

TY OLWEN TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2022

TY OLWEN TRUST

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mr G Lewis
Mrs H Murray
Mr P Murray
Mrs T Hancock
Mrs J Francis
Mrs R Lewis
Dr S Roberts

Charity number

511339

Principal address

18 Princess Way
Swansea
West Glamorgan
SA1 3LW

Auditor

WBV Limited
The Third Floor
Langdon House, Langdon Road
SA1 Swansea Waterfront
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TY OLWEN TRUST

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TY OLWEN TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 JUNE 2022

The trustees presents its annual report and financial statements for the year ended 30 June 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the Board's [governing document], the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The objective of the Trust is to relieve patients both at Ty Olwen and under the care of the Ty Olwen Specialist Palliative Care Service, who are suffering from life limiting diseases with a focus on cancer/palliative care, by the provision of equipment, services and facilities.

Activities undertaken in relation to objectives

The Trust provides services and amenities to patients with a life limiting disease whether as in-patients or in their homes or in hospital wards and care homes and assists the families and dependants of such patients who are in need.

The Trust also promotes and supports research into the cause and treatment of cancer.

Public benefit

The Trustees are aware of their responsibilities in ensuring that the Trust delivers identifiable benefits to the public in accord with established objectives and permitted activities. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

Volunteers

The Trust continues to benefit from the support of dedicated volunteers in many areas including the tea bar, administration, fundraising and complimentary therapy.

The trustees has paid due regard to guidance issued by the Charity Commission in deciding what activities the Board should undertake.

TY OLWEN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

Achievements and performance

Main achievements in the period

Ty Olwen Trust is the sole charitable support for the Ty Olwen service.

The Trust has seen a continued increase in income, public support and awareness of the service as a result of its determination to maintain the profile of Ty Olwen in the community.

In the period the Trust made a contribution of approximately 13% to the overall staffing cost at Ty Olwen and included the cost of:

1. Five Qualified Nurses;
2. A Senior II Physiotherapist, Five Occupational Therapists and One Physiotherapist Assistant;
3. A Secretary;

The Trustees, Committee and other Volunteers are unpaid.

The Trust continued to fund courses for staff to enable them to become more proficient in palliative medicine.

Thank you to all donors for their generous contributions to enable the Trust to continue to provide services and amenities to patients under the care of the Ty Olwen service.

This financial commitment to the service must continue to enable the Ty Olwen service to continue as it is and allow it to develop further to meet the increasing demands across the Health Board for Palliative Care.

Fundraising activities

During the year minimal fundraising activities were undertaken due to the ongoing position with the COVID pandemic. The only activity included collection boxes, when permitted by the lifting of the COVID restrictions, the results of which are detailed in the notes to the Statement of Financial Activities.

Investment performance

The end of 2021 saw the limited stock market content of the portfolio helping to deliver a positive return as Gilt Yields started to rise in anticipation of interest rate rises and higher inflation. This led to gilt and Corporate Bond prices falling.

In the first three months of 2022, global markets were dominated by three things: the Russian invasion of Ukraine and its tragic consequences, rising inflation and rising interest rates.

Global equities fell between the start of the year and mid-March, but then bounced back significantly on tentative hopes for peace negotiations between Russia and Ukraine.

Government and corporate bond prices fell in the quarter, due to expected interest rate rises. But commodities rose strongly during the three months, as the war in Ukraine reduced the availability of wheat and oil.

In January, global equities fell due to expectations of higher interest rates and escalating tensions between the US and Russia over Ukraine. In bond markets, government bond and corporate bond prices declined as investors focused on high inflation and expected US interest rate rises. Commodities gained, driven higher by a sharp increase in energy prices during the month, with demand for energy increasing as economies emerged from lockdowns due to COVID-19.

