

## Bundle Charitable Funds Committee 16 February 2023

### Agenda attachments

ITEM 00 16 FEBRUARY 23 AGENDA.docx

- 1 09:00 - Chair's welcome, apologies and confirmation of quorum
- 2 Declarations of interest
- 3 09:05 - Auditors report on Annual Accounts  
ITEM 03 2022 Final WAST NHS Trust Charity ISA260.pdf
- 4 09:15 - Charitable Funds Annual Report and Accounts 2021/22  
ITEM 04 SBAR CFC - Charitable Funds Accounts and Annual report 2021-22.docx  
ITEM 04a Appendix 1 - Annual Charity report 2021-22.pdf  
ITEM 04b Appendix 2 - WAST Charity Accounts 2021-22.pdf
- 5 09:25 - Summary of decisions/actions
- 6 Feedback welcomed via the Teams chat or via email
- 7 Any other business
- 8 Date and time of next meeting - 5 April 2023, 09:00



Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

## MEETING OF THE CHARITABLE FUNDS COMMITTEE

Held in public on 16 February 2023 from 9.00

Meeting held virtually via Microsoft Teams

### AGENDA

No.	Agenda Item	Purpose	Lead	Format	Time
OPENING ITEMS					
1.	Chair's welcome, apologies, and confirmation of quorum	Information	Ceri Jackson	Verbal	5 mins
2.	Declarations of interest	Information	Ceri Jackson	Verbal	
ITEMS FOR APPROVAL, ASSURANCE AND DISCUSSION					
3.	Auditors report on Annual Accounts	Discussion	Mike Whitely	Paper	10 mins
4.	Charitable Funds Annual Report and Accounts 2021/22	Endorsement	Chris Turley	Paper	10 mins
CLOSING ITEMS					
5.	Summary of decisions/actions	Discussion	Ceri Jackson	Verbal	5 mins
6.	Feedback welcomed via the Teams chat or via email	Information	All		
7.	Any other business	Discussion	Ceri Jackson	Verbal	
8.	Date and time of next meeting 5 April 2023	Information	Ceri Jackson	Verbal	

### Lead Presenters

Name	Position
Mrs Ceri Jackson	Non Executive Director
Mr Chris Turley	Director of Finance and Corporate Resources
Mr Mike Whitely	Audit Manager, Audit Wales

# Audit of Accounts Report – Welsh Ambulance Services NHS Trust Charity

Audit year: 2021-22

Date issued: February 2023

Document reference: 3329A2023

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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

We intend issuing a qualified 'true and fair' audit opinion on your financial statements as we have been unable to obtain sufficient appropriate audit evidence that the allocation of the Charity's funds between restricted and unrestricted is not materially misstated. The issue relates to income received in 2015-16 for which no supporting records have been retained by the Charity.

## Audit of Accounts Report

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# Audit of Accounts Report

## Introduction

- 1 We summarise the main findings from our audit of your 2021-22 annual report and accounts in this report.
- 2 We have already discussed these issues with the Executive Director of Finance and Corporate Resources.
- 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 £5,600 for this year's audit.
- 5 There are some areas of the accounts that may be of more importance to the reader and we set a lower materiality level for these. The area we deem to be of more important to the reader is:
  - Related parties                      £1,000
- 6 We have now substantially completed this year's audit.
- 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 issue a 'qualified' audit opinion where we have material concerns about some aspects of your accounts; otherwise we issue an unqualified opinion.
- 9 The Letter of Representation contains certain confirmations we are required to obtain from you under auditing standards along with confirmation of other specific information you have provided to us during our audit.
- 10 We intend to issue a qualified 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**.
- 11 Our proposed audit report is set out in **Appendix 2**. The audit report explains that the true and fair opinion for 2021-22 is qualified as we have been unable to obtain sufficient appropriate audit evidence that the allocation of the Charity's income funds between restricted and unrestricted is not materially misstated. The issue relates to income received in 2015-16. The Charity has not retained the supporting records and documents in respect of the 2015-16 financial year. The value of the income, and therefore income fund balances, over which we are unable to obtain assurance is £28,000.

## 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. 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 some issues arising in these areas this year as shown in **Exhibit 1**:

**Exhibit 1 – significant issues arising from the audit.**

Issue	Explanation	Recommendation
<b>Uncertainty over the allocation of fund balances between restricted and unrestricted</b>	<p>As this is the first year the Charity's accounts have been audited since 2014-15, we needed to obtain assurances that the opening and closing balances in this year's accounts present a true and fair view. To achieve this, we tested a sample of income received from 2015-16 to 2021-22 to establish that it had been correctly allocated to either restricted or unrestricted funds, depending on the nature of the donation.</p> <p>Through this process, the Charity identified that supporting documents and records in respect of the 2015-16 financial year had not been retained.</p> <p>Consequently, we have been unable to obtain sufficient appropriate audit evidence that the allocation of the Charity's income for</p>	See recommendation 1 in Appendix 4.

that year was correctly allocated between restricted and unrestricted income funds. We cannot therefore conclude that the opening balances and closing balances of the Charity's income funds on the Balance Sheet, and analysed in Note 13, are not materially misstated.

The value of the income in 2015-16 over which we are unable to obtain assurance is £28,000.

## 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.

## Reporting to regulators

- 16 In accordance with the "Matters of Material Significance reportable to UK charity regulators - Guidance for auditors and independent examiners" guidance issued by the Charity Commission for England and Wales, we are required to report the nature of our modified audit opinion to the Charity Commission, following approval of the 2021-22 annual report and accounts by the Board of Trustees on 16 February 2023.



# Appendix 1

## Final Letter of Representation

[Welsh Ambulance Services NHS Trust Charity letter head]

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

16 February 2023

## Representations regarding the 2021-22 financial statements

This letter is provided in connection with your audit of the financial statements of Welsh Ambulance Services NHS Trust Charity for the year ended 31 March 2022 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 the Charities Act 2011; 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 the Welsh Ambulance Services NHS Trust Charity 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; and
- 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.

The methods, the data and the significant assumptions used in making accounting estimates, and their related disclosures are appropriate to achieve recognition, measurement or disclosure that is reasonable in the context of the applicable financial reporting framework.

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.

Except for the matter raised by Audit Wales on the uncertainty with the classification of £28,000 income received in 2015-16, and the corresponding impact on the income fund balances, the financial statements are free of material misstatements, including omissions.

## Representations by those charged with governance

We acknowledge that the representations made by management, above, have been discussed 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 Board of Trustees on 16 February 2023.

We confirm that we have taken all the steps that we ought to have taken in order to make ourselves 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 audit information of which you are unaware.

Signed by:

Signed by:

Ceri Jackson

Christopher Turley

Chair of the Charitable Funds Committee – on  
behalf of those charged with governance

Executive Director of Finance &  
Corporate Resources – on behalf of  
management

Date: 16 February 2023

Date: 16 February 2023

# Appendix 2

## Proposed Audit Report

### **The independent auditor's report of the Auditor General for Wales to the trustees of the Welsh Ambulance Services NHS Trust Charity**

#### **Opinion on financial statements**

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

In my opinion, except for the possible effects of the matter described in the basis for qualified opinion on the financial statements section below, the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

#### **Basis of qualified opinion on the financial statements**

I have been unable to obtain sufficient appropriate audit evidence that the allocation of the Charity's income funds between restricted and unrestricted is not materially misstated. The issue relates to income received in 2015-16 for which no supporting records have been retained by the Charity.

