INTRODUCTION

The need for reporting............

This Annual Report and Accounts of the Abertawe Bro Morgannwg University LHB Charitable Fund and Other Related Charities has been compiled in accordance with the requirements of the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2005.

This Annual Report and the Accounts are publicly available, and in addition are submitted to the Charity Commissioners in order that they may fulfil their role in overseeing the operation of the Charity.

It is hoped that this brief document is both interesting and useful to readers in a variety of ways. If you have any comments to make regarding the content to help us develop the Report in the future, please address them to the Director of Finance at Health Board Headquarters, One Talbot Gateway, Baglan Energy Park, Port Talbot, SA12 7BR. This is also the registered address of the Charity.
THE CHARITY’S HISTORY

How it was formed............

The Charitable Fund is a completely separate legal entity from the Abertawe Bro Morgannwg University LHB as a provider of healthcare services, and the Charitable Fund is the body which has legal responsibility for the management and control of the LHB’s charitable funds.

The Charity was registered on 15th February 2008 in the name of Abertawe Bro Morgannwg University NHS Trust and Other related Charities (Registration number 1122805), and was formed from the merger of funds formerly held by the Bro Morgannwg NHS Trust Charitable Fund and the Swansea NHS Trust Endowment Funds.

A further re-organisation of the NHS in Wales, from 1st October 2009, meant that the charitable funds were amended by supplemental deed to include the Local Health Boards of Swansea, Bridgend and Neath Port Talbot and re-named as ‘Abertawe Bro Morgannwg University LHB Charitable Fund and Other Related Charities’.

The LHB Board, as a corporate body, are the Trustees of the Abertawe Bro Morgannwg University LHB Charitable Fund and Other Related Charities, although the Charity is a separate legal entity. The LHB Board Members / Charitable Fund Trustees in 2012/13 are indicated below:-

Chairman

W Griffiths (to 31st December 2012)
A Davies (from 1st January 2013)

Non-Officer Members

E Roberts (Vice Chairman)
C Patel (from 24th April 2012)
B Goldberg
C Janczewski
P Newman
M Nott
C Phillips
G Richards
M Williams

Executive Directors

P Roberts Chief Executive
A Howells, Director of Primary Care, Community & Mental Health Services
E Williams, Director of Finance
V Franklin, Director of Nursing
B Ferguson, Medical Director (to 9th January 2013)
P Mangat, Interim Medical Director (from 10th January 2013)
OBJECTS OF THE CHARITY

What we aim to achieve...........

The “objects” of the Charity determine the aims and objectives of the Charitable Fund. As outlined in the Charity’s governing document, the aims and objectives of the Abertawe Bro Morgannwg University LHB Charitable Fund are that the Trustees shall:

“Hold the Trust Fund upon Trust to apply the income, and at their discretion so far as may be permissible, the capital for any charitable purposes relating to both the National Health Service (wholly or mainly for the service provided by Abertawe Bro Morgannwg University Local Health Board) and for any other Health Services for which specific monies have been donated for use within the UK or overseas”.

In line with this, the funds must be used to enhance the delivery of the wide range of health care services provided by the LHB. In order to achieve this, the LHB has delegated to clinical and operational staff the management and authorisation and control of funds (grant making arrangements) which relate to their specific specialised areas. This overall scheme of delegation / grant making is determined by Standing Orders and Financial Control Procedures to ensure that the charitable objectives are achieved. Staff are provided with financial information regarding their funds on a monthly basis.
FINANCE, PERFORMANCE AND GOVERNANCE REVIEW

A busy year............

The Annual Accounts of the Charitable Fund are included in the following pages, but the main purpose of this section of the report is to supplement the information contained in the Annual Accounts and to outline some of the main fund activity during 2012/13.

The following table illustrates the total income and expenditure during the financial year, together with the total fund balances held at the end of the financial year. The previous year’s totals are also shown for comparative purposes.

