



Canolfan Ganser Felindre
Velindre Cancer Centre



GIG
CYMRU
NHS
WALES

Ymddiriedolaeth GIG
Prifysgol Felindre
Velindre University
NHS Trust



Gwasanaeth Gwaed Cymru
Welsh Blood Service

Cyfrifon Blynyddol Terfynol 2023-2024



Velindre University NHS Trust

Foreword

These accounts for the period ended 31 March 2024 have been prepared to comply with International Financial Reporting Standards (IFRS) adopted by the European Union, in accordance with HM Treasury's FReM by Velindre University NHS Trust under schedule 9 section 178 Para 3 (1) of the National Health Service (Wales) Act 2006 (c.42) in the form in which the Welsh Ministers, with the approval of the Treasury, directed.

These are Group accounts showing the accounts of the Trust including those organisations hosted by it (see 'Statutory background' below), and are consolidated with the Trust's Charitable Fund of which the Trust is the Corporate Trustee.

Statutory background

The Trust was established by Statutory Instrument on 1 December 1993 with an operational date of 1 April 1994. At that time the Trust was a single specialty Trust providing only Cancer Services. Over the last 30 years, the Trust has significantly evolved and expanded. The main function of the Trust is to provide all-Wales and regional clinical health services to the NHS and the people of Wales. The Trust consists of two clinical divisions: the Welsh Blood Service and Velindre Cancer Service.

In addition to the above services, the Trust is host to two organisations. At period ended 31 March 2024, these were:

- NHS Wales Shared Services Partnership (NWSSP) which was set up on 1 April 2011; following which the functions of a number of separate services were transferred into NWSSP. NWSSP became a hosted body within Velindre NHS Trust on 1 June 2012.

- Health Technology Wales (HTW) which was established on 1 April 2016 and continued to receive grant funding from Welsh Government under the Efficiency through Technology Programme.

Performance Management and Financial Results

Under the National Health Service (Wales) Act 2006 the financial obligations of the NHS Trust are contained within Schedules 4 2(1) and 4 2(2). These duties were amended for Local Health Boards by the National Health Services Finance (Wales) Act 2014 and a Ministerial direction placed the same statutory duties on NHS Trusts through the Welsh Health Circular WHC/2016/054, which sets out the duty to break even over a three year period.

The NHS Finance (Wales) Act 2014 came into effect from 1 April 2014 and the first assessment of the 3 year rolling financial duty took place at the end of 2016-2017.

The second duty arises as a result of the Welsh Ministers' powers to set financial objectives for the Trust under paragraph 2(2) of Schedule 4 of the National Health Service (Wales) 2006 Act. The planning requirement, which by virtue of being set as a financial objective becomes a statutory financial duty, was previously set by the Welsh Ministers and has been retained by WHC/2016/054.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024

	Note	2023-24	2022-23	2023-24	2022-23
		£000	£000	£000	£000
		NHS Trust		Consolidated	
Revenue from patient care activities	3	607,915	540,496	607,915	540,496
Other operating revenue	4	453,301	417,245	457,263	420,683
Operating expenses	5.1	-1,074,599	-967,845	-1,068,556	-968,677
Operating (deficit)/surplus		-13,383	-10,104	-3,378	-7,498
Investment revenue	6	1,676	1,257	1,925	1,401
Other gains and losses	7	-17	3	-17	3
Finance costs	8	11,983	8,920	11,983	8,920
Consolidated Total				10,513	2,826
Retained surplus/(deficit)	2.1.1	259	76		
(including donated assets received or issued)					
Other Comprehensive Income					
Items that will not be reclassified to net operating costs:					
Net gain/(loss) on revaluation of property, plant and equipment		1,344	4,826	1,344	4,826
Net gain / (loss) on revaluation of right of use assets		0	0	0	0
Net gain/(loss) on revaluation of intangible assets		0	0	0	0
Movements in other reserves		0	0	0	0
Net gain/(loss) on revaluation of PPE and Intangible assets held for sale		0	0	0	0
Net gain/(loss) on revaluation of financial assets		0	0	226	-488
Impairments and reversals		0	-1,010	0	-1,010
Transfers between reserves		0	0	0	0
Reclassification adjustment on disposal of available for sale financial asset		0	0	0	0
Sub total		1,344	3,816	1,570	3,328
Items that may be reclassified subsequently to net operating costs					
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0	0
Sub total		0	0	0	0
Total other comprehensive income for the year		1,344	3,816	1,570	3,328
Total comprehensive income for the year		1,603	3,892	12,083	6,154

The notes on pages 6 to 75 form part of these accounts.

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

	Note	31 March 2024	31 March 2023	31 March 2024	31 March 2023
		NHS Trust		Consolidated	
		£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	13	210,325	155,615	210,325	155,615
Right of Use Assets	13.3	15,810	14,803	15,810	14,803
Intangible assets	14	10,893	11,194	10,893	11,194
Trade and other receivables	17.1	1,316,876	1,107,047	1,316,876	1,107,047
Other financial assets	18	0	0	5,904	5,572
Total non-current assets		1,553,904	1,288,659	1,559,808	1,294,231
Current assets					
Inventories	16.1	31,227	34,070	31,227	34,070
Trade and other receivables	17.1	530,547	565,742	530,616	565,752
Other financial assets	18	0	0	0	0
Cash and cash equivalents	19	20,956	31,136	27,881	33,735
		582,730	630,948	589,724	633,557
Non-current assets held for sale	13.2	0	0	0	0
Total current assets		582,730	630,948	589,724	633,557
Total assets		2,136,634	1,919,607	2,149,532	1,927,788
Current liabilities					
Trade and other payables	20	-229,886	-226,254	-222,563	-201,826
Borrowings	21	-1,020	-1,123	-1,020	-1,123
Other financial liabilities	22	0	0	0	0
Provisions	23	-338,517	-392,525	-338,517	-392,525
Total current liabilities		-569,423	-619,902	-562,100	-595,474
Net current assets/(liabilities)		13,307	11,046	27,624	38,083
Total assets less current liabilities		1,567,211	1,299,705	1,587,432	1,332,314
Non-current liabilities					
Trade and other payables	20	-3,330	-3,092	-3,330	-3,092
Borrowings	21	-31,785	-2,421	-31,785	-2,421
Other financial liabilities	22	0	0	0	0
Provisions	23	-1,320,849	-1,108,919	-1,320,849	-1,108,919
Total non-current liabilities		-1,355,964	-1,114,432	-1,355,964	-1,114,432
Total assets employed		211,247	185,273	231,468	217,882
Financed by Taxpayers' equity:					
Public dividend capital		155,832	131,461	155,832	131,461
Retained earnings		19,459	19,104	19,459	19,104
Revaluation reserve		35,956	34,708	35,956	34,708
Other reserves		0	0	0	0
Funds Held on Trust Reserves				20,221	9,657
Total taxpayers' equity		211,247	185,273	231,468	194,930

The financial statements were approved by the Board on 11th July 2024 and signed on behalf of the Board by:



Carl James, Interim Chief Executive and Accountable Officer

Date: 15th July 2024

The notes on pages 6 to 75 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2023-24	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000	FHOT Reserves £000	Consolidated Total £000
Changes in taxpayers' equity for 2023-24						
Balance as at 31 March 2023	131,461	19,104	34,708	185,273	9,657	194,930
NHS Wales Transfer	0	0	0	0	0	0
RoU Asset Transitioning Adjustment	0	0	0	0	0	0
Impact of IFRS 16 on PPP/PFI Liability	0	0	0	0	0	0
Balance at 1 April 2023	131,461	19,104	34,708	185,273	9,657	194,930
Retained surplus/(deficit) for the year		259		259		259
Net gain/(loss) on revaluation of property, plant and equipment		0	1,344	1,344		1,344
Net gain/(loss) on revaluation of right of use assets		0	0	0		0
Net gain/(loss) on revaluation of intangible assets		0	0	0		0
Net gain/(loss) on revaluation of financial assets		0	0	0	226	226
Net gain/(loss) on revaluation of assets held for sale		0	0	0		0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0		0
Impairments and reversals		0	0	0		0
Other reserve movement		0	0	0		0
Transfers between reserves		96	-96	0		0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0		0
Reserves eliminated on dissolution		0	0	0		0
Total in year movement	0	355	1,248	1,603	226	1,829
New Public Dividend Capital received	24,462			24,462		24,462
Public Dividend Capital repaid in year	0			0		0
Public Dividend Capital extinguished/written off	0			0		0
PDC Cash Due but not issued	0			0		0
Other movements in PDC in year	-91			-91		-91
FHOT - Endowment					0	0
FHOT - Restricted					0	0
FHOT - Unrestricted					10,338	10,338
Balance at 31 March 2024	155,832	19,459	35,956	211,247	20,221	231,468

The notes on pages 6 to 75 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

2022-23	Public Dividend Capital £000	Retained earnings £000	Revaluation reserve £000	Total £000	Funds held on Trust Reserves £000	Consolidated Total £000
Changes in taxpayers' equity for 2022-23						
Balance at 31 March 2022	112,982	15,466	30,935	159,383	7,409	166,792
NHS Wales Transfer	0	0	0	0	0	0
RoU Asset Transitioning Adjustment	0	3,519	0	3,519	0	3,519
Balance at 1 April 2022	112,982	18,985	30,935	162,902	7,409	170,311
Retained surplus/(deficit) for the year		76		76		76
Net gain/(loss) on revaluation of property, plant and equipment		0	4,826	4,826		4,826
Net gain/(loss) on revaluation of right of use assets						
Net gain/(loss) on revaluation of intangible assets		0	0	0		0
Net gain/(loss) on revaluation of financial assets		0	0	0	-488	-488
Net gain/(loss) on revaluation of assets held for sale		0	0	0		0
Net gain/(loss) on revaluation of financial assets held for sale		0	0	0		0
Impairments and reversals		0	-1,010	-1,010		-1,010
Other reserve movement		0	0	0		0
Transfers between reserves		43	-43	0		0
Reclassification adjustment on disposal of available for sale financial assets		0	0	0		0
Reserves eliminated on dissolution	0			0		0
Total in year movement	0	119	3,773	3,892	-488	3,404
New Public Dividend Capital received	18,894			18,894		18,894
Public Dividend Capital repaid in year	-415			-415		-415
Public Dividend Capital extinguished/written off	0			0		0
PDC Cash Due but not issued						
Other movements in PDC in year	0			0		0
FHoT - Endowment					0	0
FHoT - Restricted					0	0
FHoT - Unrestricted					2,736	2,736
Balance at 31 March 2023	131,461	19,104	34,708	185,273	9,657	194,930

The notes on pages 6 to 75 form part of these accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2024

Note	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000	
Cash flows from operating activities					
Operating surplus/(deficit)	SOCI	-13,383	-10,104	-3,378	-7,498
Movements in working capital	30	-153,094	-56,728	-158,889	-59,216
Other cash flow adjustments	31	281,473	199,189	281,473	199,189
Provisions utilised		-110,257	-117,852	-110,257	-117,852
Interest paid		-90	-40	-90	-40
Net cash inflow (outflow) from operating activities		4,649	14,465	8,859	14,583
Cash flows from investing activities					
Interest received		1,676	989	1,925	1,133
(Payments) for property, plant and equipment		-37,582	-28,993	-37,582	-28,993
Proceeds from disposal of property, plant and equipment		17	3	17	3
(Payments) for intangible assets		-1,871	-3,103	-1,871	-3,103
Proceeds from disposal of intangible assets		0	0	0	0
Payments for investments with Welsh Government		0	0	0	0
Proceeds from disposals with Welsh Government		0	0	0	0
(Payments) for financial assets		0	0	-5,022	-1,158
Proceeds from disposal of financial assets		0	0	4,889	783
Net cash inflow (outflow) from investing activities		-37,760	-31,104	-37,644	-31,335
Net cash inflow (outflow) before financing		-33,111	-16,639	-28,785	-16,752
Cash flows from financing activities					
Public Dividend Capital received		24,462	18,894	24,462	18,894
Public Dividend Capital repaid		0	-415	0	-415
Loans received from Welsh Government		0	0	0	0
Loans repaid to Welsh Government		0	0	0	0
Other loans received		0	0	0	0
Other loans repaid		0	0	0	0
Other capital receipts		0	0	0	0
Capital elements of finance leases and on-SOFP PFI		0	0	0	0
Capital element of payments in respect of on-SoFP PFI		0	0	0	0
Capital Element of payments in respect of Right of Use Assets		-1,531	-1,108	-1,531	-1,108
Cash transferred (to)/from other NHS Wales bodies		0	0	0	0
Net cash inflow (outflow) from financing activities		22,931	17,371	22,931	17,371
Net increase (decrease) in cash and cash equivalents		-10,180	732	-5,854	619
Cash [and] cash equivalents at the beginning of the financial year	19	31,136	30,404	33,735	33,116
Cash [and] cash equivalents at the end of the financial year	19	20,956	31,136	27,881	33,735

The notes on pages 6 to 75 form part of these accounts.

Notes to the Accounts

1. Accounting policies

The Minister for Health and Social Services has directed that the financial statements of NHS Trusts (NHST) in Wales shall meet the accounting requirements of the NHS Wales Manual for Accounts. Consequently, the following financial statements have been prepared in accordance with the 2023-24 Manual for Accounts. The accounting policies contained in that manual follow the 2023-24 Financial Reporting Manual (FRoM), in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 to the extent that they are meaningful and appropriate to the NHS in Wales.

Where the NHST Manual for Accounts permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the NHST for the purpose of giving a true and fair view has been selected. The particular policies adopted by the NHST are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, intangible assets and inventories.

1.2 Acquisitions and discontinued operations

Activities are considered to be 'acquired' only if they are taken on from outside the public sector. Activities are considered to be 'discontinued' only if they cease entirely. They are not considered to be 'discontinued' if they transfer from one public sector body to another.

1.3 Revenue

Revenue in respect of services provided is recognised when, and to the extent that, performance occurs, and is measured at the fair value of the consideration receivable.

From 2018-2019, IFRS 15 Revenue from Contracts with Customers has been applied, as interpreted and adapted for the public sector, in the FRoM. It replaces the previous standards IAS 11 Construction Contracts and IAS 18 Revenue and related IFRIC and SIC interpretations. The potential amendments identified as a result of the adoption of IFRS 15 are significantly below materiality levels.