I am unable to determine that the income for that year was correctly allocated between restricted and unrestricted income funds. Therefore, I cannot conclude that the allocation of the opening income fund balances of £737,000 and closing income fund balances of £531,000, between restricted and unrestricted income funds, is not materially misstated. The value of the income in 2015-16 over which we are unable to obtain assurance is £28,000.

#### **Basis of opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other

ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Conclusions relating to going concern**

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

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

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

## **Other Information**

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

I have nothing to report in this regard.

## **Report on other requirements**

### **Matters on which I report by exception**

With the exception of the finding reported in the basis for qualified opinion section of my report, I have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require me to report to you if, in my opinion:

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

## **Responsibilities**

### **Responsibilities of the trustees for the financial statements**

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

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

### **Auditor's responsibilities for the audit of the financial statements**

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

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

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

My procedures included the following:

- Enquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the Welsh Ambulance Services NHS Charity's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals.
- Obtaining an understanding of the Welsh Ambulance Services NHS Trust Charity's framework of authority as well as other legal and regulatory frameworks that the Welsh Ambulance Services NHS Trust Charity operates in, focusing on

those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Trustees;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Welsh Ambulance Services NHS Trust Charity's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

Adrian Crompton  
Auditor General for Wales  
February 2023

24 Cathedral Road  
Cardiff  
CF11 9LJ

# 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 2: summary of corrections made**

Value of correction	Nature of correction	Reason for correction
£13,000	<b>Funds of the charity</b> Testing of income to assess the appropriateness of the split of fund balances between restricted and unrestricted, identified £13,000 income received in 2017-18 that was incorrectly classified as unrestricted, but should have been restricted.	To correct the misclassification of income received in prior year.
£4,000	<b>Audit fees</b> <ul style="list-style-type: none"><li>• Expenditure on charitable activities – increased by £4,000.</li><li>• Creditors: Amounts falling due within one year – increased by £4,000.</li></ul>	To amend the audit fee to agree to the estimate in the audit plan.
£2,750	<b>Other Creditors – Bursaries</b> <ul style="list-style-type: none"><li>• Expenditure on charitable activities – decreased by £2,750.</li><li>• Creditors: Other Creditors – decrease by £2,750.</li></ul>	To correct the 2021-22 creditors in relation to awarded bursaries.
£Nil impact on the overall financial position.	<b>Balance sheet casting</b> Review of the Charity's balance sheet identified an error in additions in the 2020-21 comparative figures, resulting in the balance sheet appearing not to balance, with total assets less current	To correct the 2020-21 balance sheet totals.



	liabilities (2020-21) increasing from £730,000 to £737,000.	
£Nil impact on the overall financial position.	<p><b>Note 12: Analysis of Creditors</b></p> <p>The analysis of the 2020-21 creditors in the note was incorrect and the total creditors did not agree to the balance sheet:</p> <ul style="list-style-type: none"> <li>• Amounts falling due within one year: trade creditors (2020-21) – reduced from £18,000 to £0.</li> <li>• Amounts falling due within one year: other creditors – increased from £0 to £11,000.</li> </ul>	To correct the 2020-21 creditors analysis and total.
£Nil impact on the overall financial position.	<p><b>Note 5: Allocation of support costs</b></p> <p>The analysis of support costs was incorrect.</p> <ul style="list-style-type: none"> <li>• External auditor's costs – increased from £2,000 to £8,000.</li> <li>• Strategic management cost – reduced from £8,000 to £2,000.</li> </ul>	To correct the analysis of support costs in Note 5.
£Nil impact on the overall financial position.	<p><b>Note 18: Post balance sheet events</b></p> <p>A disclosure has been added to reflect a £23,000 decrease in the market value of the investment fund as of 31/12/2022.</p> <p>This is a non-adjusting event.</p>	To bring to the attention of the users.
There have also been a number of minor amendments and disclosure updates as a result of our work.		

# Appendix 4

## Recommendations

We set out our recommendations arising from our audit with management's response. We will follow up the recommendations next year and include any outstanding issues in next year's audit report:

### Exhibit 3: Recommendation 1

Allocation of funds between restricted and unrestricted	
<b>Findings</b>	<p>The Charity has not retained supporting documents and records in respect of the 2015-16 financial year. Consequently, we have been unable to obtain sufficient appropriate audit evidence that the Charity's income for that year was correctly allocated between restricted and unrestricted income funds. Consequently, we cannot conclude that the opening balances of the Charity's income funds in this year's financial statements are not materially misstated.</p> <p>The value of the income in 2015-16 over which we are unable to obtain assurance is £28,000.</p>
<b>Priority</b>	High
<b>Recommendation</b>	<ul style="list-style-type: none"><li>• The Charity should seek to obtain the missing supporting documents and records for 2015-16; and</li><li>• ensure supporting documentation and records are retained for future financial years in accordance with the Charity's data retention policy.</li></ul>
<b>Benefits of implementing the recommendation</b>	Improved controls and better information for the Trustees over available funds and that expenditure is being incurred for the intended purpose.
<b>Accepted in full by management</b>	Partially accepted (please see response below)

<b>Management response</b>	<p>Significant work has been carried out by the Finance team during the period of the audit to locate the 2015-16 supporting documents with no success. Based on this, it seems apparent that obtaining these documents in the future will not be possible.</p> <p>The Finance team will now look to work with the Charitable Funds Committee to ensure the risk of material misstatement in future years is removed from those funds which received part of the £28,000 income in 2015-16.</p> <p>Supporting documentation and records will be retained for future financial years.</p>
<b>Implementation date</b>	<p>March 2023</p>

## Exhibit 5: Recommendation 2

Bursary creditors	
<b>Findings</b>	<p>The draft financial statements included £11,000 of Other Creditors, which was wholly in respect of the Bursary Scheme. Review of the balances identified that £8,000 related to periods up to and including the 2018-19 financial year.</p> <p>Testing of a sample of creditors identified balances totalling £2,750 that were no longer required. These have now been removed from the accounts, as detailed in Appendix 3.</p> <p>Discussions with the Charity confirmed there is currently no process to regularly review the balances to determine whether they are still required.</p>
<b>Priority</b>	Medium
<b>Recommendation</b>	Review all bursary creditors on an annual basis to determine whether the creditors are still valid, and if not, remove these from the financial statements.
<b>Benefits of implementing the recommendation</b>	More accurate creditor balances and identification of previously committed funds to potentially be redeployed.
<b>Accepted in full by management</b>	Yes
<b>Management response</b>	A process will be implemented to ensure all bursary creditors are reviewed on an annual basis and removed if not longer required.
<b>Implementation date</b>	March 2023

### Exhibit 6: Recommendation 3

Harlequin system access controls	
<b>Findings</b>	Review of the access controls for the Charity's Harlequin financial system identified that there is no minimum password complexity requirement for users.
<b>Priority</b>	Medium
<b>Recommendation</b>	Introduce password complexity requirements for users in line with industry best practice.
<b>Benefits of implementing the recommendation</b>	Increased system security.
<b>Accepted in full by management</b>	Yes
<b>Management response</b>	Password complexity will be introduced for users.
<b>Implementation date</b>	March 2023