<table>
<thead>
<tr>
<th>Detail</th>
<th>Year ended 31st March</th>
<th>Year ended 31st March</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2013 £'000</td>
<td>2012 £'000</td>
</tr>
<tr>
<td>Incoming Resources</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Income received, mainly donations and legacies)</td>
<td>1,614</td>
<td>2,113</td>
</tr>
<tr>
<td>Resources Expended</td>
<td>(1,864)</td>
<td>(1,948)</td>
</tr>
<tr>
<td>(Total Spent)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fund Balance at 31st March</td>
<td>5,548</td>
<td>5,360</td>
</tr>
</tbody>
</table>

During the 2012/13 financial year, investment gains of £0.438m were obtained by the Abertawe Bro Morgannwg University LHB Charitable Funds and these investment gains are included within the fund balance of £5.548m as at 31st March 2013.

At the end of the financial year (31st March 2013) the Charitable Fund consisted of 467 individual earmarked operational funds for specific areas/purposes, with these operational funds being managed and administered on a Directorate basis.

INCOME

The Abertawe Bro Morgannwg University LHB Charitable Funds receive their income from three main sources, these being donations which are primarily from members of the general public through a combination of small individual donations and fundraising events, legacies and income earned from investments made by the Charity’s investment managers. Total income for 2012/13 amounted to £1.614m and is analysed in the graph below.
Donations
During 2012/13 £1.179m was received in donations, which is a reduction of £0.160m from the 2011/12 sum of £1.339m. The majority of donations across all funds were in the form of relatively modest sums given frequently and plans have been agreed to utilise these bequests in line with the donors’ wishes.

ii. Legacies
During 2012/13 the Charity was the beneficiary of 12 legacies amounting to £0.275m.

iii. Investment Income
During 2012/13, the charity received income of £0.160m earned through bank deposits and investments throughout the year.

EXPENDITURE
Generally, expenditure proposals for utilising the funds (grant making) are prepared by the relevant Directorate, with the aim of ensuring that maximum benefit is gained from the available resources to enhance the delivery of health care services provided by the LHB, including supporting the training and development of staff.

Clinical / Operational Directorates manage and administer their related funds on a day to day basis, and have delegated authority to approve charitable fund expenditure up to £2,500, with additional Chief Executive or Executive Director approval being required above this delegated limit. LHB Board (all Trustees) approval is required for any expenditure commitment exceeding £50,000.

During 2012/13, total expenditure from charitable funds totalled £1.864m (2011/12 £1.948m). Of this expenditure £1.838m related to expenditure on charitable activities, the remaining
£0.026m representing investment management and governance costs which included the cost of the statutory audit of the charitable funds.

The funds continued to be used mainly to enhance patient areas, purchase medical and related equipment and undertake clinical research, support medical and other staff training and development, and to provide a range of patient related comforts throughout the LHB. These delegated arrangements for utilising the funds (grant making) will continue into the future, in line with the control framework illustrated above.

Categorisation of expenditure during the year can be seen in Note 3 of the detailed Accounts included in this report, but the chart below shows how the charitable Funds were spent in 2012/13

Expenditure on Patients Welfare is significant and is used to support a wide range of activities across the Health Board area. During 2012/13 expenditure under this heading included:

- Support towards the cost of volunteer services to support Palliative Care Services at Y Bwythyn Newydd and Y Rhosyn.
- Support towards the cost of volunteer services provided from the enquiry desk at Singleton Hospital.
- Support towards the funding of Nursing staff for the palliative care service at Ty Olwen.
- Supporting the Welsh Dragons Burns Club annual burns camp for children recovering from burns treatment.
- Purchase of full body exercise machines for patients in the Artificial Limb and Appliance Centre at Morriston Hospital.
Purchase of hoists for Ward 12 at Singleton Hospital
Purchase of visitors chairs for the Diabetic Adult Ward at Princess of Wales Hospital, and for Brynedd Ward at Cimla Hospital
Purchase of phlebotomy chairs for the Radiotherapy Department at Singleton Hospital.
Purchase of wigs for Cancer patients across the Health Board

During the 2012/13 financial year £566k was also spent on medical equipment with significant purchases including:

