Public Charitable Funds Committee Extraordinary Meeting (Annual Report and Accounts)

Tue 23 April 2024, 11:00 - 12:00

Microsoft Teams

Agenda

1.0.0 STANDARD BUSINESS

Led by Professor Donna Mead OBE, Chair

1.1.0 Apologies

Led by Professor Donna Mead OBE, Chair

1.2.0 In Attendance

Led by Professor Donna Mead OBE, Chair

1.3.0 Declarations of Interest

Led by Professor Donna Mead OBE, Chair

2.0.0 VELINDRE CHARITY DETAILED AUDIT PLAN 2023

Led by Steve Wyndham, Audit Wales

- 2.0.0a Audit Plan.pdf (5 pages)
- 2.0.0b Velindre Charity Detailed Audit Plan 2023 - final.pdf (16 pages)

3.0.0 VELINDRE UNIVERSITY NHS TRUST CHARITABLE FUNDS TRUSTEE ANNUAL REPORT 2022-2023

Led by Paul Wilkins, Charity Director

- 3.0.0a Velindre UNiversity NHS Trust Charity (Trustee) Annual Report 2022-2023 Cover Paper.pdf (3 pages)
- 3.0.0b VUNHST Charity Annual Report CFC 2023.23-compressed.pdf (66 pages)

4.0.0 ANNUAL FINANCIAL ACCOUNTS AUDIT – ISA 260 REPORT

Led by Steve Coliandris, Head of Financial Planning and Reporting and Steve Wyndham and David Burridge, Audit Wales

- 4.0.0a ISA 260 Cover Paper.pdf (5 pages)
- 4.0.0bAppendix 1 - 4004A2024_Velindre_CF_ISA260 22-23 - updated April 2024.pdf (18 pages)

5.0.0 ANY OTHER BUSINESS

Prior Agreement by the Chair Required

6.0.0 DATE AND TIME OF NEXT MEETING

Charitable Funds Committee Meeting: Tuesday 21 May 2024, 10:00 – 12:30

7.0.0 CLOSE

Ymddiriedolaeth GIG Prifysgol Felindre
Velindre University NHS Trust

CHARITABLE FUNDS COMMITTEE

AUDIT WALES – CHARITABLE FUNDS AUDIT PLAN

DATE OF MEETING	23/04/2024

PUBLIC OR PRIVATE REPORT	Public

IF PRIVATE PLEASE INDICATE REASON	NOT APPLICABLE - PUBLIC REPORT

REPORT PURPOSE	APPROVAL

IS THIS REPORT GOING TO THE MEETING BY EXCEPTION?	NO

PREPARED BY	Steve Coliandris, Head of Financial Planning & Reporting Steve Wyndham, Audit Manager, Wales Audit Office
PRESENTED BY	Steve Wyndham, Audit Manager, Wales Audit Office
APPROVED BY	Matthew Bunce, Executive Director of Finance

EXECUTIVE SUMMARY	The Audit Plan attached specifies the statutory responsibilities of the external auditor and their obligations under the Code of Audit Practice. It sets out the work that the audit team intends undertaking to address the audit risks identified and other key areas of focus during 2023. It also sets out the estimated audit fee, details the audit team and key dates for delivering the audit team's activities and planned outputs.

RECOMMENDATION / ACTIONS	The Committee is asked to **REVIEW** and **APPROVE** the Wales Audit Plan

GOVERNANCE ROUTE	
List the Name(s) of Committee / Group who have previously received and considered this report:	**Date**
SUMMARY AND OUTCOME OF PREVIOUS GOVERNANCE DISCUSSIONS	

7 LEVELS OF ASSURANCE	
If the purpose of the report is selected as **'ASSURANCE',** this section **must be** completed. N/A	
ASSURANCE RATING ASSESSED BY BOARD DIRECTOR/SPONSOR	**Select Current Level of Assurance** *Please refer to the Detailed Definitions of 7 Levels of Evaluation to Determine RAG Rating / Operational Assurance and Summary Statements of the 7 Levels in Appendix 3 in the* ***"How to Guide for Reporting to Trust Board and Committees"*** N/A

APPENDICES	
Appendix 1	Charitable funds audit plan

1. SITUATION/ BACKGROUND

1.1 The Audit Plan attached specifies the statutory responsibilities of the external auditor and their obligations under the Code of Audit Practice. It sets out the work that the audit team intends undertaking to address the audit risks identified and

other key areas of focus during 2023. It also sets out the estimated audit fee, details the audit team and key dates for delivering the audit team's activities and planned outputs.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

2.1 The report has been reviewed by the finance team and agreed by the Executive Director of Finance.

2.2 To reassure the committee the increase in the audit fee was discussed as part of approving the audit plan and it was agreed that it represents a fair reflection of costs which was benchmarked against the other NHS Charities.

3. IMPACT ASSESSMENT

TRUST STRATEGIC GOAL(S)	
Please indicate whether any of the matters outlined in this report impact the Trust's strategic goals: YES - Select Relevant Goals below	
If yes - please select all relevant goals: • Outstanding for quality, safety and experience ☒ • An internationally renowned provider of exceptional clinical services that always meet, and routinely exceed expectations ☐ • A beacon for research, development and innovation in our stated areas of priority ☐ • An established 'University' Trust which provides highly valued knowledge for learning for all. ☐ • A sustainable organisation that plays its part in creating a better future for people across the globe ☐	
RELATED STRATEGIC RISK - TRUST ASSURANCE FRAMEWORK (TAF) *For more information: STRATEGIC RISK DESCRIPTIONS*	08 - Trust Financial Investment Risk
QUALITY AND SAFETY IMPLICATIONS / IMPACT	Yes -select the relevant domain/domains from the list below. Please select all that apply

	Safe ☒ Timely ☒ Effective ☒ Equitable ☒ Efficient ☒ Patient Centred ☒
SOCIO ECONOMIC DUTY ASSESSMENT COMPLETED: *For more information:* *https://www.gov.wales/socio-economic-duty-overview*	**Choose an item**
	N/A. **Click or tap here to enter text**
TRUST WELL-BEING GOAL IMPLICATIONS / IMPACT	**Choose an item**
	If more than one Well-being Goal applies please list below:
	N/A
	If more than one wellbeing goal applies please list below: **Click or tap here to enter text**
FINANCIAL IMPLICATIONS / IMPACT	Yes - please Include further detail below, including funding stream
	The Audit fee per the audit plan is £20,664
EQUALITY IMPACT ASSESSMENT	Not required - please outline why this is not required
	There is no requirement for this report.

For more information: *https://nhswales365.sharepoint.com/sites/VEL_Intranet/SitePages/E.aspx*	
ADDITIONAL LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
	N/A

4. RISKS

This section should indicate whether any matters addressed in the report carry a significantly increased level of risk for the Trust – and if so, the steps that will be taken to mitigate the risk - or if they will help to reduce a risk identified on a previous occasion.

ARE THERE RELATED RISK(S) FOR THIS MATTER	Choose an item
WHAT IS THE RISK?	N/A
WHAT IS THE CURRENT RISK SCORE	N/A
HOW DO THE RECOMMENDED ACTIONS IN THIS PAPER IMPACT THIS RISK?	N/A
BY WHEN IS IT EXPECTED THE TARGET RISK LEVEL WILL BE REACHED?	N/A
ARE THERE ANY BARRIERS TO IMPLEMENTATION?	Choose an item
	N/A
All risks must be evidenced and consistent with those recorded in Datix	

Archwilio Cymru
Audit Wales

Velindre University NHS Charitable Funds Detailed Audit Plan 2023

Audit year: 2022-23

Date issued: December 2023

Document reference: 3958A2023

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

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No responsibility is taken by the Auditor General, the staff of the Wales Audit Office or, where applicable, the appointed auditor in relation to any member, director, officer or other employee in their individual capacity, or to any third party.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 Code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales, the Wales Audit Office and, where applicable, the appointed auditor are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

About Audit Wales

Our aims and ambitions

Assure

the people of Wales that public money is well managed

Explain

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

Inspire

and empower the Welsh public sector to improve

Fully exploit our unique perspective, expertise and depth of insight

Strengthen our position as an authoritative, trusted and independent voice

Increase our visibility, influence and relevance

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

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Introduction

I have now largely completed my planning work.

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

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

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

Adrian Crompton
Auditor General for Wales

Audit of financial statements

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

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

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

Your audit at a glance

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

My audit planning identified the following risk:

- Management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk.

Materiality

Materiality	£44,000
Reporting threshold	£2,000

Financial statements materiality

Materiality £44,000

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

Materiality is calculated using:

- 2022-23 gross expenditure of £2,183,000
- Materiality percentage of 2%

I report to those charged with governance any misstatements above a trivial level (set at 5% of materiality).

Areas of specific interest

There are some areas of the accounts that may be of more importance to the user of the accounts and so we have set a lower materiality level for the related party transaction disclosures within the accounts:

- £10,000 for individuals' interests.

Significant financial statements risks

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

Exhibit 1: significant financial statement risks

Significant risk	Our planned response
The risk of management override of controls is present in all entities. Due to the unpredictable way in which such override could occur, it is viewed as a significant risk [ISA 240.32-33].	The audit team will: • test the appropriateness of journal entries and other adjustments made in preparing the financial statements; • review accounting estimates for bias; and • evaluate the rationale for any significant transactions outside the normal course of business.

Other areas of focus

I set out other identified risks of material misstatement which, whilst not determined to be significant risks as above, I would like to bring to your attention.

Exhibit 2: other areas of focus

Audit risk	Our planned response
I judge related party disclosures to be material by nature, with a far lower level of materiality. These disclosures are therefore inherently prone to material misstatement, and there is the material risk that related party disclosures are incomplete and inaccurate. I will: • make enquiries of management to understand the process in place for identifying related party transactions; and • review completed related party declaration forms for evidence of any potential related parties.	I will: • make enquiries of management to understand the process in place for identifying related party transactions and balances; • review all the related-party declaration forms, and ensure that all of them have been received; • examine the evidence undertaken by officers to support the related party transaction disclosures within the accounts; and • consider Companies House records.

Financial statements audit timetable

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

Exhibit 3: key dates for delivery of planned outputs

Planned output	Work undertaken	Report finalised
2023 Detailed Audit Plan	November- December 2023	December 2023
Audit of financial statements work:		
• Audit of Financial Statements Report	January 2023	January 2023
• Opinion on the Financial Statements	January 2023	January 2023

Fee and audit team

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

We have also reassessed the fee, and therefore included an additional amount, to more accurately reflect the expected level of audit work that we are required to undertake and to address the scale and size of the fund. I therefore estimate your total audit fee will be **£20,664** (2021-22 £15,000)[1].

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

Our financial audit fee is based on the following assumptions:

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

The main members of my team, together with their contact details, are summarised in **Exhibit 4**.

Exhibit 4: my local audit team

Name	Role	Contact number	E-mail address
Richard Harries	Engagement Director	02920 320640	Richard.harries@audit.wales
Steve Wyndham	Audit Manager	02920 320664	Steve.wyndham@audit.wales
David Burridge	Audit Lead	02922 677839	David.burridge@audit.wales

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

[1] The fees are exclusive of VAT, which is not charged to you.

