

Powys Teaching Local Health Board Charitable Fund

Annual Report and Accounts for the Year
Ended 31st March 2022

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Trustee Arrangements

Powys Teaching Local Health Board Charitable Fund (the Charity) is registered with the Charity Commission; Powys Teaching Local Health Board (Powys THB) is designated as Corporate Trustee.

The members of Powys THB who served during the financial year to 31st March 2022 were as follows:

Powys Teaching Local Health Board Board Members 2021/22			
	Chair	Vivienne Harpwood	
	Vice Chair	Melanie Davies (to 26 Dec 2021) Kirsty Williams (from 10 Jan 2022)	
	Chief Executive	Carol Shillabeer	
Independent Members		Officer Members	
Third Sector	Trish Buchan	Executive Director of Finance & IT	Pete Hopgood
Trade Union	Susan Newport (to 30 Sep 2021) Cathie Poynton (from 11 Nov 2021)	Executive Director of Workforce & OD	Julie Rowles
University	Frances Gerrard	Executive Medical Director	Paul Buss
Finance	Anthony Thomas	Executive Director of Nursing	Alison Davies (to 7 Mar 2022) Claire Roche (from 7 Mar 2022)
Capital /Estates	Mark Taylor	Executive Director of Planning & Performance	Hayley Thomas
Local Authority	Matthew Dorrance	Executive Director of Therapies & Health Sciences	Claire Madsen
ICT	Ian Phillips	Executive Director of Primary, Community Care and Mental Health	Jamie Marchant (to Nov 2021)

General	Rhobert Lewis	Executive Director of Public Health	Stuart Bourne to 11 Mar 2022
General	Ronnie Alexander (from 21 Jun 2021)	Interim Board Secretary	James Quance

In order to assist the Corporate Trustee to fulfil its statutory duties under this registration, a Charitable Fund's Committee has been established with delegated powers to manage the Charity.

Charitable Funds Committee Membership

Current

Vivienne Harpwood	-	Chair (to 16 October 2022)
Carl Cooper	-	Chair (from 17 October 2022)
Rhobert Lewis	-	Independent Member (Vice Chair of Committee)
Cathie Poynton	-	Independent Member
Pete Hopgood	-	Executive Director of Finance & IT
Claire Madsen	-	Executive Director of Therapies

Registered Office

The registered office of the Charity is Bronllys Hospital, Bronllys, Brecon, Powys, LD3 0LY.

Registration Number

The Charity is registered with the Charity Commission – Registered Number 1057902.

Bankers

Barclays Bank
57 Frogmore Street
Abergavenny
Gwent
NP7 5AT

Internal Auditors

NHS Wales Shared
Services Partnership
Audit & Assurance Services
4-5 Charnwood Court
Heol Billingsley
Parc Nantgarw
Cardif
CF15 7QZ

Investment Advisors

Brewin Dolphin Ltd
12 Smithfield Street
London
EC1A 9BD

External Auditors

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

Foreword

The Charity was formally created on 28th May 2004 by a 'Deed of Arrangement' which replaced the Powys Health Care NHS Trust Charitable Fund, which had been in existence since 26th July 1996.

These accounts have been prepared in line with Financial Reporting Standard 102 (FRS 102).

The Charity's annual report and accounts for the year ending 31st March 2022 have been prepared by the Corporate Trustee in accordance with Part VI of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2005 (Statement of Recommended Practice (SORP) 2015). The Charity's report and accounts include all the separately established charitable funds for which the Local Health Board is responsible.

Administrative Details

The Charity has an umbrella registration with the Charity Commission under which funds are registered together under a single 'main' registration number. There are a total of 72 individual funds maintained within the accounting records as at the 31 March 2022, and the notes to the accounts distinguish the types of funds and disclose separately all material funds.

Charitable monies donated to the Charity are accepted, held and administered as funds and property held on trust for purposes relating to the health service in accordance with the National Health Service Act 1977 and the National Health Service and Community Care Act 1990.

Trustee

Powys THB is the Corporate Trustee of the Charitable Fund governed by the law applicable to Local Health Boards, principally the Trustee Act 2000 and also the law applicable to Charities, which is governed by the Charities Act 2011.

The chair and independent members of the Board are appointed by the Welsh Government and the executive directors are appointed by the Board.

The Corporate Trustee devolves responsibility for the on-going management of the charity to the Charitable Funds Committee which administers the fund on behalf of the Corporate Trustee. Details of the Corporate Trustee and its Charitable Funds Committee are disclosed on pages 2 to 4.

Principal Charitable Fund Advisor to the Board

Under a scheme of delegated authority approved by the Corporate Trustee, the Executive Director of Finance of Powys THB has responsibility for the management of the Charity, and the Head of Financial Services is the principal officer overseeing the day-to-day financial management and accounting for the charitable fund and its specific charitable accounts during the year.

Professional Advisors

The principal professional advisors to the Corporate Trustee are detailed on page 4.

Structure Governance and Management

The Charity's unrestricted fund was established using the model declaration of trust. All funds held on trust as at the date of registration were either part of this unrestricted fund or registered as separate restricted funds under the main Charity. Subsequent donations and gifts received by the Charity that are attributable to the original funds are added to those fund balances within the existing Charity. Where funds have been received which have unique specific restrictions set by the donor, new unrestricted (designated) funds have been established.

The current structure of the individual funds reflects the fact that the majority of income and expenditure is focused where patients receive services. Operational managers exercise control over the funds donated to their management area. The charitable funds available for spending are allocated to service areas within Powys THB's management structure. There are, for example, specific allocations made for individual wards and for specific service areas such as Palliative Care and Brecon Cardiac Services.

Members of the Powys THB and its Charitable Funds Committee are not individual Trustees under Charity Law but act as agents on behalf of the Corporate Trustee.

Acting for the Corporate Trustee, the Charitable Funds Committee is responsible for the overall management of the Charitable Funds. The Committee is required to:

- control, manage and monitor the use of the fund's resources for the public benefit having regard to guidance issued by the Charity Commission,
- provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income,
- ensure that 'best practice' is followed in the conduct of all its affairs fulfilling all of its legal responsibilities,
- ensure that the approved Investment Policy incorporated within the Charitable Funds Policy approved by the Teaching Local Health Board as Corporate Trustee is adhered to and that performance is regularly reviewed whilst being aware of ethical considerations,
- keep the Corporate Trustee fully informed on the activity, performance and risks of the Charity.

Powys THB is the main beneficiary of the charity and is a related party by virtue of being the Charity's Corporate Trustee. By working in partnership with Powys THB, the charitable funds are used to best effect and so when deciding upon the most beneficial way to use charitable funds, the Corporate Trustee has regard to its main activities, objectives, strategies and plans. The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objectives of each fund that has been designated to respect the specific wishes of each donor.