- A flexible Videoscope for use at Neath Port Talbot Hospital
- A high resolution camera for Optical Coherence Tomography at Singleton Hospital.
- 3D Imaging System, transanal endoscope and bladder scanner for Morriston Hospital
- A bone Densitometer for Orthopaedic Services at Princess of Wales Hospital
- Infusion equipment for the Accident & Emergency Department at Morriston Hospital
- Blood Gas Analysers for Princess of Wales Hospital
- Bladder Scanners for the Radiotherapy Department at Singleton Hospital.
- Enteroscope for the Radiology Department at Neath Port Talbot Hospital
- Laparoscopic Surgical Training Equipment for Obstetric Services Health Board wide

The charity also continues to support training and education for staff employed by the Abertawe Bro Morgannwg University LHB. Although the training courses attended are too many and varied to report in detail, some examples of the areas supported in 2012/13 are:

- Funding for GP Continuing Professional Development
- Laparoscopic Surgical Training Courses for Medical Staff
- Funding to attend Sleep Apnoea training at the Royal Brompton Hospital
- Funding to support attendance at Epilepsy Nurse Training Courses
- Funding to attend Cervical Screening Training Courses
- Funding to attend Ultrasound Training Courses for Maternity and Family Planning Staff
EXPENDITURE STRATEGY AND RESERVES POLICY

In line with the annual review timetable, the Trustees re-confirmed the expenditure strategy and reserves policy in June 2012. The objectives of the policy are to ensure the maintenance of sufficient fund balances to enable the charity to carry out its purposes consistently year by year with due and proper consideration for future needs. Capital may be used at any time for the furtherance of the charity’s aims but unrealised gains on investments may not be utilised.

The Trustees may draw upon capital or income without distinction. The Trustee’s expenditure policy aims to ensure that the real value of the funds is maintained on an ongoing basis and that only income in the form of donations and investment income from dividends and interest is expended.

The policy, however, also allows the Trustees to commit expenditure over and above the level of income received to support the funding of specific developments provided that the increased expenditure does not impact upon the agreed reserves policy.

The Trustees ensure that sufficient levels of reserves are maintained to enable the Charity to discharge its commitments consistently year on year. In determining the reserves policy the Trustees consider:

- Income forecasts taking into account the level of certainty that exists about these
- Expenditure forecasts on the basis of planned activity
- Analysis of future needs and the likelihood of these needs arising and the consequences for the charity of not being able to meet them.

The Trustees have agreed that a level of reserves shall be held which range between 1 and 2.5 years average expenditure with the level of reserves held being monitored quarterly. The expenditure strategy and reserves policy is reviewed annually and will be reviewed in 2013/14 in line with the agreed annual work plan.

The application of the expenditure strategy and reserves policy has ensured that over the last 5 years that the Charity has spent broadly in line with the income it has received, whilst the level of fund balances (reserves) held has increased largely as a result of investment gains.
GOVERNANCE AND MANAGEMENT

i. Risk

The controls which operate in relation to the Charity are the same as those which apply to the Abertawe Bro Morgannwg University LHB, and are determined in Standing Orders and Financial Control Procedures. The purpose of these controls is to ensure that the Charity is not exposed to any major risks. The controls in place are subject to continuous review and subject to both internal and external audit annually.

ii. Related Party Transactions

During the year none of the Trustees or members of the key management staff or parties related to them has undertaken any material transactions with the Charity. Other information relating to related party transactions is given in Note 14 of the attached Accounts.
REVIEW OF THE NON FINANCIAL ACTIVITIES

Also a busy year .............

The 2012/13 financial year saw a number of other activities undertaken and the key developments and changes are documented in the section below.

In the current economic climate Charities need to be pro-active in maintaining the level of donations that they receive and to this end during 2012/13, the Charity introduced the use of Just Giving to support fund raising activities for its funds. Initially this was introduced to support the activities of the Golau Cancer Foundation but was extended in September 2012 to cover all 467 earmarked operational funds held under the Abertawe Bro Morgannwg University LHB Charitable Fund.

The Arts in Health Project which the Trustees provided set up funding for in 2011/12 continued to go from strength to strength with a number of projects being undertaken including the development of a sculpture trail in Neath Port Talbot Hospital and training volunteers to read aloud and share stories with patients in hospital and in the community through the Stories Aloud Project. The Arts in Health Co-ordinator continues to develop projects across the Health Board whilst attracting funding from external organisations to supplement the funding provided by the ABMU LHB Charitable Fund.