Audit quality

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

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

Our People

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

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

Arrangements for achieving audit quality

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

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

Independent assurance

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

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

* QAD is the quality monitoring arm of ICAEW.

• External monitoring

* QAD is the quality monitoring arm of ICAEW.

Appendix 1

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

Key change	Potential impact on your organisation
More detailed and extensive risk identification and assessment procedures	Your finance team and others in your organisation may receive a greater number of enquiries from our audit teams at the planning stage of the audit. Requests for information may include: • information on your organisation's business model and how it integrates the use of information technology (IT); • information about your organisation's risk assessment process and how your organisation monitors the system of internal control; • more detailed information on how transactions are initiated, recorded, processed, and reported. This may include access to supporting documentation such as policy and procedure manuals; and • more detailed discussions with your organisation to support the audit team's assessment of inherent risk.
Obtaining an enhanced understanding of your organisation's environment, particularly in relation to IT	Your organisation may receive more enquiries to assist the audit team in understanding the IT environment. This may include information on: • IT applications relevant to financial reporting; • the supporting IT infrastructure (e.g. the network, databases); • IT processes (e.g. managing program changes, IT operations); and • the IT personnel involved in the IT processes. Audit teams may need to test the general IT controls and this may require obtaining more detailed audit evidence on the operation of IT controls within your organisation. On some audits, our audit teams may involve IT audit specialists to assist with their work. Our IT auditors may need to engage with members of your IT team who have not previously been involved in the audit process.

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

Through our Good Practice work we share emerging practice and insights from our audit work in support of our objectives to assure, to explain and to inspire.

Our newsletter provides you with regular updates on our public service audit work, good practice and events, which can be tailored to your preferences.

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Sign up to our newsletter here.

Archwilio Cymru
Audit Wales

Audit Wales
1 Capital Quarter
Tyndall Street
Cardiff CF10 4BZ

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.

CHARITABLE FUNDS COMMITTEE

CHARITABLE FUNDS (TRUSTEE) ANNUAL REPORT 2022-23

DATE OF MEETING	23/04/2024

PUBLIC OR PRIVATE REPORT	Public

IF PRIVATE PLEASE INDICATE REASON	Not Applicable - Public Report

PREPARED BY	Paul Wilkins Charity Director Steven Coliandris, Head of Financial Planning & Reporting
PRESENTED BY	Paul Wilkins, Charity Director Steven Coliandris, Head of Financial Planning & Reporting
EXECUTIVE SPONSOR APPROVED	Matthew Bunce, Executive Director of Finance

REPORT PURPOSE	FOR APPROVAL

COMMITTEE/GROUP WHO HAVE RECEIVED OR CONSIDERED THIS PAPER PRIOR TO THIS MEETING		
COMMITTEE OR GROUP	**DATE**	**OUTCOME**
Velindre Charity Senior Leadership Group received	24/11/2023	Update NOTED
CFC members (extraordinary CFC)	26/01/2024	Meeting cancelled

ACRONYMS	
CFC	Charitable Funds Committee

1. SITUATION/BACKGROUND

1.1 The Charitable Funds (Trustee) Annual Report and its Financial Statements are prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting for Charities (SORP 2005), the Charity Commission's general guidance and with the applicable United Kingdom accounting standards.

1.2 As with previous years, the aim of the Annual Report is to demonstrate how the money raised through Charitable Funds allows the Charity to make a difference and enhance the services provided.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

2.1 Following the holistic review previously undertaken to assess the look and feel of the Annual Report, this year's report aims to continue to develop a more interactive report and a more engaging tone of voice.

2.2 Consultation and engagement with the Velindre Charity Senior Leadership Group and Charity Chair has taken place and any comments and amendments have been incorporated as appropriate.

2.3 The Final report will be made available in Welsh and will be published on the Trust Intranet and Internet sites.

2.4 The Annual Report is attached at ***Appendix 1.***

3. IMPACT ASSESSMENT

QUALITY AND SAFETY IMPLICATIONS/IMPACT	Yes (Please see detail below)
	Evidence suggests there is correlation between governance behaviours in an organisation and the level of performance achieved at that same organisation. Therefore enduing good governance within the Trust can support quality care.
RELATED HEALTHCARE STANDARD	Governance, Leadership and Accountability
	If more than one Healthcare Standard applies please list below:
EQUALITY IMPACT ASSESSMENT COMPLETED	No (Include further detail below)
	The necessary equality impact assessment is being completed

LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

4. RECOMMENDATION

4.1 The Charitable Funds Committee is asked to **APPROVE** the Velindre University NHS Trust Charity's Annual Report 2022-2023 for submission to the Charity Commission and for the Chair and Executive Director of Finance to apply signatures to the report.

Velindre University NHS Trust Charity

Annual Report and Accounts 2022 - 2023

Codi Arian
CANOLFAN GANSER
VELINDRE
CANCER CENTRE
Fundraising

"I've been in Velindre when they've been rubbing my feet, while I'm having chemotherapy, having reflexology and all those little extras that aren't necessarily NHS. That's where the money goes.
"So I've seen first-hand what a difference that money makes.
"I'm very proud of my association with Velindre"."

Rhod Gilbert
Patient, Comedian,
Television Presenter
and Velindre Charity Patron

Gwasanaeth Gwaed Cymru
Welsh Blood Service

Credit: James Watkins/BBC

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Glossary of Abbreviations

AHPs
Allied Health Professionals

AHSC
Academic Health Science Centre

CFC
Charitable Funds Committee

CNS
Clinical Nurse Specialist

COVID 19
Coronavirus2019

CTU
Clinical Trial Unit

ESOL
English for Speakers of Other Languages

FR
Fundraising Regulator

FRS
Financial Reporting Standard

ISAs
International Standards on Auditing

NPHS
National Public Health Service

PARS
Physical Activity Rehabilitation Programme

PCH
Prince Charles Hospital

POC
Point of Care

R&D
Research & Development

RD&I
Research Development & Innovation

ROM
Range of Motion

RT
Radiotherapy

SABT
Stereotactic Ablative Body Radiotherapy

SACT
Systemic Anti-Cancer Therapy

SC
Supportive Care

SOFA
Statement of Financial Activities

SORP
Statement of Recommended Practice

UGI CNS
Upper Gastrointestinal Clinical Nurse Specialist

UK
United Kingdom

VAT
Value Added Tax

VCC
Velindre Cancer Centre

WBS
Welsh Blood Service

What our Annual Report will tell you

The Velindre University NHS Trust Charity Annual Report showcases how the funds raised through Charitable Funds in 2022-23 has made a difference and enhanced the services provided by the Trust. The report provides information about the Charity's performance this year, key activities and developments, and plans for 2023-24 and beyond.

The Charity's priorities are shaped by its Vision, Mission, Objectives, and Aims, which are set out on pages 12 and 13 of the report.

The report outlines the achievements, financial expenditure, and plans of the Velindre University NHS Trust. The Trust is committed to ensuring the delivery of safe, high-quality, and effective care to its patients and donors, and to continuous quality improvement to achieve this.

In accordance with our commitment to the Well-being of Future Generation (Wales) Act 2015, hard copies will be available on request, in addition to the digital copy of our Annual report available on our Trust website. As such, if you would like copies of our Annual Report in print form and/or alternative formats or languages, please contact us using the details below:

Velindre University NHS Trust, Corporate Headquarters,
Unit 2, Charnwood Court, Parc Nantgarw, Cardiff. CF15 7QZ

Tel: 029 2019 6161

Email: Corporate.Services2@wales.nhs.uk

Website: www.velindre-tr.wales.nhs.uk

On behalf of the Corporate Trustee of Velindre University NHS Trust Charity, we present the Velindre University NHS Trust Charity Annual Report together with the Audited Financial Statements for the year ended 31 March 2023.

Welcome

On behalf of the Corporate Trustee of Velindre University NHS Trust Charity, we present the Charitable Funds (Trustee) Annual Report together with the Audited Financial Statements for the year ended 31 March 2023.

Velindre University NHS Trust, which incorporates the Velindre Cancer Service and the Welsh Blood Service, is dedicated to providing quality, care and excellence in its treatment and engagement with patients, donors, their families and other people we come in contact with.

We are proud of our staff dedication in providing the very best possible services and the way, in turn, we are valued by our patients and donors. We believe we have a story to tell and, while we are required by the Charity Commission to produce an Annual Report detailing our accounts and activities over the past year, we are delighted that it also gives us a great opportunity to tell you more about the Charity and the services we have helped to enhance.

Presenting this report also provides an opportune time, for the Trustees to extend an important thank you to all our fundraisers supporters and Partners, the level of support the Charity receives is exceptional and for this we are extremely grateful.

Against the continuing backdrop of COVID, 2022–23 was another successful period. £5.020m was raised. On behalf of the Corporate Trustee we extend a huge vote of thanks for the continued generosity to all our patrons, ambassadors, fundraisers and supporters. We thank them also for their commitment and time in raising these funds to help support the Velindre University NHS Trust Charity.

To all our supporters, fundraisers, staff and volunteers with your help we continue to grow and support our Charity mission. Warmest thanks are also due to our Fundraising Team and Charity support staff, for their continued dedication in progressing the actions and activities that drive our Charity forward.

The Trustees would also like to thank the patient's and fundraisers who have attended the Charitable Funds Committee, providing a valuable patient and fundraiser voice throughout discussions on new projects, activities and initiatives. The patient's and fundraiser's commitment and support is extremely helpful and we look forward to continuing to work with them during 2022-23 and beyond.

Welcome from our Chair, Professor Donna Mead OBE

I'm pleased to introduce our Annual Report and Accounts and to share the Velindre story of this past year. One we can look back on being filled with achievement, innovation, creativity and collaboration to meet the needs of the communities we serve in Velindre University NHS Trust.

I know very well from my own personal experience and the experiences of so many others, that the services we provide across our fantastic organisation are life changing. From the expert cancer care, through the research and innovation we undertake, to the blood donations collected and distributed to hospitals across Wales. Every minute of every day, we are making a real difference.

With the vital help of the Charity, I've been impressed by the way that our services across Velindre Cancer Centre and the Welsh Blood Service have continued to grow and strengthen, having a meaningful impact on the tens of thousands of people who use them each year.

The charitable funds allow us to invest in to many areas such as research, service development, patient support or colleague wellbeing and you will read many examples throughout this report of how that has happened. However, looking to the year ahead, whilst the legacy of Covid-19 lives on for so many, we recognise that the cost of living crisis is affecting more and more families, each and every day.

For those who know us well, you will recall our determination to invest in our patient support services. For many, that support is aligned to understanding and dealing with cancer as an illness, but our very caring patient support team go so much further to work with and signpost those most in need of navigating the financial difficulties cancer can also bring. I am incredibly proud of how the investment of charitable funds has brought so much hope and support to so many people.

For this to be able to happen we are of course reliant upon the kind donations, generosity and hard work of our loyal supporters, our president, patrons, ambassadors, fundraisers, volunteers and fundraising staff who form a crucial part of 'Team Velindre'.