#### Exhibit 7: Recommendation 4

Harlequin system user accounts	
<b>Findings</b>	Review of live users on the Harlequin financial system at the time of audit identified a member of staff who left the employment of the Trust a number of years ago. The former employees should have been removed from the system when they left the employment of the Trust.
<b>Priority</b>	Medium
<b>Recommendation</b>	Remove the user from the Harlequin financial system and introduce a regular documented review of system users and their rights of access to ensure they remain appropriate.
<b>Benefits of implementing the recommendation</b>	Increased system security.
<b>Accepted in full by management</b>	Yes
<b>Management response</b>	A regular procedure will be introduced to review the users of the system and ensure appropriate access.
<b>Implementation date</b>	March 2023





Audit Wales

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





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Ymddiriedolaeth GIG  
Gwasanaethau Ambwlans Cymru  
Welsh Ambulance Services  
NHS Trust

<b>AGENDA ITEM No</b>	<b>4</b>
<b>OPEN or CLOSED</b>	<b>OPEN</b>
<b>No of ANNEXES ATTACHED</b>	<b>2</b>

## Charitable Funds Annual Report and Accounts 2021/22

<b>MEETING</b>	<b>CHARITABLE FUNDS COMMITTEE</b>
<b>DATE</b>	<b>16<sup>th</sup> February 2023</b>
<b>EXECUTIVE</b>	<b>Director of Finance and Corporate Resources</b>
<b>AUTHOR</b>	<b>Bernadette Mitchell – Finance Assistant Charitable Funds</b>
<b>CONTACT</b>	<b>Chris Turley, 01633 626201, <a href="mailto:Chris.Turley2@wales.nhs.uk">Chris.Turley2@wales.nhs.uk</a></b>

### EXECUTIVE SUMMARY

This paper presents to the Committee the final audited Annual Report and Accounts for the WAST Charity for financial year ended 31<sup>st</sup> March 2022.

The Committee is asked to scrutinise, comment and receive assurances on these documents, and recommends that the Trust Board, as full trustees of the charity, approve these at its meeting on 16<sup>th</sup> February 2023, for submission to the Charity Commission on 17<sup>th</sup> February 2023.

### KEY ISSUES/IMPLICATIONS

Key highlights from the attached documents for the Committee to note are as follows:-

- During the year expenditure exceeded income by £248k.
- Gains on investments were recorded of £42k.
- As a result of the above fund balances decreased by £206k during the year.
- Fund balances at 31<sup>st</sup> March 2022 amounted to £531k. These balances include three restricted funds amounting to £100k.
- Audit Wales have undertaken a full audit of these documents. This is the first full audit undertaken of the Charity accounts since 2014/15.
- Due to delays in the finalisation of the audit, these accounts will be submitted a couple of weeks beyond the Charity Commission required deadline of 31<sup>st</sup> January 2023.
- The audit opinion is one of technical qualification with regards to the 2015/16 Opening Balances.

REPORT APPROVAL ROUTE	
<ul style="list-style-type: none"> <li>Charitable Funds Committee – 21<sup>st</sup> November 2022 (Draft documents)</li> <li>Charitable Funds Committee – 16<sup>th</sup> February 2023 (Final audited documents)</li> <li>Board of Trustees – 16<sup>th</sup> February 2023 (Final audited documents for approval and sign off)</li> </ul>	

REPORT APPENDICIES
Appendix 1- Charity Annual Report 2021/22 Appendix 2- Charity Annual Accounts 2021/22

REPORT CHECKLIST			
Confirm that the issues below have been considered and addressed		Confirm that the issues below have been considered and addressed	
EQIA (Inc. Welsh language)	NA	Financial Implications	YES
Environmental/Sustainability	NA	Legal Implications	YES
Estate	NA	Patient Safety/Safeguarding	NA
Ethical Matters	NA	Risks (Inc. Reputational)	YES
Health Improvement	NA	Socio Economic Duty	NA
Health and Safety	NA	TU Partner Consultation	NA

# **WELSH AMBULANCE SERVICES NHS TRUST**

## **CHARITABLE FUNDS COMMITTEE**

### **CHARITABLE FUNDS ANNUAL REPORT AND ACCOUNTS 2021/22**

#### **SITUATION**

1. The Welsh Ambulance Services NHS Trust Charity Final Annual Report and Accounts for 2021/22 are attached at **Appendix 1 and 2**. The Report and Accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

#### **BACKGROUND/ASSESSMENT**

2. As agreed by the Charitable Funds Committee (CFC) in its meeting on 21<sup>st</sup> November 2022, Audit Wales (AW) have carried out a full audit examination of the attached Annual Report and Accounts, during December 2022 to February 2023.
3. Due to the threshold for a full audit of these accounts not being met in 2021/22 financial year, but the audit being carried out as the CFC members considered it good governance, the materiality level set for the audit was of a very low level (c£5,000).
4. The audit identified two material changes to the opening balances of the 2021/22 accounts. The first in relation to a legacy donation of £13k received in 2017/18 given specifically for the purpose of “treatment of heart attack victims” which had been incorrectly classified as unrestricted within the 2017/18 accounts, this should have been classified as a restricted fund. The second was in relation to the £11k Bursary creditor which had been incorrectly classified as a Trade creditor within the 2020/21 accounts, this should have been classified as Other creditors.
5. The adjustments for both issues identified have been reflected within the opening balances of the 2021/22 final documents which are now shown as “Restated” and footnotes have been included for both amended notes (notes 13 & 12) to provide the reader with further detail.
6. There were also a couple of immaterial amendments made to the 2021/22 figures disclosed within the accounts. One of which related to the increase of the amount accrued in relation to the audit fee from £8k to £12k.
7. Due to the CF accounts not having a full audit since 2014/15, as part of the 2021/22 audit, AW were required to gain assurances over the opening balances

meaning their audit work also covered transactional testing of the accounting periods from 1<sup>st</sup> April 2015 to 31<sup>st</sup> March 2021.

8. Given the significant length of time this covered, unfortunately the supporting evidence for the transactions of 2015/16 were no longer available. Due to this, AW have not been able to gain assurances over the movements seen in 2015/16 of £28k income and £29k expenditure. This has resulted in a technical qualification of the 2021/22 accounts.
9. Given the outcome of this audit undertaken by Audit Wales, it is now proposed that the Auditor General for Wales will sign this off on 16<sup>th</sup> February 2023 (subject to final Board approval of the accounts) ahead of the submission to the Charity Commission.
10. These final versions will therefore be presented to Trust Board on 16<sup>th</sup> February 2023. The Trust Board will be asked to approve the Annual Report and Accounts for 2021/22 for submission to the Charity Commission by the 17<sup>th</sup> February.

#### **RECOMMENDED:**

1. The Committee scrutinise, comment and receive assurances on these documents, and **RECOMMEND** that Trust Board **APPROVES** these at its meeting on 16<sup>th</sup> February 2023.