The accounting records and the day-to-day administration of the fund is dealt with by the Finance Department located at Bronllys Hospital, Brecon, Powys, LD3 0LS.

A message from our Chair

Hello,

You may or may not already be familiar with our Charity but PTHB Charity is the registered charity for the whole of the Powys Teaching Health Board and we look after all donations that are made to NHS staff, services, and hospitals in Powys. We work with health board staff to use those donations directly, or distribute them through our different funding streams. It is our goal to support NHS staff, patient, and community projects for the benefit of the health and wellbeing of Powys.

Following on from a remarkably difficult period during the pandemic there was still a lot of uncertainty and many challenges for us as a Charity during the past year. At the start of 2022, our Charity team was seconded for a period of three months to lend support to business-critical services at the Health Board, amidst the pressures created by COVID-19. This impacted much of our planning but despite the obvious obstacles, our staff managed to rise to the occasion with a host of new projects, partnerships, and positive impacts to celebrate.

This year, one of those celebrations was the 25th anniversary of the Powys Teaching Health Board Charity being established as a Registered Charity. To mark the occasion, we held our very first photography competition which saw some eye-catching submissions from PTHB staff members and the public to showcase what Powys means to them. Twelve winning submissions made onto our very own photo calendar (another first), helping us to raise vital service funds over the Christmas period. I highly encourage you to visit our website and social media channels to see those if you have not done so already!

With a greatly expanded scope and a host of new opportunities to progress from the previous year, 2021-22 also saw the growth of our Charity team with another full-time member of staff. Shania Jones joined us in the newly established role of Charity Administrative Support Officer in May 2021, helping us achieve the strongest year for fundraising and engagement in the Charity's history.

In 2021-22 we were able to commit a total of over four hundred and fifty thousand pounds and fund thirty-seven new projects across Powys. This included everything from ambitious multi-year projects which provide state-of-the-art training opportunities in the Powys Health and Care Academy, to grassroots support for health clubs in local schools and community centres. The diversity and breadth of projects supported was a historic first for the Charity that would not have been possible without the dedication of our health board colleagues and community partners to bring those projects to fruition.

The Charity also successfully raised over half a million pounds thanks to the incredible generosity of our local donors in Powys and an impactful national fundraising campaign by NHS Charities Together which captured the hearts and minds of millions. This outpouring of generosity has provided the platform for our Charity to invest in the local health care of our community for many years to

come. With your support, we will continue to work towards our goal of making positive long-term impacts to help people live healthier lives in Powys.

Thank you to each and every single one of our amazing supporters, staff, partners and NHS colleagues that have helped to make these achievements possible.

Carl Cooper,

**Chair of Powys Teaching Local Health Board and
PTHB Charitable Funds Committee**

Our objectives

The Charity's main fund has NHS wide objectives as follows:

"The Trustee shall hold the Trust fund upon trust to apply the income, and at their discretion, so far as may be permissible, the capital, for any charitable purpose or purposes relating to the National Health Service, wholly or mainly for the services provided by Powys Teaching Local Health Board (hereinafter referred to as "the objects")"

This means that the fund can be used for the benefit of patients and staff who receive or help deliver the services provided by Powys THB in accordance with the Deed of Trust.

The Charity is funded by donations and/or legacies received from patients, relatives and friends, the general public and other external organisations. The Corporate Trustee fulfils its legal duty by ensuring that funds are spent in accordance with the objects of each fund. The trustee respects the wishes of our donors to benefit patient care and advance good health and welfare of patients and staff and ensuring that all expenditure fulfils public benefit criteria. The practice of the Charity is to provide support to the Powys THB by the following means: -

- | | |
|------------------------|---|
| Patients' Expenditure: | by purchase of small equipment, and the provision of services and facilities not normally provided by or additional to the normal NHS provision. |
| Staff Expenditure: | by supporting staff to provide more effective services to patients, through (for example) additional education and training opportunities; and facilitating and promoting research. |
| Medical Equipment: | by purchase of equipment in addition to that normally provided by the NHS. |

When there are changes in the delivery of a service, or when for some other reason it becomes impractical to maintain a separate fund, the Corporate Trustee has ultimate discretion, in accordance with Section 96 of the NHS Act 1977, to apply the charitable funds. Its objective, however, is to continue to respect the donor's wishes.

Placing the Charity in context

The remit and scope of PTHB Charity has increased dramatically since appointing its first dedicated full-time staff member in early 2020. The Charity team has continued to expand along with its presence and reach amongst NHS staff and the public throughout the pandemic. Being the official NHS charity for Powys during this challenging time saw an increased relevance for its work. The Charity will, therefore, build upon this moving forward as it implements its new strategy.

As an NHS charity, PTHB Charity can help to develop new partnerships between the public health sector and the voluntary health sector. The Charity can be a catalyst for partnership projects and programmes that help reduce the number of people who get ill and need statutory health intervention and help improve the health and wellness of those with long-term health conditions.

The NHS workforce provides the foundation for health care in Powys. By supporting and providing for a better working environment and better outcomes for NHS staff, the Charity can help ensure better outcomes for NHS patients and their families. This has been a vital area for the Charity in the past and will continue to remain a significant priority for support following the impact of COVID-19.

Where possible, the Charity will look to learn from the most influential and impactful third sector organisations from across the UK, particularly those in the field of healthcare and medical support and leading grant giving charities. More locally, the Charity will also look to work with other health board charities in Wales on relevant issues and to coordinate campaigns and communications for the widest possible impact.

The support network that has been created and maintained by NHS Charities Together across the last two years has allowed for greater collaboration between NHS charities. Maintaining a strong relationship and open dialogue, particularly with Welsh NHS and third sector colleagues, can ensure the Charity is as knowledgeable, responsive and effective as possible within its field.

Key objectives

The objectives outlined below have been set out in-line with the strategic objectives of the Powys Teaching Health Board's Integrated Medium Term Plan and its core values.

The strategic objectives aim to:

- Provide clarity on the Charity's purpose and remit for PTHB staff and members of the public.
- Outline key areas for development.
- Establish a pathway for progression.
- Demonstrate the synergies between the objectives of the Charity and those of the PTHB as set out by the Integrated Medium-Term Plan (IMTP).

The following objectives were chosen in order to outline a clear and consistent identity for the Charity, build a profile and increase its impact through greater engagement, and ensure it remains sustainable throughout 2021-22 and beyond.

