

Swansea Bay University LHB

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 (FRS102) 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 Local Health Board was established on 1st April 2019 under statutory instrument 2019 No.349 (W.83), the Local Health Boards (Area Change) (Wales) (Miscellaneous Amendment) Order 2019.

This statutory instrument transferred the principal local government area of Bridgend from Abertawe Bro Morgannwg University Local Health Board to Cwm Taf Morgannwg University Local Health Board in addition to confirming that Abertawe Bro Morgannwg University Local Health Board is renamed and is to be known as Swansea Bay University Local Health Board.

Swansea Bay University Local Health Board is responsible for the provision of healthcare services for the populations falling under the local government areas of Swansea and Neath Port Talbot.

On 1st April 2019 all staff property, assets and liabilities relating to services provided to the local government area of Bridgend transferred from Swansea Bay University Local Health Board to Cwm Taf Morgannwg Local Health Board. This transfer was undertaken in line with the Local Health Boards (Area Change) (transfer of Staff, Property and Liabilities) (Wales) Order 2019.

The transfer of funds was accounted for using the Charity Commission's NHS guidance issued by the Charity Commission in 2012 (Section E of the NHS Charities guidance). This guidance provides 8 examples of a transfer and details the accounting treatment to be applied in each case. The transfer of funds made on 1st April 2019 fell under example 4a which is to be used where the funds associated with a particular clinical specialty are transferred from one NHS charity to another. In accordance with this guidance, the transfer was accounted for as a one off transfer and recorded as an expense under charitable expenditure in the Statement of Financial Activities (SOFA).

All funds held on Trust relating to services provided to the local government area of Bridgend and a proportion of the funds held on Trust that related to the whole of the Abertawe Bro Morgannwg University Health Board were transferred to Cwm Taf Morgannwg Health Board with effect from 1st April 2019. The list of funds to transfer and the methodology for splitting the health board wide funds was agreed by the Trustees at its meeting on 31st January 2019. The value of the funds transferred as at 1st April 2019 and disclosed in the accounts was £1.039m.

The funds held on Trust were renamed as Swansea Bay University Local Health Board with the approval to this change being given by the Charity Commission on 23rd April 2019.

The Trustees of the funds held on Trust 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 Swansea Bay University Local Health Board.

Statement of Financial Activities for the year ended 31 March 2023

	Note	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total Funds 2022-23 £000
Income and Endowments from:					
Donations, legacies and grants	3	630	58	0	688
Charitable activities/fundraising income		36	0	0	36
Other trading activities		0	0	0	0
Investments	5	147	0	0	147
Total income and endowments		813	58	0	871
Expenditure on:					
Raising Funds	6	294	3	0	297
Charitable activities	7	772	285	0	1,057
Other - Funds transferred to another NHS body	12	0	0	0	0
Other - Auditors Remuneration	12	24	0	0	24
Total expenditure		1,090	288	0	1,378
Net gains / (losses) on investments	19c	(372)	0	0	(372)
Net income / (expenditure)		(649)	(230)	0	(879)
Transfer between funds	18	0	0	0	0
Net movement in funds		(649)	(230)	0	(879)
Reconciliation of Funds					
Total Funds brought forward	19	5,506	564	0	6,070
Total Funds carried forward		4,857	334	0	5,191

Statement of Financial Activities for the year ended 31 March 2022


	Note	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total Funds 2021-22 £000
Income and Endowments from:					
Donations, legacies and grants	3	772	187	0	959
Charitable activities/ fundraising income		60	0	0	60
Other trading activities		0	0	0	0
Investments	5	133	0	0	133
Total income and endowments		965	187	0	1,152
Expenditure on:					
Raising Funds	6	215	9	0	224
Charitable activities	7	769	297	0	1,066
Other - Funds transferred to another NHS body	12	3	0	0	3
Other - Auditors Remuneration	12	21	0	0	21
Total expenditure		1,008	306	0	1,314
Net gains / (losses) on investments	19c	215	0	0	215
Net income / (expenditure)		172	(119)	0	53
Transfer between funds	18	38	(38)	0	0
Net movement in funds		210	(157)	0	53
Reconciliation of Funds					
Total Funds brought forward	19	5,296	721	0	6,017
Total Funds carried forward		5,506	564	0	6,070