Income is accounted for applying the accruals convention. Income is recognised in the period in which services are provided. Where income is received from third parties for a specific activity to be delivered in the following financial year, that income will be deferred.

Only non-NHS income may be deferred.

1.4 Employee benefits

Short-term employee benefits

Salaries, wages and employment-related payments are recognised in the period in which the service is received from employees. The cost of leave earned but not taken by employees at the end of the period is recognised in the financial statements to the extent that employees are permitted to carry forward leave into the following period.

Retirement benefit costs

Past and present employees are covered by the provisions of the NHS Pensions Scheme. The scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

The latest NHS Pension Scheme valuation results indicated that an increase in benefit required a 6.3% increase (14.38% to 20.68%) which was implemented from 1 April 2019.

As an organisation within the full funding scope, the joint (in NHS England and NHS Wales) transitional arrangement operated from 2019-2020 where employers in the Scheme would continue to pay 14.38% employer contributions under their normal monthly payment process, and in Wales the additional 6.3% would be funded by Welsh Government directly to the Pension Scheme administrator, the NHS Business Services Authority (BSA, the NHS Pensions Agency).

However, NHS Wales organisations are required to account for **their staff** employer contributions of 20.68% in full and on a gross basis, in their annual accounts. Payments made on their behalf by Welsh Government are accounted for on a notional basis. For detailed information see Other note within these accounts.

For early retirements other than those due to ill health the additional pension liabilities are not funded by the scheme. The full amount of the liability for the additional costs is charged to expenditure at the time the NHS Wales organisation commits itself to the retirement, regardless of the method of payment.

Where employees are members of the Local Government Superannuation Scheme, which is a defined benefit pension scheme this is disclosed. The scheme assets and liabilities attributable to those employees can be identified and are recognised in the NHS Wales organisation's accounts. The assets are measured at fair value and the liabilities at the present value of the future obligations. The increase in the liability arising from pensionable service earned during the year is recognised within operating expenses. The expected gain during the year from scheme assets is recognised within finance income. The interest cost during the year arising from the unwinding of the discount on the scheme liabilities is recognised within finance costs.

NEST Pension Scheme

An alternative pensions scheme for employees not eligible to join the NHS Pensions scheme has to be offered. The NEST (National Employment Savings Trust) Pension scheme is a defined contribution scheme and therefore the cost to the NHS body of participating in the scheme is equal to the contributions payable to the scheme for the accounting period.

1.5 Other expenses

Other operating expenses for goods or services are recognised when, and to the extent that, they have been received. They are measured at the fair value of the consideration payable.

1.6 Property, plant and equipment

Recognition

Property, plant and equipment is capitalised if:

- it is held for use in delivering services or for administrative purposes;
- it is probable that future economic benefits will flow to, or service potential will be supplied to, the NHS Wales organisation;
- it is expected to be used for more than one financial year;
- the cost of the item can be measured reliably; and
- the item has cost of at least £5,000; or
- collectively, a number of items have a cost of at least £5,000 and individually have a cost of more than £250, where the assets are functionally interdependent, they had broadly simultaneous purchase dates, are anticipated to have simultaneous disposal dates and are under single managerial control; or

- items form part of the initial equipping and setting-up cost of a new building, ward or unit, irrespective of their individual or collective cost.

Where a large asset, for example a building, includes a number of components with significantly different asset lives, the components are treated as separate assets and depreciated over their own useful economic lives.

Valuation

All property, plant and equipment are measured initially at cost, representing the cost directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Land and buildings used for services or for administrative purposes are stated in the Statement of Financial Position (SoFP) at their revalued amounts, being the fair value at the date of revaluation less any subsequent accumulated depreciation and impairment losses. Revaluations are performed with sufficient regularity to ensure that carrying amounts are not materially different from those that would be determined at the end of the reporting period. Fair values are determined as follows:

- Land and non-specialised buildings – market value for existing use
- Specialised buildings – depreciated replacement cost

HM Treasury has adopted a standard approach to depreciated replacement cost valuations based on modern equivalent assets and, where it would meet the location requirements of the service being provided, an alternative site can be valued. NHS Wales' organisations have applied these new valuation requirements from 1 April 2009.

Properties in the course of construction for service or administration purposes are carried at cost, less any impairment loss. Cost includes professional fees but not borrowing costs, which are recognised as expenses immediately, as allowed by IAS 23 for assets held at fair value. Assets are revalued and depreciation commences when they are brought into use.

In 2022-23 a formal revaluation exercise was applied to land and properties. The carrying value of existing assets at that date will be written off over their remaining useful lives and new fixtures and equipment are carried at depreciated historic cost as this is not considered to be materially different from fair value.

An increase arising on revaluation is taken to the revaluation reserve except when it reverses an impairment for the same asset previously recognised in expenditure, in which case it is credited to expenditure to the extent of the decrease previously charged there. A revaluation decrease that does not result from a loss of economic value or service potential is recognised as an impairment charged to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to expenditure. Impairment losses that arise from a clear consumption of economic benefit should be taken to expenditure.

References in IAS 36 to the recognition of an impairment loss of a revalued asset being treated as a revaluation decrease to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset, are adapted such that only those impairment losses that do not result from a clear consumption of economic benefit or reduction of service potential (including as a result of loss or damage resulting from normal business operations) should be taken to the revaluation reserve. Impairment losses that arise from a clear consumption of economic benefit should be taken to the Statement of Comprehensive Income (SoCI).

From 2015-2016, IFRS 13 Fair Value Measurement must be complied with in full. However IAS 16 and IAS 38 have been adapted for the public sector context which limits the circumstances under which a valuation is prepared under IFRS 13. Assets which are held for their service potential and are in use should be measured at their current value in existing use. For specialised assets current value in existing use should be interpreted as the present value of the assets remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential. Where there is no single class of asset that falls within IFRS 13, disclosures should be for material items only.

In accordance with the adaptation of IAS 16 in table 6.2 of the FReM, for non-specialised assets in operational use, current value in existing use is interpreted as market value for existing use which is defined in the RICS Red Book as Existing Use Value (EUV).

Assets which were most recently held for their service potential but are surplus should be valued at current value in existing use, if there are restrictions on the NHS organisation or the asset which would prevent access to the market at the reporting date. If the NHS organisation could access the market then the surplus asset should be used at fair value using IFRS 13. In determining whether such an asset which is not in use is surplus, an assessment should be made on whether there is a clear plan to bring the asset back into use as an operational asset. Where there is a clear plan, the asset is not surplus and the current value in existing use should be maintained. Otherwise the asset should be assessed as being surplus and valued under IFRS13.

Assets which are not held for their service potential should be valued in accordance with IFRS 5 or IAS 40 depending on whether the asset is actively held for sale. Where an asset is not being used to deliver services and there is no plan to bring it back into use, with no restrictions on sale, and it does not meet the IAS 40 and IFRS 5 criteria, these assets are surplus and are valued at fair value using IFRS 13.

Subsequent expenditure

Where subsequent expenditure enhances an asset beyond its original specification, the directly attributable cost is capitalised. Where subsequent expenditure restores the asset to its original specification, the expenditure is capitalised and any carrying value of the item replaced is written-out and charged to the SoCI. As highlighted in previous years the NHS in Wales does not have systems in place to ensure that all items being "replaced" can be identified and hence the cost involved to be quantified. The NHS in Wales has thus established a national protocol to ensure it complies with the standard as far as it is able to which is outlined in the capital accounting chapter of the Manual For Accounts. This ensures that asset carrying values are not materially overstated.

For All Wales Capital Schemes that are completed in a financial year, NHS Wales organisations are required to obtain a revaluation during that year (prior to them being brought into use) and also similar revaluations are needed for all Discretionary Building Schemes completed which have a spend greater than £0.5m. The write downs so identified are then charged to operating expenses.

1.7 Intangible assets

Recognition

Intangible assets are non-monetary assets without physical substance, which are capable of sale separately from the rest of the business or which arise from contractual or other legal rights. They are recognised only when it is probable that future economic benefits will flow to, or service potential be provided to, the NHS Wales organisation; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

Intangible assets acquired separately are initially recognised at fair value. Software that is integral to the operating of hardware, for example an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software that is not integral to the operation of hardware, for example application software, is capitalised as an intangible asset. Expenditure on research is not capitalised: it is recognised as an operating expense in the period in which it is incurred. Internally-generated assets are recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use
- the intention to complete the intangible asset and use it
- the ability to use the intangible asset
- how the intangible asset will generate probable future economic benefits
- the availability of adequate technical, financial and other resources to complete the intangible asset and use it
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Measurement

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the criteria above are initially met. Where no internally-generated intangible asset can be recognised, the expenditure is recognised in the period in which it is incurred.

Following initial recognition, intangible assets are carried at fair value by reference to an active market, or, where no active market exists, at amortised replacement cost (modern equivalent assets basis), indexed for relevant price increases, as a proxy for fair value. Internally-developed software is held at historic cost to reflect the opposing effects of increases in development costs and technological advances.

1.8 Depreciation, amortisation and impairments

Freehold land, assets under construction and assets held for sale are not depreciated.

Otherwise, depreciation and amortisation are charged to write off the costs or valuation of property, plant and equipment and intangible non-current assets, less any residual value, over their estimated useful lives, in a manner that reflects the consumption of economic benefits or service potential of the assets. The estimated useful life of an asset is the period over which the NHS Wales organisation expects to obtain economic benefits or service potential from the asset. This is specific to the NHS Wales organisation and may be shorter than the physical life of the asset itself. Estimated useful lives and residual values are reviewed each year end, with the effect of any changes recognised on a prospective basis. Assets held under finance leases are depreciated over the shorter of the lease term and estimated useful lives.

At each reporting period end, the NHS Wales organisation checks whether there is any indication that any of its tangible or intangible non-current assets have suffered an impairment loss. If there is indication of an impairment loss, the recoverable amount of the asset is estimated to determine whether there has been a loss and, if so, its amount. Intangible assets not yet available for use are tested for impairment annually.

Impairment losses that do not result from a loss of economic value or service potential are taken to the revaluation reserve to the extent that there is a balance on the reserve for the asset and, thereafter, to the SoCI. Impairment losses that arise from a clear consumption of economic benefit are taken to the SoCI. The balance on any revaluation reserve (up to the level of the impairment) to which the impairment would have been charged under IAS 36 are transferred to retained earnings.

1.9 Research and Development

Research and development expenditure is charged to operating costs in the year in which it is incurred, except insofar as it relates to a clearly defined project, which can be separated from patient care activity and benefits therefrom can reasonably be regarded as assured. Expenditure so deferred is limited to the value of future benefits expected and is amortised through the SoCI on a systematic basis over the period expected to benefit from the project.

1.10 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met when the sale is highly probable, the asset is available for immediate sale in its present condition and management is committed to the sale, which is expected to qualify for recognition as a completed sale within one year from the date of classification. Non-current assets held for sale are measured at the lower of their previous carrying amount and fair value less costs to sell. Fair value is open market value including alternative uses.

The profit or loss arising on disposal of an asset is the difference between the sale proceeds and the carrying amount and is recognised in the SoCI. On disposal, the balance for the asset on the revaluation reserve is transferred to retained earnings.

Property, plant and equipment that is to be scrapped or demolished does not qualify for recognition as held for sale. Instead it is retained as an operational asset and its economic life adjusted. The asset is derecognised when it is scrapped or demolished.

1.11 Leases

A lease is a contract or part of a contract that conveys the right to use an asset for a period of time in exchange for consideration.

IFRS 16 leases is effective across public sector from 1 April 2022. The transition to IFRS 16 has been completed in accordance with paragraph C5 (b) of the Standard, applying IFRS 16 requirements retrospectively recognising the cumulative effects at the date of initial application.

In the transition to IFRS 16 a number of elections and practical expedients offered in the standard have been employed. These are as follows: The Trust has applied the practical expedient offered in the standard per paragraph C3 to apply IFRS 16 to contracts or arrangements previously identified as containing a lease under the previous leasing standards IAS 17 leases and IFRIC 4 determining whether an arrangement contains a lease and not to those that were identified as not containing a lease under previous leasing standards.

On initial application the Trust has measured the right of use assets for leases previously classified as operating leases per IFRS 16 C8 (b)(ii), at an amount equal to the lease liability adjusted for accrued or prepaid lease payments.

No adjustments have been made for operating leases in which the underlying asset is of low value per paragraph C9 (a) of the standard.

The transitional provisions have not been applied to operating leases whose terms end within 12 months of the date of initial application has been employed per paragraph C10 (c) of IFRS 16. Hindsight is used to determine the lease term when contracts or arrangements contain options to extend or terminate the lease in accordance with C10 (e) of IFRS 16.

Due to transitional provisions employed the requirements for identifying a lease within paragraphs 9 to 11 of IFRS 16 are not employed for leases in existence at the initial date of application. Leases entered into on or after the 1st April 2022 will be assessed under the requirements of IFRS 16. There are further expedients or election that have been employed by the Trust in applying IFRS 16.

These include:

- the measurement requirements under IFRS 16 are not applied to leases with a term of 12 months or less under paragraph 5 (a) of IFRS 16
- the measurement requirements under IFRS 16 are not applied to leases where the underlying asset is of a low value which are identified as those assets of a value of less than £5,000, excluding any irrecoverable VAT, under paragraph 5 (b) of IFRS 16

The Trust will not apply IFRS 16 to any new leases of intangible assets applying the treatment described in section 1.14 instead.

HM Treasury have adapted the public sector approach to IFRS 16 which impacts on the identification and measurement of leasing arrangements that will be accounted for under IFRS 16.

The Trust is required to apply IFRS 16 to lease like arrangements entered into with other public sector entities that are in substance akin to an enforceable contract, that in their formal legal form may not be enforceable. Prior to accounting for such arrangements under IFRS 16 the Trust has assessed that in all other respects these arrangements meet the definition of a lease under the standard.