Global equities weakened further in February, when financial market activity was overshadowed by the shocking invasion of Ukraine by Russia in the final week of the month. Bond prices were turbulent, but only finished slightly lower than in January. Commodities gained, driven up by sharply higher prices for wheat and energy. Ukraine and Russia are big suppliers of wheat and Russia is the world's second largest supplier of oil.

Global equities bounced back strongly after mid-March, but were still down from their level at the start of the year. Bond prices, especially government bonds, continued to fall, while commodities rose.

TY OLWEN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

Investment performance (continued)

The three themes that had dominated the first three months of the year continued to overshadow the April-to-June period. These were the conflict between Russia and Ukraine, rising inflation and rising interest rates. But we can also add the economic impact of Chinese regional lockdowns, as the nation enacted its zero tolerance policy towards COVID-19.

Global equities fell strongly in the second quarter of the year, as hopes faded for peace negotiations between Russian and Ukraine. Government bonds, low risk (investment grade) company bonds and higher risk (high yield) corporate bonds also fell in the second quarter, due to interest rate rises and the expectation of more to come. Commodities, which rose sharply in the first quarter of the year, fell back somewhat in the second quarter. This was due to the impact of Chinese lockdowns (which reduced economic demand) and increased oil production from the OPEC oil-producing nations (which increased oil supplies).

In April, global equities fell due to the conflict in Ukraine and the expectation that interest rates would rise. Bond prices also fell in April, amid continued high inflation and the expectation of significant interest rate increases. But commodities rose, driven by increased demand for oil and gas (as the global economy normalised after the COVID-19 crisis) and limited supply (due to the conflict between Russia and Ukraine).

Global equities had a largely flat monthly performance in May, with energy companies showing a strong overall performance but consumer-linked sectors performing weakly. Bond markets showed divergent performances in the month, with rises in prices of 10-year and two-year US Treasuries but falls in 10-year and two-year European and UK government bonds. Commodity markets rose amid rising demand and supply constraints to oil and gas, due to the ongoing conflict in Ukraine.

Global equities declined in June amid further high inflation and ongoing expectations of interest rate rises. Government bonds, investment grade corporate bonds and high yield corporate bonds were also negatively impacted by these factors. Commodity prices also fell in the month.

Governments worldwide faced several challenges in the third quarter of the year. These included the ongoing tragic conflict in Ukraine and the cost of living crisis. These issues had a negative impact on financial markets in the period.

Financial markets had a difficult first half of 2022, with all asset classes apart from commodities falling significantly. But there were signs of a pick-up in the July to mid-August period, with hopes that inflation had peaked. However, we believe comments from US Federal Reserve chair Jerome Powell, on restoring price stability, led markets to fall towards the end of August. This is because central banks can potentially raise interest rates to try to bring down inflation and high rates can potentially lead to slower economic growth. As a result, equities, bonds and commodities fell in the third quarter of 2022.

Global equities rose in July, driven by a strong performance from North American equities, with consumer discretionary and technology companies making some of the strongest gains. Bond prices also rose. In the US, this appeared to reflect evidence of a potential economic slowdown, leading to the expectation of potentially more moderate interest rate rises to come. Commodity markets rose moderately as declines in agriculture and precious metals offset higher natural gas and livestock prices.

In August, global equities declined. In the US, central bank comments suggested interest rates may need to rise, leading to falls in the information technology, healthcare and real estate sectors. Bonds fell as inflation remained high and central banks reaffirmed a commitment to reining in price increases. Commodity markets also fell, due to weaker energy and precious metal prices.

Global equities fell sharply in September due to continued expectations of interest rate rises driven by ongoing high inflation. These factors also drove down the prices of corporate, high yield and government bonds. Commodity prices also fell, with sharp declines in oil prices but a rise in the price of wheat.

Global equities fell sharply in September due to continued expectations of interest rate rises driven by ongoing high inflation. These factors also drove down the prices of corporate, high yield and government bonds. Commodity prices also fell, with sharp declines in oil prices but a rise in the price of wheat.

We remain confident in our long term strategy and are well positioned to take advantage of when the recovery comes.