- 1) Ensure strategy, planning and governance are efficient and effective
 - a) Review all Charity governance and bidding arrangements to implement operational efficiencies.
 - b) Establish clear Charity guidelines and policy for PTHB staff and independent members.
 - c) Develop a new Stakeholder Engagement Strategy for the Charity.
 - d) Scale and adapt the Charity whilst ensuring its long-term viability and sustainability.
- 2) Develop a timely and effective charitable response to health and wellbeing issues across Powys
 - a) Proactively engage with staff and patients to facilitate new charitable funding proposals.
 - b) Increase collaboration with third sector partners on fundraising and awareness raising campaigns.
 - c) Implement an effective COVID support and recovery funding programme for staff, volunteers and patients.
 - d) Generate relevant engagement opportunities to allow the public to connect with the Charity.
- 3) Create and deliver an engaging communication strategy.
 - a) Create a new brand identity for the Charity with input from key stakeholders (PTHB staff, third sector partners, service users, beneficiaries and local residents).
 - b) Enhance the Charity's public fundraising presence and generate new fundraising opportunities for the Charity.
 - c) Produce effective and engaging campaigns to widen the Charity's reach and engage new audiences.
- 4) Develop and coordinate a comprehensive stakeholder network.
 - a) Build on existing regional partnerships in order to further the Charity's strategic objectives.
 - b) Form new partnerships with key stakeholders which support the implementation of the Charity's strategic objectives.
 - c) Manage the Charity's engagement network (staff, volunteers and public).

Delivery and monitoring

Delivery of these objectives is overseen and monitored by the Charitable Funds Committee on behalf of the Corporate Trustee as a key programme of work.

Our year in review

Impact of the pandemic

Like many other services across the Powys Teaching Health Board, the final months of 2021-22 were a relatively unsettled period for the Charity team. With organisational staffing impacted by a combination of vacant roles and COVID-19, January saw both members of the team temporarily seconded to support other services where there was operational urgency. Charity activity was temporarily reduced because of this to business essential activity only. These working arrangements remained in place until the end of March when the Charity began to gradually return to a business-as-usual capacity. This resulted in some delays to the operational activity outlined in the PTHB Charity 2021/22 annual workplan. The most notable delay was to the planned development of a new Charity brand, which will instead be carried into the next financial year.

Despite the slight disruption the Charity team responded well to the ask and challenges presented during this time and has benefited from more visibility at senior levels in the organisation, new connections with adjacent teams and services that will benefit its work going forwards.

Fundraising

Following a record-breaking year for fundraising interest and engagement from the community in 2020/21 due to the COVID-19 pandemic, 21/22 saw overall fewer numbers of active community fundraisers and donors, although the Charity continued to diversify its income streams. Growth in grant funding, legacy donations and investment income offset fewer grassroots and community donations. Thanks to this, the Charity's overall income was higher than the previous year, generating over £540,000. Despite this year-on-year increase, the Charity anticipates that income will decrease slightly in future years as the world moves on from the pandemic. This has been echoed in feedback from across the sector, including NHS Charities Together and Welsh NHS Charity colleagues.

The Charity continued to benefit from strong individual donations from local communities for specific, frontline teams such as the North Powys Palliative Care Team and the Talgarth District Nursing Team. The Charity team shifted priorities during the year to better maintain ongoing links between donors, the Charity and teams who are benefitting from the donation to ensure the impact of these donations was better captured and celebrated.

In May 2021, the Charity received a significant legacy donation of circa £200,000 for the benefit of Welshpool hospital. Legacies and gifts have formed a large percentage of the Charity's funds over the past 25 years, despite very little information on the topic made available to the public. Inspired by this donation,

the Charity launched a Legacy awareness raising campaign in November 2021 with new guidance on how to leave a gift in a will and how these donations benefit NHS staff and patients in Powys.

There was also support from corporate partners during the year with the Maldwyn Agency of NFU Mutual chose to make a sizeable contribution to the Newtown Stroke Unit. In December, The Original Factory Shop in Machynlleth made the decision to nominate PTHB Charity as their official charity of the year. This made them the Charity's first corporate partner and donations made in store and via purchases will help to support their local hospital throughout the year.

PTHB Charity was also involved in an all-Wales NHS Fundraiser organised by the Swansea Bay Health Board Charity, established during the pandemic, which raised over £190,000 to be distributed evenly between 9 NHS Charities in Wales.

Communications & Engagement

The introduction of a Charity Manager in the previous year led to a steady increase in the scope and reach of the Health Board's Charitable Funds with the addition of new internal and external communication channels, an increased public-facing presence and the development of new partnerships and commitments.

The Corporate Trustee, therefore, decided that an additional post should be a part of the efforts to scale up the Charity whilst ensuring its long-term viability and sustainability. Shania Jones started in the newly created post of Charity Administrative Support Officer in May 2021. In addition to greater general support with administrative and clerical tasks, the post has allowed the Charity to develop a more consistent schedule of digital engagement content and higher quality social media posts with far higher engagement levels. An example of this being the monthly PTHB Charity newsletter launched in July 2021, initially for PTHB staff, and since expanded to the wider public. The Charity's social media channels also amassed over 75,000 impressions during the year, with an average engagement rate of 2.35% and a total of almost 400 active followers across all channels.

July marked the 73rd birthday of the NHS, which the Charity celebrated by taking part in the NHS Big Tea campaign. The national campaign was coordinated by NHS Charities Together as an opportunity to celebrate and reflect on the successes of the NHS. PTHB Charity used the campaign as an opportunity to highlight the various projects, big and small, that were funded over the previous 12 months in Powys, with a view to encouraging new project submissions. The Charity team held a Powys-wide Randomised Tea Break for PTHB staff. This was an opportunity for the Charity to pair participants with other colleagues at random and arranging a short coffee break catch up which could be held physically or digitally. The aim was to help staff connect (or reconnect) despite COVID-19 restrictions and raise funds for the individual teams and services. Over 30 staff participated in the first digital event, providing a lot of positive feedback. This led to the concept being incorporated into other campaigns throughout the year.

The campaign which proved most successful during the year was a '25 years of PTHB Charity' campaign to commemorate 25 years since the Charity was first registered. The campaign gained traction through a photography competition for

NHS staff, Powys schools and members of the public. The aim of the competition was to encourage more engagement from the public through their submission of their favourite images of Powys from across the last quarter of a century. A selection of winning entries were chosen to create a set of PTHB Charity calendars for 2022, which were sold to raise funds over the Christmas period.

During the festive season, both Legacies and community fundraising were the principal communication priorities with *Choose Your Cause* messaging, which aimed to spotlight fundraising opportunities for the smaller, individual PTHB services that were most relevant to Charity audiences.

Looking ahead to 2022-23, the development of a unified, consistent brand identity remains a key priority for the Charity to broaden its engagement. The team will look to enlist support from external creative marketing agencies to help expedite the process.

Powys Health and Care Academy

In June 2021, PTHB Charity supported its biggest most ambitious project yet, providing funding for the Bronllys campus of the Powys Health and Care Academy. The Charity provided £180,000 towards the new £1.6 million facility as part of a new strategic partnership which will help improve access to health and social care training in the county and encourage more people to take up a career in the sector.