I have the envious privilege of being able to meet so many of them throughout the course of each year. Incredible, selfless people who never cease to amaze me with wonderfully inspiring stories. Their passion, enthusiasm, hard work, expertise and dedication to our work is infectious.

We are of course never complacent about success in Velindre and we know the year ahead will be challenging, but along with my colleagues we have a healthy appetite to continue to push the boundaries for improvement in all that we do. Our patients, their families, friends, carers and wider support groups deserve it, our incredible staff deserve it, the people of Wales deserve it. We will represent them well and drive forward our ambitions.

I look forward to sharing an exciting year ahead.

Thank you.

Professor Donna Mead, OBE
Chair

Welcome from our Chief Executive, Steve Ham

In what was an extremely challenging year, I am proud that our patients, donors and families have continued to benefit from the highest standards of care, innovation and professionalism across the range of services we deliver.

We successfully maintained the delivery of transplant services and the supply of blood and blood products to the whole of NHS Wales whilst also delivering essential tertiary cancer services to the South East Wales population. We believe the strong foundations and clinical operating models that we have established will stand us in good stead, as we enter 2023/2024.

The year ahead looks equally challenging but I remain confident that our talented and committed colleagues, supporters and volunteers will be instrumental in our achievements. With the help of charitable funds, donated with such generosity, we will put that to good use.

We will continue to develop the services we offer focussing on meeting the evolving requirements of the communities we serve making a significant difference for our patients, families, supporters and colleagues.

It's now time to focus on the future and an ambitious new strategy that marks the beginning of an exciting chapter for our Charity. I am eager to develop this strategy with the help of our supporters, with the ultimate goal of creating an environment of togetherness.

One of my main goals is to ensure that our staff are well-supported and that our charity is even more effective, ambitious, and inclusive. It is crucial that everyone feels heard, respected, and able to flourish and grow. Above all, I am committed to continuing to make a meaningful and positive impact on the lives of our service users, those who require us in their greatest time of need.

The seeds of our ability to keep growing are of course due to the generosity and dedication of our supporters. These supporters are comprised of many, many individuals who share our purpose and vision, and who graciously donate their time, expertise, and funds. Without their contributions, we simply could not achieve many of the successes we do.

I'd like to pay particular attention to our fundraising team. They have been instrumental in our achievements this past year. Without their tireless efforts and commitment, we would not have been able to accomplish what we did. Recognising and celebrating their success is something in which I know our supports will join me. We are so fortunate to have such great people in Velindre.

Finally, I would like to take this opportunity to express my sincere gratitude to my leadership team, our Chair, and Board for their unwavering support in ensuring the smooth operation of our esteemed Charity.

Thank you.
Steve Ham
Chief Executive

Our Purpose

Charity Vision

"Invest in promoting Quality, Care and Excellence in the services provided by Velindre University NHS Trust".

Mission

"To support the Trust's provision of world class research-led treatment, care and support for patients and families affected by cancer as well as other patients supported by the Trust and those who are involved in the donation of blood or stem cells".

Aims

"to improve the quality and quantity of research undertaken by the Trust"

Our Objectives

General

For charitable purposes relating to the general or specific use of Velindre University NHS Trust. Or to purposes relating to the health service and for any other health services for which specific monies have been donated for use within the UK or overseas.

Donors

For the promotion of blood and stem cell donation to grow the donor pool and to improve donor care and experience.

Staff

For the relief of sickness, improving or supporting welfare and promoting the efficient and effective performance of duties of Trust staff.

Patients

For the relief of illness of patients suffering from cancer or its effects as well as other patients who are or have been treated by Velindre University NHS Trust.

Research

For any charitable purpose or purposes principally (but not exclusively) at or in connection with Velindre University NHS Trust which will further our research goals overleaf.

Our Research Goals

- The investigation of the causes of cancer and the prevention, cure, treatment and defeat of cancer in all its forms.
- The advancement of scientific and medical education and research in topics related to cancer.
- The furtherance of any other charitable purpose for the relief of persons diagnosed with cancer.
- To support research and development in to new and novel uses of blood, blood components and cellular technology for the benefits of patients.
- Improve donor care through the development of research activity.
- Improve quality and safety of blood components and products; and support research to approve outcomes in transplantation.

Gwasanaeth Gwaed Cymru
Welsh Blood Service

Canolfan Ganser Felindre
Velindre Cancer Centre

January

Dinas Powys Mini's FC started 2022 with a bang by climbing Pen y Fan.

"Our fantastic football family want to raise money to support Nadine whilst she undergoes her treatment at Velindre" The weather didn't stop 'Team Velindre'!

February

A record year for our annual WEAR RED FOR WALES' campaign with over 300 schools and organisations joining in the fun to help us paint Wales RED!

March

Our Young Ambassadors programme and commitment to youth engagement have allowed us to make lasting connections with the local community and teach them new skills to prepare them for the future.

Codi Arian
CANOLFAN GANSER
VELINDRE
CANCER CENTRE
Fundraising

Total Income Raised: £5.020m

Events, Fundraising and Donations: £2.081m

During 2022 to 2023, the total amount raised from general donations, grants, events and fundraising was over £2m, which is a testament to the immense generosity, passion, commitment and dedication of our staff and loyal supporters. We are grateful for their continued support, recognising that our future plans would not be possible without the support of our dedicated fundraisers. We remain extremely grateful for their efforts.

Legacies £2.795m

In the period of 2022 to 2023, the total amount of legacies received was in excess of £2.7m. The Charity continues to receive legacies, which are a crucial source of income, and we express our gratitude to those who have the generosity and foresight to remember Velindre by leaving a gift in their will.

Investments £0.144m

The charity has entrusted external investment advisors to manage its portfolio of investments in accordance with guidelines and responsible policies that have been agreed upon with the charity's Trustees. In the course of the year, the portfolio generated a dividend of £0.144m.

Total Expenditure: £2.188m

Research: £0.821m

Every year, the funds raised by the charity are utilised to support innovative research and clinical trials. These trials can aid in the development of advanced treatments that enhance patient and donor care, and improve the quality and safety of blood components and products..

Patients, Staff Wellbeing and Amenities: £0.246m

The funds raised through the charity has a significant impact on patients and staff welfare by funding support services, therapies, equipment, and more. These resources help improve the quality of patient care and contribute to employee well-being.

Fundraising: £0.898m

Our charity relies heavily on fundraising, which is not only a crucial source of income but also plays a vital role in raising awareness and gaining continued support from the public. The cost of raising funds is in line with other charities of similar size and nature.

Support Costs: £0.199m

Support costs and fees are kept to a minimum, however, to ensure that the charity can be run effectively it is essential that a clear management and governance structure is in place. Support costs are in line with other Charities of similar size and nature.

Investment Management Fees: £0.025m

The investment fees paid to the Charity's Investment Management Advisors account for a small proportion of expenditure. However, this expert advice is crucial in ensuring that the Charity's Investment Portfolio is managed effectively in line with agreed guidelines and policies.

Codi Arian
CANOLFAN GANSER
VELINDRE
CANCER CENTRE
Fundraising

Examples of activity that the monies raised supported during 2022-2023

Activity	Description
Cancer Clinical Nurse Specialists	The Charity provides support for the employment of Cancer Clinical Nurse Specialists who work in a specialised and intricate cancer environment. Due to the complex nature of their work, there are inherent demands and emotional implications involved in supporting patients. The service provided by these specialists is of immense value to our patients.
Complimentary Therapies	The Charity has provided support to offer complimentary therapies to patients at Velindre, which will complement the existing Therapy, Nursing, Consultants, and specialty Doctors. This presents an excellent opportunity to balance the wellbeing of patients with the medical and clinical teams that deliver high-quality patient care.
Early Phase Trials: Medical Sessions for the Future	To support the provision of world class research-led treatment, care and support for our patients and families affected by cancer, the Charity supported investment in early phase trials which will help support us to meet our aims of: • Investigating the causes of cancer and the prevention, cure, treatment and defeat of cancer in all its forms; • The advancement of scientific and medical education and research in topics related to cancer.

Advanced Practice Physiotherapist	All gynaecological cancer patients in Velindre Cancer Centre now have access to a dedicated, first of its kind in Velindre Therapies, Trainee Advanced Practice Physiotherapist, offering prehabilitation and specialist rehabilitation from the side effects of gynaecological cancer treatment. The service offers holistic, individualised physiotherapy input that previously patients had limited access to.
Children's Resources	All of the children's resources at Velindre Cancer Centre are funded by the charity. These resources include memory boxes, lion toys, worry monsters, and educational books that help support a child when experiencing a diagnosis or loss in the family
Equality and Inclusiveness	The charity has funded an initiative involving teachings the importance of health screening and blood donation to students taught through teaching English as a foreign language. The students then become ambassadors in diverse communities encouraging the uptake of health screening and blood donation.

Further information

The activities described above provide only an example of the activity that Velindre University NHS Trust Charity has agreed to support during the year. Further information and detail can be sought from the Charitable Funds Committee meeting papers, which are published on the Velindre University NHS Trust website: www.velindre-tr.wales.nhs.uk/charitable-funds-committee-cfc-

April

The Cardiff Half Marathon 2022 saw 46 fundraisers run in aid of Velindre, raising vital funds for the Charity. Many of these avid athletes have continued to run for us in 2023, and plan to do so in 2024.

May

Velindre remained the headline charity at the Brecon Carreg Cardiff Bay Run with 150 runners signed up to represent and support our #TeamVelindre

June

"I'm doing this for you Grancha, and I know you will be looking down on us and cheering us along the way"

July

Young ambassadors Seren and Morgan founded 'Veggies for Velindre', a fresh fruit and veg programme based in Tynewydd, RCT.

August

Established in memory of musician Andrew Nichols nicknamed Mega, the Megaday Music Festival returned to Caerphilly Rugby Club during the August Bank Holiday weekend. The event focusses on three key objectives which are to have fun, remember loved ones, and raise vital funds for Velindre.

September

September saw our valued ambassador Tracey Davies, joined by our Chair, lead an inspirational 'Walk for Hope' in Dare Valley Country Park. An inclusive event which attracted families young and old, walkers with disabilities and many others, all of whom were touched by cancer and wished to support Velindre.

Structure, Governance and Management of Charitable Funds

The Velindre University NHS Trust Board as a Corporate Trustee is ultimately accountable for charitable funds donated to Velindre University NHS Trust Charity, you can meet our Trustees on page (64) of this report.
The Chair and Independent Members of the Trust Board are appointed by the Welsh Government while the Chief Executive and Executive Directors are appointed by the Trust Board. Trustees of Velindre University NHS Trust Charity are responsible for controlling the management and administration of the Charity and have collective responsibility for the Charity.

The duties of a Trustee is to:

- Ensure the Charity is carrying out its purposes for the public benefit
- Comply with the Charity's Governing Document and the law
- Act in the Charity's best interests
- Manage the Charity's resources responsibly
- Act with reasonable care and skill
- Ensure the Charity is accountable

The Charity Commission has written guidance which sets out what is required of a Charity Trustee, including their responsibilities to the Charity. This guidance is available here.

