</b>	<b>115</b>	<b>115</b>
	Unrestricted funds £000	Restricted Income funds £000	Total Funds 2017-18 £000	Total Funds 2016-17 £000
Raising funds	7	5	12	21
Charitable activities	57	46	103	94
	<b>64</b>	<b>51</b>	<b>115</b>	<b>115</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 trustee.

## 13. Auditors remuneration

The auditors remuneration of £10,250 (2016-17 £10,250) related solely to the audit of the statutory annual report and accounts.

## 14. Tangible fixed assets

	<b>Freehold land</b> <b>2017-18</b> <b>£000</b>	Freehold land 2016-17 £000
<b>Cost and valuation</b>		
Balance brought forward	0	0
Additions	135	0
Disposals	0	0
Balance at 31st March	<u>135</u>	<u>0</u>
<b>Depreciation and impairments</b>		
Balance brought forward	0	0
Disposals	0	0
Impairment	0	0
Balance at 31st March	<u>0</u>	<u>0</u>
Net book value at 1st April	0	0
<b>Net book value at 31st March</b>	<b><u>135</u></b>	<b><u>0</u></b>

During the year, 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 2018. The charity intends to dispose of the land on the open market.

## 15. Fixed asset investments

### Movement in fixed assets investments

	<b>Total</b> <b>2017-18</b> <b>£000</b>	Total 2016-17 £000
Market value brought forward	7,440	8,303
Add: additions to investments at cost	1,182	1,701
Less disposals at carrying value	(1,208)	(3,437)
Increase / (decrease) in cash awaiting investment	38	(184)
Add net gain / (loss) on revaluation	120	1,057
<b>Market value as at 31st March</b>	<b><u>7,572</u></b>	<b><u>7,440</u></b>

All investments are carried at their fair value.

All of the Charity's investments are held within a portfolio managed by Rothschild Wealth Management 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.

In line with this investment strategy, the portfolio has a 65% allocation to return assets. Return assets are expected to drive long-term performance but are also likely to be volatile over shorter periods. In addition, the portfolios maintain a 35% allocation to diversifying assets. These assets are included to provide real diversification and protection in difficult market conditions. Overall, the portfolios remain relatively defensively positioned. This approach provides protection on the downside, but allows the addition of return assets opportunistically, taking advantage of attractive prices particularly during market turbulence.

The environment for investors remains challenging and fraught with risks. In managing our portfolios, Rothschild Wealth Management 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	Total 31 March 2018 £000	Total 31 March 2017 £000
Accrued income	708	588
Prepayments	2	20
Other debtors	131	92
	<b>841</b>	<b>700</b>

## 17. Analysis of cash and cash equivalents

	Total 31 March 2018 £000	Total 31 March 2017 £000
Cash in hand	876	430
	<b>876</b>	<b>430</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

	Total 31 March 2018 £000	Total 31 March 2017 £000
<b>Creditors under 1 year</b>		
Trade creditors	47	31
Creditors owed to BCU	215	60
Accruals for grants owed to NHS bodies	1,409	291
Other accruals	128	88
	<b>1,799</b>	<b>470</b>
<b>Creditors over 1 year</b>		
Accruals for grants owed to NHS bodies	28	6
	<b>28</b>	<b>6</b>
<b>Total creditors</b>	<b>1,827</b>	<b>476</b>

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

	Total 2017-18 £000	Total 2016-17 £000
<b>Net income / (expenditure) (per Statement of Financial Activities)</b>	<b>(497)</b>	1,890
<b>Adjustment for:</b>		
(Gains) / losses on investments	(120)	(1,057)
Dividends, interest and rents from investments	(67)	(68)
Donated fixed assets	(135)	0
(Increase) / decrease in debtors	(141)	(308)
Increase / (decrease) in creditors	1,351	(2,828)
<b>Net cash provided by (used in) operating activities</b>	<b>391</b>	<b>(2,371)</b>

## 20. Transfer between funds

There have been the following transfers between material designated funds:

- £89,311 was transferred from Investment Gains (unrestricted) to all restricted funds to refund them for the net effect of interest, investment gains/loss and charity costs.
- £14,700 was transferred from the Maternal Health Project (unrestricted) to the Betsi-Quthing Fund (restricted) as the project was incorporated back into the overall Betsi-Quthing scheme, where the funding originated from.
- £976 was transferred from the C-Difficile Research Study Fund (restricted) to General Funds (unrestricted) as the project had completed with a small under spend and the original funding had come from General Funds.
- £10,157 was transferred from the Cancer Fund- YMW (unrestricted) to the Cancer Support Group - YMW (unrestricted) as the fund was closed.
- £1,157 was transferred from the Human Resources Training - West fund (unrestricted) to Ysbyty Gwynedd General Purposes (unrestricted) as the fund was closed.
- £643 was transferred from the Research & Development - West fund (unrestricted) to Ysbyty Gwynedd General Purposes (unrestricted) as the fund was closed.
- £450,000 was transferred from Investment Gains (unrestricted) to Staff Engagement Strategy (unrestricted) to fund a project that was approved by the charity.