GIG  
CYMRU  
NHS  
WALES

Ymddiriedolaeth GIG  
Gwasanaethau Ambiwylans Cymru  
Welsh Ambulance Services  
NHS Trust

Welsh Ambulance Services  
NHS Trust Charity  
Registered Number: 1050084

# Annual Report

2021/22



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# 1. Foreward

As Chair of the Charitable Funds Committee for the Trust's charity for the 2021-22 year, I would like to extend my heartfelt and sincere thanks to those within our communities who have supported our charity.

The Charitable Funds Committee is established to review in more detail the strategic direction of the charity and to assure the Board of Trustees that charitable funds are accounted for, deployed, and invested in line with legal and statutory requirements. We met regularly throughout the year and maintained a focus on this purpose and raising the profile of the charity. The Committee reports regularly to the Board of Trustees via the regular Trust Board meetings on areas they have discussed.

We carried out a review of our effectiveness in 2022 which you can view [here](#). This led to changes to our terms of reference and operating arrangements, and we committed to the development of a charity strategy in 2022. This is an exciting piece of work and a significant step for us. We appointed a strategic consultant to guide and advise us in this work and the Committee and the Board of Trustees will review options for the future direction of the charity to better support of staff and patients early in 2023.

Meetings of the Charitable Funds Committee and the Board of Trustees are open to the public, and you can join these meetings and view our papers through this [link](#).

It is unfortunate that, despite the best efforts of all those involved, the submission of the 2021/22 accounts to the Charity Commission will be a couple of weeks beyond the required deadline of 31<sup>st</sup> January 2023. These accounts were not able to be approved by the Trustee until 16<sup>th</sup> February 2023. This is due to delays in the finalisation of the audit of the accounts by the Charity's auditors.

We are mandated within the NHS in Wales to use Audit Wales to undertake this audit. Whilst the threshold for a full audit of these accounts has again not been met in the 2021/22 financial year, and the accounts could have again been subject to an Independent Examination, as the Charity's accounts had not been subject to a full audit since 2014/15, the Charitable Funds Committee members considered it good governance to request a full audit be undertaken for this financial year. Audit Wales were informed of this requirement in good time for this to be completed by 31<sup>st</sup> January 2023.

The Charity informed the Charity Commission, ahead of the 31<sup>st</sup> January 2023 deadline, that the filing of the accounts will be late. This has been acknowledged by the Charity Commission who have also confirmed that no further action will be taken as a result of the annual return being overdue, but it is noted that the delay in filing will be noted on the public register of charities.

My tenure as Chair of this Committee came to an end as this financial year closed, and I passed the Chair to Ceri Jackson, Non-Executive Director, who has led the work on behalf of the Board on the development of the strategy.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Kevin Davies', with a long horizontal flourish extending to the right.

Prof Kevin Davies





## 2. Reference and Administrative Details

Name of charity:







**‘WELSH AMBULANCE SERVICES NHS TRUST CHARITY’**

The Welsh Ambulance Services NHS Trust Charity (the Charity) (registration number 1050084) is registered as a charity with the Charity Commission for England and Wales.

The objects of the Charity are as follows:

The Welsh Ambulance Services NHS Trust is the corporate trustee of the charity. The Non-Executive and Executive Directors of the Trust Board of The Welsh Ambulance Services NHS Trust have responsibility for ensuring the Trust fulfils its duties as corporate trustee in managing charitable funds.

Persons who have acted as Directors of the corporate trustee during the financial period 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022 are as follows:

Voting Members of the Board 2021/22			
<b>Martin Woodford</b> 	<b>Trust Board Chair</b> Remuneration Committee Chair Champion for Governance and Risk	<b>Prof Kevin Davies</b> 	<b>Vice Chair</b> Chair of Charitable Funds and Academic Partnerships Committees Champion for operational delivery; academic partnerships; armed forces and veterans; mental health; research
<b>Emrys Davies</b> 	<b>Non-Executive Director</b> Chair of Finance & Performance Committee Champion for Welsh language	<b>Bethan Evans</b> 	<b>Non-Executive Director</b> Chair of Quality, Patient Experience and Safety Committee Champion for Quality, patient experience and safety
<b>Paul Hollard</b> 	<b>Non-Executive Director</b> Chair of People and Culture Committee Champion for workforce and organisational development; Trade Union relationships; children and young people; older persons; raising concerns	<b>Ceri Jackson</b> 	<b>Non-Executive Director</b> Champion for digital and transformation; partnerships and engagement; charitable fundraising

<b>Joga Singh</b> 	<b>Non-Executive Director</b> Champion for environment and sustainability; resource and value for money	<b>Martin Turner</b> 	<b>Non-Executive Director</b> Chair of Audit Committee Champion for strategy development; governance and risk
<b>Jason Killens</b> 	<b>Chief Executive Officer</b> Accountable Officer	<b>Wendy Herbert</b> 	<b>Executive Director of Quality &amp; Nursing (Interim) (from 7 March 2022)</b> Caldicott Guardian Champion for children and young people; Putting Things Right Executive lead for Quality, Patient Experience and Safety Committee
<b>Brendan Lloyd</b> 	<b>Executive Medical Director</b>	<b>Claire Roche</b> 	<b>Executive Director of Quality &amp; Nursing (from 1 April 2021 to 4 March 2022)</b> Caldicott Guardian Champion for children and young people; Putting Things Right Executive lead for Quality, Patient Experience and Safety Committee
<b>Chris Turley</b> 	<b>Executive Director of Finance and Corporate Resources</b> Joint executive lead for Finance and Performance Committee Executive lead for Charitable Funds and Audit Committees Fire safety champion	<b>Claire Vaughan</b> 	<b>Executive Director of Workforce &amp; Organisational Development</b> Executive lead for People and Culture Committee Executive lead for Remuneration Committee Champion for violence and aggression

## Non-Voting Members of the Board 2021/22

**Lee Brooks**



**Director of Operations**  
Champion for emergency planning

**Craig Brown**



**Trade Union Representative at Board (RCN)**

**Keith Cox**



**Board Secretary (from 1 April 2021 to 1 August 2021)**  
Champion for Welsh language

**Andy Haywood**



**Director of Digital**  
Senior Information Risk Officer  
Armed Forces Champion  
Chair NHS Wales Digital Directors Peer Group  
National Digital Lead for 6 Goals of Urgent and Emergency Care Board.

**Estelle Hitchon**



**Director of Partnerships & Engagement**  
Women's equality champion  
Executive lead for Academic Partnerships Committee

**Rachel Marsh**



Director of Strategy, Planning and Performance Joint executive lead for Finance and Performance Committee

**Trish Mills**



**Board Secretary (from 2 August 2021)**  
Champion for Welsh language

**Andy Swinburn**



**Director of Paramedicine**

**Damon Turner**



Trade Union Representative at Board (from January 2022)

**Nathan Holman**

Trade Union Representative at Board (until July 2021)

**Hugh Parry**

Trade Union Representative at Board (until November 2021)

<b>Address of Principal Office:</b>	Welsh Ambulance Services NHS Trust Ty Elwy Ffordd Richard Davies St Asaph Business Park St Asaph Denbighshire, LL17 0LJ
<b>Treasurer:</b>	Chris Turley Executive Director of Finance & Corporate Resources Ambulance Services NHS Trust Beacon House Cwmbran NP44 3AB
<b>Bankers:</b>	Barclays Bank plc Corporate Banking Centre 70 Kingsway Swansea, SA1 5JB
<b>Auditors:</b>	Audit Wales Ground Floor, Unit 5325 North Wales Business Park Abergele Conwy LL22 8LJ
<b>Registered Charity Number:</b>	1050084

# 3. Structure, Governance and Management

## Trusteeship

All funds donated for the benefit of The Welsh Ambulance Services, excluding the Welsh Air Ambulance Services in Wales are held within this Charity. Separately identifiable designated sub funds are held within the main Charity's umbrella these being three Regional General Purpose funds, a National General Purpose fund, three Community First Responder Schemes, a Bursary Fund and a restricted Ambulance Equipment Fund, NHS Charities Together (NHSCT) Stage 1 restricted grant award, and a restricted Heart Attack Victims fund.