In order to facilitate the administration and management of the charitable funds the Trust Board has established a Charitable Funds Committee to provide advice and recommendations to the Board. The Charitable Funds Committee manages, on behalf of the Trust Board, all aspects of control, investment and expenditure of the Trust's charitable funds. The Trustees have been appointed under s11 of the NHS and Community Care Act 1990.
The Charitable Funds Committee may delegate authority to commit expenditure but cannot delegate accountability.

The Executive Director of Finance is responsible for the day to day management and control of the administration of the charitable funds and reports to the Charitable Funds Committee. The Executive Director of Finance has particular responsibility to ensure that the spending is in accordance with the objectives and priorities agreed by the Charitable Funds Committee and the Board; that the criteria for spending charitable monies are fully met; that full accounting records are maintained and that devolved decision making or delegated arrangements are in accordance within the policies and procedures set out by the Board as the Corporate Trustees.

The Charitable Funds Committee is supported by a Sub-Committee, the Investment Performance Review Sub-Committee which has particular responsibility for managing the Charity's Investment Portfolio together with the Charity's Investment Management Organisation (Brewin Dolphin).

The Charitable Funds Committee is supported by a Sub-Committee, the Investment Performance Review Sub-Committee which has particular responsibility for managing the Charity's Investment Portfolio together with the Charity's Investment Management Organisation (Brewin Dolphin).

The main objectives of the Investment Performance Review Sub-Committee are to:

- Ensure that when investing charitable funds Trustees achieve an appropriate balance for the Charity between the two objectives of:
  - Providing an income to help the Charity carry out its purposes effectively in the short term; and;
  - Maintaining and, if possible, enhancing the value of the invested funds, to enable the Charity to carry out its purpose in the longer term.

- Ensure that the standards as defined in the Trustee Act are followed, whether they are using the investment powers in that Act or not:
  - That the Charity is discharging its general duty of care (as described in section 1 of the Trustee Act), which is the duty to exercise such care and skill as is reasonable in the circumstances. This applies both to the use of any power of investment and to the discharge of the specific duties which the Act attaches to the use of investment powers.

- Secondly, that the Charity is complying with the following specific duties:
  - Trustees must consider the suitability for the Charity of any investment. This duty exists at two levels. The Trustees must be satisfied that the type of any proposed investment (e.g. a common investment fund or a deposit account) is right for the Charity. They also have a duty to consider whether a particular investment of that type is a suitable one for the Charity to make, based on the overall investment policy set by the Charitable Funds Committee. Trustees should, at both levels, try to consider the whole range of investment options which are open to them; how far they should go here will, of course, depend on the amount of funds available for investment.

- Trustees must consider the need for diversification, i.e. having different types of investment, and different investments within each type. This will reduce the risk of losses resulting from concentrating on a particular investment or type of investment.

- Trustees must periodically review the investments of the Charity. The nature and frequency of these reviews is up to the Trustees to decide, but the reviews should be proportionate to the nature and size of the Charity's investment portfolio. To review too infrequently may result in losses or missed opportunities; chopping and changing investments too frequently may incur unnecessarily high levels of transaction charges. A review of the investments should be carried out at least once a year.

- Trustees must monitor the overall performance of the portfolio and, in so far as it is possible, compare the rate of return with returns achieved by other similar organisations. The rate of return will need to be reported annually to the Charitable Funds Committee as part of its annual report.

- Before exercising any power of investment, and when reviewing the Charity's investments, Trustees must obtain and consider proper advice from a suitably qualified adviser.

The Charitable Funds Committee is also supported by the Charity's Senior Leadership Group, to monitor the strategic delivery and operational application of all Charitable Funds held within the Velindre University NHS Trust.

Within the charity there are a number of designated funds relating to particular areas. The charity manages spending through the Individual Fund Holders who are allocated part of the total budget to spend in accordance with agreed authorisation limits.

Fund Holders for each of the designated funds manage these funds on a day-to-day basis within the Trust's Standing Orders and Standing Financial Instructions and powers of delegated authority set by the Corporate Trustee (The Velindre University NHS Trust Board).

The Trustee oversees the work of the Fund Holders and has the power to revoke a Fund Holders remit or, subject to any specific donor restriction, direct the use to which funds are put.

Charity Related Policies

The Charitable Funds Policies and Procedures are managed in accordance with the Velindre University NHS Trust Policy for the Management of Policies, Procedures and Written Control Documents; this provides the Trust Board with robust assurance that the charitable funds are handled with efficiency and effectiveness. The Charitable Funds policies are available here.

Management of Concerns

Concerns received in relation to the Charity are managed in accordance with the Velindre University NHS Trust Handling Concerns Policy. Any concerns received against the Charity would be captured and reported as required to the Charitable Funds Committee. In response to findings identified from any concerns raised against the Charity the Charitable Funds Committee would consider any lessons learned and identify areas where improvements could be made. There were no concerns received against the Charity in 2022-23.

The Trust Board as Corporate Trustee is responsible for the Charity's risk management and the effectiveness of internal control systems. The Trust Board and Charitable Fund Committee reviews major risks in accordance with the Trust Board appetite and the Audit Committee works to ensure that reasonable measures are taken to manage these risks.

The impact of the continuing economic uncertainty remains a major risk to the Charity. Therefore, plans, reserves and investment policies are frequently reviewed. The Trustees have considered the risks that the Charity faces and confirm that systems, procedures, and policies are in place to ensure that any risks are minimised.

The risk register is updated by the Charity's Senior Leadership Group as required and is subsequently reported to the Charitable Funds Committee via any escalated risks in line with the Trust's overarching Risk Management and Assurance Framework, to ensure actions are taken in the areas that have been identified as appropriate. This approach will continue to strengthen the position of the Charity and ensure the Trustees are indemnified in accordance with the Welsh Risk Pool (NHS Insurers) expectations.

These processes provide the Trust Board with the assurance that internal controls and risks are monitored and managed effectively. The Charitable Funds Committee continues to improve reporting procedures to ensure that it can foresee and react to changes in the economic environment.

The Charity's investment policy focuses on minimising the Charity's exposure to losses and this is explained in the Investment policy.

As the present economic situation continues the Charity needs to ensure that it is able to meet its liabilities as and when they fall due. The Charity has procedures in place to control its cash flow and commitment forecasts additionally, its reserves policy is continuously reviewed.

Relationships with Related Parties/External Bodies

During the year, none of the Trustees or members of the key management staff or parties related to them have undertaken any material transactions with the Velindre University NHS Trust Charitable Funds. Board Members (and other senior staff) take decisions both on Charity matters and endeavor to keep the interests of each discrete and do not seek to benefit personally from such decisions.

Most grants made are to Velindre University NHS Trust Charity to support the activities relating to the objectives of the charity. For example, The Charitable Funds do not directly employ the staff, working on different activities, grants are made to Velindre University NHS Trust to employ those staff.

Audit Requirements

The Velindre University NHS Trust Audit Committee reviews any Internal Audit and External Audit reports from audits undertaken across key operations of the Charity and its risks.

The Audit Committee meets with the external auditor on a regular basis to discuss findings and risks that the Charity could face.

Financial Risk Management

The Charity's activities expose the Charity to credit risk, market risk and liquidity risk. The Charity's financial activities are governed by policies approved by the Charitable Funds Committee and the Trust Board, and these activities are directly supported by the Charity's Senior Leadership Group, Executive Director of Finance and the Senior Finance and Procurement team.

The principal financial assets are bank balances, investments, and receivables. Credit risk is mainly attributable to bank balances, and these are well controlled. A number of the Charity's investments are subject to market activities and have recorded some limited realised and unrealised gains in the year.

Future Plans - Governance Activity

The following key priorities in respect of the Trust Charitable Funds governance arrangements have been identified for 2023-24 and beyond:

- Refresh the Charity's aims and objectives in line with the strategic vision and direction for the Charity, in accordance with the Trust's overarching Integrated Medium Term Plan governance cycle.
- Continuously review and improve the Business Case Expenditure and Evaluation Process to further embed and strengthen the quality and consistency of information provided to the Charitable Funds Committee.
- It is our intention to review our patron and ambassador model and attempt to become more inclusive.
- Undertake a review of the induction programme for new Executive Directors and Independent Members of Velindre University NHS Trust in regards to their responsibilities as Board members of Velindre University NHS Trust and as Corporate Trustees of the Velindre University NHS Trust Charity.
- Continually review the Charitable Funds Committee effectiveness and monitor its ongoing arrangements.

Codi Arian
CANOLFAN GANSER
VELINDRE
CANCER CENTRE
Fundraising

October

For yet another year, our Velindre runners took part in the London Marathon.
Go 'Team Velindre'!

November

In November, Jiffy's Golf Day went international! Hosted in Dubai, this event brought together many celebrities and sponsors to raise money and awareness of Velindre Cancer Centre.

December

A successful year of supporting

The Hospital of

Hope

Social Investment Activity

The Charities (Protection and Social Investment) Act 2016 ('the 2016 Act') provides a statutory power for charities to make social investments. This came into force on 31 July 2016. The Charity commission guidance states the following:

In the legislation, a 'social investment' means a 'relevant act' of a charity which is carried out 'with a view to both directly furthering the charity's purposes and achieving a financial return for the charity'. In this interim guidance, the term 'social investment' has the same meaning as it has in the 2016 Act.

A 'relevant act' means one of two things:

- an application or use of funds or other property by the charity; or
- taking on a commitment in relation to a liability of another person which puts the charity's funds or other property at risk of being applied or used, such as a guarantee.

In this context, an application or use of funds or other property achieves a 'financial return' if its outcome is better for the charity in financial terms than expending the whole of the funds or other property in question and this interim guidance generally uses the term in this way.

It is important to remember that whether a social investment is being made is determined by the motivation of the charity – if the reasons for applying funds in a particular way include both directly furthering the charity's purposes and making a financial return then the proposed action will be a social investment. In view of this, the Charity will continue to actively consider which (if any) activities of the charity fall within the definition of 'social investment'. This is because Trustees have specific legal duties which apply when making social investment decisions and they should be able to show that they have made these decisions in good faith.

Structure, Governance and Management of Charitable Funds

Financial Summary for the Year ended 31st March 2023

Thanks to the donations and legacies received we have achieved a total income of £5,020,000 (2022: £3,188,000). Expenditure from charitable activities for the year was £1,215,000 (2022: £2,301,000) which we used for patient and staff welfare, improvement of facilities and research.

Investment Policy and Performance

At the 31 March 2023, the market value of the investment portfolio is £5.8m (2022: £6.2m). The portfolio is managed by the Charity's investment brokers Brewin Dolphin. They work within the limits of the investment policy to achieve the charities financial objectives: generating growth, maximising returns, supporting the reserves policy and ensuring risks and liquidity are managed. The investment policy is to invest in low risk 'Wealth Builder Funds' and also funds must not be invested in tobacco, alcohol, gambling and armament related entities.

The value of the investments decreased by £376,000 over the financial year. The Charity has a long-term time horizon for its investments and is able to weather short-term volatility in order to meet its long-term objectives. The Trustees, with the aim of minimising the risk to Velindre NHS Charitable Funds, have agreed to operate within a lower risk investment strategy. The level of investment risk taken is reviewed regularly and has been appropriately mitigated by apportioning the funds into two well- diversified lower risk portfolios. Investment decisions are supported by the advice of the investment advisors.