## 21. Analysis of funds

### a. Analysis of restricted fund movements

	Balance 1 April 2017 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2018 £000
Ysbyty Gwynedd General Purposes	450	8	(18)	9	6	455
Wrexham Medical Institute	274	2	(12)	5	4	273
General Fund, YGC	203	46	(10)	5	3	247
North Wales Cancer Appeal	121	119	(9)	7	2	240
Cardiology Department, YGC	154	54	(37)	3	2	176
Llandudno General Purposes	168	3	(7)	3	2	169
Leukaemia/Allied Blood Disease, YMW	166	1	(6)	3	2	166
Wrexham Maelor General Fund	138	22	(7)	4	3	160
Cancer Fund, YGC	163	130	(153)	9	6	155
Cardiology Fund, YMW	141	21	(29)	3	2	138
Pathology Leukaemia/Haematology, YGC	117	1	(7)	2	2	115
BCU Legacies Fund	294	(237)	0	0	0	57
Alaw Ward, YG	126	75	(169)	3	0	35
Other Funds	1,069	713	(936)	47	3	896
	<b>3,584</b>	<b>958</b>	<b>(1,400)</b>	<b>103</b>	<b>37</b>	<b>3,282</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 2017 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2018 £000
Cancer Charitable Fund - Glan Clwyd	461	108	(9)	0	0	560
Investment Gains	856	190	(159)	(539)	83	431
Cancer Support Group - YMW	191	70	(17)	10	0	254
Alaw Ward, YG	63	191	(6)	0	0	248
Staff Engagement Strategy	0	0	(245)	450	0	205
Madog Community & Hospital	0	135	0	0	0	135
Palliative Care Fund - YMW	121	36	(24)	0	0	133
Llandudno General Purposes	130	0	0	0	0	130
Ysbytu Gwynedd General Purposes	127	1	0	2	0	130
Gynae Services - West	97	8	(1)	0	0	104
Cardiology Department, YGC	93	9	0	0	0	102
Diabetes & Endocrinology - Centre	104	2	(5)	0	0	101
Other Funds	2,267	775	(1,234)	(26)	0	1,782
	<b>4,510</b>	<b>1,525</b>	<b>(1,700)</b>	<b>(103)</b>	<b>83</b>	<b>4,315</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 Purposes Funds includes 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

There is one post balance sheet event which has not been adjusted for in the accounts:

The accounting statements are required to reflect the conditions applying at the end of the financial year. No adjustments are therefore made for any changes in the market value of the investments between the 1st April 2018 and the date the accounting statements are approved. The market value of the investments held by the Charity as at the 31st March 2018 have increased by a material amount in the intervening period as follows:

	<b>31 March</b>	<b>30 November</b>	<b>Movement</b>	<b>Movement</b>
	<b>2018</b>	<b>2018</b>	<b>Movement</b>	<b>Movement</b>
	<b>£000</b>	<b>£000</b>	<b>£000</b>	<b>%</b>
Investments	<u>7,572</u>	<u>7,770</u>	<u>198</u>	<u>2.61%</u>

There is one post balance sheet event which has been adjusted for in the accounts:

An adjustment has been made in the accounts for the reduction in June 2018 of the Workforce Development Strategy funding commitment by £205,000 to £245,000, following a significant amendment in scope of some projects included within the Strategy that had previously been presented to the Trustees by the Health Board. As this is an adjusting post balance sheet event, the effects of this reduction have been reflected in the accounts. Expenditure on Charitable Activities for staff education and welfare has been reduced by £205,000 and Funding Commitments have been reduced by the same amount. The monies released as a result have been returned to the fund, increasing the Total Funds carried forward at 31 March 2018 from £4,110,000 to £4,315,000.

## 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 29 to 45 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.

.....  
Russell Favager  
Trustee's Finance Representative

13th December 2018

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

The Trustee's Representatives are required under the National Health Services Act 1997 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

Trustee's Representative ..... 13th December 2018

Trustee's Finance Representative ..... 13th December 2018

# **Audit report of the Auditor General to the Trustee of the Betsi Cadwaladr University Health Board Charity**

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

### **Opinion**

I have audited the financial statements of Betsi Cadwaladr University Health Board Charity for the year ended 31 March 2018 under the Charities Act 2011. These comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### **Basis for opinion**

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

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

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

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

## **Report on other requirements**

### **Other information**

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

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

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

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

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

### **Responsibilities**

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

As explained more fully in the statement of trustee's responsibilities set out on page 47, the trustees are responsible for preparing the financial statements in accordance with the Charities Act 2011, for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Adrian Crompton  
Auditor General for Wales

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