The Trust is required to apply IFRS 16 to lease like arrangements entered into in which consideration exchanged is nil or nominal, therefore significantly below market value. These arrangements are described as peppercorn leases. Such arrangements are again required to meet the definition of a lease in every other respect prior to inclusion in the scope of IFRS 16. The accounting for peppercorn arrangements aligns to that identified for donated assets. Peppercorn leases are different in substance to arrangements in which consideration is below market value but not significantly below market value.

The nature of the accounting policy change for the lessee is more significant than for the lessor under IFRS 16. IFRS 16 introduces a singular lessee approach to measurement and classification in which lessees recognise a right of use asset.

For the lessor leases remain classified as finance leases when substantially all the risks and rewards incidental to ownership of an underlying asset are transferred to the lessee. When this transfer does not occur, leases are classified as operating leases.

1.11.1 The Trust as lessee

At the commencement date for the leasing arrangement a lessee shall recognise a right of use asset and corresponding lease liability. The entity employs a revaluation model for the subsequent measurement of its right of use assets unless cost is considered to be an appropriate proxy for current value in existing use or fair value in line with the accounting policy for owned assets. Where consideration exchanged is identified as below market value, cost is not considered to be an appropriate proxy to value the right of use asset.

Irrecoverable VAT is expensed in the period to which it relates and therefore not included in the measurement of the lease liability and consequently the value of the right of use asset.

The incremental borrowing rate of 0.95% has been applied to the lease liabilities recognised at the date of initial application of IFRS 16.

Where changes in future lease payments result from a change in an index or rate or rent review, the lease liabilities are remeasured using an unchanged discount rate.

Where there is a change in a lease term or an option to purchase the underlying asset the Trust applies a revised rate to the remaining lease liability.

Where existing leases are modified the Trust must determine whether the arrangement constitutes a separate lease and apply the standard accordingly.

Lease payments are recognised as an expense on a straight-line or another systematic basis over the lease term, where the lease term is in substance 12 months or less, or is elected as a lease containing low value underlying asset by the Trust.

1.11.2 The Trust as lessor (where relevant)

A lessor shall classify each of its leases as an operating or finance lease. A lease is classified as finance lease when the lease substantially transfers all the risks and rewards incidental to ownership of an underlying asset. Where substantially all the risks and rewards are not transferred, a lease is classified as an operating lease.

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Trust's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Trust's net investment outstanding in respect of the leases.

Income from operating leases is recognised on a straight-line or another systematic basis over the term of the lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense on a straight-line basis over the lease term.

Where the Trust is an intermediate lessor, being a lessor and a lessee regarding the same underlying asset, classification of the sublease is required to be made by the intermediate lessor considering the term of the arrangement and the nature of the right of use asset arising from the head lease.

On transition the Trust has reassessed the classification of all of its continuing subleasing arrangements to include peppercorn leases.

1.12 Inventories

Whilst it is accounting convention for inventories to be valued at the lower of cost and net realisable value using the weighted average or "first-in first-out" cost formula, it should be recognised that the NHS is a special case in that inventories are not generally held for the intention of resale and indeed there is no market readily available where such items could be sold. Inventories are valued at cost and this is considered to be a reasonable approximation to fair value due to the high turnover of stocks. Where inventories are not subject to high turnover levels, stocks are valued at current purchase price as an approximation to net realisable value and fair value.

Work-in-progress comprises goods in intermediate stages of production. Partially completed contracts for patient services are not accounted for as work-in-progress.

1.13 Cash and cash equivalents

Cash is cash in hand and deposits with any financial institution repayable without penalty on notice of not more than 24 hours. Cash equivalents are investments that mature in 3 months or less from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. In the Statement of Cash flows (SoCF), cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and that form an integral part of the cash management.

1.14 Provisions

Provisions are recognised when the NHS Wales organisation has a present legal or constructive obligation as a result of a past event, it is probable that the NHS Wales organisation will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation at the end of the reporting period, taking into account the risks and uncertainties. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows using the discount rate supplied by HM Treasury.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursements will be received and the amount of the receivable can be measured reliably.

Present obligations arising under onerous contracts are recognised and measured as a provision. An onerous contract is considered to exist where the NHS Wales organisation has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

A restructuring provision is recognised when the NHS Wales organisation has developed a detailed formal plan for the restructuring and has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring, which are those amounts that are both necessarily entailed by the restructuring and not associated with ongoing activities of the entity.

1.14.1 Clinical negligence and personal injury costs

The Welsh Risk Pool Services (WRPS) operate a risk pooling scheme which is co-funded by the Welsh Government with the option to access a risk sharing agreement funded by the participating NHS Wales bodies. The risk sharing option was implemented in both 2023-24 and 2022-23. The WRPS is hosted by the Trust.

1.14.2 Future Liability Scheme (FLS)**General Medical Practice Indemnity (GMPI)**

The FLS is a state backed scheme to provide clinical negligence General Medical Practice Indemnity (GMPI) for providers of GP services in Wales.

In March 2019, the Minister issued a Direction to Velindre University NHS Trust to enable Legal and Risk Services to operate the Scheme. The GMPI is underpinned by new secondary legislation, The NHS (Clinical Negligence Scheme) (Wales) Regulations 2019 which came into force on 1 April 2019.

1.15 Financial Instruments

From 2018-2019 IFRS 9 Financial Instruments is applied, as interpreted and adapted for the public sector, in the FReM. The principal impact of IFRS 9 adoption by NHS Wales organisations is a change to the calculation basis for bad debt provisions: changing from an incurred loss basis to a lifetime expected credit loss (ECL) basis.

1.16 Financial assets

Financial assets are recognised on the SoFP when the NHS Wales organisation becomes party to the financial instrument contract or, in the case of trade receivables, when the goods or services have been delivered. Financial assets are derecognised when the contractual rights have expired or the asset has been transferred.

The accounting policy choice allowed under IFRS 9 for long term trade receivables, contract assets which do contain a significant financing component (in accordance with IFRS 15), and lease receivables within the scope of IAS 17 has been withdrawn and entities should always recognise a loss allowance at an amount equal to lifetime Expected Credit Losses.

All entities applying the FReM should utilise IFRS 9's simplified approach to impairment for relevant assets.

IFRS 9 requirements required a revised approach for the calculation of the bad debt provision, applying the principles of expected credit loss, using the practical expedients within IFRS 9 to construct a provision matrix.

1.16.1 Financial assets are initially recognised at fair value

Financial assets are classified into the following categories: financial assets 'at fair value' through SoCI; 'held to maturity investments'; 'available for sale' financial assets, and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

1.16.2 Financial assets at fair value through SoCI

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial assets at fair value through SoCI. They are held at fair value, with any resultant gain or loss recognised in the SoCI. The net gain or loss incorporates any interest earned on the financial asset.

1.16.3 Held to maturity investments

Held to maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity, and there is a positive intention and ability to hold to maturity. After initial recognition, they are held at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

1.16.4 Available for sale financial assets

Available for sale financial assets are non-derivative financial assets that are designated as available for sale or that do not fall within any of the other three financial asset classifications. They are measured at fair value with changes in value taken to the revaluation reserve, with the exception of impairment losses. Accumulated gains or losses are recycled to the SoCI on de-recognition.

1.16.5 Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments which are not quoted in an active market. After initial recognition, they are measured at amortised cost using the effective interest method, less any impairment. Interest is recognised using the effective interest method.

Fair value is determined by reference to quoted market prices where possible, otherwise by valuation techniques.

The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, to the net carrying amount of the financial asset.

At the SOFP date, the NHS Wales organisation assesses whether any financial assets, other than those held at 'fair value through profit and loss' are impaired. Financial assets are impaired and impairment losses recognised if there is objective evidence of impairment as a result of one or more events which occurred after the initial recognition of the asset and which has an impact on the estimated future cash flows of the asset.

For financial assets carried at amortised cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the revised future cash flows discounted at the asset's original effective interest rate. The loss is recognised in expenditure and the carrying amount of the asset is reduced directly, or through a provision of impairment of receivables.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through expenditure to the extent that the carrying amount of the receivable at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

1.16.6 Other financial assets

Listed investments are stated at market value. Unlisted investments are included at cost as an approximation to market value. Quoted stocks are included in the balance sheet at mid-market price, and where holdings are subject to bid / offer pricing their valuations are shown on a bid price. The shares are not held for trading and accordingly are classified as available for sale. Other financial assets are classified as available for sale investments carried at fair value within the financial statements.

1.17 Financial liabilities

Financial liabilities are recognised on the SOFP when the NHS Wales organisation becomes party to the contractual provisions of the financial instrument or, in the case of trade payables, when the goods or services have been received. Financial liabilities are de-recognised when the liability has been discharged, that is, the liability has been paid or has expired. Loans from Welsh Government are recognised at historical cost.

1.17.1 Financial liabilities are initially recognised at fair value through SoCI

Financial liabilities are classified as either financial liabilities at fair value through the SoCI or other financial liabilities.

1.17.2 Financial liabilities at fair value through the SoCI

Embedded derivatives that have different risks and characteristics to their host contracts, and contracts with embedded derivatives whose separate value cannot be ascertained, are treated as financial liabilities at fair value through profit and loss. They are held at fair value, with any resultant gain or loss recognised in the SoCI. The net gain or loss incorporates any interest earned on the financial asset.

1.17.3 Other financial liabilities

After initial recognition, all other financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments through the life of the asset, to the net carrying amount of the financial liability. Interest is recognised using the effective interest method.

1.18 Value Added Tax (VAT)

Most of the activities of the NHS Wales organisation are outside the scope of VAT and, in general, output VAT does not apply and input VAT on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets. Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.19 Foreign currencies

Transactions denominated in a foreign currency are translated into sterling at the exchange rate ruling on the dates of the transactions. Resulting exchange gains and losses are taken to the SoCI. At the SoFP date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date.

1.20 Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the NHS Wales organisation has no beneficial interest in them. Details of third party assets are given in the Notes to the accounts.

1.21 Losses and Special Payments

Losses and special payments are items that the Welsh Government would not have contemplated when it agreed funds for the health service or passed legislation. By their nature they are items that ideally should not arise. They are therefore subject to special control procedures compared with the generality of payments. They are divided into different categories, which govern the way each individual case is handled.

Losses and special payments are charged to the relevant functional headings in the SoCI on an accruals basis, including losses which would have been made good through insurance cover had the NHS Wales organisation not been bearing their own risks (with insurance premiums then being included as normal revenue expenditure). However, the note on losses and special payments is compiled directly from the losses register which is prepared on a cash basis.

The NHS Wales organisation accounts for all losses and special payments gross (including assistance from the WRPS).

The NHS Wales organisation accrues or provides for the best estimate of future payouts for certain liabilities and discloses all other potential payments as contingent liabilities, unless the probability of the liabilities becoming payable is remote.

All claims for losses and special payments are provided for, where the probability of settlement of an individual claim is over 50%. Where reliable estimates can be made, incidents of clinical negligence against which a claim has not, as yet, been received are provided in the same way. Expected reimbursements from the WRP are included in debtors. For those claims where the probability of settlement is between 5-50%, the liability is disclosed as a contingent liability.

1.22 Pooled budget

The NHS Wales organisation has not entered into pooled budgets with Local Authorities. Under the arrangements funds are pooled in accordance with section 33 of the NHS (Wales) Act 2006 for specific activities defined in the Pooled budget Note.

The pool budget is hosted by one NHS Wales's organisation. Payments for services provided are accounted for as miscellaneous income. The NHS Wales organisation accounts for its share of the assets, liabilities, income and expenditure from the activities of the pooled budget, in accordance with the pooled budget arrangement.

1.23 Critical Accounting Judgements and key sources of estimation uncertainty

In the application of the accounting policies, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from those estimates. The estimates and underlying assumptions are continually reviewed. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or the period of the revision and future periods if the revision affects both current and future periods.

1.24 Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the SoFP date, that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Significant estimations are made in relation to on-going clinical negligence and personal injury claims. Assumptions as to the likely outcome, the potential liabilities and the timings of these litigation claims are provided by independent legal advisors. Any material changes in liabilities associated with these claims would be recoverable through the WRPS.

1.25 Provisions for legal or constructive obligations for clinical negligence, personal injury & defence costs

The NHS Wales organisation provides for legal or constructive obligations for clinical negligence, personal injury and defence costs that are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Claims are funded via the WRPS which receives an annual allocation from Welsh Government to cover the cost of reimbursement requests submitted to the bi-monthly WRPS Committee. Following settlement to individual claimants by the NHS Wales organisations, the lump sum element (total damages less the value of any PPO arrangement for annual payments over the life of the claimant) is recognised in year and matched to income (less a £25K excess) via a WRPS debtor, until reimbursement has been received from the WRPS Committee.

Probable & Certain Cases – Accounting Treatment

A provision for these cases is calculated in accordance with IAS 37. Cases are assessed and divided into four categories according to their probability of settlement:

Remote	Probability of Settlement	0 – 5%
	Accounting Treatment	Remote Contingent Liability
Possible	Probability of Settlement	6% - 49%
	Accounting Treatment	Defence Fee - Provision* Contingent Liability for all other estimated expenditure
Probable	Probability of Settlement	50% - 94%
	Accounting Treatment	Full Provision
Certain	Probability of Settlement	95% - 100%
	Accounting Treatment	Full Provision

* Personal injury cases - Defence fee costs are provided for at 100%.

The provision for probable and certain cases is based on case estimates of individual reported claims received by Legal & Risk Services within NHS Wales Shared Services Partnership.

The solicitor will estimate the case value including defence fees, using professional judgement and from obtaining counsel advice. Valuations are then discounted for the future loss elements using individual life expectancies and the Government Actuary's Department actuarial tables (Ogden tables) and Personal Injury Discount Rate of -0.25%.

Future liabilities for certain & probable cases with a probability of 95%-100% and 50%-94% respectively are held as a provision on the Trust's balance sheet. Cases typically take a number of years to settle, particularly for high value cases where a period of development is necessary to establish the full extent of the injury caused.

Discounting provisions

The WRPS discounts estimated future lump sums within the provisions which are assumed to settle over a 3 year period.

A proportion of the lump sum estimates are assumed to settle with RPI indexed annual payments and the remainder as Annual Survey of Hours and Earnings (ASHE) indexed annual payments.