The performance of Brewin Dolphin in their role as investment managers and advisors is monitored and regularly reviewed by the Trustees.

Unrestricted Funds Reserves Policy

Reserves are part of the charity's unrestricted funds that are available to spend on any of the charity's purposes. Reserves are maintained at a level, which enables the charity to ensure financial commitments are met, as they fall due and to manage any short-term volatility. This assessment of the required level of reserves excludes those funds that are designated or restricted as they are only available for a specified purpose.

The Trustees consider that reserves should be set at a level, which is equivalent to estimated planned commitments for the following four months at any given point. At this level, in the event of a significant reduction in charitable funding, it is anticipated that the Charity would be able to continue with the current programme of activity for such time as is necessary to allow for a properly planned and managed change in the activity programme and/or the generation of additional income streams.

In accordance with the above, the unrestricted reserve target for the general-purpose fund was set at £2,051,002 as at 31st March 2023 (2022: £816,040). The balance £6,121,694 (2022: £2,616,612) exceeds the target by £4,070,693 (2022: £1,800,572) and excludes an apportionment of dividends, management fees, realised and unrealised losses and transfers to/from unrestricted/designated Funds. Trustees will continue to monitor the Charity's future funding strategies and detailed budget plans to ensure these are of the highest standard and the unrestricted funds reserve policy is met.

Grant Making Policy

Grants are awarded for funding requests which meet the objectives of the charity in support of its mission to support the Trust's provision of world class research-led treatment, care and support for patients and families affected by cancer and those who are involved in the donation of blood products and stem cells. Grants are predominantly awarded to Velindre University NHS Trust; however, grants are also awarded to other institutions to support the overall objectives of the charity. A rigorous process of review and evaluation is carried out on all funding requests to ensure they are of the highest standard.

Funds held as Custodian Trustee on behalf of others

On 1st October 2009, Public Health Wales NHS Trust was established which incorporated the former Screening and National Public Health Service (NPHS) divisions of Velindre University NHS Trust. The Charitable Funds relating to the Screening and NPHS divisions have remained in Velindre University NHS Trust Charitable Funds. The total amount of these funds held is £65,000 (2022: £65,000).

Trustees

The Trustees are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

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 charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- To establish and monitor a system of internal control;
- Observe the methods and principles of the Charities SORP FRS 102 and Charities Act 2022;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements.

Donna Mead OBE
Trust Chair

Matthew Bunce
Executive Director of Finance

Approved by the Board Trustees and authorised for issue on: 23rd April 2024

The independent auditor's report of the Auditor General for Wales to the Trustee of the Velindre University NHS Trust Charity

Opinion on Financial Statements

I have audited the financial statements of Velindre University NHS Trust Charitable Funds for the year ended 31 March 2023 under the Charities Act 2011. The financial statements comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and related notes, including the significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice). In my opinion the financial statements:

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

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions Relating to Going Concern

In auditing the financial statements, I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue. My responsibilities and the responsibilities of the trustee[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 trustee[s] [is/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 other information, I am required to report that fact.

I have nothing to report in this regard

Matters On Which I Report by Exception

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

- I have not received all of the information and explanations I require for my audit;
- 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
- the information given in the financial statements is inconsistent in any material respect with the trustee's report.

Responsibilities of the Trustees for the Financial Statements

As explained more fully in the statement of trustee's responsibilities the trustee is responsible for:

- maintaining sufficient accounting records;
- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the trustee determine is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error; assessing the Velindre University NHS Trust Charitable Funds 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 trustee anticipates that the services provided by the charity will not continue to be provided in the future.

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 and those charged with governance, including obtaining and reviewing supporting documentation relating to Velindre University NHS Trust Charitable Funds 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.
- Obtaining an understanding of Velindre University NHS Trust Charitable Funds framework of authority as well as other legal and regulatory frameworks that it 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 Velindre University NHS Trust Charitable Funds
- Obtaining an understanding of related party relationships.

In addition, 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 about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business
-

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members 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 Velindre University NHS 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.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Adrian Crompton
Auditor General for Wales

1 Capital Quarter Tyndall Street Cardiff CF10 4BZ

Statement of Financial Activities for the year ended 31 March 2023

	Note	Unrestricted Funds	Restricted Funds	Total Funds 2022-2023	Total Funds 2021-2022
		£'000	£'000	£'000	£'000
Incoming resources from generated funds:					
Donation and Legacies	3	4,229	0	4,229	2,647
Charitable Activities		0	0	0	0
Other Trading Income	3	647	0	647	427
Investments	5	144	0	144	114
Other		0	0	0	0
Total incoming resources		**5,020**	**0**	**5,020**	**3,188**
Expenditure on:					
Raising Funds	6	973	0	973	363
Charitable Activities	7	1,207	8	1,215	2,301
Other		0	0	0	0
Total Expenditure		**2,180**	**8**	**2,188**	**2,664**
Net gains/ (losses) on investments	12	(486)	0	(486)	108
Net income/ (expenditure)		**2,354**	**(8)**	**2,346**	**632**
Transfer between Funds	17	0	0	0	0
Net Movement in Funds		**2,354**	**(8)**	**2,346**	**632**
Reconciliation of Funds:					
Fund balance brought forward	18	7,175	220	7,395	6,763
Fund Balance Carried Forward	**18**	**9,529**	**212**	**9,741**	**7,395**

Balance sheet as at 31 March 2023

	Note	Unrestricted Funds	Restricted Funds	Total 31st March 2023	Total 31st March 2022
		£'000	£'000	£'000	£'000
Fixed Assets:					
Investments	12	5,649	161	5,810	6,186
Total fixed assets		5,649	161	5,810	6,186
Current Assets:					
Debtors	13	1,670	0	1,670	24
Cash at bank and in hand	14	2,312	51	2,363	2,352
Total current assets		**3,982**	**51**	**4,033**	**2,376**
Liabilities:					
Creditors: amounts falling due within one year	15	(102)	0	(102)	(1,167)
Net Current assets/ (liabilities)		**3,880**	**51**	**3,931**	**1,209**
Total assets less current liabilities		**9,529**	**212**	**9,741**	**7,395**
Creditors amounts falling after more than 1 year	15	0	0	0	0
Total Net assets/(liabilities)		**9,529**	**212**	**9,741**	**7,395**
The Funds of the Charity					
Restricted funds	18	0	212	212	220
Unrestricted funds	18	9,529	0	9,529	7,175
Total funds		**9,529**	**212**	**9,741**	**7,395**

The notes on pages 39 to 63 form part of the accounts

Approved by the Board of Trustees and authorised for issue on 23rd April 2024

Donna Mead OBE
Trust Chair

Matthew Bunce
Executive Director of Finance

Statement of Cash Flows for the year ended 31 March 2023

	Note	Total Funds 2022-2023	Total Funds 2021-2022
		£'000	£'000
Cash Flows from operating activities: **Net Cash provided by (used in) operating activities**	16	(23)	1,167
Cash Flow from Investing Activities:			
Dividend, interest and rents from Investments	5	144	114
Proceeds from the sale of investments	12	783	1,900
Purchase of investments	12	(1,158)	(2,005)
(Increase)/ Decrease in Cash held in Investments	12	265	17
Net Cash provided by (used in) investing activities		**34**	**26**
Change in Cash and cash equivalents in the reporting period		11	1,193
Cash and Cash equivalents at the beginning of the reporting period	14	2,352	1,159
Cash and Cash equivalents at the end of the reporting period	14	2,363	2,352

Notes 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) 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 is effective and 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) rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

In future years, the key risks to the Charity are a fall in income from donations or investment income but the trustees have arrangements in place to mitigate those risks (see the risk management and reserves sections of the annual report for more information). The Charity meets the definition of a public benefit entity under FRS 102.

(b) Funds Structure

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

- A restricted fund or
- An endowment fund.

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

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

The charity does not currently hold any 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 18.

(c) Incoming Resources

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

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

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

(d) Incoming resources from legacies

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

Receipt is probable when:

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

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

(e) Resources expended and irrecoverable VAT

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

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

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

(f) Investment Income

Income from investments is re-invested into the investment portfolio.

(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 honor 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. Support costs have been apportioned between fundraising costs and charitable activities on an appropriate basis. The analysis of support costs and the bases of apportionment applied are shown in note 9.

(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 objectives. 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 the related party for salaries and overhead costs of the NHS Trusts fundraising office.

(j) Charitable Activities

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

(k) Debtors

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

(l) 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.

(m) 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.

(n) Investment Fixed Assets

Listed Investments are stated at market value. The SOFA includes realised gains and losses on investments sold in the year, and unrealised gains and losses on the revaluation of investments.

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).

Investments are subject to review of impairment when there is an indication of a reduction in their carrying value. Any impairment is recognised in the year in which it occurs.

2. Related Party Transactions

During the year none of the trustees or members of the key management staff or parties related to them have undertaken any material transactions with Velindre University NHS Trust Charitable Trust. 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.

None of the members of the Board received any expenses or remuneration during the year for their duties to the charitable trust.

Velindre University NHS Trust, the corporate trustee of the Charitable Trust, has received reimbursement from the Charitable Trust of £1,343,000 (2022: £2,157,000). Cardiff University has received reimbursement from the Charitable Trust of £120,000 (2022: £199,000). As at the 31st March 2023 £55,000 (2022: £1.087,000) was outstanding in respect to these transactions to Velindre University NHS Trust and £45,000 (2022: £62,000) to Cardiff University. As at the 31st March 2023 £1,511.000 (2022: £12,000) was owed and outstanding to the Charity from Velindre UNHS Trust.

3. Income from Donations, Legacies & Trading Activities

	Unrestricted Funds	Restricted Funds	Total Funds 2022-2023	Total Funds 2021-2022
	£'000	£'000	£'000	£'000
Donation	1,434	-	1,434	1,333
Legacies	2,795	-	2,795	1,314
Other Trading Activities:				
Trading	-	-	-	-
Fundraising Events	647	-	647	427
Total	4,876	-	4,876	3,074

4. Role of Volunteers

Like all charities, Velindre University NHS Trust Charitable funds is reliant on a team of volunteers for our smooth running. Our volunteers perform 2 roles:

Fund Advisors

There are about 37 Velindre staff who manage how the charity's designated funds should be spent. These funds are designated (or earmarked) by the trustees to be spent for a particular purpose or in a particular ward or department. Each fund advisor has delegated powers to spend the designated funds that they manage in accordance with the trustees wishes. Fund advisors who spend more than £5,000 are required to report to trustees setting out what they intend spending the money on, and the difference it will make to the patients / staff or research led by Velindre.

Fundraisers

There are hundreds of local volunteers who actively fundraise for Velindre University NHS Trust Charitable Funds by running a huge variety of events such as coffee mornings, open gardens, sports tournaments, sponsored walks, balls and dinners. Fundraisers also carry out a number of collections at supermarkets and events.