Financial review

Review of development and financial position

The Trust has been effective in and continues to exercise its powers of investment within the limits of the Trustee Investment Act 1961.

The financial position of the Trust remains sound.

TY OLWEN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

It is the policy of the Board that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to 5 years expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Board's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Principal funding sources

The Trust's principal funding sources are by way of bequests and donations.

Results

During the year the Trust generated total income of £969,178 which can be analysed as follows:

| | |
|---------------------|----------|
| • Donations | £207,565 |
| • Legacies/bequests | £708,234 |
| • Collection boxes | £5,136 |
| • Investment income | £46,171 |
| • Bank interest | £2,072 |

The sum of £19,599 was incurred in connection with costs of raising funds.

The sum of £430,650 was expended on Charitable Activities in supporting the overheads and governance costs of Ty Olwen.

The Trustees are of the opinion that the results for the year are satisfactory.

Unrestricted funds

| | |
|-----------------------------------|------------|
| Excess of income over expenditure | £233,223 |
| Balance brought forward | £3,520,562 |
| Balance carried forward | £3,753,785 |

Investment policy and objectives

The Charity has devolved the management of the investments to Schroders Personal Wealth. They have requested that the sums are invested mainly in low risk investments with a small proportion invested in stock market related investments in order to maximise the rate of return on the investments and not put the capital at risk. The return will provide income for the Charity so that it can assist in achieving its aims and objectives. The Trust's objectives in this regard have been met in 2021/2022.

Plans for future periods

Future plans

For the coming period the Trust must focus once again on fundraising for raising the profile with the public and the fact that we continue to need their support. We need to be ready to respond to the needs of the service whatever they may be post Covid and beyond. The £500,000 a year target we have set allows us to look at a 5 year rolling financial support programme to give stability to the service and those posts we cover.

Structure, governance and management

Status

The Ty Olwen Trust was founded under Declaration of Trust on 7 April 1981 as altered by Scheme of 11 September 2007. The Charity's registration number with the Charity Commission is 511339.

TY OLWEN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

The members of the trustees who served during the year and up to the date of signature of the financial statements were:

Mr G Lewis

Mrs H Murray

Mr P Murray

Mrs T Hancock

Mrs J Francis

Mr N Francis

(Resigned 23 June 2022)

Mrs R Lewis

Dr S Roberts

Recruitment and appointment of new trustees

Under the Declaration of Trust, the Charity can have up to a maximum of 9 trustees. When a vacancy arises the Trustees, in meeting, select a suitable candidate and request whether they wish to be a Trustee. It is the preference of the Trustees that any new Trustee will have served on the Committee and have an understanding of the Charity.

Organisational structure

The Trust has been organised by the appointment of 9 Trustees who manage the Trust affairs in conjunction with a committee.

The Trustees have authorised the running of a tea bar to provide funds for the Ty Olwen Trust.

Induction and training of new trustees

During the induction day new trustees meet fellow trustees. They are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

ACCOUNTS

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and 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) (effective 1 January 2019).

TY OLWEN TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2022

Statement of Trustees' responsibilities

The trustees is responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Board and of the incoming resources and application of resources of the Board for that year.

In preparing these financial statements, the trustees is required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees is responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the Board and enable it to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. It is also responsible for safeguarding the assets of the Board and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees' report was approved by the Trustees.