The HM Treasury short term nominal discount rate of 4.26% (2022/2023: 3.27%) is applied to the RPI proportion of the lump sum estimate using the retail price index (RPI) inflation rates of 4.75% for Year 1, 2.95% for Year 2 and 3.15% for Year 3.

The RPI rates have been calculated by reference to CPI for general provisions, with a 1.15% margin added to CPI indices to the period to 31st January 2030 and 0.1% thereafter. These are the rates recommended by the Government's Actuary's Department in lieu of published RPI rates which were omitted from the December 2023 HMT Public Expenditure System (PES) paper. The remainder is discounted by applying the Annual Survey of Hours and Earnings (ASHE) nominal discount rate of 2.05% (1.9% 2022) with the underlying RPI rates for Years 1 – 3 as above.

PPO Provisions

The majority of high value (>£1M) claims settle with a Periodical Payment Order (PPO) where part or all of the final settlement value is paid over the life time of the claimant. When cases settle with a PPO arrangement, an individual provision is created by multiplying the claimants' index linked annual payment value by the number of years' life expectancy. Future cashflows are modelled based on individual claim data and include any agreed future steps in payment value.

The number of years' life expectancy is discounted according to the Ogden table multipliers using HM Treasury's nominal discount rate for general provisions issued annually in the Public Expenditure System (PES) paper and an inflation factor.

For 2023-2024, the nominal short, medium, long and very long term rates are: 4.26% (0-5 years), 4.03% (+5-10 years), 4.72% (+10-40 years), and 4.40% (over 40 years) respectively. The inflation factor applied is dependent upon the rate agreed as part of the settlement of the claimant's case.

Where annual payments are required to be uplifted by the RPI, the RPI rate of 4.75% has been used for Year 1, 2.95% for Year 2, 3.15% for the period up to and including 31st January 2030 and 2.10% thereafter.

Where annual payments are required to be uplifted based on market data for carers' wages, the annual survey of hours and earnings (ASHE) discount rate of -2.7% for Year 1 has been applied, -0.9% for Year 2, -1.05% for the period up to and including 31st January 2030 and -0.05% thereafter. The probabilities of survival for each claimant are based on estimated life expectancy, agreed by medical experts in each case.

1.26 Discount Rates

Where discount is applied, a disclosure detailing the impact of the discounting on liabilities will be included for the relevant notes. The disclosure should include where possible undiscounted values to demonstrate the impact. An explanation of the source of the discount rate or how the discount rate has been determined will be included.

1.27 Private Finance Initiative (PFI) transactions (included those funded by MIMs)

The Trust has one MIMs funded arrangement.

1.28 Contingencies

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the NHS Wales organisation. A contingent asset is disclosed where an inflow of economic benefits is probable.

Where the time value of money is material, contingencies are disclosed at their present value.

Remote contingent liabilities are those that are disclosed under Parliamentary reporting requirements and not under IAS 37 and, where practical, an estimate of their financial effect is required.

1.29 Absorption accounting

Transfers of function are accounted for as either by merger or by absorption accounting, dependent upon the treatment prescribed in the FReM. Absorption accounting requires that entities account for their transactions in the period in which they took place with no restatement of performance required.

For transfers of functions involving NHS Wales Trusts in receipt of PDC the double entry for the fixed asset NBV value and the net movement in assets is PDC.

1.30 Accounting standards that have been issued but not yet been adopted

The following accounting standards have been issued and or amended by the IASB and IFRIC but have not been adopted because they are not yet required to be adopted by the FReM:

IFRS14 Regulatory Deferral Accounts - Applies to first time adopters of IFRS after 1 January 2016. Therefore not applicable.

IFRS 17 Insurance Contracts, Application required for accounting periods beginning on or after 1 January 2021, Standard is not yet adopted by the FReM which is expected to be from April 2025: early adoption is not permitted.

1.31 Accounting standards issued that have been adopted early

During 2023-24 there have been no accounting standards that have been adopted early. All early adoption of accounting standards will be led by HM Treasury.

1.32 Charities

Following Treasury's agreement to apply IAS 27 to NHS Charities from 1 April 2013, the Trust has established that as it is the corporate trustee of the Velindre University NHS Trust Charitable Fund it is therefore considered for accounting standards compliance to have control of Velindre University NHS Trust Charitable Fund as a subsidiary, and with the agreement of Welsh Government has made the decision to consolidate the Velindre University NHS Trust Charitable Fund within the statutory accounts of the Trust.

The determination of control is an accounting standard test of control and there has been no change to the operation of the Velindre University NHS Trust Charitable Fund or its independence in its management of charitable funds.

Welsh Government as the ultimate parent of the NHS Wales organisations will disclose the Charitable Accounts in the Welsh Government Consolidated Accounts. Details of the transactions with the charity are included in the related parties notes.

1.33 Subsidiaries

Material entities over which the NHS Wales organisation has the power to exercise control so as to obtain economic or other benefits are classified as subsidiaries and are consolidated. Their income and expenses; gains and losses; assets, liabilities and reserves; and cash flows are consolidated in full into the appropriate financial statement lines. Appropriate adjustments are made on consolidation where the subsidiary's accounting policies are not aligned with the NHS Wales organisation or where the subsidiary's accounting date is before 1 January or after 30 June.

Subsidiaries that are classified as 'held for sale' are measured at the lower of their carrying amount or 'fair value less costs to sell'.

1.34 Borrowing costs

Borrowing costs are recognised as expenses as they are incurred.

1.35 Public Dividend Capital (PDC) and PDC dividend

PDC represents taxpayers' equity in the NHS Wales organisation. At any time the Minister for Health and Social Services with the approval of HM Treasury can issue new PDC to, and require repayments of, PDC from the NHS Wales organisation. PDC is recorded at the value received. As PDC is issued under legislation rather than under contract, it is not treated as an equity financial instrument.

From 1 April 2010 the requirement to pay a public dividend over to the Welsh Government ceased.

2. Financial Performance

2.1 STATUTORY FINANCIAL DUTIES

Under the National Health Services (Wales) Act 2006 the financial obligations of the NHS Trust are contained within Schedules 4 2(1) and 4(2).

The Trust is required to achieve financial breakeven over a rolling 3 year period.

Welsh Health Circular WHC/2016/054 replaced WHC/2015/014 'Statutory and Financial Duties of Local Health Boards and NHS Trusts' and further clarifies the statutory financial duties of NHS Wales bodies.

2.1.1 Financial Duty

	Annual financial performance			2021-22 to 2023-24 Financial duty £000
	2021-22 £000	2022-23 £000	2023-24 £000	
Retained surplus / (deficit)	-203	76	259	132
Less Donated asset / grant funded revenue adjustment	244	0	-217	27
Adjusted surplus/ (Deficit)	41	76	42	159

The Trust has met its financial duty to break even over the 3 years 2021-2022 to 2023-2024.

2.1.2 Integrated Medium Term Plan (IMTP)

The NHS Wales Planning Framework for the period 2023-2026 issued to Trusts placed a requirement upon them to prepare and submit Integrated Medium Term Plans to the Welsh Government.

The Trust submitted an Integrated Medium Term Plan for the period 2023-2026 in accordance with the NHS Wales Planning Framework.

Status	Approved
Date	12/09/2023

The Trust has therefore met its statutory duty to have an approved financial plan.

2. Financial Performance (cont)

2.2 ADMINISTRATIVE REQUIREMENTS

2.2.1. External financing

The EFL target has been suspended by Welsh Government for 2023-2024.

2.3. Creditor payment

The Trust is required to pay 95% of the number of non-NHS bills within 30 days of receipt of goods or a valid invoice (whichever is the later). The Trust has achieved the following results:

	2023-24	2022-23
Total number of non-NHS bills paid	83,927	81,328
Total number of non-NHS bills paid within target	81,278	77,780
Percentage of non-NHS bills paid within target	96.8%	95.6%

The Trust has met the target.

3. Revenue from patient care activities	2023-24	2022-23	2023-24	2022-23
	NHS Trust		Consolidated	
	£000	£000	£000	£000
Local health boards	107,331	95,698	107,331	95,698
Welsh Health Specialised & Emergency Ambulance				
Services Committees (WHSSC & EASC)	59,825	52,959	59,825	52,959
Welsh NHS Trusts	1,548	1,494	1,548	1,494
Welsh Special Health Authorities	2,326	2,159	2,326	2,159
Foundation Trusts	0	0	0	0
Other NHS England bodies	35	107	35	107
Other NHS Bodies	10	9	10	9
Local Authorities	0	0	0	0
Welsh Government	17,780	16,250	17,780	16,250
Welsh Government Welsh Risk Pool Reimbursements			0	
NHS Wales Secondary Health Sector	288,662	199,763	288,662	199,763
NHS Wales Primary Sector Future Liability Scheme Reimbursement	479	144	479	144
NHS Wales Redress	1,699	1,503	1,699	1,503
Other	73	0	73	0
Welsh Government - Hosted Bodies	126,101	168,350	126,101	168,350
Non NHS:				
Private patient income	2,012	2,032	2,012	2,032
Overseas patients (non-reciprocal)	0	0	0	0
Injury Costs Recovery (ICR) Scheme	0	0	0	0
Other revenue from activities	34	28	34	28
Total	607,915	540,496	607,915	540,496

Injury Cost Recovery (ICR) Scheme income:

	2023-24	2022-23
	%	%
To reflect expected rates of collection ICR income is subject to a provision for impairment of:	23.76	23.76

4. Other operating revenue	2023-24	2022-23	2023-24	2022-23
	NHS Trust		Consolidated	
	£000	£000	£000	£000
Income generation	1,029	549	1,029	549
Patient transport services	0	0	0	0
Education, training and research	3,305	3,877	3,305	3,877
Charitable and other contributions to expenditure	9,955	1,858	7,970	515
Incoming FHoT Revenue				
Unrestricted - donations and legacies			5,617	4,781
Restricted - donations and legacies			330	0
Receipt of Covid Items free of charge from other NHS Wales Organisations	0	0	0	0
Receipt of Covid Items free of charge from other organisations	0	0	0	0
Receipt of donations for capital acquisitions	217	0	217	0
Receipt of government grants for capital acquisitions	0	0	0	0
Right of Use Grant (Peppercorn Lease)	0	0	0	0
Non-patient care services to other bodies	1,005	931	1,005	931
Right of Use Asset Sub-leasing rental income	0	0	0	0
Rental revenue from finance leases	0	10	0	10
Rental revenue from operating leases	113	100	113	100
Other revenue:				
Provision of pathology/microbiology services	0	0	0	0
Accommodation and catering charges	326	211	326	211
Mortuary fees	0	0	0	0
Staff payments for use of cars	250	157	250	157
Business unit	0	0	0	0
Scheme Pays Reimbursement Notional	0	-169	0	-169
Other	437,101	409,721	437,101	409,721
Total	453,301	417,245	457,263	420,683
Total Patient Care and Operating Revenue	1,061,216	957,741	1,065,178	961,179

Other revenue comprises:

	2023-24	2022-23	2023-24	2022-23
NHS Wales Shared Services Partnership	430,812	406,288	430,812	406,288
Other	6,289	3,433	6,289	3,433
Total	437,101	409,721	437,101	409,721

On the 1st April 2019, employer pension contributions increased by 6.3%. Welsh Government funded this by making payment directly to the NHS Business Services Agency on the Trust's behalf. The notional income of £16.474m (2022/2023, £14.659m) is reported within the above notes, with further details provided in note 37.1.

5. Operating expenses	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
5.1 Operating expenses	NHS Trust		Consolidated	
Local Health Boards	15,758	14,484	15,758	14,484
Welsh NHS Trusts	15	18	15	18
Welsh Special Health Authorities	2,345	2,021	2,345	2,021
Goods and services from other non Welsh NHS bodies	0	0	0	0
WHSSC/EASC	0	0	0	0
Local Authorities	2	3	2	3
Purchase of healthcare from non-NHS bodies	0	0	0	0
Welsh Government	0	0	0	0
Other NHS Trusts	436	508	436	508
Directors' costs	1,510	1,420	1,510	1,420
Operational Staff costs	187,599	171,346	187,599	171,346
Non operational trainee staff costs	244,313	229,121	244,313	229,121
Non operational collaborative bank staff costs	537	347	537	347
Single lead employer Staff Trainee Cost	3,125	2,743	3,125	2,743
Collaborative Bank Staff Cost	0	0	0	0
Supplies and services - clinical	152,500	144,992	152,500	144,992
Supplies and services - general	66,162	83,340	66,162	83,340
Consultancy Services	4,481	3,950	4,481	3,950
Establishment	14,598	13,206	14,598	13,206
Transport	3,089	3,483	3,089	3,483
Premises	34,591	29,863	34,591	29,863
FHoT Resources expended				
Costs of generating funds			552	654
Charitable activities			755	178
Governance Costs			-21	-17
Impairments and Reversals of Receivables	0	0	0	0
Depreciation	9,405	8,826	9,405	8,826
Depreciation (RoU Asset)	1,769	1,676	1,769	1,676
Amortisation	2,321	1,358	2,321	1,358
Impairments and reversals of property, plant and equipment	0	1,121	0	1,121
Fixed asset impairments and reversals (RoU Assets)	0	1,894	0	1,894
Impairments and reversals of intangible assets	0	348	0	348
Impairments and reversals of financial assets	0	0	0	0
Impairments and reversals of non current assets held for sale	0	0	0	0
Audit fees	259	243	280	260
Other auditors' remuneration	0	0	0	0
Losses, special payments and irrecoverable debts	300,581	227,983	300,581	227,983
Research and development	0	0	0	0
NWSSP centrally purchased and donated Covid assets issued free of charge to NHS Wales organisations	0	0	0	0
NWSSP centrally purchased Covid assets issued free of charge to other organisations	0	0	0	0
Expense related to short-term leases	263	369	263	369
Expense related to low-value asset leases (excluding short-term leases)	16	60	16	60
Other operating expenses	28,924	23,122	21,574	23,122
Total	1,074,599	967,845	1,068,556	968,677

On the 1st April 2019, employer pension contributions increased by 6.3%. Welsh Government funded this by making payment directly to the NHS Pensions Agency on the Trust's behalf. The notional expenditure of £16.474m (2022/2023, £14.659m) is reported above under the various staff cost headings. Further detail is provided in note 37.1.