The Trust Board is the sole corporate trustee of the charity managed by the Welsh Ambulance Services NHS Trust and is accountable for its administration and stewardship. The duties, responsibilities and liabilities of trusteeship lie with the body corporate.

On appointment Executive and Non-Executive Directors take part in formal induction and are made aware of their responsibilities as corporate trustee of the Charity. Non-Executive Directors are appointed by Welsh Government and hold office up to four years in any one term.

A Charitable Funds Committee has been established as a Committee of the Trust Board. The purpose of the Committee is to:

- a) Contribute to the development of the charity's strategy and monitor its implementation.
- b) Assure the Board of Trustees that charitable funds are accounted for, deployed, and invested in line with legal and statutory requirements.
- c) Consider and endorse the annual accounts for approval by the Board of Trustees.
- d) Raise the profile and reputation of the charity within the Trust.

Membership of the Charitable Funds Committee is as follows:

Kevin Davies	Chair and Non-Executive Director
Bethan Evans	Non-Executive Director
Ceri Jackson	Non-Executive Director
Emrys Davies	Non-Executive Director
Chris Turley	Executive Director of Finance and Corporate Resources
Lee Brooks	Director of Operations
Claire Vaughan	Director of Workforce and Organisational Development
Trish Mills	Board Secretary
Damon Turner	Trade Union Partner
Hugh Parry	Trade Union Partner

The Trust Board keeps under review the membership of the Charitable Funds Committee as a result of its annual effectiveness review.

## Operation of Funds

During the year ending 31st March 2022 the following occurred:-

- The Trust's Charitable Funds Committee met five times during the year to review the affairs of the Charity and the management arrangements for all of the Charity's funds;
- The Trustee's received an annual report on the management of the Charity's funds as well as highlight reports from the Charitable Funds Committee at each Trust Board meeting;
- The Director of Finance and Corporate Resources is responsible for the day to day management and control of the Charity in accordance with the Standing Financial Instructions and ensures frequent reporting to the Charitable Funds Committee.
- The Charitable Funds Committee has considered any risks to which the Charity may be exposed during the year. This has included a review of the systems and procedures operated by the Charity;
- The Committee has a Bids Panel and a Bursary Panel reporting into it on a regular basis. The Bids Panel is established to review applications for the use of charitable funds for the Charity and has delegated authority to approve those applications. The Bursary Panel reviews and approves Bursary applications. The terms of reference for both panels are approved by the Charitable Funds Committee;
- The Auditor General for Wales will issue a report on the accounts. It is the Auditor General's responsibility to examine the accounts, following procedures laid down by the Charity Commission, and state any particular matters that have come to his attention.

## 4. Objectives and Activities

The Charity receives numerous voluntary donations and gifts mainly from local communities. These gifts are regarded as charitable donations and as such are administered under the laws of trusteeship and the charitable acts laid down in statute.

All donations received are held in a separate charitable trust account and are used in accordance with the Charity's objectives as laid down in the governing document approved by the Charity Commission. The general objectives of the Charity with reference to utilising funds are "for any charitable purpose or purposes relating to the National Health Service". Accordingly, they are principally used to purchase amenities for the benefit of ambulance staff, together with providing additional training resources to further enhance the quality and standards of care provided by the Trust.

The Charity are sincerely grateful for the donations and legacies received, which are usually associated with the delivery of professional services and high standards of patient care provided by individual members of the service.

The recognition and support given to the work the Trust does is appreciated and we would like to thank everyone for their continued support.

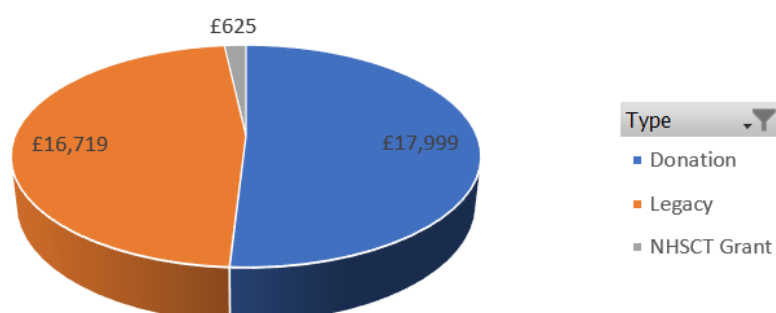
## 5. Achievements and Performance

### Background

The Charity's overall prime aim is to benefit patient care. Therefore, the Trustee has a reserves policy of encouraging funds to be spent (in accordance with the donors' wishes) rather than to be accumulated. In line with this policy £261k (2020/21 £20k) was spent during the year to enhance the standards of patient care and staff welfare.

### Income

Total Income during the year was £35k (2020/21 £358k). This is comprised of donations of £18k and £17k from legacies. No specific fundraising activities were performed by the Charity during the year.



There was a £42k unrealised investment gain for the year to 31<sup>st</sup> March 2022 (£46k gain in 2020/21). Unrealised gains occur due to increases in market value, these can fluctuate up or down according to market performance.

### Expenditure

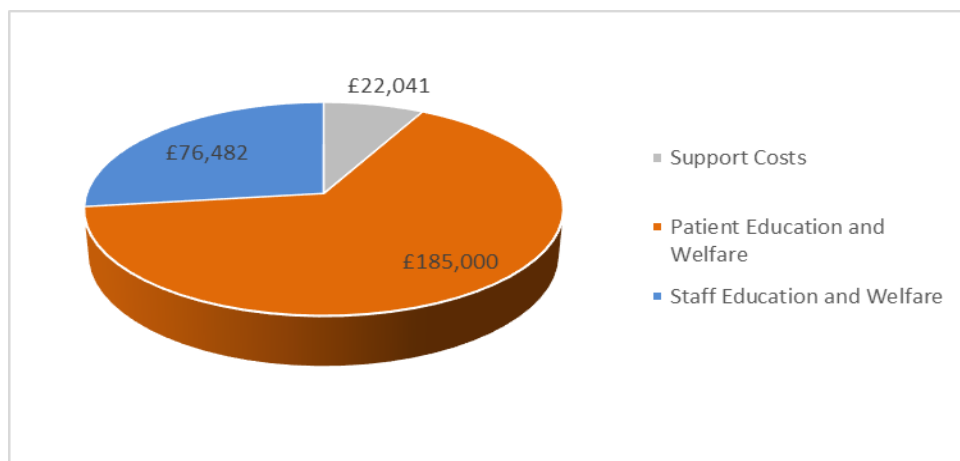
Total expenditure on charitable activities during the year amounted to £283k (2020/21 £30k). Of this, £185k was used to purchase an EMS Ambulance in accordance with a legacy left to the Charity in 2020/21.