Balance Sheet as at 31 March 2023

		Unrestricted	Restricted	Endowment	Total	Total
	Note	funds	Income	funds	31 March	31 March
		£000	funds	£000	2023	2022
		£000	£000	£000	£000	£000
Fixed assets:						
Investment Properties	13	62	0	0	62	62
Investments	13	4,848	0	0	4,848	5,240
Total fixed assets		4,910	0	0	4,910	5,302
Current assets:						
Debtors	14	60	0	0	60	39
Prepayments	14	16	0	0	16	46
Cash and cash equivalents	15	117	334	0	451	892
Total current assets		193	334	0	527	977
Liabilities:						
Creditors: Amounts falling due within one year	16	(246)	0	0	(246)	(209)
Net current assets / (liabilities)		(53)	334	0	281	768
Total assets less current liabilities		4,857	334	0	5,191	6,070
Creditors: Amounts falling due after more than one year		0	0	0	0	0
Total net assets / (liabilities)		4,857	334	0	5,191	6,070
The funds of the charity:						
Endowment Funds	19	0	0	0	0	0
Restricted income funds	19	0	334	0	334	564
Unrestricted income funds	19	4,857	0	0	4,857	5,506
Total funds		4,857	334	0	5,191	6,070

The value of investments in the balance sheet at £4.848m is based on market value (mid price). The SORP recommends that investments should be valued at bid price. The difference between mid price and bid price is immaterial, the value of the investments at bid price being £4.844m, a difference of £0.004m.

The notes on pages 5 to 18 form part of these accounts

Signed : 

Name : Emma Woollett

Date : 25th April 2024

Statement of Cash Flows for the year ending 31 March 2023

		Unrestricted Funds £000	Restricted Funds £000	Total Funds 2022-23 £000	Total Funds 2021-22 £000
Cash flows from operating activities:					
Net cash provided by (used in) operating activities	17	(384)	(230)	(614)	(222)
Cash flows from investing activities:					
Dividend, interest and rents from investments	5	147	0	147	127
Proceeds from the sale of investments		2,751	0	2,751	1,175
Purchase of investments	13	(2,788)	0	(2,788)	(1,050)
(Increase) / decrease in cash awaiting investment	13	63	0	63	(23)
Net cash provided by (used in) investing activities		173	0	173	229
Change in cash and cash equivalents in the reporting period		(211)	(230)	(441)	7
Cash and cash equivalents at the beginning of the reporting period	15	328	564	892	885
Cash and cash equivalents at the end of the reporting period	15	117	334	451	892

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 the application of the accounting policies, the Trustees confirm that there are no judgements, estimates or assumptions required about the carrying amounts of assets and liabilities that are not readily apparent from other sources and that therefore no sources of estimation uncertainty exist as at the balance sheet date.

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).

(b) Funds structure

The Swansea Bay University Health Board Charity is a public benefit charity which is an umbrella charity under which are a number of designated funds.

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 19.

(c) Incoming resources

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

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

Income from donations in the form of cash and cheques received at ward and department level is recognised when banked at the relevant hospital cash office. A receipt is provided to the donor when the cash or cheque is presented at ward or department level and the donation then taken to the hospital cash office for banking.

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

(f) Resources expended and irrecoverable VAT

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

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

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

(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 but a contingent liability is disclosed.

(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. For the Swansea Bay University Health Board Charity funds, the Trustees have agreed that all support costs be charged to the centrally managed Finance Administration Fund and not apportioned across the individual funds. The analysis of support costs and the basis of apportionment applied are shown in note 10.