Staff costs are split over a number of different headings. Operational staff costs are those staff employed by the Trust and deemed operational within it. Non-operational trainee staff costs are those trainees employed by NWSSP under the All Wales Single Lead Employer Scheme (SLE) on behalf of other NHS Wales organisations, and who are operational within those organisations rather than the Trust. Where NWSSP employ staff under the SLE scheme on behalf of the Trust, these costs are reported as Single Lead Employer Staff Trainee costs. Staff employed under another NWSSP scheme, which commenced in 2020/2021, the All Wales Collaborative Bank, are also identified separately and split between those operational within the Trust and those operational in other NHS Wales organisations. Further analysis of these costs is shown in notes 10.1 and 10.7, with details of average numbers of employees shown in notes 10.2 and 10.8.

5. Operating expenses (continued)

5.2 Losses, special payments and irrecoverable debts:

Charges to operating expenses	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Increase/(decrease) in provision for future payments:	NHS Trust		Consolidated	
Clinical negligence:-				
Secondary care	286,581	212,515	286,581	212,515
Primary care	4,483	567	4,483	567
Redress Secondary Care	1,257	2,365	1,257	2,365
Redress Primary Care	0	0	0	0
Personal injury	2,954	2,127	2,954	2,127
All other losses and special payments	-1,308	16,839	-1,308	16,839
Defence legal fees and other administrative costs	1,731	2,744	1,731	2,744
Structured Settlements Welsh Risk Pool	4,883	-9,174	4,883	-9,174
Gross increase/(decrease) in provision for future payments	300,581	227,983	300,581	227,983
Contribution to Welsh Risk Pool	0	0	0	0
Premium for other insurance arrangements	0	0	0	0
Irrecoverable debts	0	0	0	0
Less: income received/ due from Welsh Risk Pool	0	0	0	0
Total charge	300,581	227,983	300,581	227,983

The Clinical Negligence figure includes £1,476,917 (2022/2023, £2,149,439) in respect of payments made under Redress during 2023/2024. The Redress creditor increased by £336,000 in 2023/2024 compared to a reduction in the creditor movement of £646,000 in 2022/2023.

All other losses and special payments includes -£1,815,172 relating to the reversal of previous years' stock write-offs.

	2023-24	2022-23
	£	£
Permanent injury included within personal injury:	0	0

6. Investment revenue	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
Rental revenue :				
	NHS Trust		Consolidated	
PFI finance lease revenue:				
Planned	0	0	0	0
Contingent	0	0	0	0
Other finance lease revenue	0	0	0	0
Interest revenue:				
Bank accounts	1,676	1,257	1,676	1,257
Other loans and receivables	0	0	0	0
Impaired financial assets	0	0	0	0
Other financial assets	0	0	249	144
Total	1,676	1,257	1,925	1,401

Interest received in 2023/2024 relates to the Trust's main bank account and an Escrow account established in relation to the build of the new cancer centre.

7. Other gains and losses	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Gain/(loss) on disposal of property, plant and equipment	-17	3	-17	3
Gain/(loss) on disposal other than by sale of right of use assets assets	0	0	0	0
Gain/(loss) on disposal of intangible assets	0	0	0	0
Gain/(loss) on disposal of assets held for sale	0	0	0	0
Gain/(loss) on disposal of financial assets	0	0	0	0
Gains/(loss) on foreign exchange	0	0	0	0
Change in fair value of financial assets at fair value through income statement	0	0	0	0
Change in fair value of financial liabilities at fair value through income statement	0	0	0	0
Recycling of gain/(loss) from equity on disposal of financial assets held for sale	0	0	0	0
Total	-17	3	-17	3

8. Finance costs	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Interest on loans and overdrafts	0	0	0	0
Interest on obligations under finance leases	0	0	0	0
Interest on obligations under Right of Use Leases	90	40	90	40
Interest on obligations under PFI contracts:				
Main finance cost	0	0	0	0
Contingent finance cost	0	0	0	0
Impact of IFRS 16 on PPP/PFI contracts	0	0	0	0
Interest on late payment of commercial debt	0	0	0	0
Other interest expense	0	0	0	0
Total interest expense	90	40	90	40
Provisions unwinding of discount	-9,431	-4,637	-9,431	-4,637
Periodical Payment Order unwinding of discount	-2,642	-4,323	-2,642	-4,323
Other finance costs	0	0	0	0
Total	-11,983	-8,920	-11,983	-8,920

9. Future change to SoC/Operating Leases

9.1 Trust as lessee

Operating lease payments represent rentals payable by the Trust for properties and equipment.

Payments recognised as an expense	Low Value & Short Term	Other	TOTAL	2022-23	Low Value & Short Term	Other	2022-23
	2023-24	2023-24	2023-24	£000	2023-24	2023-24	£000
	£000	£000	£000	£000	£000	£000	£000
		NHS Trust			Consolidated		
Minimum lease payments	279	0	279	429	279	0	429
Contingent rents	0	0	0	0	0	0	0
Sub-lease payments	0	0	0	0	0	0	0
Total	279	0	279	429	279	0	429
Total future minimum lease payments	2023-24	2023-24	2023-24	2022-23	2023-24	2023-24	2022-23
Payable:	£000	£000	£000	£000	£000	£000	£000
		NHS Trust			Consolidated		
Not later than one year	52	0	52	79	52	0	79
Between one and five years	48	0	48	101	48	0	101
After 5 years	0	0	0	0	0	0	0
Total	100	0	100	180	100	0	180
Total future sublease payments expected to be received	0	0	0	0	0	0	0

The current year operating lease figures relate to low value and short term leases only.

9. Future change to SoCI/Operating Leases (continued)

9.2 Trust as lessor

During 2023/2024, NWSSP leased two areas of Matrix House to commercial entities. One of these leases was surrendered in March 2024. NWSSP continues to lease areas of Matrix House to the Welsh Ambulance Services NHS Trust and Public Health Wales NHS Trust for zero consideration and also continues to lease a laboratory area of the IP5 warehouse to Public Health Wales NHS Trust for zero consideration.

During 2023/2024 NWSSP commenced leasing areas of Cwmbran House to Digital Health Care Wales and to Public Health Wales NHS Trust. NWSSP continues to lease an area of Cwmbran House to Gwent Local Medical Committee.

Velindre Cancer Centre receives rental income in respect of the staff residence in Whitchurch, Cardiff.

Rental Revenue

Receipts recognised as income	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
	NHS Trust		Consolidated	
Rent	113	100	113	100
Contingent rent	0	0	0	0
Other	0	0	0	0
Total rental revenue	113	100	113	100

Total future minimum lease payments Receivable:	2023-24 £000	2022-23 £000	2023-24 £000	2022-23 £000
	NHS Trust		Consolidated	
Not later than one year	66	71	66	71
Between one and five years	199	97	199	97
After 5 years	0	0	0	0
Total	265	168	265	168

10. Employee costs and numbers

10.1 Employee costs Operational Staff	Permanently employed staff	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	2023-24	2022-23
						£000	£000
Salaries and wages	142,796	724	2,152	2,470	4,187	152,329	139,528
Social security costs	14,585	0	0	300	198	15,083	13,431
Employer contributions to NHS Pensions Scheme	27,195	0	0	355	379	27,929	24,034
Other pension costs	43	0	0	0	0	43	48
Other post-employment benefits	0	0	0	0	-12	-12	7
Termination benefits	267	0	0	0	0	267	83
Total	184,886	724	2,152	3,125	4,752	195,639	177,131

Of the total above:	2023-24 £000	2022-23 £000
Charged to capital		3,537
Charged to revenue	192,102	174,900
Total	195,639	177,131

Net movement in accrued employee benefits (untaken staff leave) 133 -25

Staff reported as "other" includes individuals working under NWSSP bank arrangements (£2.871m).

10.2 Average number of employees	Permanently Employed	Staff on Inward Secondment	Agency Staff	Specialist Trainee (SLE)	Other Staff	2023-24	2022-23
						Total	Total
	Number	Number	Number	Number	Number	Number	Number
Administrative, clerical and board members	2,101	9	15	0	41	2,166	2,121
Medical and dental	85	0	1	34	6	126	121
Nursing, midwifery registered	203	1	0	0	2	206	213
Professional, scientific and technical staff	85	0	1	0	2	88	78
Additional Clinical Services	248	0	3	0	3	254	243
Allied Health Professions	150	2	3	0	0	155	147
Healthcare scientists	148	0	2	0	7	157	165
Estates and Ancillary	526	2	24	0	45	597	625
Students	3	0	0	0	0	3	5
Total	3,549	14	49	34	106	3,752	3,718

The average number is calculated using the full time equivalent (FTE) of employees.

10.3. Retirements due to ill-health	2023-24	2022-23
Number		
Estimated additional pension costs £		

Please see note 10.9 for information relating to both operational and non-operational staff. The information is supplied by the NHS Pensions Agency and is not split at source.

10.4 Employee benefits

The Trust operates four salary sacrifice schemes (childcare vouchers, cycle to work, home electronics and lease cars) for the financial benefit of its employees. In addition, staff have access to a non contributory Employee Assistance Programme which provides financial wellbeing support; a financial wellbeing scheme to provide staff with access to simple financial education; salary deducted loans, and a range of savings and investment products. In 2022-2023, the Trust launched a health cash plan where staff can claim money back on everyday healthcare costs, this plan continues to be available to staff throughout 2023-2024. The Trust continue to offer a childcare subsidy scheme and a purchase of annual leave scheme.

10.5 Reporting of other compensation schemes - exit packages

	2023-24	2023-24	2023-24	2023-24	2022-23
Exit packages cost band (including any special payment element)	Number of compulsory redundancies Whole numbers only	Number of other departures Whole numbers only	Total number of exit packages Whole numbers only	Number of payments have been made where special payments have been made Whole numbers only	Total number of exit packages Whole numbers only
less than £10,000	0	0	0	0	1
£10,000 to £25,000	0	3	3	2	1
£25,000 to £50,000	0	3	3	2	2
£50,000 to £100,000	0	1	1	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	7	7	4	4

	2023-24	2023-24	2023-24	2023-24	2022-23
Exit packages cost band (including any special payment element)	Cost of compulsory redundancies £	Cost of other departures £	Total cost of exit packages £	Cost of special element included in exit packages £	Total cost of exit packages £
less than £10,000	0	0	0	0	3,178
£10,000 to £25,000	0	55,506	55,506	40,360	21,567
£25,000 to £50,000	0	121,555	121,555	85,752	58,284
£50,000 to £100,000	0	89,580	89,580	0	0
£100,000 to £150,000	0	0	0	0	0
£150,000 to £200,000	0	0	0	0	0
more than £200,000	0	0	0	0	0
Total	0	266,641	266,641	126,112	83,029

Exit costs paid in year of departure	Total paid in year 2023-24 £	Total paid in year 2022-23 £
Exit costs paid in year	69,039	158,903
Total	69,039	158,903

Redundancy and other departure costs have been paid in accordance with the provisions of the relevant schemes or legislation. Where the Trust has agreed early retirements or compulsory redundancies, the additional costs are met by the Trust and not by the NHS Pensions Scheme. Ill-health retirement costs are met by the NHS Pensions Scheme and are not included in the table (see notes 10.3 & 10.9 for details of ill health retirement costs).

The disclosure reports the number and value of exit packages agreed in the year in line with the Welsh Government manual for accounts. The values payable to the individuals are shown. Any on-costs are excluded as they do not form part of the payment to the individual.

There were 4 special payments agreed in 2023/2024 (2022/2023, 3).

The maximum payment made during 2023/2024 was £46,007, the lowest payment made during 2023/2024 was £23,032, with the median payment being £34,519.

NWSSP have provided one off funding of £385,905 to Hywel Dda in 2023/24 to meet the cost of the VERs applications received from 10 staff as a consequence of the decision taken within NWSSP to close Glangwili Laundry from 31st March 2024. Hywel Dda have raised an invoice for these costs as was agreed by NWSSP through the Agreement of Balances process.

10.6 Fair Pay disclosures

10.6.1 Remuneration Relationship

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director / employee in their organisation and the 25th percentile, median and 75th percentile remuneration of the organisation's workforce.

	2023-24 £000	2023-24 £000	2023-24 Ratio	2022-23 £000	2022-23 £000	2022-23 Ratio
	Chief Executive			Employee		
Total pay and benefits	157	26	6.0	152.0	24.0	6.3
25th percentile pay ratio	157	26	6.0	152.0	24.0	6.3
Median pay	157	32	4.9	152.0	29.0	5.2
75th percentile pay ratio	157	46	3.4	152.0	44.0	3.5
Salary component of total pay and benefits	157	25		152.0	24.0	
25th percentile pay ratio	157	25		152.0	24.0	
Median pay	157	29		152.0	27.0	
75th percentile pay ratio	157	44		152.0	42.0	

In 2023/2024, 22 (2022/2023, 11) employees received remuneration in excess of the highest-paid director.

Remuneration for all staff ranged from £22,700 to £245,900 (2023/2024, £21,100 to £236,100).

The all staff range includes directors (including the highest paid director) and excludes pension benefits of all employees .

Financial year summary

The current financial year's pay ratios are not dissimilar to the previous year. The decrease in the median pay ratio is generally attributable to an increase in the banding of the remuneration of the Chief Executive.

10.6.2 Percentage Changes

	2022-23 to 2023-24 %	2021-22 to 2022-23 %
% Change from previous financial year in respect of Chief Executive	%	%
Salary and allowances	3.3	3.4
Performance pay and bonuses	0	0
% Change from previous financial year in respect of highest paid director		
Salary and allowances		
Performance pay and bonuses		
Average % Change from previous financial year in respect of employees taken as a whole		
Salary and allowances	6.5	9.1
Performance pay and bonuses	0	0

The average % change from the previous financial year in respect of employees taken as a whole has decreased primarily due to a lower % increase in both the basic salary and in the sum of allowances paid.

The employees of the Trust do not receive any performance pay or bonuses.