The Welsh Ambulance Services NHS Trust has over 3,900 staff based across the whole of Wales. During the year £76k (2020/21 £17k) was spent from charitable funds for the benefit of staff and amenities, with the target of achieving the Charity's primary aim of benefitting patient care. The majority of which (£61k) was utilised through grants received from NHSCT, within which £50k was spent on commemorative coins for all staff who worked through the covid-19 pandemic.



Due to the pandemic no bursaries were awarded to staff for training and development purposes for 2021/22 ((No bursaries spent in 2020-21 either for the same reason) (2019-20 £4k)).

Total management expenses in the year amounted to £22k (2020/21 £10k) which represented 3% of the average fund balances in the year. These included costs relating to undertaking a full audit and governance.



## Summary

The total charitable fund balances held at 31st March 2022 were £531k (31<sup>st</sup> March 2021 £737k). Fund balances therefore decreased by £206k during the year.

## 6. Financial Review

### Reserves Policy (fund balances)

There are no recurrent commitments, other than the £10k management fee, against Charitable Fund Balances; donations are applied only to support non recurrent expenditure on staff and patient welfare.

The Trustee considers that public donations should be applied within a reasonable period of receipt, normally within 12 months, as long as there are no approved long term plans that require accumulation of balances, and that expenditure represents appropriate use of funds.

The Trustees actively encourage the appropriate utilization of funds. The trustees will be focusing on the revised strategy and process to grow the Charity during 2022/23.

The Trustee has in the past approved a budget and reserves policy with the aim of utilising charitable funds in accordance with the donor's wishes. The Trustee also has an objective not to increase the total funds held between one year and the next unless



special circumstances arose in accordance with the purposes for which the funds were given e.g. if funds were given to contribute towards a purchase in a future time period.

The Charitable Funds Committee in conjunction with Charitable Funds managers continue to consider options to expend the current accumulated funds

## Investment and Grant Making Policies

The Charity's investment policy is in accordance with the governing document as approved by the Charity Commission. This is to hold a minimum of 20% in interest earning bank accounts and a maximum of 50% in fixed income or equity funds. This is in order to obtain the maximum return on investment with the minimum of risk to the funds.

The Charity does not currently have a policy of making grants to other bodies and none were made during the 2021/22 financial year.

## 7. Trustee's Statement on the Accounts

The full annual accounts have been prepared in accordance with:-

- The Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014,
- The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102),
- The Charities Act 2011, and
- UK Generally Accepted Practice as it applies from 1 January 2015.

They were approved by the Trustee on ..... The full annual accounts have been subjected to a full audit and will be submitted to the Charity Commission.

The Trustee confirms that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the aims and objectives and granting of expenditure. Details of types of payments made during the year are described below. As a result of this expenditure members of the public accessing ambulance services either as patients or carers / relatives will benefit from the enhancement of equipment and services funded by them.

Patients' Welfare	Purchase of small pieces of equipment and enhancement of services and facilities over and above that normally provided by the NHS.
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Staff Welfare	Enhancement of staff facilities and by providing education over and above that would normally be provided by the NHS.
Capital Equipment	Purchase of equipment in addition to or an enhancement of that which would be normally provided by the NHS.

## 8. Plans for the Future

The charity will continue to support staff with a view to enhancing patient experience. The trustees will be focusing on the revised strategy and process to grow the Charity during 2022/23.

Chris Turley .....

Executive Director of Finance and Corporate Resources  
On behalf of the Trustee

The full 2021/22 accounts are shown at **Appendix A** in this report. Additional copies of the Trust's Charitable Fund Accounts are available on request from the following address:-

Chris Turley  
Executive Director of Finance and Corporate Resources  
Welsh Ambulance Services NHS Trust  
Beacon House  
CWMBRAN  
NP44 3AB

Tel: 01633 626201

## **9. APPENDIX A**

### **2021/2022 Funds held on Trust Account**

# WELSH AMBULANCE SERVICES NHS TRUST CHARITY

The accounts for Funds Held on Trust.

## **FOREWORD**

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

## **STATUTORY BACKGROUND**

The NHS Trust is the corporate trustee of the funds held on trust under paragraph 16c of Schedule 2 of the NHS and Community Care Act 1990.

The Trustee has been appointed under s11 of the NHS and Community Care Act 1990.

The Welsh Ambulance Services NHS Trust charitable funds held on trust are registered with the Charity Commission and include funds in respect of Ambulance services throughout Wales.

## **MAIN PURPOSE OF THE FUNDS HELD ON TRUST**

The main purpose of the charitable funds held on trust is to apply income for any charitable purposes relating to the National Health Service wholly or mainly for the services provided by the Welsh Ambulance Services NHS Trust.

**STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2022**

		Unrestricted funds	Restricted Income funds	Endowment funds	Total 2021-22 £000	Total 2020-21 £000
	Note	£000	£000	£000	£000	£000
<b>Incoming resources</b>						
<b>Incoming resources from generated funds</b>						
Income from donations and legacies						
Donations		18	-	-	18	169
Legacies	2	17	-	-	17	188
Investment income	3	-	-	-	-	-
Other incoming resources		-	-	-	-	1
<b>Total incoming resources</b>		<b>35</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>358</b>
<b>Expenditure on</b>						
<b>Charitable activities</b>	4	37	246	-	283	30
<b>Total resources expended</b>		<b>37</b>	<b>246</b>	<b>-</b>	<b>283</b>	<b>30</b>
<b>Gains on investment assets</b>		42	-	-	42	46
<b>Net incoming /(outgoing) resources before transfers</b>		<b>40</b>	<b>(246)</b>	<b>-</b>	<b>(206)</b>	<b>374</b>
<b>Transfers between funds</b>		<b>(94)</b>	<b>94</b>			
<b>Net movement in funds</b>		<b>(54)</b>	<b>(152)</b>	<b>-</b>	<b>(206)</b>	<b>374</b>
<b>Fund balances brought forward as at 1 April 2021</b>		<b>498</b>	<b>239</b>	<b>-</b>	<b>737</b>	<b>363</b>
<b>Fund balances carried forward as at 31 March 2022</b>		<b>444</b>	<b>87</b>	<b>-</b>	<b>531</b>	<b>737</b>

**BALANCE SHEET AS AT 31 MARCH 2022**

		Unrestricted funds	Restricted Income funds	Endowment funds	Total 2021-22	Total 2020-21 *Restated
		£000	£000	£000	£000	£000
	Note					
<b>Fixed assets</b>						
Investments	8/9	398	-	-	398	356
<b>Total fixed assets</b>		<b>398</b>	<b>-</b>	<b>-</b>	<b>398</b>	<b>356</b>
<b>Current assets</b>						
Debtors	10	1	-	-	1	1
Investments	11	139	-	-	139	139
Cash at bank and in hand		29	-	-	29	252
<b>Total current assets</b>		<b>169</b>	<b>-</b>	<b>-</b>	<b>169</b>	<b>392</b>
<b>Liabilities</b>						
Creditors: Amounts falling due within one year	12	36	-	-	36	11
<b>Net current assets</b>		<b>133</b>	<b>-</b>	<b>-</b>	<b>133</b>	<b>381</b>
<b>Total assets less current liabilities</b>		<b>531</b>	<b>-</b>	<b>-</b>	<b>531</b>	<b>737</b>
<b>Funds of the charity:</b>						
Unrestricted income funds		431			431	485
Restricted income funds			100		100	252
Endowment funds					-	-
<b>Total funds</b>	13	<b>431</b>	<b>100</b>	<b>-</b>	<b>531</b>	<b>737</b>