A large proportion of the working-age population of Powys accessing education, learning and development outside of county, given there is no 'brick university' within the footprint of Powys. Approximately 500 students each year go out of county to access higher level educational opportunities, equating to £2 million worth of educational funding moving to neighbouring counties and across the border into England. To meet future demand, there has to be a change in the way services are delivered and how the workforce is secured and developed, so that both are affordable and sustainable. The concept of operating as a hub and spoke model across the county, offers a practical solution to accessing health and social care education and training across the geographical footprint in Powys.

The Charity's contribution was utilised as part of the refurbishment of Basil Webb Hall, a new outdoor learning space, and an adaptive living space in the refurbished Magpies bungalow, which will be used to provide simulated learning in a community setting. It will specifically provide state-of-the-art IT kit and furnishings to enable Powys to better link with Academic partners outside of county and increase the in-reach of education into county and offer more research, innovation and improvement initiatives.

The Academy is planned to soft launch early in 2022-23 with a view to a full opening later in the year to align with the academic year.

Ongoing projects and partnerships

The Charity continued its aim to support larger, more strategic interventions in September 2021 with a commitment of £238,000 support to a new nurse training

programme bursary scheme over a four-year period. The funding will support 4 candidates from the Powys Community to join a new initiative recruiting local Powys residents to newly created Healthcare Support Worker (HCSW)/ Registered Nurse (RN) Training Posts and will provide a total of 8 new training roles.

The funding provided by PTHB Charity will be awarded as a bursary/sponsorship scheme targeting areas of high deprivation. Using this approach, new recruits will be employed as Band 2 HCSWs, will undertake the pre-registration nurse degree part-time over four years with the Open University (OU) and exit their training as a qualified Registered Nurse (RN). They will be guaranteed a RN role and will be committed to working in PTHB for a minimum of two years post registration.

These recently advertised training posts have attracted huge interest from existing Powys residents and communities, making it more likely that they will remain in PTHB after qualifying. It will also support recruitment in targeted locations where we have hard to fill RN posts. The Charity plans to closely monitor the progress of the recruits over their four year journey and explore future options for targeted bursary support following the evaluation of the programme.

Ongoing projects and partnerships

The Powys End of Life Care project was awarded £60,000 in 2020 and has continued to make good project progress into this year. The project team has run a very successful series of surveys for staff and members of the public in Powys to establish benchmarks for end of life care. Due to the large uptake in responses to the surveys, there are a number of external organisations interested in the findings, such as Hospice UK and other Health Boards. The National Museum of Wales (NMW) is also collaborating with the project group on its NHS Decides / Celf ar y Cyd project, which aims to deliver a bespoke implementation of artwork for hospital settings. While the project involves all Health Boards in Wales, PTHB is the only Health Board that is utilising the project in end of life care. The NHS Decides project will lead to bespoke packs for patients, families and caregivers which includes a variety of artwork and supporting materials that have been chosen and developed with input from staff and patients that will help people learn and gain more from the pieces.

After launching the highly successful COVID Response Fund in the previous year to help support staff, patients, and services affected by the pandemic, the Charity focused on promoting and utilising all the funding received from NHS Charities Together in 2021-22. Many of the Fund's projects, particularly larger programmes, experienced delays during the year due to various factors related to the pandemic. The Charity is working to ensure that all of the funding is committed, and the projects supported are able to be completed by the end of the next financial year.

The HORIZON arts in mental health project partnership with Powys County Council, started work in earnest during the year after receiving funding from the Charity in March 2021. There are currently several intervention workshops taking place across Powys to support patients with creative endeavours as part of their treatment. Other creative interventions are being planned in Powys,

including somatic experiencing and dance with people engaged in the Improving the Cancer Journey (ICJ) programme, and clay modelling, sculpture making and printing workshops for young people at risk of substance misuse at the Mid Wales Arts Centre.

Income & expenditure

Income

Voluntary income consists of donations and legacies from patients and their relatives and friends. Total income of £723,661 received during 2021/22 included £542,893 which related to three legacies.

Donations in 2021/22 include an amount of £4,443 received from various Leagues of Friends associated with Powys Hospitals (2021: £17,217).

The generosity of all those who made a donation or left a legacy is greatly appreciated. An analysis of total income is given below.

	2021/22	2020/21
	£	£
Interest and Dividends	112,028	79,104
Donations	68,740	102,439
Legacies	542,893	58,987
Grant Income	0	151,600
	<u>723,661</u>	<u>392,130</u>

Expenditure

Expenditure on charitable activities and Support Costs in 2021/22 was £278,225 (2021: £256,685).

An analysis of expenditure (excluding Fundraising costs) is shown below:

	2021/22	2020/21
	£	£
Staff Education, Welfare and Amenities	16,669	56,409
Patient Education, Welfare and Amenities	96,558	92,209
Medical Equipment	7,812	15,188
Building and Refurbishment	55,563	1,584
Support Costs	101,623	91,295
	<u>278,225</u>	<u>256,685</u>

Gain/Loss on Investment Assets

An amount of £2.804M was invested via Brewin Dolphin Ltd in February 2020 and at the 31st March 2022 was valued at £3.548M (2021:£3.328M) the unrealised gain on Investment totalled £0.236M. Unrealised gains and losses are calculated as the difference between the market value of the investment at the year end and opening carrying value. Since the investments have not physically been sold, this change in valuation remains an unrealised gain/loss until a sale transaction realises the value and it becomes a realised gain/loss.

Elements of funds held

Expenditure was undertaken from the Charity's unrestricted and restricted income funds; these funds comprise two elements:

- **The General Purposes Fund**, which is constituted of funds received by the Charity with no particular preference expressed by donors. Applications can be made to this fund from any service area within Powys THB. Expenditure from this fund is targeted on projects in areas that do not have available Designated Funds to pay for them.
- **Designated Funds**, which usually contain donations where a particular part of a Hospital or Health Board activity was nominated by the donor at the time their donation was made. Whilst their nomination is non-binding on the Trustee, the designated funds reflect these nominations and are overseen by Service Managers who can make recommendations on how to spend the money within their designated area. Service Managers' recommendations are duly considered and these funds can be spent at any time with the prior approval of the Charitable Funds Committee or Executive Directors/Assistant Directors.

Reserves policy

The Charity's 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 £0.708M. This is based on the following calculation, with average figures taken from the last three years of audited accounts:

- One year's administration cost (support costs, fundraising costs and investment management costs).
- 20% 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 at least annually, to ensure that sufficient funds are held within the Charity, whilst also continuing to utilise funds within a reasonable period of receipt.

A review of funds, performance & investments

The net assets of the Charitable Funds as at 31st March 2022 were £4,596,846 (2021: £3,932,603). Overall net assets increased by £664,243.

The charity continues to rely on donations and legacies and investment income as the main sources of income. Total incoming resources increased by £331,531 compared with the previous financial year. Legacy income increased by £483,906.