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	Restricted Funds	Total Funds 2022-2023	Total Funds 2021-2022
	£'000	£'000	£'000	£'000
Income from investments	144	-	144	114
Total	144	-	144	114

6. Analysis of Expenditure on Raising Funds

	Unrestricted Funds	Restricted Funds	Total Funds 2022-2023	Total Funds 2021-2022
	£'000	£'000	£'000	£'000
Fundraising Office	262	-	262	205
Fundraising Costs, Donation Charges & Events	636	-	636	112
Investment Management	25	-	25	26
Support Costs	50	-	50	20
Total	**973**	**-**	**973**	**363**

7. Analysis of Charitable Activity

	Grant Funded Activity	Support Costs	Total Funds 2022-2023	Total Funds 2021-2022
	£'000	£'000	£'000	£'000
Patient Welfare and Amenities	194	86	280	886
Staff Welfare and Amenities	52	4	56	-
Research	821	58	879	1,415
Total	**1,067**	**148**	**1,215**	**2,301**

8. Analysis of Grants

The charity does not make grants to individuals. The majority of grants are made to Velindre University NHS Trust to provide for the care of NHS patients in furtherance of our charitable aims. The charity also awards grants to Cardiff University to undertake research in partnership with Velindre University NHS Trust. 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 significant grants made to institutions are:

	Total 2022-2023	Total 2021-2022
	£'000	£'000
Velindre University NHS Trust	886	1,797
Other NHS Bodies	14	57
Cardiff University	120	199
Other	47	113
Total	1,067	2,166

9. 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	Charitable Activities	Total 2022-2023	Total 2021-2022
	£'000	£'000	£'000	£'000
Governance				
External Audit	5	16	21	21
Finance and Administration	21	64	85	52
Other Professional Fees	-	-	-	-
Total Governance	**26**	**80**	**106**	**73**
Finance and Administration	23	70	93	82
Other Professional fees	-	-	-	-
Other Costs	-	-	-	-
Total	**49**	**150**	**199**	**155**

	Raising Funds	Charitable Activities	Total 2022-2023	Total 2021-2022
	£'000	£'000	£'000	£'000
Raising Funds	49	-	49	20
Charitable Activities	150	-	150	135
Total	**199**	**-**	**199**	**155**

Support costs are allocated based on actual expenditure incurred across the various activities of the charity.

10. Staff Costs, Trustees' remuneration, benefits and expenses

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

The charity has no employees. Staff services are provided to the charity from Velindre University NHS Trust, the corporate Trustee of the charitable trust.

11. Auditors Remuneration

The auditors remuneration of £21,000 (2022: £21,000) related solely to the audit of the statutory annual report and accounts.

12. Fixed Asset Investments

Movement in fixed assets investments	Total 2022-23	Total 2021-22
	£'000	£'000
Market value brought forward	6,186	5,990
Add: additions to investments at cost	1,158	2,005
Less disposals at carrying value	(783)	(1,900)
Change in cash held within investment portfolio	(265)	(17)
Add net gain/(loss) on revaluation	(486)	108
Market Value as at 31st March	**5,810**	**6,186**

At Market Value	Total 2022-23	Total 2021-22
	£'000	£'000
Cash	236	360
Sovereign & Fixed Income	2,382	2,093
Developed Market Equity	1,529	1,978
Emerging Market Equity	-	-
Real Estate and Infrastructure	315	399
Absolute Return	823	818
Global Investments	-	-
Commodities	264	245
Other	261	293
Total Investments	**5,810**	**6,186**

All investments are carried at their fair value.

The valuations are provided by the investment managers Brewin Dolphin.

Risk

The Trustees recognise that all investments involve an element of risk. The level of risk that is appropriate for the Trust will be influenced by various factors, including the Trustees' attitude to risk, the Trust's capacity to afford potential investment losses and its investment objectives. The Trustees in order to mitigate the Capital Risk have agreed to request the investment advisor/ manager to maintain a diversified portfolio of assets in order to protect the charity's investments from sudden variations in the market. Additionally, the Trustees have considered investing only, or substantially in markets where financial services are closely regulated and compensation scheme are in place. he Trustees in order to attempt minimizing the risk to Velindre University NHS Charitable Funds, is only prepared to accept limited losses over any period of time. Therefore, it has been agreed to set the Investments Risk Tolerance Category as LOW, which means that investments will be skewed significantly to less volatile asset classes such as high quality investment grade corporate and sovereign bonds. Riskier assets such as equities, alternative investments and commodities may be selected but they are likely to play a less significant role. The Trustees have determined that the purpose of the Velindre University NHS Trust Charitable Funds investment has been categorised as GENERAL with no specific investment purpose. The time horizon for the trust general investment accounts between 5 to 7 years.

The Trustees have requested that the Assets allocation should be distributed following the best advice from the Investment Manager and its direct effect in having an Investment Risk Tolerance Category in Low. he Asset Classes allocation considered by the Trustees should include the following:

- Cash
- Sovereign Fixed Income
- Corporate Fixed Income
- Developed Market Equity
- Emerging Market Equity
- Real Estate & Infrastructure
- Commodities
- Absolute Return

13. Analysis of Current Debtors under 1 year

	Total 31 March 2023	Total 31 March 2022
	£'000	£'000
Amount due from fellow subsidiary*	1,511	12
Accrued Income	-	-
Other debtors	159	12
Total	**1,670**	**24**

*Velindre University NHS Trust

During 2022-23 Velindre UNHS Trust had accumulated £1,500,000 of non-recurrent income from several sources which reduced the requirement to draw down on Charitable funding to support these services. The £1,500,000 funding that was provided from the Charity to Velindre UNHS Trust during the period was reimbursed but outstanding as at 31st March 23.

14. Analysis of Cash and Cash Equivalents

	Total 31 March 2023	Total 31 March 2022
	£'000	£'000
Cash and Bank Balances	2,363	2,352
Total	**2,363**	**2,352**

The cash balances are held on interest bearing deposit within NatWest bank account and represent restricted appeals to fund specific equipment or funds held to facilitate cash flow and the fulfilment of obligations to make grant payments. The funds are held on a 90 day notice account and are therefore classified as cash and cash equivalents

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

All of the amounts held on interest bearing deposit are available to spend on charitable activities.

15. Analysis of Liabilities

	Total 31 March 2023	Total 31 March 2022
	£'000	£'000
Creditors under 1 year		
Trade Creditors	47	80
Amount due to fellow subsidiary*	55	1,087
Deferred Income	-	-
Subtotal	**102**	**1,167**
Creditors over 1 year		
Trade Creditors	-	-
Other Creditors	-	-
Accruals	-	-
Subtotal	-	-
Total	**102**	**1,167**

*Velindre University NHS Trust

16. Reconciliation of net income/expenditure to net cash flow from Operating activities

	Total 2022-23	Total 2021-22
	£'000	£'000
Net income/(expenditure) (per statement of financial activities)	2,346	632
Adjustment For: Depreciation Charges	-	-
Adjustment For: (Gains)/Losses on investments	486	(108)
Dividends, interest and rents from investments	(144)	(114)
Loss/(profit) on the sale of fixed assets	-	-
(Increase)/decrease in stocks	-	-
(Increase)/decrease in debtors	(1,646)	5
Increase/(decrease) in creditors	(1.065)	752
Net cash provided by (used in) operating activities	**(23)**	**1,167**

17. Transfer between funds

During the year there were no transfers between restricted funds and unrestricted funds (2022: £0). Following approval of funding requests by the trustees £49,000 was transferred from unrestricted funds to unrestricted designated funds (2022: £296,000).

18. Analysis of Funds

a) Analysis of restricted fund movements

	Balance 1 April 2022	Income	Expenditure	Transfers	Gains & Losses	Balance 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Patient Welfare & Amenities	13	-	(1)	-	-	12
Staff Welfare & Amenities	63	-	(5)	-	-	58
Research	144	-	(2)	-	-	142
Subtotal	**220**	**-**	**(8)**	**-**	**-**	**212**

b) Analysis of unrestricted and material designated fund movements

	Balance 1 April 2022 (Restated)	Income	Expenditure	Transfers	Gains & Losses	Balance 31 March 2023
	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted Funds						
General 'Umbrella' Fund	3,006	4,850	(1,653)	(49)	(486)	5,668
Designated Funds						
Patient Welfare & Amenities	238	0	(49)	-	-	189
Staff Welfare & Amenities	52	6	-	-	-	58
Research	3,879	164	(478)	49	-	3,614
Subtotal	**7,175**	**5,020**	**(2,180)**	**-**	**(486)**	**9,529**
Total	**7,395**	**5,020**	**(2,188)**	**-**	**(486)**	**9,741**

The opening balances have been restated to account for a previous transfer of that was presented incorrectly between the Unrestricted general purpose fund and the designated funds of Patient Welfare & Amenities and Research. This has been corrected amending the opening balances by reversing the previous entries

£ 43,000- Unrestricted general purpose fund

£(241,000) - Patient Welfare & Amenities

£ 198,000 - Research

There are a number of commitments where bids have been made against the Charity which are provided in note 20.

19. Post Balance Sheet Events

The charity was notified about several legacies from the representatives to the estate prior to the year end. These have not been included in the accounts as there is uncertainty as to the amount, and it cannot be reliably estimated.

20. Commitments

	Items Relating to these projects included within the SOFA for year ended March 2023	Commitments					
		Commit-ents Relating to 2023/24	Commit-ments Relating to 2024/25	Commit-ments Relating to 2025/26	Commit-ments Relating to 2026/27	Total Outstanding Commitments as at 31/03/2023	Total Outstanding Commitments as at 31/03/2022
Project Name	£000	£000	£000	£000	£000	£000	£000
Advancing Radiotherapy Programme	287	290	67	-	-	357	705
Clinical Nurse Specialists	139	-	-	-	-	-	684
Research & Development Infrastructure	200	-	-	-	-	-	915
Spirtual Support	6	-	-	-	-	-	28
Patient Information Manager	10	-	-	-	-	-	48
Provision of Wigs for Cancer Patients	6	-	-	-	-	-	29

Project Name	£000	£000	£000	£000	£000	£000	£000
Welfare Rights Advisory Service	6	-	-	-	-	-	45
Clinical Psychology	49	-	-	-	-	-	90
Bio sample Collection Wales Cancer Bank (WCB)	21	-	-	-	-	-	-
Complimentary Therapies	13	-	-	-	-	-	87
Pelvic Health	32	-	-	-	-	-	39
Professor in Nursing & Clinical Research Fellow	57	59	20	-	-	79	136
Consultant Research Sessions (AHSC)	21	-	-	-	-	-	93
RD&I Enhanced Clinical Leadership	17	-	-	-	-	-	-
R&D Small Grants	-	-	-	-	-	-	50

Project Name	£000	£000	£000	£000	£000	£000	£000
Therapies Data Manager	17	8	26	-	-	34	93
Driving the Implementation of related R&D Programmes of Work	93	47	-	-	-	47	118
Early Phase Trial: Medical Session for the Future	39	49	46	-	-	95	134
ESOL learners in BAME Communities	16	-	-	-	-	-	-
Advanced International fellowship programme	-	50	46	-	-	96	96
Clinical Psychologist	8	-	-	-	-	-	203
Gynae logical Late Effects of Pelvic Radiotherapy	-	-	-	-	-	-	77
Pump Priming Velindre Innovation team	-	53	38	-	-	91	91
PEARL Clinical Trial: Consultant Sessions	15	2	-	-	-	2	-