Chris Turley .....  
Director of Finance & Corporate Resources

Ceri Jackson .....  
Chair (Charitable Funds Committee)

XXXXXXXXXXXXXXXXXXXX

XXXXXXXXXXXXXXXXXXXX

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDING 31 MARCH 2022**

	Note	Total Funds 2021-22 £000	Total Funds 2020-21 £000
<b>Cash flows from operating activities:</b>			
Net cash provided by (used in) operating activities	14	(223)	328
<b>Cash flows from investing activities:</b>			
Cash payments to acquire investments	8	-	(129)
Net cash provided by (used in) investing activities		0	(129)
Change in cash and cash equivalents in the reporting period		(223)	199
Cash and cash equivalents at the beginning of the reporting period	15	391	192
Cash and cash equivalents at the end of the reporting period	15	168	391

## NOTES TO THE ACCOUNTS

### Accounting policies

#### 1.1 Accounting convention

##### 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 financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

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

In future years, the key risks to the Charity are a fall in income from donations or investment income but the trustees have arrangements in place to mitigate those risks (see the reserves sections of the annual report for more information).

#### 1.2 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 usually result from legacies for specified purposes.

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

The charity has no permanent endowment funds, and has three restricted funds. One created during 2014/15 and the other two created 2021/22.

Those funds which are neither endowment nor restricted income funds, are unrestricted income funds which are sub analysed between designated (ear-marked) 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 13.



## Accounting policies (continued)

### 1.3 Incoming resources

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

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

b) **Legacies**

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

Receipt is probable when:

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

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

c) **Intangible income**

Intangible income (e.g. the provision of free accommodation) is included in the accounts with an equivalent amount in outgoing resources, if there is a financial cost borne by another party. The value placed on such income is the financial cost of the third party providing the resources.

### 1.4 Resources expended

Expenditure is recognised when and to the extent that a liability is incurred. In accounts prepared on the accruals basis, liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure as described in Financial Reporting Standard 5 and 12. A liability will arise when a charity is under an obligation to make a transfer of value to a third party as a result of past transactions or events

b) **Support Costs**

In undertaking any activity there may be support costs incurred that, whilst necessary to deliver an activity, do not themselves produce or constitute the output of the charitable activity. Similarly, costs will be incurred in supporting income generation activities such as fundraising, and supporting governance of the charity.

Support costs do not, in themselves, constitute an activity, instead they enable output-creating activities to be undertaken.

c) **Governance costs**

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory account preparation and audit together with strategic management costs. Governance costs are apportioned as described in note 5 to the accounts.

## **Accounting policies (continued)**

### **1.5 Investment fixed assets**

Investment fixed assets are shown at market value. The following points should be taken into account when the valuations are being undertaken:-

- (i) Quoted stocks and shares are included in the balance sheet at mid-market price, ex-div;
- (ii) Other investment fixed assets are included at the trustee's best estimate market value.
- (iii) The date and amounts of the valuations;
- (iv) Where historical cost records are available, the carrying amount that would have been included in the financial statements had the investment assets been carried at historical cost less depreciation;
- (v) Whether the person(s) carrying out the valuation is (are) internal or external to the entity;
- (vi) Where the trustee is not aware of any material change in value and therefore the valuation(s) have not been updated, a statement to that effect; and
- (vii) Where the valuation has not been updated, or is not a full valuation, the date of the last full valuation.

## 2. Material Legacies

Of the £17k legacy income stated in the SOFA, there is one material legacy, which totals £13k.

As per 1.3 b) above, legacies are accounted for as incoming resources either upon receipt or where the receipt of the legacy is probable.

Receipt is probable when:

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

## 3. Analysis of gross investment income

	Unrestricted funds	Restricted Income funds	Endowment funds	Total 2021-22	Total 2020-21
	£000	£000	£000	£000	£000
Investments in a common deposit/investment fund	-	-	-	-	-
<b>Total gross income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 4. Details of resources expended - charitable activities

	Activities undertaken directly	Support costs	Total 2021-22	Total 2020-21
	£000	£000	£000	£000
Patient Education and Welfare	185	11	196	8
Staff Education and Welfare	76	11	87	22
<b>Total</b>	<b>261</b>	<b>22</b>	<b>283</b>	<b>30</b>

## 5. Allocation of support costs

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

	Charitable activities £000	Total 2021-22 £000	Total 2020-21 £000	Basis of apportionment
<b>Governance</b>				
External auditor's costs	12	12	2	
Internal audit	0	-	1	
Producing statutory accounts	8	8	5	
Strategic management cost	2	2	2	
	<u>22</u>	<u>22</u>	<u>10</u>	Average Balance of Fund
	<b>Unrestricted funds £000</b>	<b>Restricted funds £000</b>	<b>Total 2021-22 £000</b>	<b>Total 2020-21 £000</b>
Charitable activities	<u>22</u>	<u>-</u>	<u>22</u>	<u>10</u>
	<u>22</u>	<u>-</u>	<u>22</u>	<u>10</u>

## 6. Auditor's remuneration

The auditor's remuneration for 2021-22 is £12,000 (2020-21 £1,500). This increase is due to a full audit being undertaken for 2021-22.

## 7. Transfer between funds

Transfers of £94k were made from unrestricted funds to restricted funds.  
This was to reflect balances of NHSCT funding received from prior years as at 1st April 2021.

**8. Analysis of fixed asset investments**

	<b>Total</b>	Total
	<b>2021-22</b>	2020-21
	<b>£000</b>	£000
<b>Market value at 1 April 2021</b>	<b>356</b>	181
Less: Disposal at carrying value		
Add: Acquisitions at cost		129
Increase / (decrease) on cash awaiting investment	-	-
Net gain on revaluation	<b>42</b>	46
	<hr/>	<hr/>
<b>Market value at 31 March 2022</b>	<b>398</b>	356
	<hr/>	<hr/>

**9. Analysis of market value**

	<b>Total</b>	Total
	<b>2021-22</b>	2020-21
	<b>£000</b>	£000
Investments in a common deposit/investment fund	<b>398</b>	356
	<hr/>	<hr/>
<b>Total market value of fixed asset investments</b>	<b>398</b>	356
	<hr/>	<hr/>

The investment fund above is invested in the COIF Charities Investment Fund and the investment valuation has been performed by CCLA Investment Management Ltd.

**10. Analysis of debtors**

	<b>Total 2021-22 £000</b>	<b>Total 2020-21 £000</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	-	-
Prepayments	-	-
Accrued income	-	-
Other debtors	1	1
Sub-total	<u>1</u>	<u>1</u>
<b>Amounts due over one year:</b>		
Trade debtors	-	-
Prepayments	-	-
Accrued income	-	-
Other debtors	-	-
Sub-total	<u>-</u>	<u>-</u>
<b>Total debtors</b>	<u><b>1</b></u>	<u><b>1</b></u>

**11. Current asset investments**

The current asset investments of £139,537 (2020-21 - £139,478) are sums held on deposit to facilitate cash flow.