(i) Fundraising costs

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

(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 10.

(k) 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 disposals 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 value be used in valuing stocks and shares, although the difference between bid and mid market price is not material, the difference as at 31st March 2023 being £3.9k lower (bid price). Other investments are included at the trustee's 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 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 Swansea Bay Charity investments can be found in note 13.

(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 90 day 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 market value at the year end and opening carrying value (or purchase date if later).

2. Related party transactions

A number of the Trustees have interests in related parties. During the year these related parties undertook transactions with Swansea Bay University Health Board Charitable Funds as detailed in the table 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.

Swansea Bay University Health Board Charitable Funds has made revenue payments of £1,419,355.77 and capital payments of £231,866.75 to Swansea Bay University Health Board. As at 31 March 2023 the total owed to the Health Board was £175,653.02 and owed by the Health Board was £14,998.52.

Name	Details	Related Party Interests
Andrew Jarrett	Associate Board Member	Director of Social Services for NPT CBC
Nicola Matthews	Independent Board Member	Local Councillor of Swansea Council
Mark Clive Child	Independent Board Member	Member of City and County of Swansea Council - Remunerated
Keith Robert Lloyd	Independent Board Member	Executive Dean and pro Vice Chancellor at Swansea University
Darren Phillip Griffiths	Director of Finance & Performance	Governor of Gower College Swansea (member of corporation board)
Martyn John Waygood	Independent Board Member	Trustee of the Ospreys in the community charity
Nuria Zolle	Chair of the Charitable Funds Committee	Trustee Ospreys in the Community - Declared verbally post draft accounts

The total value of transactions with related parties in 2022/23 were as follows:

Related Party	Payments to related party	Receipts from related party	Amounts owed to related party	Amounts due from related party
	£	£	£	£
Neath Port Talbot County Borough Council	20	0	205	0
City & County of Swansea	600	0	0	0
Swansea University	13,168	0	5,640	0
Gower College Swansea	460	0	0	0
Ospreys in the Community	10,757	0	0	0

3. Income from donations, legacies and grants

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total 2022-23 £000	Total 2021-22 £000
Donations	223	10	0	233	306
Donations in Kind	12	0	0	12	151
Legacies	346	7	0	353	199
Grants	49	41	0	90	303
	630	58	0	688	959

4. Role of volunteers

Like all charities, the Swansea Bay University Health Board Charity relies on a small number of volunteers to support its operations. Our volunteers are primarily linked with the South West Wales Cancer Centre fund and their primary role is to support fundraising for the charitable fund by participating in and supporting fund raising events such as the cancer centre bike ride. They also rattle collection tins at any events where collections have been agreed.

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 2022-23 £000	Total 2021-22 £000
Fixed asset equity and similar investments	142	0	142	127
Short term investments, deposits and cash on deposit	0	0	0	0
Investment Property Income	5	0	5	6
	147	0	147	133

6. Analysis of expenditure on raising funds

	Unrestricted funds £000	Restricted Income funds £000	Total 2022-23 £000	Total 2021-22 £000
Fundraising office	276	2	278	200
Fundraising events	0	0	0	0
Investment management	19	0	19	24
Support costs	0	0	0	0
	295	2	297	224

7. Analysis of charitable activity

	Grant funded activity Unrestricted funds £000	Grant funded activity Restricted Income funds £000	Support costs Unrestricted funds £000	Support costs Restricted Income funds £000	Total 2022-23 £000	Total 2021-22 £000
Medical research	45	0	0	0	45	8
Purchase of new equipment	57	2	0	0	59	185
Bulding and refurbishment	0	0	0	0	0	0
Staff education and welfare	274	111	0	0	385	437
Patient benefit and welfare	308	172	0	0	480	344
Publications, Subscriptions	4	0	0	0	4	4
Bank Charges	0	0	3	0	3	8
Governance Costs	0	0	0	0	0	0
Management Fees	0	0	81	0	81	80
	688	285	84	0	1,057	1,066

8. Analysis of grants

The charity does not make grants to individuals. All grants are made to the Swansea Bay University Health Board to provide for the care of NHS patients in furtherance of our charitable aims. The total cost of making grants, including support costs, is disclosed on the face of the Statement of Financial Activities and the actual funds spent on each category of charitable activity, is disclosed in note 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. The Trustees do make individual grant awards based on invited applications from the Swansea Bay University Health Board.