Expenditure of £278,225 has increased compared with the previous year (2021: £256,685). The total charitable expenditure on direct charitable activity, including support costs was £278,225 across a range of programmes.

Purchase of new medical equipment

The total spend on providing new equipment for Powys THB of £7,812 (2021: £15,188) represents a vital and valuable contribution to enhancing the provision of clinical care ranging from purchases of small items of rehabilitation equipment through to an hydraulic patient chair.

Provision of Staff Education, Welfare and Amenities

Of the total Staff Education, Welfare and Amenities expenditure in year of £16,669 (2021: £56,409), the Charity contributed £10,057 (2020: £22,411) towards the provision of education and training for Powys THB staff undertaking further professional education and training.

Provision of Patient Education, Welfare and Amenities

A significant amount of expenditure £96,557 (2021: £92,209) has been charged under this heading in the year from small initiatives such as increased patient activities at day hospitals to the funding of a digital facilitator to assist patients in the community access hospital services via digital means.

Performance management

The Charity Manager and Charity Administrative Support Officer have been employed to deliver a new strategy for the Charity and to support the development of new projects, partnerships and proposals to help the Charity to best fulfil its

charitable aims and objectives. The Charity team will help the Trustee to monitor general progress and performance of charitable funds and their utilisation. The performance of the Charity team is regularly reviewed by both the Charitable Funds Committee and the Corporate Trustee in order to ensure to the Charity continues to achieve and deliver support to its full potential.

All general purpose funding proposals and significant proposals (above £5,000 in value) are reviewed and approved by the Charitable Funds Committee with prior support from the PTHB Executive Committee. Local and designated fund requests that fall below the above threshold require support from Executive Directors/Assistant Directors for the delegated service managers who manage those funds.

Investments

The Corporate Trustee has considered potential risks to which the Charity is exposed. There are no major risks that have been identified other than those associated with the normal fluctuations in the value of investments. The Trustee believes these risks are appropriately managed. Independent investment advisors (Brewin Dolphin Limited) have been appointed, and investments are held in a diversified fund of investments.

The Corporate Trustee invests the funds of the Charity with Brewin Dolphin Ltd via a Portfolio arrangement. At the year-end 13%, 73%, 6% and 7% were invested in Fixed Income, Equities, Alternatives and Other Investments respectively with the remaining 1% held as cash assets.

The Corporate Trustee continues to consider its exposure to the fluctuations in the value of its equity-based investment, and receives a quarterly investments performance report at each Charitable Funds Committee meeting.

In line with the ethos of promoting patient wellbeing, the Corporate Trustee attempts to ensure that all investments are ethically and environmentally sound, and are not opposed to the core purpose of the Charity. This ethical mandate is interpreted by our Investment Managers and informs the makeup of our portfolio. These ethical considerations are regularly monitored on a quarterly basis.

The strategy of the Corporate Trustee is that funds are spent within a timely manner after receipt. The Charity has further developed this strategy to target funds that remained dormant for a period of over 12 months to ensure that the funds that have been built up over many years are being targeted and distributed equitably. This has been made possible by the introduction of a Charity Manager to support the Corporate Trustee's aims and to support service managers, Senior operational teams and Directorate Managers in developing strategic proposals to utilise funds throughout the year.

Looking ahead to 2023

This review should be viewed in the context of the Corporate Trustee vision to ensure wherever possible, the Charity supports the health and wellbeing of the people of Powys.

The overall direction of the Charity will continue to be developed in future years with priorities and objectives which outline a clear and consistent identity. This will help to build its profile and increase the impact of its work through greater engagement and strategic investment. To achieve this, the Charity will undertake a full review of its vision, values and strategic priorities with its stakeholders and implement a new long-term strategy. This strategy will ensure PTHB Charity remains relevant and sustainable following the widespread and lasting impact of the COVID-19 pandemic.

The priorities for this strategy will be identified through consultation with the Charity's stakeholders, which includes PTHB staff and Board members, third sector partners, patients and their families, as well as members of the community. All future priorities for PTHB Charity should reflect its stakeholders' expectations of what it can deliver and complement the strategic aims of Powys Teaching Health Board's Integrated Medium-Term Plan (IMTP) 2022-2025.

The Charity will continue work with partners, donors, staff and other stakeholders to add benefit to the population of Powys receiving health care services. As such, income and expenditure plans will be the subject of continual review to ensure that future needs are prioritised accordingly.

Thank you for all your support

On behalf of the patients, staff and community members who have benefited from improved services due to donations and legacies, the Corporate Trustee and the Charity would like to thank all patients, relatives, friends and staff who have made charitable donations or contributions during the year. We have been overwhelmed by the generosity of our communities this year and for that we cannot thank them enough.

PTHB Charity and the Powys Teaching Health Board has a clear view of how health services should be delivered to improve the health and wellbeing of Powys. We

can only make this vision possible through our partners, staff, patients, carers and our Powys communities and we invite you to join us to make this a reality. If you want to learn more about PTHB Charity and how you can support, please visit the Charity's website: pthb.nhs.wales/about-us/our-charity/ or contact the Charity at PTHB.Charity@wales.nhs.uk.



Mr Carl Cooper

Chair

**Powys Teaching
Local Health Board**



Mrs C Shillabeer

Chief Executive

**Powys Teaching
Local Health Board**

Statement of Trustee responsibilities in respect of the Trustee's Report and the financial statements

Under charity law, the Trustee is responsible for preparing the Trustee Report and the financial statements for each financial year which show a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period.

In preparing these financial statements, generally accepted accounting practice entails that the Trustee:

- selects suitable accounting policies and then applies them consistently;
- makes judgements and estimates that are reasonable and prudent;
- states whether the recommendations of the Statement of Recommended Practice FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- states whether the financial statements comply with the trust deed, subject to any material departures disclosed and explained in the financial statements;
- prepares the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The Trustee is required to act in accordance with the trust deed and the rules of the charity, within the framework of trust law. The Trustee is responsible for keeping proper accounting records, sufficient to disclose at any time, with reasonable accuracy, the financial position of the charity at that time, and to enable the Trustee to ensure that, where any statements of accounts are prepared by them under section 42(1) of the Charities Act 2011, those statements of accounts comply with the requirements of regulations under that provision. The Trustee has a general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

The Trustee is responsible for the maintenance and integrity of the financial and other information included on the Powys Teaching Local Health Board website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustee confirms that it has met the responsibilities set out above and complied with the requirements for preparing the accounts. The financial statements set out on pages 25 to 39 attached have been compiled from and are in accordance with the financial records maintained by the Trustee.

By Order of the Trustee



26th January 2023

Signed:(Chair)

Date:.....



26th January 2023

Signed:(Chief Executive) Date:.....