10.7 Operational and Non Operational Employee costs

	Non operational staff			Total 2023-24	2022-23
	Operational Staff Total	SLE Trainee Staff	Collaborative Bank Staff		
	£000	£000	£000	£000	£000
Salaries and wages	152,329	194,414	475	347,218	323,124
Social security costs	15,083	23,174	25	38,282	35,699
Employer contributions to NHS Pension Scheme	27,929	26,725	37	54,691	48,118
Other pension costs	43	0	0	43	48
Other employment benefits	(12)	0	0	(12)	7
Termination benefits	267	0	0	267	83
Total	195,639	244,313	537	440,489	407,079
Charged to capital	3,537	0	0	3,537	2,231
Charged to revenue	192,102	244,313	537	436,952	404,848
	195,639	244,313	537	440,489	407,079
Net movement in accrued employee benefits (untaken staff leave)	133	0	0	133	(25)

10.8 Average number of operational and non operational employees

	Non operational staff			Total 2023-24	2022-23
	Operational Staff Total Number	SLE Trainee Staff Number	Collaborative Bank Staff Number		
Administrative, clerical and board members	2,166	1	0	2,167	2,121
Medical and dental	126	3,096	0	3,222	3,100
Nursing, midwifery registered	206	0	11	217	219
Professional, Scientific, and technical staff	88	0	0	88	78
Additional Clinical Services	254	112	0	366	356
Allied Health Professions	155	0	0	155	147
Healthcare Scientists	157	0	0	157	165
Estates and Ancillary	597	0	0	597	625
Students	3	0	0	3	5
Total	3,752	3,209	11	6,972	6,816

10.9. Retirements due to ill-health

	2023-24	2022-23
Number	5	3
Estimated additional pension costs £	463,217	189,690

Information received from the NHS Pensions Agency does not provide detail on whether the retirements related to operational or non-operational staff.

10.10 Employee benefits

The Single Lead Employer Trainees are entitled to the same employee benefits as the Velindre operational staff.

10.11 Reporting of other compensation schemes - exit packages

There have been no exit package payments for the Single Lead Employer Trainee staff, therefore the figures reported in Note 10.5 remain unchanged.

11. Pensions

PENSION COSTS

Past and present employees are covered by the provisions of the NHS Pension Schemes. Details of the benefits payable and rules of the schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both the 1995/2008 and 2015 schemes are accounted for, and the scheme liability valued, as a single combined scheme. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years".

An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2024, is based on valuation data as 31 March 2023, updated to 31 March 2024 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the Statement by the Actuary, which forms part of the annual NHS Pension Scheme Annual Report and Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2020. The results of this valuation set the employer contribution rate payable from 1 April 2024 to 23.7% of pensionable pay. The core cost cap cost of the scheme was calculated to be outside of the 3% cost cap corridor as at 31 March 2020. However, when the wider economic situation was taken into account through the economic cost cap cost of the scheme, the cost cap corridor was not similarly breached. As a result, there was no impact on the member benefit structure or contribution rates.

c) National Employment Savings Trust (NEST)

NEST is a workplace pension scheme, which was set up by legislation and is treated as a trust-based scheme. The Trustee responsible for running the scheme is NEST Corporation. It's a non-departmental public body (NDPB) that operates at arm's length from government and is accountable to Parliament through the Department for Work and Pensions (DWP).

NEST Corporation has agreed a loan with the Department for Work and Pensions (DWP). This has paid for the scheme to be set up and will cover expected shortfalls in scheme costs during the earlier years while membership is growing.

NEST Corporation aims for the scheme to become self-financing while providing consistently low charges to members.

Using qualifying earnings to calculate contributions, currently the legal minimum level of contributions is 8% of a jobholder's qualifying earnings, for employers whose legal duties have started. The employer must pay at least 3% of this.

The earnings band used to calculate minimum contributions under existing legislation is called qualifying earnings. Qualifying earnings are currently those between £6,240 and £50,270 for the 2023-2024 tax year (2022-2023 £6,240 and £50,270).

Restrictions on the annual contribution limits were removed on 1st April 2017.

12. Public Sector Payment Policy**12.1 Prompt payment code - measure of compliance**

The Welsh Government requires that trusts pay all their trade creditors in accordance with the CBI prompt payment code and Government Accounting rules. The Welsh Government has set as part of the trust financial targets a requirement to pay 95% of the number of non-NHS creditors within 30 days of delivery or receipt of a valid invoice, whichever is the later.

	2023-24	2023-24	2022-23	2022-23
	Number	£000	Number	£000
NHS				
Total bills paid in year	3,045	86,055	2,622	109,896
Total bills paid within target	2,780	76,114	2,272	104,135
Percentage of bills paid within target	91.3%	88.4%	86.7%	94.8%
Non-NHS				
Total bills paid in year	83,927	416,668	81,328	365,417
Total bills paid within target	81,278	406,978	77,780	343,678
Percentage of bills paid within target	96.8%	97.7%	95.6%	94.1%
Total				
Total bills paid in year	86,972	502,723	83,950	475,313
Total bills paid within target	84,058	483,092	80,052	447,813
Percentage of bills paid within target	96.6%	96.1%	95.4%	94.2%

12.2 The Late Payment of Commercial Debts (Interest) Act 1998

	2023-24	2022-23
	£	£
Amounts included within finance costs from claims made under legislation	0	0
Compensation paid to cover debt recovery costs under legislation	0	0
Total	0	0

13. Property, plant and equipment :

2023-24	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 31 March bf	21,458	66,272	272	47,487	46,775	8,504	21,438	2,159	214,365	0	214,365
NHS Wales Transfers	0	0	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0	0	0
At 1 April 2023	21,458	66,272	272	47,487	46,775	8,504	21,438	2,159	214,365	0	214,365
Indexation	-981	2,812	17	0	0	0	0	0	1,848	0	1,848
Additions - purchased	0	1,260	0	23,740	6,804	584	2,003	203	34,584	0	34,584
Additions - donated	0	0	0	0	217	0	0	0	217	0	217
Additions - government granted	0	0	0	0	0	0	0	0	0	0	0
Additions - initial recognition of MIMs funded asset	0	0	0	28,004	0	0	0	0	28,004	0	28,004
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0	0	0
Reclassifications	0	190	0	-1,071	881	0	0	0	0	0	0
Revaluation	0	-689	0	0	0	0	0	0	-689	0	-689
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	995	0	-995	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	-3,539	-86	-572	0	-4,196	0	-4,196
At 31 March 2024	20,477	70,830	289	97,165	51,138	9,003	22,869	2,362	274,133	0	274,133
Depreciation											
Depreciation at 31 March bf	0	7,782	10	0	30,130	4,763	14,852	1,213	58,750	0	58,750
NHS Wales Transfers	0	0	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0	0	0
At 1 April 2023	0	7,782	10	0	30,130	4,763	14,852	1,213	58,750	0	58,750
Indexation	0	-17	1	0	0	0	0	0	-16	0	-16
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0	0	0
Revaluation	0	-169	0	0	0	0	0	0	-169	0	-169
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	-3,515	-75	-572	0	-4,162	0	-4,162
Charged during the year	0	2,967	11	0	3,095	954	2,232	146	9,405	0	9,405
At 31 March 2024	0	10,563	22	0	29,710	5,642	16,512	1,359	63,808	0	63,808
Net book value											
At 1 April 2023	21,458	58,490	262	47,487	16,645	3,741	6,586	946	155,615	0	155,615
At 31 March 2024	20,477	60,267	267	97,165	21,428	3,361	6,357	1,003	210,325	0	210,325
Net book value at 31 March 2024 comprises :											
Purchased	20,477	55,150	267	97,165	21,196	3,361	6,357	1,003	204,976	0	204,976
Donated	0	5,117	0	0	232	0	0	0	5,349	0	5,349
Government Granted	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2024	20,477	60,267	267	97,165	21,428	3,361	6,357	1,003	210,325	0	210,325
Asset Financing:											
Owned	20,477	60,267	267	69,161	21,428	3,361	6,357	1,003	182,321	0	182,321
On-SoFP MIMS Funded PPP contracts	0	0	0	28,004	0	0	0	0	28,004	0	28,004
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2024	20,477	60,267	267	97,165	21,428	3,361	6,357	1,003	210,325	0	210,325
The net book value of land, buildings and dwellings at 31 March 2024 comprises :											
					£000	£000	£000				
Freehold					72,030	0	72,030				
Long Leasehold					8,981	0	8,981				
Short Leasehold					0	0	0				
Total					81,011	0	81,011				
Valuers 'material uncertainty', in valuation.					0	0	0				
The disclosure relates to the materiality in the valuation report not that of the underlying account.											
The land and buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards. Trusts are required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in occupation.											

13. Property, plant and equipment :

2022-23	Land	Buildings, excluding dwellings	Dwellings	Assets under construction and payments on account	Plant & machinery	Transport Equipment	Information Technology	Furniture and fittings	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost at 31 March bf	17,756	84,488	283	29,664	43,408	7,910	21,208	1,866	206,583	0	206,583
NHS Wales Transfers	0	0	0	0	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	-12,133	0	0	0	0	0	0	-12,133	0	-12,133
At 1 April 2022	17,756	72,355	283	29,664	43,408	7,910	21,208	1,866	194,450	0	194,450
Indexation	-327	3,696	12	0	0	0	0	0	3,381	0	3,381
Additions - purchased	0	3,056	0	17,823	4,983	686	1,915	293	28,756	0	28,756
Additions - donated	0	0	0	0	0	0	0	0	0	0	0
Additions - government granted	0	0	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0	0	0
Reclassifications	1,400	-1,400	0	0	113	0	0	0	113	0	113
Revaluation	2,629	-10,314	-23	0	0	0	0	0	-7,708	0	-7,708
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	-1,121	0	0	0	0	0	0	-1,121	0	-1,121
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	-1,729	-92	-1,685	0	-3,506	0	-3,506
At 31 March 2023	21,458	66,272	272	47,487	46,775	8,504	21,438	2,159	214,365	0	214,365
Depreciation											
Depreciation at 31 March bf	0	14,970	46	0	28,863	3,960	14,542	1,066	63,447	0	63,447
NHS Wales Transfers	0	0	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	-910	0	0	0	0	0	0	-910	0	-910
At 1 April 2022	0	14,060	46	0	28,863	3,960	14,542	1,066	62,537	0	62,537
Indexation	0	508	0	0	0	0	0	0	508	0	508
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	45	0	0	0	45	0	45
Revaluation	0	-9,615	-46	0	0	0	0	0	-9,661	0	-9,661
Reversal of impairments	0	0	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0	0	0
Disposals other than by sale	0	0	0	0	-1,729	-92	-1,684	0	-3,505	0	-3,505
Charged during the year	0	2,829	10	0	2,951	895	1,994	147	8,826	0	8,826
At 31 March 2023	0	7,782	10	0	30,130	4,763	14,852	1,213	58,750	0	58,750
Net book value											
At 1 April 2022	17,756	58,295	237	29,664	14,545	3,950	6,666	800	131,913	0	131,913
At 31 March 2023	21,458	58,490	262	47,487	16,645	3,741	6,586	946	155,615	0	155,615
Net book value at 31 March 2023 comprises :											
Purchased	21,458	53,473	262	47,487	16,615	3,741	6,583	946	150,565	0	150,565
Donated	0	5,017	0	0	30	0	3	0	5,050	0	5,050
Government Granted	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2023	21,458	58,490	262	47,487	16,645	3,741	6,586	946	155,615	0	155,615
Asset Financing:											
Owned	21,458	58,490	262	47,487	16,645	3,741	6,586	946	155,615	0	155,615
On-SoFP MIMS Funded PPP contracts	0	0	0	0	0	0	0	0	0	0	0
On-SoFP PFI contract	0	0	0	0	0	0	0	0	0	0	0
PFI residual interest	0	0	0	0	0	0	0	0	0	0	0
At 31 March 2023	21,458	58,490	262	47,487	16,645	3,741	6,586	946	155,615	0	155,615
The net book value of land, buildings and dwellings at 31 March 2023 comprises :											
					£000	£000	£000				
Freehold					67,948	0	67,948				
Long Leasehold					12,165	0	12,165				
Short Leasehold											

13. Property, plant and equipment :

Disclosures:

i) Donated Assets

The Trust received the following donated assets during the year:

Medical Equipment (P&M) £217,000

ii) Valuations

The Trust's land and Buildings were revalued by the Valuation Office Agency with an effective date of 1st April 2022. The valuation has been prepared in accordance with the terms of the latest version of the Royal Institute of Chartered Surveyors' Valuation Standards.

The Trust is required to apply the revaluation model set out in IAS 16 and value its capital assets to fair value. Fair value is defined by IAS 16 as the amount for which an asset could be exchanged between knowledgeable, willing parties in an arms length transaction. This has been undertaken on the assumption that the property is sold as part of the continuing enterprise in operation.

The next District Valuation is due to take place during 2027/2028.

iii) Asset Lives

Depreciated as follows:

- Land is not depreciated.
- Buildings as determined by the Valuation Office Agency.
- Equipment 5-15 years.

iv) Compensation

There has been no compensation received from third parties for assets impaired, lost or given up, that is included in the income statement.

v) Write Downs

Impairments and revaluations are shown in the body of note 13.

vi) The Trust does not hold any property where the value is materially different from its open market value.

vii) Assets Held for Sale or Sold in the Period

The Trust does not hold any assets for sale at the end of the financial year.

vii) Consultancy Services

The Trust capitalised a total of £8.753m of consultancy services during the financial year (including £8.497m related to the new hospital project and £137k to NWSSP).