9. Movements in funding commitments

	Current liabilities £000	Non-current liabilities £000	Total 31 March 2023 £000	Total 31 March 2022 £000
Opening balance at 1 April (see note 16)	(209)	0	(209)	(99)
Movement in liabilities	(37)	0	(37)	(110)
Closing balance at 31 March (see note 16)	(246)	0	(246)	(209)

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, especially those relating to research and development or for funding a specific post, are multi-year grants. 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.

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 2022-23 £000	Total 2021-22 £000	Basis
Governance					
External audit	0	24	24	21	Charged to the Charitable Funds Committee Fund
Finance and administration	0	81	81	80	Charged to the Charitable Funds Committee Fund
Other professional fees	0	0	0	0	
Total Governance	0	105	105	101	
Finance and administration	0	3	3	8	Charged to the Charitable Funds Committee Fund
Other professional fees	19	0	19	24	Charged to the Charitable Funds Committee Fund
Other costs	0	0	0	0	
	19	108	127	133	

The £19k included in other professional fees reflects the Investment Management Fee costs.

	Unrestricted funds £000	Restricted Income funds £000	Endowment funds £000	Total Funds 2022-23 £000	Total Funds 2021-22 £000
Raising funds	19	0	0	19	24
Charitable activities	108	0	0	108	109
	127	0	0	127	133

11. Trustees' remuneration, benefits and expenses

The charity does not make any payments for remuneration nor to reimburse expenses to the charity trustees for their work as a trustee.

12. Other Expenditure

	Total	Total
	2022-23	2021-22
		£000
Other - Funds Transferred to another NHS body	0	3
Other - Auditors Remuneration	24	21
Total	24	24

The auditors remuneration of £24k related solely to the audit of the statutory annual report and accounts.

The funds transferred to another NHS body related to a transfer of the Medical Genetics Charitable Fund to the Cardiff & Vale Health Charity following the transfer of the service from Swansea Bay University Health Board to Cardiff & Vale University Health Board.

13. Fixed asset investments

Movement in fixed asset investments

	Total 2022-23 £000	Total 2021-22 £000
Market value brought forward	5,302	5,189
Add: additions to investments at cost	2,788	1,050
Less disposals at carrying value	(2,747)	(1,144)
Less release cash on investment	(63)	23
Add net gain / (loss) on revaluation	(370)	184
Market value as at 31st March	4,910	5,302

Analysis of investments by category

	Total 2022-23 £000	Total 2021-22 £000
UK Equity Funds	890	1,495
Overseas Equity Funds	2,107	1,838
Bond Funds	862	837
Property Funds	111	406
Infrastructure Funds	171	376
Emerging Economies	35	61
Global Investments	242	0
Absolute Return	195	0
Alternative Assets	0	47
Other Investments	118	0
Total Listed Investments	4,731	5,060
Investment Properties	62	62
Cash on interest bearing deposit	117	180
Total	4,910	5,302

All investments are carried at their fair value.

The investment property recognised in this note comprises assets left to the charity as part of a the M.R. Morgan legacy. The Charity owns a one third share of these properties and receives a one third share of income and is charged a one third share of expenditure in respect of these properties. 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.

The significance of financial instruments to the ongoing financial sustainability of the Swansea Bay University Health Board Charity is considered in the risk analysis section of the trustees' annual report.