The independent auditor's report of the Auditor General for Wales to the Trustee of Powys Teaching Local Health Board Charitable Fund

Opinion on financial statements

I have audited the financial statements of Powys Teaching Health Board Charitable Fund (the Charity) for the year ended 31 March 2022 under the Charities Act 2011. These comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the Charity as at 31 March 2022 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 of opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. 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

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Trustee with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report other than the financial statements and my auditor's report thereon. The Trustee is responsible for the other information contained within the annual report. 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. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Report on other requirements

Matters on which I report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the Trustee's report;
- sufficient accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit.

Responsibilities

Responsibilities of the Trustee for the financial statements

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- Enquiring of management, the Charity's internal auditors and those charged with governance, including obtaining and reviewing supporting documentation relating to the Charity's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: posting of unusual journals and cut-off;
- Obtaining an understanding of the Charity's framework of authority as well as other legal and regulatory frameworks that the Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity.
- In addition to the above, my procedures to respond to identified risks included the following:
 - reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations;
 - enquiring of management and those charged with governance about actual and potential litigation and claims;
 - reading minutes of meetings of those charged with governance;
 - in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the

effectiveness of the Charity's controls, and the nature, timing and extent of the audit procedures performed.

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. This description forms part of my auditor's report.



Adrian Crompton
Auditor General for Wales
30th January 2023

24 Cathedral Road
Cardiff
CF11 9LJ

Powys Teaching Local Health Board Charity Statement of Financial Activities for the year ended 31 March 2022

		Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total Funds 2021/22 £000
	Note				
Incoming resources from generated funds:					
Donations and legacies	3	611	0	0	611
Investments	5	112		0	112
Total incoming resources		723	0	0	723
Expenditure on:					
Raising Funds	6	16	0	0	16
Charitable activities	7	279	0	0	279
Total expenditure		295	0	0	295
Net gains / (losses) on investments	13	236	0	0	236
Net income / (expenditure)		664	0	0	664
Transfer between funds	18	0	0	0	0
Net movement in funds		664	0	0	664
Reconciliation of Funds					
Total Funds brought forward	19	3,930	0	3	3,933
Total Funds carried forward		4,594	0	3	4,597

Powys Teaching Local Health Board Charity Statement of Financial Activities for the year ended 31 March 2021

		Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total Funds 2020/21 £000
	Note				
Incoming resources from generated funds:					
Donations and legacies	3	313	0	0	313
Investments	5	79	0	0	79
Total incoming resources		392	0	0	392
Expenditure on:					
Raising Funds	6	13	0	0	13
Charitable activities	7	256	0	0	256
Total expenditure		269	0	0	269
Net gains / (losses) on investments	13	557	0	1	558
Net income / (expenditure)		680	0	1	681
Transfer between funds	18	0	(2)	2	0
Net movement in funds		680	(2)	3	681
Reconciliation of Funds					
Total Funds brought forward	19	3,250	2	0	3,252
Total Funds carried forward		3,930	0	3	3,933


Powys Teaching Local Health Board Charity Balance Sheet as at 31 March 2022

		Unrestricted funds	Restricted Income funds	Endowment funds	Total 31 March 2022	Total 31 March 2021
	Note	£000	£000	£000	£000	£000
Fixed assets:						
Investments	13	3,788	0	3	3,791	3,390
Total fixed assets		3,788	0	3	3,791	3,390
Current assets:						
Debtors	14	4	0	0	4	32
Cash and cash equivalents	15	980	0		980	657
Total current assets		984	0	0	984	689
Liabilities:						
Creditors: Amounts falling due within one year	16	178	0	0	178	146
Net current assets / (liabilities)		806	0	0	806	543
Total assets less current liabilities		4,594	0	3	4,597	3,933
Creditors: Amounts falling due after more than one year	16	0	0	0	0	0
Total net assets / (liabilities)		4,594	0	3	4,597	3,933
The funds of the charity:						
Endowment Funds	19			3	3	3
Restricted income funds	19		0		0	0
Unrestricted income funds	19	4,594			4,594	3,930
Total funds		4,594	0	3	4,597	3,933

The notes on pages 29 to 40 form part of these accounts

Signed :

Carl Cooper

Name :(Chair of Trustees)

26 January 2023

Date :

Powys Teaching Local Health Board Charity Statement of Cash Flows for the year ending 31 March 2022

		Unrestricted funds	Restricted Income funds	Endowment funds	Total Funds 2021-22	Total Funds 2020-21
	Note				£000	£000
Cash flows from operating activities:						
Net cash provided by (used in) operating activities	17	195	0	0	195	(10)
Cash flows from investing activities:						
Dividend, interest and rents from investments	5	112	0	0	112	79
Proceeds from the sale of investments	13	369	0	0	369	804
Purchase of investments	13	(351)	0	0	(351)	(1,586)
Movement of Cash held as part of investment portfolio	13	(2)	0	0	(2)	779
Net cash provided by (used in) investing activities		128	0	0	128	76
Change in cash and cash equivalents in the reporting period		323	0	0	323	66
Cash and cash equivalents at the beginning of the reporting period	15	657	0	0	657	591
Cash and cash equivalents at the end of the reporting period	15	980	0	0	980	657

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 meet the definition of 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 donations 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).

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 19.

(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.

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) Incoming resources from endowment funds

The income received from the investment of endowment funds is attributed to unrestricted funds to be spent on charitable purposes. Any gains or losses arising from the valuation of investment of the endowment capital amount are attributed to the endowment fund

(f) Resources expended and irrecoverable VAT

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

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

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

(g) Recognition of expenditure and associated liabilities as a result of grants

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

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

A constructive obligation arises when:

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

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

(h) Allocation of support costs

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

(i) Fundraising costs

There has been £16K fundraising costs incurred by the Charity during 2021/22 (2020/21 £13K). This relates to investment management costs.

(j) Charitable activities

Costs of charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs, where not wholly attributable, are apportioned between the categories of charitable expenditure in addition to the direct costs. The total costs of each category of charitable expenditure include an apportionment of support costs as shown in note 7.

(k) Debtors

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

(l) Fixed Asset 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 disposal throughout the year. Quoted stocks and shares are included in the Balance Sheet at the current mid price market value quoted by the investment analyst, excluding dividend. The SORP recommends that the bid price market price be used in valuing stocks and shares, although the difference between the bid and mid market price is not material. Other investments are included at the trustees' best estimate of market value.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to the wider economic conditions, the attitude of investors to investment risk and changes in sentiment concerning equities and within particular sectors or sub sectors. Further information on the charity's investments can be found in note 13.

(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 no 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. Unrealised gains and losses are calculated as the difference between the market value at the year end and opening carrying value.



2. Related party transactions

During the year none of the trustees or members of the key management staff or parties related to them has undertaken any material transactions with the Powys Teaching Local Health Board Charitable Funds other than those disclosed below.