Gain/(Loss) on Sale

Asset description	Reason for sale	Gain/(Loss) on sale £000
Vehicle	End of life	4
Laundry Management (NWSSP)	End of life	-24
Vehicle	Write-off	2
Vehicle	End of Life	1
		<u>-17</u>

13.2 Non-current assets held for sale

	Land	Buildings, including dwellings	Other property plant and equipment	Intangible assets	Other assets	Total	FHoT assets	Consolidated Total
	£000	£000	£000	£000	£000	£000	£000	£000
Balance b/f 1 April 2023	0	0	0	0	0	0	0	0
Plus assets classified as held for sale in year	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0
Less assets sold in year	0	0	0	0	0	0	0	0
Plus reversal of impairments	0	0	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	0	0	0	0	0	0
Less assets no longer classified as held for sale for reasons other than disposal by sale	0	0	0	0	0	0	0	0
Balance c/f 31 March 2024	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Balance b/f 1 April 2022	0	0	0	0	0	0	0	0
Plus assets classified as held for sale in year	0	0	0	0	0	0	0	0
Revaluation	0	0	0	0	0	0	0	0
Less assets sold in year	0	0	0	0	0	0	0	0
Plus reversal of impairments	0	0	0	0	0	0	0	0
Less impairment for assets held for sale	0	0	0	0	0	0	0	0
Less assets no longer classified as held for sale for reasons other than disposal by sale	0	0	0	0	0	0	0	0
Balance c/f 31 March 2023	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

13.3 Right of Use Assets

Quantitative disclosures

	2023-24			2023-24 TOTAL	2022-23 TOTAL	£000	£000
	LAND £000	BUILDINGS £000	OTHER £000				
Maturity analysis							
Contractual undiscounted cash flows relating to lease liabilities							
Less than 1 year	0	859	244	1,103	1,103	1,149	
2-5 years	0	2,367	312	2,679	2,679	1,819	
> 5 years	0	1,456	0	1,456	1,456	687	
Less finance charges allocated to future periods	0	-417	-20	-437	-437	-111	
Total	0	4,265	536	4,801	4,801	3,544	
Lease Liabilities (net of irrecoverable VAT)							
Current				1,020	1,020	1,123	
Non-Current				3,781	3,781	2,421	
Total				4,801	4,801	3,544	
Amounts Recognised in Statement of Comprehensive Net Expenditure							
Depreciation				1,769	1,769	1,676	
Impairment				0	0	1,894	
Variable lease payments not included in lease liabilities - Interest expense				90	90	40	
Sub-leasing income				0	0	0	
Expense related to short-term leases				263	263	369	
Expense related to low-value asset leases (excluding short-term leases)				16	16	60	
Amounts Recognised in Statement of Cashflows (net of irrecoverable VAT)							
Interest expense				-90	-90	-40	
Repayments of principal on leases				-1,531	-1,531	-1,366	
Total				-1,621	-1,621	-1,406	

14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trade-marks	Patents	Development expenditure internally generated	Assets under Construction	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 31 March bf	9,026	4,902	2,932	0	0	0	16,860	0	16,860
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
At 1 April 2023	9,026	4,902	2,932	0	0	0	16,860	0	16,860
Revaluation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Additions									
- purchased	1,455	0	565	0	0	0	2,020	0	2,020
- internally generated	0	0	0	0	0	0	0	0	0
- donated	0	0	0	0	0	0	0	0	0
- government granted	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	-578	-234	-112	0	0	0	-924	0	-924
At 31 March 2024	9,903	4,668	3,385	0	0	0	17,956	0	17,956
Amortisation									
Amortisation at 31 March bf	3,948	592	1,126	0	0	0	5,666	0	5,666
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
At 1 April 2023	3,948	592	1,126	0	0	0	5,666	0	5,666
Revaluation	0	0	0	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0	0	0	0
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Charged during the year	1,389	667	265	0	0	0	2,321	0	2,321
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	-578	-234	-112	0	0	0	-924	0	-924
Accumulated amortisation at 31 March 2024	4,759	1,025	1,279	0	0	0	7,063	0	7,063
Net book value At 1 April 2023	5,078	4,310	1,806	0	0	0	11,194	0	11,194
Net book value At 31 March 2024	5,144	3,643	2,106	0	0	0	10,893	0	10,893
Net book value									
Purchased	5,144	3,643	2,106	0	0	0	10,893	0	10,893
Donated	0	0	0	0	0	0	0	0	0
Government granted	0	0	0	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0	0	0	0
At 31 March 2024	5,144	3,643	2,106	0	0	0	10,893	0	10,893

14. Intangible assets

	Computer software purchased	Computer software internally developed	Licenses and trade-marks	Patents	Development expenditure internally generated	Assets under Construction	Total	FHoT	Consolidated Total
Cost or valuation	£000	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation at 31 March bf	7,907	4,321	1,342	0	0	0	13,570	0	13,570
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
At 1 April 2022	7,907	4,321	1,342	0	0	0	13,570	0	13,570
Revaluation		0			0	0	0	0	0
Reclassifications	-113	0	0	0	0	0	-113	0	-113
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	-348	0	0	0	0	0	-348	0	-348
Additions									
- purchased	1,934	581	1,786	0	0	0	4,301	0	4,301
- internally generated	0	0	0	0	0	0	0	0	0
- donated	0	0	0	0	0	0	0	0	0
- government granted	0	0	0	0	0	0	0	0	0
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	-354	0	-196	0	0	0	-550	0	-550
At 31 March 2023	9,026	4,902	2,932	0	0	0	16,860	0	16,860
Amortisation									
Amortisation at 31 March bf	3,304	343	1,256	0	0	0	4,903	0	4,903
NHS Wales Transfers	0	0	0	0	0	0	0	0	0
Transfer of Finance Leases to ROU Asset Note	0	0	0	0	0	0	0	0	0
At 1 April 2022	3,304	343	1,256	0	0	0	4,903	0	4,903
Revaluation		0			0	0	0	0	0
Reclassifications	-45	0	0	0	0	0	-45	0	-45
Reversal of impairments	0	0	0	0	0	0	0	0	0
Impairments	0	0	0	0	0	0	0	0	0
Charged during the year	1,043	249	66	0	0	0	1,358	0	1,358
Reclassified as held for sale	0	0	0	0	0	0	0	0	0
Transfers from/(into) other NHS bodies	0	0	0	0	0	0	0	0	0
Disposals other than by sale	-354	0	-196	0	0	0	-550	0	-550
Accumulated amortisation at 31 March 2023	3,948	592	1,126	0	0	0	5,666	0	5,666
Net book value									
At 1 April 2022	4,603	3,978	86	0	0	0	8,667	0	8,667
Net book value									
At 31 March 2023	5,078	4,310	1,806	0	0	0	11,194	0	11,194
Net book value									
Purchased	5,076	4,310	1,806	0	0	0	11,192	0	11,192
Donated	2	0	0	0	0	0	2	0	2
Government granted	0	0	0	0	0	0	0	0	0
Internally Generated	0	0	0	0	0	0	0	0	0
At 31 March 2023	5,078	4,310	1,806	0	0	0	11,194	0	11,194

14. Intangible assets

Disclosures:

i) Donated Assets

There were no intangible assets donated or received by Government Grant this financial year.

ii) Recognition

Intangible assets comprise of licences for use of purchased IT software such as financial systems, internally generated IT software and various licences and trade marks.

An assessment is performed on an annual basis to determine that the assets are still available for use and that there is a continued market for their use. The fair values are based on the original cost and amortised based upon finite lives detailed below, and are as detailed in the notes to the accounts.

Intangible assets acquired separately are initially recognised at fair value. The amount recognised for internally-generated intangible assets is the sum of the expenditure incurred to date when the criteria for recognising internally generated assets has been met (see accounting policy 1.7 for criteria).

iii) Asset Lives

The useful economic life (UEL) of intangible non-current assets are assigned on an individual asset basis. Software is generally assigned a 5 year UEL and the UEL of internally generated software is based on the professional judgement of Trust professionals and Finance staff. No intangible assets are assessed as having indefinite useful lives.

iv) Additions During the Period

Intangible additions were acquired from All Wales & Discretionary funding during the year, and have been analysed into the relevant categories.

v) Disposals During the Period

The Trust disposed of some software and licences during the year, all of which had net book values of nil.

15. Impairments

Impairments in the period arose from:	2023-24			2022-23		
	Property, plant & equipment £000	Right of Use Assets £000	Intangible assets £000	Property, plant & equipment £000	Right of Use Assets £000	Intangible assets £000
Loss or damage from normal operations	0	0	0	0	0	0
Abandonment of assets in the course of construction	0	0	0	996	0	348
Over specification of assets (Gold Plating)	0	0	0	0	0	0
Loss as a result of a catastrophe	0	0	0	0	0	0
Unforeseen obsolescence	0	0	0	0	0	0
Changes in market price	0	0	0	125	1,894	0
Other	0	0	0	0	1,010	0
Reversal of impairment	0	0	0	0	0	0
Impairments charged to operating expenses	0	0	0	1,121	2,904	348
FHoT Impairments charged to operating expenses	0	0	0	0	0	0
Consolidated impairment charged to operating expenses	0	0	0	1,121	2,904	348

Analysis of impairments :

Operating expenses in Statement of Comprehensive Income	0	0	0	1,121	1,894	348
Impairments as a result of revaluation/indexation Charged to Revaluation Reserve	0	0	0	0	1,010	0
Impairments as a result of a loss of economic value or service potential Charged to Revaluation Reserve	0	0	0	0	0	0
Total	0	0	0	1,121	2,904	348
FHoT Operating expenses in SoCNI	0	0	0	0	0	0
FHoT reserves	0	0	0	0	0	0
NHS Consolidated Total	0	0	0	1,121	2,904	348

16. Inventories

16.1 Inventories

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Drugs	3,172	3,384	3,172	3,384
Consumables	24,566	24,962	24,566	24,962
Energy	0	0	0	0
Work in progress	0	0	0	0
Other	3,489	5,724	3,489	5,724
Total	31,227	34,070	31,227	34,070
Of which held at net realisable value:	0	13,011	0	13,011

DH Assets within other covered under

	31 March 2024		31 March 2023	
	Capital £000	Revenue £000	Capital £000	Revenue £000
Memorandum of Understanding 1	0	0	0	0
Memorandum of Understanding 2	0	0	0	0
Memorandum of Understanding 3	0	0	0	0
	0	0	0	0

Department of Health and Social Care and National Health Commissioning Board Donated Assets

	31 March 2024		31 March 2023	
	Capital £000	Revenue £000	Capital £000	Revenue £000
At 1 April	227	0	227	0
Transferred under Memorandum of Understanding 1	0	0	0	0
Transferred under Memorandum of Understanding 2	0	0	0	0
Transferred under Memorandum of Understanding 3	0	0	0	0
Issued to NHS Wales bodies	0	0	0	0
Other Issues	0	0	0	0
AME Impairment	0	0	0	0
Returned to DH	0	0	0	0
Replacement from DH	0	0	0	0
As at 31 March	227	0	227	0

16.2 Inventories recognised in expenses

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Inventories recognised as an expense in the period	140,335	128,716	140,335	128,716
Write-down of inventories (including losses)	5,752	19,091	5,752	19,091
Reversal of write-downs that reduced the expense	-3,403	0	-3,403	0
Total	142,684	147,807	142,684	147,807

Of the stock balance at 31st March 2024, £16.344m relates to Covid PPE and Testing stock with the continued Welsh Government request to hold 16 weeks of PPE to provide resilience in the event of any additional Covid waves.

£0.227m of Covid equipment stock is held at 31st March 2024, all of which was donated from DHSC in 2020/2021.

The continued high value of inventories recognised as an expense in the period is reported due to (a) the quantities of PPE that have been issued from NWSSP stores during 2023/2024, however this is a reduction on the 2022/2023 values and (b) NICE and high cost drug purchases made by VCS in 2023/2024.

£5.752m of inventory write-downs/losses relate to new provisions for stock losses in future years where we anticipate we will be unable to issue the current volumes of stock prior to the expiry dates.

£3.403m of reversals are included within 2023/2024 which primarily relate to: (a) stock of Covid tests where a loss was provided for in 2022/2023 due to expiry dates, however, a new agreement has been reached with the supplier to continue to provide in date stock (£0.942m); (b) write back of stock that was previously planned for donation to Africa which Welsh Government have determined is suitable for inclusion in the pandemic stockpile (£1.811m).

17. Trade and other receivables

17.1 Trade and other receivables

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Current				
Welsh Government	480,262	525,653	480,262	525,653
WHSSC & EASC	785	-1,754	785	-1,754
Welsh Health Boards	22,467	14,735	22,467	14,735
Welsh NHS Trusts	1,566	1,839	1,566	1,839
Welsh Special Health Authorities	2,129	2,626	2,129	2,626
Non - Welsh Trusts	48	118	48	118
Other NHS	5,624	219	5,624	219
2019-20 Scheme Pays - Welsh Government Reimbursement	170	170	170	170
Welsh Risk Pool Claim reimbursement:-				
NHS Wales Secondary Health Sector	0	68	0	68
NHS Wales Primary Sector FLS Reimbursement	0	0	0	0
NHS Wales Redress	0	0	0	0
Other	0	0	0	0
Local Authorities	5	26	5	26
Capital receivables- Tangible	0	0	0	0
Capital receivables- Intangible	0	0	0	0
Other receivables	8,539	12,866	8,515	12,811
FHoT receivable			93	65
Provision for impairment of trade receivables	-5,509	-5,448	-5,509	-5,448
Pension Prepayments				
NHS Pensions Agency	0	0	0	0
NEST	0	0	0	0
Other prepayments	6,975	9,831	6,975	9,831
Accrued income	7,486	4,793	7,486	4,793
Sub-total	530,547	565,742	530,616	565,752
Non-current				
Welsh Government	1,316,580	1,106,800	1,316,580	1,106,800
WHSSC & EASC	0	0	0	0
Welsh Health Boards	0	0	0	0
Welsh NHS Trusts	0	0	0	0
Welsh Special Health Authorities	0	0	0	0
Non - Welsh Trusts	0	0	0	0
Other NHS	0	1	0	1
2019-20 Scheme Pays - Welsh Government Reimbursement	0	0	0	0
Welsh Risk Pool Claim reimbursement				
NHS Wales Secondary Health Sector	0	0	0	0
NHS Wales Primary Sector FLS Reimbursement	0	0	0	0
NHS Wales Redress	0	0	0	0
Other	0	0	0	0
Local Authorities	129	128	129	128
Capital receivables- Tangible	0	0	0	0
Capital receivables- Intangible	0	0	0	0
Other receivables	0	0	0	0
FHoT receivable			0	0
Provision for impairment of trade receivables	0	0	0	0
Pension Prepayments				
NHS Pensions Agency	0	0	0	0
NEST	0	0	0	0
Other prepayments	167	118	167	118
Accrued income	0	0	0	0
Sub-total	1,316,876	1,107,047	1,316,876	1,107,047
Total trade and other receivables	1,847,423	1,672,789	1,847,492	1,672,799

The great majority of trade is with other NHS bodies. As NHS bodies are funded by Welsh Government, no credit scoring of them is considered necessary.