During the 2022/23 financial year there was a change in investment manager from Investec to Brewin Dolphin which took place substantially in September 2022. The portfolio transfer was then fully completed on 5th January 2023 following the receipt of the sale proceeds from the CCLA Property Fund which Brewin Dolphin requested Investec sell to accelerate the process which required a 90-day notice period. This sale was instructed by Investec on 15th September.

Brewin Dolphin have made a number of changes to the fund structure, aligned to the investment policy of the Charity and as at 31st March 2023 the portfolio was fully invested in line with Brewin Dolphin's views.

The main risk from financial instruments lies in the combination of uncertain investment markets and volatility in yield. From inception on 17th September 2022 to 28th February 2023 the portfolio increased in value by 1.87% against the benchmark of 1.91%. The main increases in the portfolio were in the overseas equity markets and global investments, decreasing the UK equity markets thereby trimming exposure to equity with the investment strategy factoring in the current main concerns to investors, namely inflation and recession risks.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. Swansea Bay University Health Board Charity investments are mainly traded in markets with good liquidity and high trading volumes. Swansea Bay University Health Board Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

Swansea Bay University Health Board Charity manages these investment risks by retaining expert investment managers and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes. All investments must be made in accordance with the Trustee Act 2000 and which are quoted on a recognised investment exchange and unit trusts and open ended investment companies which are authorised under the Financial Services and Markets Act 2000. All cash deposits held by the investment managers for purchase of investments must be placed with approved banks with suitable credit ratings.

Swansea Bay University Health Board Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

14. Analysis of current debtors

Debtors under 1 year	Total 31 March 2023 £000	Total 31 March 2022 £000
Accrued income	45	14
Other debtors	15	25
Prepayments	16	46
	76	85

15. Analysis of cash and cash equivalents

	Total 31 March 2023 £000	Total 31 March 2021 £000
Cash in hand	451	892
Notice deposits (less than 3 months)	0	0
	451	892

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 2023 £000	Total 31 March 2022 £000
Creditors under 1 year		
Trade creditors	(8)	(29)
Other creditors	(176)	(159)
Accruals	(62)	(21)
	(246)	(209)
Creditors over 1 year		
Trade creditors	0	0
Other creditors	0	0
Accruals	0	0
	0	0
Total creditors	(246)	(209)

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

	Total 2022-23 £000	Total 2021-22 £000
Net income / (expenditure) (per Statement of Financial Activities)	(879)	53
Adjustment for:		
Depreciation charges	0	0
(Gains) / losses on investments	366	(215)
Dividends, interest and rents from investments	(147)	(127)
Loss / (profit) on the sale of fixed assets	0	0
(Increase) / decrease in stocks	0	0
(Increase) / decrease in debtors and prepayments	9	(43)
Increase / (decrease) in creditors	37	110
Transfer between Funds	0	0
Net cash provided by (used in) operating activities	(614)	(222)

18. Transfer between funds

Total 2022-23 £000	Total 2021-22 £000
0	0
0	0

19. Analysis of funds

a. Analysis of endowment fund movements

Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2023 £000
0	0	0	0	0	0
0	0	0	0	0	0

No endowment funds are held by the SBU Health Board Charity.

b. Analysis of restricted fund movements

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2023 £000
Y652 Beryl Margaret Clothier Legacy	(139)	0	0	0	0	(139)
Y655 M.R Morgan Property Fund	(62)	0	0	0	0	(62)
Y657 Anne James Memorial Fund	0	(2)	2	0	0	0
Y661 NHS Charities Together Stage 2 (rest)	(50)	(11)	59	0	0	(2)
Y662 NHS Charities Together Stage 3 (rest)	(245)	0	211	0	0	(34)
Y663 NHS Charities Together Fund	(15)	0	5	0	0	(10)
Y659 NHS Charities Together Dev. Fund	0	(30)	0	0	0	(30)
YA26 John Thomas ITU Staff Fund (Rest)	(3)	0	3	0	0	0
YB55 Ken Holbrook Thomas Legacy	0	(7)	0	0	0	(7)
YC27 Inherited Cardiac Conditions	(27)	(7)	5	0	0	(29)
YF77 Singleton Ward 16 (COVID19)	(4)	0	0	0	0	(4)
YF78 Gowers Ward Staff Fund	(1)	(1)	1	0	0	(1)
YH56 Paediatric Simulation Equipment Fund	0	0	0	0	0	0
YR21 Tonna David Blight Legacy	(8)	0	0	0	0	(8)
YR22 Tonna Resource Centre	(10)	0	2	0	0	(8)
	(564)	(58)	288	0	0	(334)