During 2012/13 the Trustees completed the Charity Commission Governance Review questionnaire which is based on the six principle of good governance for Charities. The results of this survey confirmed that the Trustees complied extremely well with these principles which are

- That the Trustees understand their role
- That the Trustees ensure delivery of organisational purpose
- That the Trustees work effectively both individually and as a team
- That the Trustees exercise effective control over the charity’s activities
- That the Trustees behave with integrity
- That the Trustees are open and accountable

In June 2012, the Golau Cancer Foundation which operates within the Abertawe Bro Morgannwg University LHB Charitable Fund and Other Related Charities umbrella was launched. The Golau Foundation raises money and awareness for the South West Wales Cancer Centre based at Singleton Hospital which treats patients from Bridgend to Aberystwyth. The aim of the foundation is to support the work of the Cancer Centre by raising funds to provide facilities, equipment, training and research above and beyond the normal scope of the NHS. The Trustees of the Abertawe Bro Morgannwg University LHB Charitable Fund receive twice yearly updates from the Foundation on its activities.
LOOKING AHEAD

Given that 2012/13 saw a significant reduction in the value of donations received in 2012/13 as compared to the 2011/12, the trustees are keen to raise the profile of the charity to increase the level of donations made to the charity.

To assist in this it is planned to obtain a Lotteries and Raffles registration for the charity which will enable small raffles to be undertaken by the charity to raise monies for its 467 earmarked funds. In addition a project is also ongoing within the Abertawe Bro Morgannwg University Health Board to develop on-line payment facilities which will include the ability to accept on-line donations to the Charity, together with the development of a web page on the Health Board internet site dedicated to the Abertawe Bro Morgannwg University LHB Charitable Fund

The Charity has already identified some expenditure commitments for 2013/14 which include:

- Continued support towards the cost of volunteer services to support Palliative Care Services at Y Bwythyn Newydd and Y Rhosyn. – estimated at £50,000
- Continued support towards the cost of volunteer services provided from the enquiry desk at Singleton Hospital – estimated at £70,000
- A contribution to the purchase of sensory equipment for the new Childrens Centre being developed at Singleton Hospital – estimated at £60,000
- Ongoing support to the South West Wales Cancer Centre through the Golau Foundation including support for the expansion of the Chemotherapy Day Unit and the refurbishment of Ward 12 at Singleton Hospital – costs to be confirmed.
- Support towards upgrading of computer systems for Postgraduate Medical education at the Princess of Wales Hospital – estimated at £15,000
- Purchase of medical equipment in ICU at Morriston – estimated at £20,000

OTHER INFORMATION

Details of the Charity’s bankers, auditors and its’ solicitors are given below:-

<table>
<thead>
<tr>
<th>Bankers</th>
<th>Auditors</th>
<th>Solicitors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lloyds TSB Bank PLC Wyndham Street, Bridgend</td>
<td>Auditor General for Wales 24 Cathedral Road, Cardiff, CF11 9LJ</td>
<td>Welsh Health Legal Services PO Box 185 Llanishen, Cardiff</td>
</tr>
</tbody>
</table>
ACKNOWLEDGEMENT

Thank you so very much.......... 

During 2012/13 the Charity again received over £1.1m in donations from individuals, organisations and through fund raising events. We never cease to be amazed at the generosity shown by our communities and the activities which are undertaken to fund raise for the charity. One such example was a fund raising activity which generated monies for the Prostate Cancer Fund as part of the Movember campaign where LHB staff were sponsored to grow moustaches during the month of November.

The LHB is extremely grateful for the generosity shown by local communities, and appreciation is also sincerely extended to the LHB staff involved throughout the year in administering and supporting the aims of the Fund.

Supported by the proper utilisation of the Charitable Fund, the LHB will continue to strive to enhance the provision of health care services. Thank you again.

A full copy of the Annual Accounts and certificates is available from:

Director of Finance, ABMU Health Board, 1 Talbot Gateway, Seaway Parade, Baglan Energy Park, Port Talbot, SA12 7BR or via the Charities Commission website