Project Name	£000	£000	£000	£000	£000	£000	£000
Cardiff Cancer Research Hub	-	76	(13)	(13)	-	50	-
Pilot Patient Engagement Hub	3	112	98	-	-	-	210
Early Phase Trials: Medical Sessions	-	62	64	65	-	191	-
Clinical Psychology & Counselling Service and Complementary Therapies	-	320	326	332	-	978	-
Wigs for Patients	-	30	30	31	-	91	-
Spiritual & Pastoral Support	-	32	33	33	-	98	-
Patient & Carer Information & Support Services Manager	-	52	54	54	-	160	-
Lead Welfare Rights Advisor	-	30	31	32	-	93	-
Clinical Nurse Specialist CNS Team	-	696	724	753	-	2,173	-
Velindre Cancer R&D Ambitions	-	2,171	2,171	2,171	-	6,513	-
Scalp Cooling Machines	-	240	38	8	-	286	-

Project Name	£000	£000	£000	£000	£000	£000	£000
WBS Website Replacement	-	25	-	-	-	25	-
Arts Co-ordinator	-	22	28	28	5	83	-
Clinical Research Fellow	-	19	20	-	-	39	-
CNS Navigators	-	195	204	212	-	611	-
Total Commitments	**1,055**	**4,640**	**4,051**	**3,706**	**5**	**12,402**	**3,761**

The charity has not entered into any contractual arrangement for the approved expenditure, the funds remain the charities and are drawn down based on activity

The items have been recognised on the SOFA and/or Balance sheet to the extent to which the project has been delivered.
The trustees hold the charity funds on trust to apply the income at their discretion, so far as is permissible by the charity's purposes and objects, unless they are restricted funds which can only be spent within the terms of the restriction. As an NHS charity the objects are NHS wide and for the benefit of NHS patients and public benefit.

During 2022-23 Velindre UNHS Trust had accumulated £1.5m of non-recurrent income from several sources which reduced the requirement to draw down on Charitable funding to support these services during the period.

Meet our Trustees

Professor Donna Mead OBE, Chair

Professor Mead was appointed Chair of Velindre University NHS Trust in May 2018

Mr. Stephen Harries Vice Chair/Independent Member

Mr. Harries was appointed as an Independent Member of the Trust in April 2017. In November 2018, Mr. Harries was appointed as Interim Vice and in April 2022 Vice Chair.

Mrs. Vicky Morris Independent Member (Quality and Safety)

Mrs. Morris was appointed as an Independent Member of Velindre University NHS Trust in November 2021.

Mr. Martin Veale JP, Independent Member (Finance)

Mr. Veale was appointed as an Independent Member of the Trust in April 2017

Professor Andrew Westwell Independent Member (University)

Professor Westwell was appointed as an Independent Member of Velindre University NHS Trust in August 2021.

Mr. Gareth Jones Independent Member (Legal)

Mr. Jones was appointed as an Independent Member of the Trust in April 2019

Mrs. Hilary Jones
Independent Member (Planning and Estates)

Mrs. Hilary Jones was appointed as an Independent Member of the Trust in March 2020

Mr. Steve Ham
Chief Executive

Accountable Officer

Dr. Jacinta Abraham
Executive Medical Director

Mr. Matthew Bunce
Executive Director of Finance

Mrs. Nicola Williams
Executive Director of Nursing, Allied Health Professionals and Health Scientists

Ms. Sarah Morley
Executive Director of Organisational Development & Workforce

Legal & Administrative Details

This Trustee's report and its Financial Statements have been prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting for Charities (SORP), Charity Commission's general guidance and with applicable United Kingdom accounting standards.

The Governing Document of the Charity has been registered with the Charity Commission. This document encompasses the main objectives of the charity for the provision of patient care, staff welfare, research and Welsh Blood Service at the Velindre University NHS Trust, with the Board of Directors acting as a Trustee. The Velindre University NHS Trust Charitable Funds is a registered charity with the Charity Commission.

Reference and administration details:
Registration Charity Number: 1052501

Contact Details

029 2031 6211
info@velindrefundraising.com Velindre Fundraising, Velindre Cancer
Centre, Velindre Road, Whitchurch, Cardiff, CF14 2TL

Electronic versions of this document can be accessed via the Trust website at; www. velindre-tr.wales.nhs.uk

If you require additional copies of this document or an alternative format, such as audio, large print or Braille, please contact;

Head of Corporate Governance
Velindre University NHS Trust Headquarters 2 Charnwood Court, Parc Nantgarw, Cardiff. CF15 7QZ

Emma.Stephens@wales.nhs.uk or Telephone: 029 2019 6161

Velindre University NHS Trust Charity is registered with the Fundraising Regulator.

We are a member of the Association of NHS Charities and the Institute of Fundraising

Codi Arian
CANOLFAN GANSER
VELINDRE
CANCER CENTRE
Fundraising

TRECHU CANSER
VICTORY OVER CANCER

Ymddiriedolaeth GIG Prifysgol Felindre
Velindre University NHS Trust

CHARITABLE FUNDS COMMITTEE

ISA 260 – WALES AUDIT REPORT

DATE OF MEETING	23/04/2024

PUBLIC OR PRIVATE REPORT	Public

IF PRIVATE PLEASE INDICATE REASON	NOT APPLICABLE - PUBLIC REPORT

REPORT PURPOSE	APPROVAL

IS THIS REPORT GOING TO THE MEETING BY EXCEPTION?	NO

PREPARED BY	Steve Coliandris, Head of Financial Planning & Reporting Steve Wyndham, Audit Manager, Wales Audit Office
PRESENTED BY	Steve Wyndham, Audit Manager, Wales Audit Office
APPROVED BY	Matthew Bunce, Executive Director of Finance

EXECUTIVE SUMMARY	The ISA 260 is produced by the Audit Wales following the audit of the financial statements for 2022-23 and it provides an opinion on the financial statements.

RECOMMENDATION / ACTIONS	The Committee is asked to REVIEW and **APPROVE** the Wales Audit Report which provides an opinion of the financial statements for 2022-23.

	Duly **AUTHORISE** the Chair and Chief Executive to sign the Letter of Representation contained within the audit report.

GOVERNANCE ROUTE	
List the Name(s) of Committee / Group who have previously received and considered this report:	**Date**
SUMMARY AND OUTCOME OF PREVIOUS GOVERNANCE DISCUSSIONS	

7 LEVELS OF ASSURANCE	
If the purpose of the report is selected as **'ASSURANCE',** this section **must be** completed. N/A	
ASSURANCE RATING ASSESSED BY BOARD DIRECTOR/SPONSOR	**Select Current Level of Assurance** *Please refer to the Detailed Definitions of 7 Levels of Evaluation to Determine RAG Rating / Operational Assurance and Summary Statements of the 7 Levels in Appendix 3 in the* ***"How to Guide for Reporting to Trust Board and Committees"*** N/A

APPENDICES	
Appendix 1	Audit Wales Report – ISA 260

1. SITUATION/ BACKGROUND

1.1 The Trustee's report and its Financial Statements are prepared in accordance with the Statement of Recommended Practice on Accounting and Reporting for Charities

SORP FRS 102, Charities Act 2011, the Charity Commission's general guidance and with applicable United Kingdom accounting standards.

1.2 The ISA 260 is produced by the Audit Wales following the audit of the financial statements for 2022-23 and it provides an opinion on the statements.

2. ASSESSMENT / SUMMARY OF MATTERS FOR CONSIDERATION

2.1 The Charitable Fund accounts were not able to be certified in accordance with the Charity Commission statutory deadline of the 31 January 2024. Due to a change in a key financial system operated by the Fund Manager (Brewin Dolphin), there was a delay in obtaining the necessary external assurances over the design and effectiveness of the controls within the system for the whole of the 2022-23 financial year. These assurances have now been received.

2.2 The ISA 260 will need to be approved by the Committee in order for the Letter of Representation to be signed and submitted for authorisation by the Auditor General for Wales.

3. IMPACT ASSESSMENT

TRUST STRATEGIC GOAL(S)	
Please indicate whether any of the matters outlined in this report impact the Trust's strategic goals: YES - Select Relevant Goals below	
If yes - please select all relevant goals: • Outstanding for quality, safety and experience ☒ • An internationally renowned provider of exceptional clinical services that always meet, and routinely exceed expectations ☐ • A beacon for research, development and innovation in our stated areas of priority ☐ • An established 'University' Trust which provides highly valued knowledge for learning for all. ☐ • A sustainable organisation that plays its part in creating a better future for people across the globe ☐	
RELATED STRATEGIC RISK - TRUST ASSURANCE FRAMEWORK (TAF)	08 - Trust Financial Investment Risk

For more information: STRATEGIC RISK DESCRIPTIONS	
QUALITY AND SAFETY IMPLICATIONS / IMPACT	Yes -select the relevant domain/domains from the list below. Please select all that apply
	Safe ☒ Timely ☒ Effective ☒ Equitable ☒ Efficient ☒ Patient Centred ☒
SOCIO ECONOMIC DUTY ASSESSMENT COMPLETED: *For more information: https://www.gov.wales/socio-economic-duty-overview*	**Choose an item**
	N/A. **Click or tap here to enter text**
TRUST WELL-BEING GOAL IMPLICATIONS / IMPACT	**Choose an item**
	If more than one Well-being Goal applies please list below:
	N/A
	If more than one wellbeing goal applies please list below: **Click or tap here to enter text**
FINANCIAL IMPLICATIONS / IMPACT	There is no direct impact on resources as a result of the activity outlined in this report.

EQUALITY IMPACT ASSESSMENT *For more information:* *https://nhswales365.sharepoint.com/sites/VEL_Intranet/SitePages/E.aspx*	Not required - please outline why this is not required
	There is no requirement for this report.
ADDITIONAL LEGAL IMPLICATIONS / IMPACT	There are no specific legal implications related to the activity outlined in this report.
	N/A

4. RISKS

This section should indicate whether any matters addressed in the report carry a significantly increased level of risk for the Trust – and if so, the steps that will be taken to mitigate the risk - or if they will help to reduce a risk identified on a previous occasion.

ARE THERE RELATED RISK(S) FOR THIS MATTER	Choose an item
WHAT IS THE RISK?	N/A
WHAT IS THE CURRENT RISK SCORE	N/A
HOW DO THE RECOMMENDED ACTIONS IN THIS PAPER IMPACT THIS RISK?	N/A
BY WHEN IS IT EXPECTED THE TARGET RISK LEVEL WILL BE REACHED?	N/A
ARE THERE ANY BARRIERS TO IMPLEMENTATION?	Choose an item
	N/A
All risks must be evidenced and consistent with those recorded in Datix	

Archwilio Cymru
Audit Wales

Audit of Accounts Report – Velindre University NHS Charitable Funds

Audit year: 2022-23

Date issued: April 2024

Document reference: 4004A2024

This document has been prepared as part of work performed in accordance with statutory functions.