The Beryl Margaret Clothier Legacy relates to monies received with a specific purpose to purchase medical equipment for Singleton hospital. The MR Morgan Property fund was set up on audit advice. The Anne Jones Memorial fund relates to monies received to purchase a piece of equipment for Ward E NPT hospital. The NHS Charities Together Funds were monies secured thanks to Captain Tom Moore's fundraising efforts and the public response. The stage 1 NHS Charities Together income was received for supporting the immediate response to COVID 19, the stage 3 income was received for staff wellbeing, and the stage 2 income was received to fund Community Partnership Grants. The NHS Charities Together Dev. fund was money received to develop and brand SBU LHB charity. The John Thomas fund was a specific donation to benefit the staff in ITU. The Ken Holbrook Thomas fund was a legacy received for Kindney research. The Inherited Cardiac Conditions fund relates to monies received with a specific purpose to generally fund activities related to inherited cardiac conditions. The Singleton Ward 16 COVID 19 Fund was a specific fundraising donation for Ward 16 in Singleton opened in the pandemic as a COVID ward to be used for general purpose. The Gowers Ward Staff Fund was a specific donation only for staff use on the Gowers ward. The David Blight Legacy relates to monies received with a specific purpose to fund the purchase of equipment and to undertake research at Tonna Hospital. The Tonna Resource Centre Fund relates to

c. Analysis of unrestricted and material designated fund movements

	Balance 1 April 2022 £000	Income £000	Expenditure £000	Transfers £000	Gains and losses £000	Balance 31 March 2023 £000
Fund 1 Finance Admin	(1,599)	(142)	394	0	372	(975)
Fund 2 MN Stroke	(405)	2	0	0	0	(403)
Fund 3 Helping Hand Fund	(255)	(7)	110	35	0	(117)
Fund 4 Cancer Centre	(381)	(57)	184	0	0	(254)
Fund 5 Bevan Legacy Fund	(120)	0	14	0	0	(106)
Fund 6 Other Unrestricted Funds	(2,746)	(609)	388	(35)	0	(3,002)
	(5,506)	(813)	1,090	0	372	(4,857)

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

c. Analysis of unrestricted and material designated fund movements

The objects of each of the designated unrestricted funds are as follows:

The Finance Administration Fund holds all unrealised investment gains on behalf of the charity. These unrealised gains are retained as general reserves and not utilised.

The MN Stroke Fund is designated for training, study leave, medical and office equipment, improving patient care and expenses for the stroke unit at Morriston Hospital.

The Helping Hand Fund, previously called the Charitable Funds Committee Fund, includes all donations for which a donor has not expressed any preference as to how the funds shall be spent and the unrestricted income accruing to the charity. These funds are applied for any charitable purpose to the benefit of the patients and staff of Swansea Bay University Health Board at the absolute discretion of the trustees.

The Cancer Centre Fund is the fund of the south west Wales Cancer Centre at Singleton Hospital.

The Bevan Legacy Fund is designated to support clinical education on the Neath Port Talbot Hospital site.

The Swansea Myeloma fund is a fund designated to clinical and scientific research in the field of plasmacells neoplasia, it had an opening balance of £68k and therefore has been included in 'Other Restricted Funds'.

Other designated funds relate to assisting patients on other wards and clinical departments within the Swansea Bay University Health Board for which donors have indicated their non-binding wishes when making their generous gifts.