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 Charitable Trust Fund has made payments to Powys Teaching Health Board of £0.171M. As at 31 March 2022 the total owed to the Health Board was £0.135M (2021: £0.116M), and owed by the Health Board was £0.000M (2021: £0.002M).

The Charity's Board members have related party interests in the the following:

<u>Name</u>	<u>Details</u>	<u>Related Party Interests</u>
Trish Buchan	Independent Member	Powys Association of Voluntary Organisations (Ex off
Matthew Dorrance	Independent Member	Powys County Council

The Total value of transactions with related parties during 2021/22 are as follows:

Related Party	Payment to related party £	Amounts received from related party £	Amounts owed to related party £	Amounts due from related party £
Powys Association of Voluntary Organisations	10,462	0	0	0
Powys County Council	2,224	0	0	0

3. Income from donations and legacies

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2021-22 £000	Total 2020-21 £000
Donations	69	0	0	69	102
Legacies	542	0	0	542	59
Grants	0	0	0	0	152
	611	0	0	611	313

4. Role of volunteers

Like all charities, the THB Charity is reliant on a team of volunteers for our smooth running. Our volunteers perform the following role:

- Fund advisors – there are about 13 THB staff who manage how the charity's designated funds should be spent. These funds are designated (or earmarked) by the trustees to be spent for a particular purpose or in a particular ward or department. Each fund advisor has delegated powers to spend the designated funds that they manage in accordance with the trustees wishes subject to the approval of their Executive Director/Assistant Director or the Charitable Funds Committee. The trustees determine through its Strategy the key aims that expenditure should be utilised for. Fund advisors who spend more than £5,000 are required to seek approval from the Charitable Funds Committee setting out what they intend to spend the money on and the difference it will make to the patients and staff of the THB services.

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. Gross investment income

	Unrestricted funds £000	Restricted Income funds £000	Total 2021-22 £000	Total 2020-21 £000
Fixed asset equity and similar investments	112	0	112	79
Short term investments, deposits and cash on deposit	0	0	0	0
	112	0	112	79

6. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Total 2021-22 £000	Total 2020-21 £000
Investment management	16	0	16	13
	16	0	16	13

7. Analysis of charitable activity

	Grant funded activity £000	Support costs £000	Total 2021-22 £000	Total 2020-21 £000
Medical research				
Purchase of new equipment	8	4	12	23
Building and refurbishment	56	32	88	3
Staff education and welfare	17	10	27	87
Patient education and welfare	96	56	152	143
	177	102	279	256

Support costs are apportioned based on %age of Grant funded activity

8. 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 majority of 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 charity standing orders and 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.

9. Movements in funding commitments

	Current liabilities	Restricted Non-current liabilities	Total 31 March 2022	Total 31 March 2021
	£000	£000	£000	£000
Opening balance at 1 April (see note 16)	146		146	190
Movement in liabilities	32		32	(44)
Closing balance at 31 March (see note 16)	178	0	178	146

As described in notes 7 and 8, 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 which are awarded for example funding a specific post can span financial years. For such grants whilst the award may be for more than one year, it is only the annual amount that is paid out in year and recorded as expenditure within charitable activities.

The charity at present does not issue formal grant letters to recipients and therefore the expectation of the recipient in recognition of this grant as defined by the SORP is not met with certainty.

10. Allocation of support costs

Support and overhead costs are allocated between fundraising activities and charitable activities. Governance costs are those support costs which relate to the strategic and day to day management of a charity.

	Raising funds £000	Charitable activities £000	Total 2021-22 £000	Total 2020-21 £000	Basis
Governance					
External audit	0	15	15	25	Charged to Central Fund
Finance and administration	0	3	3	3	Charged to Central Fund
Other professional fees					
Total governance	0	18	18	28	
Finance and administration	0	84	84	63	Charged to Central Fund
	0	102	102	91	
	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total Funds 2021-22 £000	Total Funds 2020-21 £000
Charitable activities	102	0	0	102	91
	102	0	0	102	91

11. Staff Costs, 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.

The charity has no employees. Staff services are provided to the charity from Powys Teaching Local Health Board, the corporate Trustee of the Charity, which has received reimbursement from the Charity of £0.133M (2020/21: £0.066M).

12. Auditors remuneration

The External auditors remuneration of £14,963 (2020-21: £25,000.00) related solely to the Audit of the Statutory Annual Report and Accounts. Due to the Charity exceeding the threshold requirements during 2020/21 a full audit of the Annual Report and Accounts was required. Previous years has seen an Independent Examination being undertaken as the thresholds had not been exceeded.

Internal Auditors review seeks to provide the Health Board with assurance that operational procedures are compliant with the Health Board's Charitable Funds Policy and Guidance, along with its underlying Standing Financial Instructions, and wider NHS Charities guidance. An Internal Audit review was undertaken during October 2022 which provided a rating of Reasonable Assurance which indicates:

"The Board can take reasonable assurance that arrangements to secure governance, risk management and internal control, within those areas under review, are suitably designed and applied effectively. Some matters require management attention in control design or compliance with low to moderate impact on residual risk exposure until resolved"

During the year 2020/21 the Local Counter Fraud Service undertook a risk assessment of controls for charitable funds. NHS Protect has issued a Risk Assessment tool to guide Local Counter Fraud functions to undertake a Risk Assessment of the Counter Fraud arrangements in place at their own organisation. The Assessment of Charitable funds indicated a low risk rating of 1x4 with the only recommendation being to 'maintain the robust controls that are in place and consult with Counter fraud prior to any amendments being initiated'.

13. Fixed asset investments

Movement in fixed assets investments

	Total 2021-22	Total 2020-21
	£000	£000
Market value brought forward	3,390	2,829
Add: additions to investments at cost	351	1,586
Add: additions to investments at cost (Non Cash)	181	0
Less disposals at carrying value	(369)	(804)
Add net gain / (loss) on revaluation	236	558
Movement of Cash held as part of investment portfolio	2	(779)
Market value as at 31st March	3,791	3,390

Fixed Asset by Type

	Total 2021-22	Total 2020-21
	£000	£000
Investment Properties	243	62
UK Bonds	149	269
Overseas Bonds	300	193
UK Equities	962	931
Global Equities	1,590	1,444
Emerging Market Equities	39	71
Global Investments	0	0
Absolute Return	143	149
Property	79	67
Other Investments	235	155
Cash	51	49
	3,791	3,390

All investments are carried at their fair value.