No current asset investments were held in non cash investments or outside the UK during the year.

**12. Analysis of creditors**

	<b>Total 2021-22 £000</b>	<b>Total 2020-21 *Restated £000</b>
<b>Amounts falling due within one year:</b>		
Trade creditors	28	0
Other creditors	8	11
Sub-total	<u>36</u>	<u>11</u>
<b>Amounts due over one year:</b>		
Loans and overdrafts	-	-
Trade creditors	-	-
Other creditors	-	-
Accruals	-	-
Deferred income	-	-
Sub-total	<u>-</u>	<u>-</u>
<b>Total creditors</b>	<u><b>36</b></u>	<u><b>11</b></u>

\*£11k in the 2020-21 accounts relates to the Bursary and should have been categorised as "other creditors", not "trade creditors". This has been amended in the 2020-21 accounts.

**13. Analysis of funds - unrestricted, unrestricted designated and restricted funds**

	Balance at 1 April 2021 *Restated	New designation /receipts	Utilised/ released	Gross transfer between funds	Gains and losses	Balance at 31 March 2022
	£000	£000	£000	£000	£000	£000
<b>Material designated funds</b>						
North Region	123	6	(6)	-	12	135
Central & West Region	41	3	(2)	-	4	46
South East Region	14	20	(1)	-	3	36
First Responders North	14	0	(2)	-	2	14
Trust National Fund	274	6	(29)	(94)	21	178
First Responders South East	2	-	0	-	-	2
First Responders Central & West	-	-	0	-	-	0
Bursary Fund	17	-	3	-	-	20
<b>Total</b>	<b>485</b>	<b>35</b>	<b>(37)</b>	<b>(94)</b>	<b>42</b>	<b>431</b>
<b>Material restricted funds</b>						
NHSCT Stage 1 Grant			(61)	94		33
NHSCT Development Grant						0
Heart Attack Victims	13					13
EMS Ambulance	185	0	(185)			0
Ambulance Equipment Fund	54	-	0	-	-	54
<b>Total</b>	<b>737</b>	<b>35</b>	<b>(283)</b>	<b>-</b>	<b>42</b>	<b>531</b>

\*The opening balances as at 1st April 2021 included an amount of £13k within the Trust National Fund (unrestricted) which was left to the Charity as a Legacy for the treatment of "heart attack victims". This amount has been recategorised to restricted within the 2020-21 accounts to ensure funds are spent in accordance with the Legacy. This amendment does not result in a change to the net balance of the funds.

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

	<b>Total 2021-22 £000</b>	<b>Total 2020-21 £000</b>
<b>Net income / (expenditure) (per Statement of Financial Activities)</b>	<b>(206)</b>	374
<b>Adjustment for:</b>		
(Gains) / losses on investments	(42)	(46)
(Increase) / decrease in debtors	-	0
Increase / (decrease) in creditors	25	0
<b>Net cash provided by (used in) operating activities</b>	<b>(223)</b>	328

**15. Analysis of cash and cash equivalents**

	<b>Total 2021-22 £000</b>	<b>Total 2020-21 £000</b>
Cash at bank and in hand	29	252
Notice deposits (less than 3 months)	139	139
	<b>168</b>	391

## 16. Pooling scheme

An official pooling scheme is operated for investments relating to the following schemes:

COIF Charities Deposit Fund

The scheme was registered with the Charity Commission on 28th March 2000.

## 17. Related party transactions

During the year neither the trustee or members of the key management staff or parties related to them has undertaken any material transactions with the Welsh Ambulance Services NHS Trust Funds Held on 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.

A recharge of governance costs of £10,000 (2020/21 £10,000) was made during the year from the Welsh Ambulance Services NHS Trust to the charity.

The Summary Financial statements of the Welsh Ambulance Services NHS Trust are included in the annual report and accounts.

## 18. Post balance sheet events

The accounting statements are required to reflect conditions applying at the end of the financial year. No adjustments have therefore been made in respect of changes to the market value of investments following the end of the accounting period.

The Charity receives a quarterly portfolio report from its investment managers and the investments held by the Charity have decreased by £158,000 to the end of December 2022. This decrease has been caused by the Charity selling £135k worth of its units to fall in line with the Charity's investment policy and a £23k decrease in market value, as detailed below:

	31 March 2022 £000	Purchase / (Sale) of Units £000	31 December 2022 £000	Movement £000	Movement %
Investments	398	(135)	240	(23)	-4.32%

In addition to the receiving the quarterly portfolio report, the Charity also reviews the market value of the investments on a weekly basis to ensure the impact of any market movements are kept to a minimum. The £23k decrease seen in the market value to December 2022 is much less than those gains made over the previous two financial years.

## 19. 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.



## STATEMENT OF TRUSTEE'S RESPONSIBILITIES

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

The law applicable to charities in England & Wales requires the trustee 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 trustee is required to:

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

The trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustee is responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### By order of the trustee

Signed:

**Ceri Jackson .....**

**Chair (Charitable Funds Committee)**

XXXXXXXXXXXXXX

**Chris Turley .....**

**Director of Finance and Corporate Resources**

XXXXXXXXXXXXXX

## **The independent auditor's report of the Auditor General for Wales to the trustees of the Welsh Ambulance Services NHS Trust Charity**

### **Opinion on financial statements**

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

In my opinion, except for the possible effects of the matter described in the basis for qualified opinion on the financial statements section below, the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2022 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

### **Basis of qualified opinion on the financial statements**

I have been unable to obtain sufficient appropriate audit evidence that the allocation of the Charity's income funds between restricted and unrestricted is not materially misstated. The issue relates to income received in 2015-16 for which no supporting records have been retained by the Charity.

I am unable to determine that the income for that year was correctly allocated between restricted and unrestricted income funds. Therefore, I cannot conclude that the allocation of the opening income fund balances of £737,000 and closing income fund balances of £532,000, between restricted and unrestricted income funds, is not materially misstated. The value of the income in 2015-16 over which we are unable to obtain assurance is £28,000.

### **Basis of opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the charity in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Conclusions relating to going concern**

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

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

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

## **Other Information**

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

I have nothing to report in this regard.

## **Report on other requirements**

### **Matters on which I report by exception**

With the exception of the finding reported in the basis for qualified opinion section of my report, I have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require me to report to you if, in my opinion:

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

## **Responsibilities**

### **Responsibilities of the trustees for the financial statements**

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

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing as applicable, matters related to going

### **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 and those charged with governance, including obtaining and reviewing supporting documentation relating to the Welsh Ambulance Services NHS Charity's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the posting of unusual journals.
- Obtaining an understanding of the Welsh Ambulance Services NHS Trust Charity's framework of authority as well as other legal and regulatory frameworks that the Welsh Ambulance Services NHS Trust Charity operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Charity.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management and the Trustees;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Welsh Ambulance Services NHS Trust Charity's controls, and the nature, timing and extent of the audit procedures performed.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of my auditor's report.

Adrian Crompton  
Auditor General for Wales  
February 2023

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