In the event of receiving a request for information to which this document may be relevant, attention is drawn to the Code of Practice issued under section 45 of the Freedom of Information Act 2000. The section 45 code sets out the practice in the handling of requests that is expected of public authorities, including consultation with relevant third parties. In relation to this document, the Auditor General for Wales and the Wales Audit Office are relevant third parties. Any enquiries regarding disclosure or re-use of this document should be sent to the Wales Audit Office at infoofficer@audit.wales.

We welcome correspondence and telephone calls in Welsh and English. Corresponding in Welsh will not lead to delay. Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg. Ni fydd gohebu yn Gymraeg yn arwain at oedi.

Contents

Subject to the satisfactory completion of our outstanding audit work we intend to issue an unqualified audit report audit report on your Accounts. There are some issues to you report to you prior to their approval.

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Audit of Accounts Report

Introduction

1 We summarise the main findings from our audit of your 2022-23 accounts in this report.

2 We have already discussed these issues with the Velindre Finance Team and cleared this report with the Trust's Director of Finance.

3 Auditors can never give complete assurance that accounts are correctly stated. Instead, we work to a level of 'materiality'. This level of materiality is set to try to identify and correct misstatements that might otherwise cause a user of the accounts into being misled.

4 We set this level at £44,000 for this year's audit.

5 There is one area of the accounts that may be of more importance to the reader and we have set a lower materiality level of £5,000 for this area. This relates to related party transactions with individuals.

6 We have now completed this year's audit. The Charitable Fund accounts were not able to be certified in accordance with the Charity Commission statutory deadline of the 31 January 2024. Due to a change in a key financial system operated by the Fund Manager (Brewin Dolphin), there was a delay in obtaining the necessary external assurances over the design and effectiveness of the controls within the system for the whole of the 2022-23 financial year. These assurances have now been received.

7 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Proposed audit opinion

8 We intend to issue an unqualified audit opinion on this year's accounts once you have provided us with a Letter of Representation based on that set out in **Appendix 1**.

9 We issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.

10 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards.

11 Our proposed audit report is set out in **Appendix 2**. Significant issues arising from the audit.

Uncorrected misstatements

12 There are no misstatements identified in the accounts, which remain uncorrected.

Corrected misstatements

13 There were initially misstatements in the accounts that have now been corrected by management. None of these were material. However, we believe that these should be drawn to your attention and they are set out with explanations in Appendix 3.

Other significant issues arising from the audit

14 In the course of the audit, we consider a number of matters relating to the accounts and report any significant issues arising to you. There were no issues arising this year of this nature.

Recommendations

15 The recommendations arising from our audit are set out in **Appendix 4**. Management has responded to them and we will follow up progress against them during next year's audit. Where any actions are outstanding, we will continue to monitor progress and report it to you in next year's report.

Appendix 1

Final Letter of Representation

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

XX XXXXXX 2024

Representations regarding the 2022-23 financial statements

This letter is provided in connection with your audit of the financial statements of the Velindre University NHS Trust Charitable Funds for the year ended 31 March 2023 for the purpose of expressing an opinion on their truth and fairness and their proper preparation.

We confirm that to the best of our knowledge and belief, having made enquiries as we consider sufficient, we can make the following representations to you.

Management representations

Responsibilities

We have fulfilled our responsibilities for:

- the preparation of the financial statements in accordance with legislative requirements and Charities Act 2011 and the 2019 Charities SoRP (FRS102); in particular, the financial statements give a true and fair view in accordance therewith; and
- the design, implementation, maintenance and review of internal control to prevent and detect fraud and error.

Information provided

We have provided you with:

- Full access to:
  - all information of which we are aware that is relevant to the preparation of the financial statements such as books of account and supporting documentation, minutes of meetings and other matters;

  - additional information that you have requested from us for the purpose of the audit; and
  - unrestricted access to staff from whom you determined it necessary to obtain audit evidence.
- The results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- Our knowledge of fraud or suspected fraud that we are aware of and that affects Velindre University NHS Trust Charitable Funds and involves:
  - management;
  - employees who have significant roles in internal control; or
  - others where the fraud could have a material effect on the financial statements.
- Our knowledge of any allegations of fraud, or suspected fraud, affecting the financial statements communicated by employees, former employees, regulators or others.
- Our knowledge of all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- The identity of all related parties and all the related party relationships and transactions of which we are aware.

Financial statement representations

All transactions, assets and liabilities have been recorded in the accounting records and are reflected in the financial statements.

Significant assumptions used in making accounting estimates, including those measured at fair value, are reasonable.

Related party relationships and transactions have been appropriately accounted for and disclosed.

All events occurring subsequent to the reporting date, which require adjustment or disclosure, have been adjusted for or disclosed.

All known actual or possible litigation and claims whose effects should be considered when preparing the financial statements have been disclosed to the auditor and accounted for and disclosed in accordance with the applicable financial reporting framework.

The financial statements are free of material misstatements, including omissions. There are no uncorrected misstatements in the financial statements

Representations by those charged with governance

We acknowledge that the representations made by management, above, have beendiscussed with us.

We acknowledge our responsibility for the preparation of true and fair financial statements in accordance with the applicable financial reporting framework. The financial statements were approved by the Charitable Funds Committee on xx xxxxx 2024.

We confirm that we have taken all the steps that we ought to have taken in order to makeourselves aware of any relevant audit information and to establish that it has been communicated to you. We confirm that, as far as we are aware, there is no relevant auditinformation of which you are unaware.

Signed by:	Signed by:
Chief Executive	Chair of Trustees
Date:	Date:

Appendix 2

Proposed Audit Report

The independent auditor's report of the Auditor General for Wales to the trustee of the Velindre University NHS Trust Charity

Opinion on financial statements

I have audited the financial statements of Velindre University NHS Trust Charitable Funds for the year ended 31 March 2023 under the Charities Act 2011.

The financial statements comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cashflows and related notes, including the significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 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)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report.

My staff and I are independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

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

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

My responsibilities and the responsibilities of the trustee[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 trustee[s] [is/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 other information, I am required to report that fact.

I have nothing to report in this regard.

Matters on which I report by exception

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

- I have not received all of the information and explanations I require for my audit;
- 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
- the information given in the financial statements is inconsistent in any material respect with the trustee's report.

Responsibilities of the trustees for the financial statements

As explained more fully in the statement of trustee's responsibilities the trustee is responsible for:

- maintaining sufficient accounting records;
- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the trustee determine is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- assessing the Velindre University NHS Trust Charitable Funds 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 trustee anticipates that the services provided by the charity will not continue to be provided in the future.

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 and those charged with governance, including obtaining and reviewing supporting documentation relating to Velindre University NHS Trust Charitable Funds 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.
- Obtaining an understanding of Velindre University NHS Trust Charitable Funds framework of authority as well as other legal and regulatory frameworks that it 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 Velindre University NHS Trust Charitable Funds
- Obtaining an understanding of related party relationships.

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 about actual and potential litigation and claims;
- reading minutes of meetings of those charged with governance;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members 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 Velindre University NHS 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.

Other auditor's responsibilities

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

Adrian Crompton
Auditor General for Wales

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

Appendix 3

Summary of Corrections Made

During our audit, we identified the following misstatements that have been corrected by management, but which we consider should be drawn to your attention due to their relevance to your responsibilities over the financial reporting process.

Exhibit 3: summary of corrections made

Value of correction	Nature of correction	Reason for correction
£1.511m	The balance due from Velindre NHS Trust added to the related party disclosure note (Note 2).	The £1.5m return of funding and £0.011m of other debtors with Velindre had been omitted from the related party note.
£1.5m	In year expenditure on projects disclosed in Note 20 (Commitments) was reduced.	The £1.5m return of funding had not been adjusted for in this note.
Narrative	A note was added to Note 13 Current Debtors in relation to the return of the £1.5m of funding.	Given the significant value and the unusual position that the charity is owed money by the NHS Trust the note was added to explain the nature of this debtor.
£0.647m	£647,000 of income was re-categorised from “Donations” to “Other Trading Activities” within Note 3 in relation to the fundraising activity of the Charity. A related prior year adjustment was also reversed concerning this.	The Trust originally accounted for this income in this manner following a discussion with the external audit team during the 2021-22 audit. However, following closer review of the SORP it was agreed that this treatment was not appropriate.

Value of correction	Nature of correction	Reason for correction
Narrative	Various narrative disclosures in the Notes to the Accounts.	A small number of other narrative and presentational amendments to improve disclosures and fully comply with the requirements of the Charities SORP.

Appendix 4

Recommendations

There are some recommendations arising from our audit. Management have responded and we will follow these up next year and include any outstanding issues in next year's audit report:

Exhibit 4: matter arising 1

Matter arising 1: To ensure a robust audit trail, improvements should be made to the record keeping arrangements within the Fundraising Department in relation to legacies	
Findings	For our sample testing of legacy income we found that the Fundraising Department have not been retaining documentation in a central shared location which would provide evidence of who the income was from (i.e. primarily letters from solicitors confirming the amounts being received) and from which estate the legacy was granted. We also found that the recording of legacy income in the donations database was also inconsistently recorded. In some cases only the name of the solicitor was recorded, in others only the name of the executor or beneficiary was recorded. Therefore in many cases there was no clear record within the database from who's estate the legacy was left to the Charity. The absence of a robust audit trail meant that additional audit effort and time was required to be able to match up income received in the bank to the donations database and therefore the financial statements.
Priority	High
Recommendation	We recommend that all correspondence relating to legacies is held in a central shared location to ensure an appropriate and robust audit trail.

Benefits of implementing the recommendation	As well facilitating a smoother audit process, keeping adequate accounting records is a requirement of the Charity Commission.
Accepted in full by management	Yes
Management response	A shared drive had been previously set up to record legacies, however, recognise that it has not being utilised as expected. With significant staff turnover over the last year the issue has been heightened during this audit. Measures have since been put in place to ensure everyone is aware of responsibilities and that accurate records of legacies is kept going forward.
Implementation date	Immediate Jan 24.

Exhibit 5: matter arising 2

Matter arising 2 – Investments have been valued at their mid-point price rather than their bid price as required by Accounting Standards and the SORP	
Findings	The Charity's Fund Manager provides regular reports listing the values for all investments held on behalf of the Charity. Their 31 March 2023 report has been used to provide the Investment figures in the Financial Statements. The Fund Manager values the investments at the mid price for each holding. Although this is acceptable for internal reporting and HMRC, Accounting Standards FRS102 and the Charity SORP, specifically state that investments should be quoted at market value, based on the bid price. Therefore, as part of our audit we obtained from the Fund Manager a comparison of the Charity's portfolio valued at the mid price against the bid price. This identified that for this year, the difference was below our trivial level and so has not been reported as a misstatement in the accounts in this report.

Priority	High
Recommendation	The charity should request that the Fund Manager provides a year end report based on bid prices instead of mid prices.
Benefits of implementing the recommendation	This will ensure full compliance with FRS102 and the Charity SORP, and also avoid potential errors above our trivial level in the financial statements in the future.
Accepted in full by management	Yes
Management response	Immaterial as stated above but will use bid price going forward in line with guidelines
Implementation date	April 24

Audit Wales

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and telephone calls in Welsh and English.
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg a Saesneg.