The Charitable Trustee has considered potential risks to which the Charity is exposed. There are no major risks that have been identified other than those associated with the normal fluctuations in the value of investments. The Trustee believes these risks are appropriately managed. Independent investment advisors (Brewin Dolphin Ltd) have been appointed, and investments are held in a diversified fund of investments, including 13% in fixed interest mainly government stock

The Corporate Trustee invests the funds of the Charity with Brewin Dolphin Ltd via a Portfolio arrangement. At the year-end 73% (2021:74%), 13%(2021: 14%), 6%(2021:6%), and 7% (2021:5%), were invested in Equities, Fixed Income, Alternatives and Other Investments respectively with the remaining 1% (2021:1%), held as cash assets.

The Corporate Trustee continues to consider its exposure to the fluctuations in the value of its equity based investment, and receives a quarterly investments performance report at each Charitable Funds Committee meeting.

The charity during 2018/19 undertook a re-tender of its investment manager services. This has resulted in a change of Investment Management services to Brewin Dolphin Ltd with the investment with CCLA Ltd being sold during October 2019 and a new portfolio investment with Brewin Dolphin Ltd from February 2020.

Investment property brought forward includes assets left to the charity as part of a legacy are contained within this note. The Charity owns a 1/3 share of these properties and receives a 1/3 share of income and expenditure regarding these properties.

During the year, Investment Properties has increased to include the recognition of a new investment asset left to the charity as part of a legacy estate. The charity owns a 1/4 share of this property and receives a 1/4 share of income and expenditure regarding this property.

The valuation of investment properties, consisting of freehold ground and property rents is based on a professional assessment of fair value by an independent valuer. Subsequent movements on valuations at 31st March will be recognised as a gain or loss within the Statement of Financial Activities for the corresponding year.

During the year an unrealised gain of £0.236M was recognised in the accounts.

In line with the ethos of promoting patient wellbeing, the Corporate Trustee attempts to ensure that all investments are ethically and environmentally sound, and are not opposed to the "purpose" of the charity. The performance of the investments are regularly monitored and reported on a quarterly basis by our investment managers.



14. Analysis of current debtors

Debtors under 1 year	Total 31 March 2022	Total 31 March 2021
	£000	£000
Prepayment	0	28
Other debtors	4	4
	4	32

15. Analysis of cash and cash equivalents

	Total 31 March 2022	Total 31 March 2021
	£000	£000
Cash in hand	980	657
	980	657

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

16. Analysis of liabilities

	Total 31 March 2022	Total 31 March 2021
	£000	£000
Creditors under 1 year		
Trade creditors	178	146
	178	146
Creditors over 1 year		
Trade creditors	0	0
	0	0
Total creditors	178	146

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

	Total 2021-22	Total 2020-21
	£000	£000
Net income / (expenditure) (per Statement of Financial Activities)	664	681
Adjustment for:		
(Gains) / losses on investments	(236)	(558)
Dividends, interest and rents from investments	(112)	(79)
(Increase) / decrease in debtors	28	(10)
Increase / (decrease) in creditors	32	(44)
Non cash donation of property in operating activities	(181)	0
Net cash provided by (used in) operating activities	195	(10)

18. Transfer between funds

There have been no transfer between funds within the year.

19. Analysis of funds

a. Analysis of endowment fund movements

	Balance 1 April 2021 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2022 £000
Endowment Funds	3	0	0	0	0	3
	<u>3</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>

There is a small capital in perpetuity donation which specifies that the capital amount is to be invested and any income from this is to be utilised by the Charity. The original donation amount cannot be discharged and must remain as an investment. The income received from this endowment is added to unrestricted funds to be spent on charitable purposes. Any gains or losses arising from the valuation of investment of the endowment capital amount are attributed to the endowment fund

b. Analysis of restricted fund movements

	Balance 1 April 2021 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2022 £000
Restricted Funds	0	0	0	0	0	0
	0	0	0	0	0	0

There are no funds classed as restricted held by the charity.

c. Analysis of unrestricted and material designated fund movements

	Balance 1 April 2021 Restated £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2022 £000
8010 Ystradgynlais General Purposes	34	5	(2)	0	0	37
8102 Ystradgynlais Geriatric Ward Fund	59	4	0	0	0	63
8011 Welshpool General Purposes	181	359	(6)	0	0	534
8330 North Powys District Nursing Fund	30	17	0	0	0	47
8012 Machynlleth General Purposes	73	3	0	0	0	76
8003 Llandrindod General Purposes	50	1	0	0	0	51
8067 Llandrindod Hazels Legacy	272	0	(1)	0	0	271
8005 Knighton General Purposes	72	0	0	0	0	72
8016 Powys General Purposes	1,210	110	(224)	0	236	1,332
8040 Palliative Care	44	12	(3)	0	0	53
8321 Mid & South Powys Community and Palliative Care Fund	1,028	0	(17)	0	0	1,011
8323 Mental Health General Purposes	354	0	0	0	0	354
8324 Covid General Purposes	107	0	(24)	0	0	83
8140 Bronllys AMI Legacy	136	0	(9)	0	0	127
8001 Brecon General Purposes	37	1	0	0	0	38
8325 Estate M R Morgan Properties Fund	62	0	0	0	0	62
8326 Estate M J Brand Property Fund	0	181	0	0	0	181
Other Unrestricted Funds	181	30	(9)	0	0	202
	3,930	723	(295)	0	236	4,594

The objects of the unrestricted funds are as follows:

The unrestricted Funds usually contain donations where a particular part of a Hospital or Health Board activity was nominated by the donor at the time their donation was made. Whilst their nomination is non-binding on the Trustee, the designated funds reflect these nominations and are overseen by Service managers who can make recommendations on how to spend the money within their designated area. Service Managers' recommendations are duly considered and these funds can be spent at any time with the prior approval of the Charitable Funds Committee or Executive Directors/Assistant Directors.

Estate M R Morgan Properties Fund is a fund that holds the valuation of investment properties at the balance sheet date. This note includes the recognition of investment property assets left to the charity as part of a legacy estate. The Charity owns a 1/3 share of these properties and receives a 1/3 share of income and expenditure regarding these properties. All gains and losses relating to the valuation of these properties are charged to this fund. All rental income and investment management expenditure in relation to these properties is allocated to the unrestricted General Purpose funds so that it can be used for the furtherance of general charitable purposes.

Estate M J Brand Property Fund is a fund that holds the valuation of an investment property at the balance sheet date. This fund includes the recognition of investment property asset left to the charity as part of a legacy estate. The Charity owns a 1/4 share in this property and receives a 1/4 share of income and expenditure regarding this property. All gains and losses relating to the valuation of this property are charged to this fund. All rental income and investment management expenditure in relation to this property is allocated to the unrestricted General Purpose funds so that it can be used for the furtherance of general charitable purposes.

The material funds specified in the above note will vary from year to year dependent on the closing year end balance.

We consider that a closing fund balance of £25,000 or greater are material for disclosure in these accounts.

The balance at 1 April 2021 has been restated across individual lines within the note to update for previous incorrect amounts. This has no change to the overall value of £3.930M and relates to reclassification of balances held between individual lines.