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Mr G Lewis

Date:

TY OLWEN TRUST

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TY OLWEN TRUST

Opinion

We have audited the financial statements of Ty Olwen Trust (the 'Board') for the year ended 30 June 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including 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 our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 30 June 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 requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the trustees 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 our auditor's report thereon. The trustees is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

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

TY OLWEN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF TY OLWEN TRUST

Responsibilities of trustees

As explained more fully in the statement of Trustees' responsibilities, the trustees is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees 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 trustees is responsible for assessing the Board'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 the trustees either intend to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 our 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.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

WBV Limited

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**Chartered Accountants
Statutory Auditor**

The Third Floor
Langdon House, Langdon Road
SA1 Swansea Waterfront
Swansea
Wales
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TY OLWEN TRUST

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2022

| | | Unrestricted funds 2022 £ | Unrestricted funds 2021 £ |
|---|-------|---------------------------------|---------------------------------|
| | Notes | | |
| <u>Income from:</u> | | | |
| Donations and legacies | 2 | 915,799 | 501,090 |
| Other trading activities | 3 | 5,136 | 3,581 |
| Investments | 4 | 48,243 | 48,821 |
| Total income | | 969,178 | 553,492 |
| <u>Expenditure on:</u> | | | |
| Raising funds | 5 | 19,599 | 12,738 |
| Charitable activities | 6 | 430,650 | 367,049 |
| Total expenditure | | 450,249 | 379,787 |
| Net gains/(losses) on investments | 9 | (285,706) | 169,190 |
| Net income for the year/ Net movement in funds | | 233,223 | 342,895 |
| Fund balances at 1 July 2021 | | 3,520,562 | 3,177,667 |
| Fund balances at 30 June 2022 | | 3,753,785 | 3,520,562 |

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 12 to 18 form part of these financial statements.

TY OLWEN TRUST**BALANCE SHEET****AS AT 30 JUNE 2022**

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|------------------|-------------------------|------------------|-------------------------|
| Fixed assets | | | | | |
| Investments | 10 | | 2,341,272 | | 2,437,752 |
| Current assets | | | | | |
| Debtors | 12 | 18,977 | | 146,536 | |
| Cash at bank and in hand | | 1,433,597 | | 1,046,420 | |
| | | <u>1,452,574</u> | | <u>1,192,956</u> | |
| Creditors: amounts falling due within one year | 13 | (40,061) | | (110,146) | |
| Net current assets | | | <u>1,412,513</u> | | <u>1,082,810</u> |
| Total assets less current liabilities | | | <u><u>3,753,785</u></u> | | <u><u>3,520,562</u></u> |
| Income funds | | | | | |
| Unrestricted funds | | | <u>3,753,785</u> | | <u>3,520,562</u> |
| | | | <u><u>3,753,785</u></u> | | <u><u>3,520,562</u></u> |

The notes on pages 12 to 18 form part of these financial statements.

The financial statements were approved by the Trustees on

.....
Mr G Lewis
Trustee

TY OLWEN TRUST**STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 30 JUNE 2022**

| | Notes | 2022 £ | £ | 2021 £ | £ |
|---|-------|-----------|-----------|-----------|-----------|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 17 | | 528,160 | | 155,275 |
| Investing activities | | | | | |
| Purchase of investments | | (196,212) | | - | |
| Proceeds from disposal of investments | | 6,986 | | 12,226 | |
| Investment income received | | 48,243 | | 48,821 | |
| Net cash (used in)/generated from investing activities | | | (140,983) | | 61,047 |
| Net cash used in financing activities | | | - | | - |
| Net increase in cash and cash equivalents | | | 387,177 | | 216,322 |
| Cash and cash equivalents at beginning of year | | | 1,046,420 | | 830,098 |
| Cash and cash equivalents at end of year | | | 1,433,597 | | 1,046,420 |

The notes on pages 12 to 18 form part of these financial statements.

TY OLWEN TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

Charity information

Ty Olwen Trust was founded under Declaration of Trust on 7 April 1981 as altered by Scheme of 11 September 2007. The address of the registered office is given in the charity legal and administrative details at the beginning of these financial statements.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The Board is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the Board. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

1.2 Going concern

At the time of approving the financial statements, the trustees has a reasonable expectation that the Board has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Board.

1.4 Income

Income is recognised in the Statement of Financial Activities when the Board is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Board has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Board has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

TY OLWEN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

Revenue grants are included in the Statement of Financial Activities when the Trust is legally entitled to them.