20 Events after the Reporting Period

In the period from April 2023 to October 2023 the value of the Charity's fixed asset investments has fluctuated due to volatility in investment markets due to wider economic conditions and attitudes of investors to investment risk.

There remain significant uncertainties facing markets due to the the continuing war in Ukraine, the war in Gaza and the ever-worsening impact of climate change. Global recovery continues to be slow due to scarring from the pandemic, tighter monetary policies and pressures of earnings growth against inflation despite lower international commodity prices and the easing of global supply chain pressures. These global economic conditions continue to threaten the equity markets and portfolio values.

In the period 1st April to 30th September 2023 (the date of the latest valuation) the portfolio has seen unrealised investment losses of £0.066m, with the portfolio being valued at £4.6m as at 30th September 2023 as compared to £4.9m as at 31st March 2023 following purchases and sales of holdings during the year to date.

There has been a favourable performance in equity markets generally and appropriate investment holdings have been been trimmed correspondingly to reduce risk in the portfolio and to lock in some profits. The Bank of England has continued to raise base rates since April 2023 therefore the entry point for government bonds has become increasingly attractive and the opportunity has been taken to increase exposure to the fixed income sector.

STATEMENT OF FINANCIAL TRUSTEE'S RESPONSIBILITIES

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

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

In fulfilment of these responsibilities I confirm that the financial statements set out on pages 1 to 17 attached, have been compiled from and are in accordance with the financial records maintained by the trustees and with accounting standards and policies for the NHS approved by the Welsh Government.

25th April 2024



..... Financial Trustee

STATEMENT OF TRUSTEE'S RESPONSIBILITIES

IN RESPECT OF THE ACCOUNTS

The trustees are required under the National Health Services Act 1997 to prepare accounts for each financial year. The Assembly, with the approval of the Treasury, directs that these accounts give a true and fair view of the financial position of the funds held on trust. In preparing those accounts, the trustees are required to:

- apply on a consistent basis accounting policies laid down by the Secretary of State with the approval of the 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 account.

The trustees confirm that they have complied with the above requirements in preparing the accounts.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the funds held on trust and to enable them to ensure that the accounts comply with requirements outlined in the above mentioned direction by the Assembly. They are also responsible for safeguarding the assets of the funds held on trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By order of the trustees

Signed:



Trustee Dated .25th April 2024

Emma Wo

Financial Trustee



... Dated .25th April 2024

Darren Gri

The independent auditor's report of the Auditor General for Wales to the trustees of Swansea Bay University Health Board Funds Held on Trust

Report on the audit of the financial statements

Opinion

I have audited the financial statements of Swansea Bay University Health Board Funds Held on Trust for the year ended 31st March 2023 under the Charities Act 2011. These comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31st March 2023 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

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 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the trustee(s) 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 trustees are 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 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 where 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 trustees for the financial statements

As explained more fully in the statement of trustees responsibilities set out on page 19, 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.

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 Head of Internal Audit and those charged with governance, including obtaining and reviewing supporting documentation relating to Swansea Bay University Health Board Funds Held on Trust'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: revenue recognition and posting of unusual journals.

Obtaining an understanding of Swansea Bay University Health Board Funds Held on Trust's framework of authority as well as other legal and regulatory frameworks that the Swansea Bay University Health Board Funds Held on Trust 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 Swansea Bay University Health Board Funds Held on Trust.

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 discussed above;

Enquiring of management, the Charitable Funds Committee and legal advisors about actual and potential litigation and claims;

Reading minutes of meetings of those charged with governance and the trustees; and

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 the 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 Swansea Bay University Health Board Funds Held on Trust'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.

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
26th April 2024

1 Capital Quarter
Cardiff
CF10 4BZ

The maintenance and integrity of the Swansea Bay University LHB Charitable Funds website is the responsibility of the Accounting Officer; the work carried out by auditors does not involve consideration of these matters and accordingly auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.