Investment income

Investment income is included when receivable.

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. All costs have been directly attributed to one of the functional categories of expenditure in the Statement of Financial Activities.

Expenditure is classified by activity as follows:

- Costs of raising funds comprise the costs of all fundraising activities and the costs of trading for fundraising purposes.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities for its beneficiaries and their associated support costs and governance costs.

The Trust is not registered for VAT and accordingly expenditure is shown gross of irrecoverable VAT.

The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at middle-market value at the Balance Sheet date excluding accrued interest. Changes in fair value are recognised in net income/(expenditure) for the year in the Statement of Financial Activities. Transaction costs are expensed as incurred.

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

TY OLWEN TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2022**1 Accounting policies****(Continued)*****Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2 Donations and legacies

| | Unrestricted funds | Unrestricted funds |
|---------------------|-------------------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Donations and gifts | 207,565 | 147,169 |
| Legacies receivable | 708,234 | 353,921 |
| | <u>915,799</u> | <u>501,090</u> |

Donations and legacies / bequests receivable all relate to unrestricted funds.

3 Other trading activities

| | Unrestricted funds | Unrestricted funds |
|------------------|-------------------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Collection boxes | 5,136 | 3,581 |
| | <u>5,136</u> | <u>3,581</u> |

4 Investments

| | Unrestricted funds | Unrestricted funds |
|--------------------------------|-------------------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| Income from listed investments | 46,171 | 47,036 |
| Interest receivable | 2,072 | 1,785 |
| | <u>48,243</u> | <u>48,821</u> |

TY OLWEN TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2022**5 Raising funds**

| | Unrestricted funds | Unrestricted funds |
|----------------------------------|-----------------------|-----------------------|
| | 2022 | 2021 |
| | £ | £ |
| <u>Fundraising and publicity</u> | | |
| Advertising | 2,184 | - |
| Other fundraising costs | 3,380 | 899 |
| Support costs | 14,035 | 11,839 |
| | <hr/> | <hr/> |
| Fundraising and publicity | 19,599 | 12,738 |
| | <hr/> | <hr/> |
| | <u>19,599</u> | <u>12,738</u> |

Support costs relate to the Trust's investment portfolio.

6 Charitable activities

| | 2022 | 2021 |
|---|----------------|----------------|
| | £ | £ |
| Tea bar costs | (1) | 1 |
| Contributions to Ty Olwen - bereavement councillors | - | 28,524 |
| Contributions to Ty Olwen - staff recharges | 406,709 | 320,436 |
| Equipment and repairs | 5,114 | 1,504 |
| Education expenses | 6,760 | 3,790 |
| Sundries | 4,776 | 5,619 |
| | <hr/> | <hr/> |
| | 423,358 | 359,874 |
| | <hr/> | <hr/> |
| Share of governance costs (see note) | 7,292 | 7,175 |
| | <hr/> | <hr/> |
| | <u>430,650</u> | <u>367,049</u> |

Governance costs are:

| | | |
|---|--------|----------------|
| Auditors' remuneration | £1,590 | (2021: £1,500) |
| Auditors' remuneration for non-audit work | £4,800 | (2021: £4,800) |
| Postage and stationery | £638 | (2021: £357) |
| Sundries | £264 | (2021: £518) |

7 Trustees

None of the trustees (or any persons connected with them) received any remuneration, benefits or were paid expenses from the Board during the year.

TY OLWEN TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2022**8 Employees**

| | 2022 Number | 2021 Number |
|-------|----------------|----------------|
| Total | - | - |

The Trust does not employ persons.

There were no employees whose annual remuneration was more than £60,000.

9 Net gains/(losses) on investments

| | Unrestricted funds | Unrestricted funds |
|------------------------------------|-----------------------|-----------------------|
| | 2022 £ | 2021 £ |
| Gain/(loss) on sale of investments | (285,706) | 169,190 |

10 Fixed asset investments

| | Listed investments £ | Cash in portfolio | Total £ |
|--------------------------|----------------------------|----------------------|------------|
| Cost or valuation | | | |
| At 1 July 2021 | 2,380,840 | 56,912 | 2,437,752 |
| Additions | 196,212 | - | 196,212 |
| Valuation changes | (286,314) | - | (286,314) |
| Movement | - | (6,378) | (6,378) |
| At 30 June 2022 | 2,290,738 | 50,534 | 2,341,272 |
| Carrying amount | | | |
| At 30 June 2022 | 2,290,738 | 50,534 | 2,341,272 |
| At 30 June 2021 | 2,380,840 | 56,912 | 2,437,752 |

The original cost of the fixed asset investments is as follows:

2022: £2,418,263

2021: £2,228,249

The market value of investments has been taken on 30 June 2022 and includes all monies on deposit at cost.

In accordance with the Charities SORP 2019 (FRS 102) the figures in the accounts are the market value of the investments.

TY OLWEN TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2022

| | | |
|---|-------------|-------------|
| 11 Financial instruments | 2022 | 2021 |
| | £ | £ |
| Carrying amount of financial assets | | |
| Instruments measured at fair value through profit or loss | 2,290,738 | 2,380,840 |
| | | |
| 12 Debtors | 2022 | 2021 |
| | £ | £ |
| Amounts falling due within one year: | | |
| Trade debtors | (1) | 1 |
| Other debtors | 18,653 | 146,535 |
| Prepayments and accrued income | 325 | - |
| | 18,977 | 146,536 |
| | | |
| 13 Creditors: amounts falling due within one year | 2022 | 2021 |
| | £ | £ |
| Other creditors | 33,671 | 103,781 |
| Accruals and deferred income | 6,390 | 6,365 |
| | 40,061 | 110,146 |
| | | |

14 MOVEMENT IN FUNDS

All funds are unrestricted.

The general fund can be summarised as follows:

| | |
|--------------------|------------|
| At 01 July 2021 | £3,520,562 |
| Incoming resources | £969,178 |
| Resources expended | (£450,249) |
| Net gains/(losses) | (£285,706) |
| At 30 June 2022 | £3,753,785 |

15 Financial commitments, guarantees and contingent liabilities**OTHER FINANCIAL COMMITMENTS**

At the balance sheet date the Trustees had authorised, but not contracted for, payments in the order of £500,000 per annum for Swansea Bay University Health Board contributions to Ty Olwen for staff recharges.

In addition, the Trust has made a commitment to fund the setting up of a relatives room within Ty Olwen from the money previously donated from the DVLA. Work on the room has taken place and the Trust has received charges for equipment.

TY OLWEN TRUST**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 30 JUNE 2022**16 Related party transactions****Transactions with related parties**

During the year the Board entered into the following transactions with related parties:

Expenses amounting to £1,140 (2021: £1,180) were incurred by the Trust for the supervision delivered to the palliative care team at Ty Olwen by Maggies, a fellow cancer charity. This amount is included in education expenses in note 6 of the financial statements.

There were no other related party transactions.

| 17 Cash generated from operations | 2022 | 2021 |
|---|----------------|----------------|
| | £ | £ |
| Surplus for the year | 233,223 | 342,895 |
| Adjustments for: | | |
| Investment income recognised in statement of financial activities | (48,243) | (48,821) |
| Loss/(gain) on disposal of investments | 285,706 | (169,190) |
| Movements in working capital: | | |
| Decrease/(increase) in debtors | 127,559 | (10,715) |
| (Decrease)/increase in creditors | (70,085) | 41,106 |
| Cash generated from operations | 528,160 | 155,275 |

18 Analysis of changes in net funds

The Trust had no debt during the year.

19 ULTIMATE CONTROLLING PARTY

There is no individual controlling party as the Trust is managed by a Board of Trustees as detailed at the front of the charity's financial statements within the Legal and Administrative information.