The value of trade receivables that are past their payment date but not impaired is £11,603,000 (2022/2023, £9,366,000).

17.2 Receivables past their due date but not impaired

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
By up to 3 months	5,743	3,827	5,743	3,827
By 3 to 6 months	608	907	608	907
By more than 6 months	5,252	4,632	5,252	4,632
Balance at end of financial year	11,603	9,366	11,603	9,366

The increase in those debts aged more than 6 months old largely relates to monies due to NWSSP for an unfulfilled PPE contract.

17.3 Expected Credit Losses (ECL) Allowance for bad and doubtful debts

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Balance at 1 April	-5,448	-5,276	-5,448	-5,276
Transfer to other NHS Wales body	0	0	0	0
Provision utilised (Amount written off during the year)	32	40	32	40
Provision written back during the year no longer required	0	0	0	0
(Increase)/Decrease in provision during year	-183	-291	-183	-291
ECL/Bad debts recovered during year	91	79	91	79
Balance at end of financial year	-5,508	-5,448	-5,508	-5,448

The value of the provision remains high as an NWSSP doubtful debt raised in March 2022 of £3.248m remains unpaid.

17.4 Receivables VAT

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Trade receivables	90	233	90	233
Other	0	0	0	0
Total	90	233	90	233

18. Other financial assets

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Current				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Right of Use Asset Finance Sublease	0	0	0	0
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	0	0
Available for sale at FV	0	0	0	0
Total	0	0	0	0
RoU Sub-leasing income Recognised in Statement of Comprehensive Net Expenditure	2023-24	2022-23		
RoU Sub-leasing income	0	0		
Non-Current				
Shares and equity type investments				
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	0	0
Available for sale at FV	0	0	0	0
Deposits	0	0	0	0
Loans	0	0	0	0
Derivatives	0	0	0	0
Other (Specify)				
Right of Use Asset Finance Sublease	0	0	0	0
Held to maturity investments at amortised costs	0	0	0	0
At fair value through SOCI	0	0	5,904	5,572
Available for sale at FV	0	0	0	0
Total	0	0	5,904	5,572

19. Cash and cash equivalents

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Opening Balance	31,136	30,404	33,735	33,116
Net change in year	-10,180	732	-5,854	619
Closing Balance	20,956	31,136	27,881	33,735
Made up of:				
Cash with Government Banking Service (GBS)	20,938	31,112	20,938	31,112
Cash with Commercial banks	0	0	0	0
Cash in hand	18	24	18	24
Total cash	20,956	31,136	20,956	31,136
Current investments	0	0	6,925	2,599
Cash and cash equivalents as in SoFP	20,956	31,136	27,881	33,735
Bank overdraft - GBS	0	0	0	0
Bank overdraft - Commercial banks	0	0	0	0
Cash & cash equivalents as in Statement of Cash Flows	20,956	31,136	27,881	33,735

In response to the IAS 7 requirement for additional disclosure, the changes in liabilities arising for financing activities are:

Lease Liabilities (ROUA) £nil
 Lease Liabilities (short-term and low value leases) £nil
 PFI liabilities: £nil

The movement relates to cash, no comparative information is required by IAS 7 in 2023-2024.

20. Trade and other payables at the SoFP Date	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	£000	£000	£000	£000
Current	NHS Trust		Consolidated	
Welsh Government	3,379	6,312	3,379	6,312
WHSSC & EASC	217	0	217	0
Welsh Health Boards	168,028	144,437	168,028	144,437
Welsh NHS Trusts	6,116	3,335	6,116	3,335
Welsh Special Health Authorities	61	1,937	61	1,937
Other NHS	890	2,553	890	2,553
Taxation and social security payable / refunds:				
Refunds of taxation by HMRC	0	0	0	0
VAT payable to HMRC	0	0	0	0
Other taxes payable to HMRC	17	4,920	17	4,920
National Insurance contributions payable to HMRC	111	5,157	111	5,157
Non-NHS trade payables - revenue	26,067	18,271	18,717	18,271
Local Authorities	82	84	82	84
Capital payables-Tangible	7,580	7,860	7,580	7,860
Capital payables- Intangible	793	1,735	793	1,735
Overdraft	0	0	0	0
FHoT payables			27	-1,476
Rentals due under operating leases	0	0	0	0
RoU Lease Liability	0	0	0	0
Obligations due under finance leases and HP contracts	0	0	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0	0	0
Pensions: staff	5,172	4,703	5,172	4,703
Non NHS Accruals	9,423	22,952	9,423	
Deferred Income:				
Deferred income brought forward	1,998	1,167	1,998	1,167
Deferred income additions	1,713	1,458	1,713	1,458
Transfer to/from current/non current deferred income	0	-6	0	-6
Released to the Income Statement	-1,761	-621	-1,761	-621
Other liabilities - all other payables	0	0	0	0
PFI assets – deferred credits	0	0	0	0
PFI - Payments on account	0	0	0	0
Sub-total	229,886	226,254	222,563	201,826

The Trust aims to pay all invoices within the 30 day period directed by the Welsh Government.

The Non-NHS accruals figure has decreased significantly following a change in the definition of accruals within the Financial Reporting Manual. Accruals made within the financial accounts that are supported by an invoice, purchase order or contract should be treated as Non-NHS payable and those estimated based on prior information should be treated as a Non-NHS accrual.

20. Trade and other payables at the SoFP Date (cont)	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	£000	£000	£000	£000
Non-current	NHS Trust		Consolidated	
Welsh Government	2,500	2,500	2,500	2,500
WHSSC & EASC	0	0	0	0
Welsh Health Boards	0	0	0	0
Welsh NHS Trusts	0	0	0	0
Welsh Special Health Authorities	0	0	0	0
Other NHS	0	0	0	0
Taxation and social security payable / refunds:				
Refunds of taxation by HMRC	0	0	0	0
VAT payable to HMRC	0	0	0	0
Other taxes payable to HMRC	0	0	0	0
National Insurance contributions payable to HMRC	0	0	0	0
Non-NHS trade payables - revenue	0	0	0	0
Local Authorities	0	0	0	0
Capital payables- Tangible	0	0	0	0
Capital payables- Intangible	0	0	0	0
Overdraft	0	0	0	0
FHoT payables			0	0
Rentals due under operating leases	0	0	0	0
RoU Lease Liability	0	0	0	0
Obligations due under finance leases and HP contracts	0	0	0	0
Imputed finance lease element of on SoFP PFI contracts	0	0	0	0
Impact of IFRS 16 on SoFP PFI contracts	0	0	0	0
Pensions: staff	0	0	0	0
Non NHS Accruals	0	0	0	0
Deferred Income:				
Deferred income brought forward	592	336	592	336
Deferred income additions	238	250	238	250
Transfer to/from current/non current deferred income	0	6	0	6
Released to the Income Statement	0	0	0	0
Other liabilities - all other payables	0	0	0	0
PFI assets –deferred credits	0	0	0	0
Payments on account	0	0	0	0
Sub-total	3,330	3,092	3,330	3,092
Total	233,216	229,346	225,893	204,918

21. Borrowings	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
Current	£000	£000	£000	£000
	NHS Trust		Consolidated	
Bank overdraft - Government Banking Service (GBS)	0	0	0	0
Bank overdraft - Commercial bank	0	0	0	0
Loans from:				
Welsh Government	0	0	0	0
Other entities	0	0	0	0
MIMs Funded PFI liabilities:				
Main liability	0	0	0	0
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities				
RoU Lease Liability	1,020	1,123	1,020	1,123
Other	0	0	0	0
Total	1,020	1,123	1,020	1,123
Non-current				
Bank overdraft - GBS	0	0	0	0
Bank overdraft - Commercial bank	0	0	0	0
Loans from:				
Welsh Government	0	0	0	0
Other entities	0	0	0	0
MIMs Funded PFI liabilities:				
Main liability	28,004	0	28,004	0
Lifecycle replacement received in advance	0	0	0	0
Finance lease liabilities				
RoU Lease Liability	3,781	2,421	3,781	2,421
Other	0	0	0	0
Total	31,785	2,421	31,785	2,421

21.2 Loan advance/strategic assistance funding

	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
Amounts falling due:	£000	£000	£000	£000
In one year or less	0	0	0	0
Between one and two years	0	0	0	0
Between two and five years	0	0	0	0
In five years or more	0	0	0	0
Sub-total	0	0	0	0
Wholly repayable within five years	0	0	0	0
Wholly repayable after five years, not by instalments	0	0	0	0
Wholly or partially repayable after five years by instalments	0	0	0	0
Sub-total	0	0	0	0
Total repayable after five years by instalments	0	0	0	0

The Trust has not received a loan advance or strategic funding from the Welsh Government.

22. Other financial liabilities

Current	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	£000	£000	£000	£000
	NHS Trust		Consolidated	
Financial Guarantees				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Derivatives at fair value through SoCI	0	0	0	0
Other				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Total	0	0	0	0
Non-current				
Financial Guarantees				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Derivatives at fair value through SoCI	0	0	0	0
Other				
At amortised cost	0	0	0	0
At fair value through SoCI	0	0	0	0
Total	0	0	0	0

23. Provisions
2023-24

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfers to creditors	Transfers between current and non current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current										
Clinical negligence:-										
Secondary Care	356,872	-62,730	-10,559	45,186	0	125,134	-74,891	-72,975	-9,431	296,606
Primary Care	631	0	0	0	0	4,625	-383	-155	0	4,718
Redress Secondary Care	3,121	0	-440	1	0	2,561	-970	-1,302	0	2,971
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal Injury	3,640	0	-167	94	0	4,030	-1,541	-2,125	0	3,931
All other losses and special payments	0	0	0	0	0	-1,308	1,308	0	0	0
Defence legal fees and other administration	5,728	0	0	899	0	3,701	-1,568	-4,482	0	4,278
Structured Settlements - WRPS	19,418	1,792	0	0	0	26,161	-20,984	-1,330	-2,642	22,415
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	13	0	-5	37	0	0	-16	-15	0	14
2019-20 Scheme Pays - Reimbursement	1	0	0	0	0	2	0	-1	0	2
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	3,101	0	0	753	0	2,564	-1,374	-1,462	0	3,582
Total	392,525	-60,938	-11,171	46,970	0	167,470	-100,419	-83,847	-12,073	338,517
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	392,525	-60,938	-11,171	46,970	0	167,470	-100,419	-83,847	-12,073	338,517

Non Current

Clinical negligence:-										
Secondary Care	481,152	0	-13,346	-45,202	0	258,235	-8,574	-23,813	0	648,462
Primary Care	0	0	0	0	0	13	0	0	0	13
Redress Secondary Care	3	0	0	-1	0	0	0	-2	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal Injury	212	0	0	-107	0	1,145	-986	-96	0	168
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	4,277	0	0	-869	0	3,537	-278	-1,025	0	5,642
Structured Settlements - WRPS	621,157	60,938	0	0	0	4,639	0	-24,587	0	662,147
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	42	0	0	-37	0	11	0	0	0	16
2019-20 Scheme Pays - Reimbursement	169	0	0	0	0	168	0	-169	0	168
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	1,907	0	0	-753	0	3,150	0	-61	0	4,243
Total	1,108,919	60,938	-13,346	-46,969	0	270,898	-8,838	-49,753	0	1,320,849
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,108,919	60,938	-13,346	-46,969	0	270,898	-8,838	-49,753	0	1,320,849

TOTAL

Clinical negligence:-										
Secondary Care	838,024	-62,730	-23,905	-16	0	383,369	-83,465	-96,788	-9,431	945,058
Primary Care	631	0	0	0	0	4,638	-383	-155	0	4,731
Redress Secondary Care	3,124	0	-440	0	0	2,561	-970	-1,304	0	2,971
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal Injury	3,852	0	-167	-13	0	5,175	-2,527	-2,221	0	4,099
All other losses and special payments	0	0	0	0	0	-1,308	1,308	0	0	0
Defence legal fees and other administration	10,005	0	0	30	0	7,238	-1,846	-5,507	0	9,920
Structured Settlements - WRPS	640,575	62,730	0	0	0	30,800	-20,984	-25,917	-2,642	684,562
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	55	0	-5	0	0	11	-16	-15	0	30
2019-20 Scheme Pays - Reimbursement	170	0	0	0	0	170	0	-170	0	170
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	5,008	0	0	0	0	5,714	-1,374	-1,523	0	7,825
Total	1,501,444	0	-24,517	1	0	438,368	-110,257	-133,600	-12,073	1,659,366
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,501,444	0	-24,517	1	0	438,368	-110,257	-133,600	-12,073	1,659,366

Expected timing of cash flows:

	In year to 31 March 2025	Between 01-Apr-25 to 31 March 2029	Thereafter	Totals
	£000	£000	£000	£000
Clinical negligence:-				
Secondary Care	296,606	459,695	188,757	945,058
Primary Care	4,718	13	0	4,731
Redress Secondary Care	2,971	0	0	2,971
Redress Primary Care	0	0	0	0
Personal Injury	3,931	168	0	4,099
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	4,278	5,642	0	9,920
Structured Settlements - WRPS	22,415	98,741	563,406	684,562
Pensions - former directors	0	0	0	0
Pensions - other staff	14	16	0	30
2019-20 Scheme Pays - Reimbursement	2	5	163	170
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	3,582	3,925	318	7,825
Total	338,517	568,205	752,644	1,659,366
FHoT	0	0	0	0
Consolidated Total	338,517	568,205	752,644	1,659,366

23. Provisions NHS Trust
2023-24

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfers to creditors	Transfers between current and non current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current										
Clinical negligence:-										
Secondary Care	1,723	0	0	0	0	1,860	0	-1,723	0	1,860
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	0	0	0	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal Injury	23	0	0	0	0	21	0	-23	0	21
All other losses and special payments	0	0	0	0	0	-1,308	1,308	0	0	0
Defence legal fees and other administration	194	0	0	0	0	57	0	-194	0	57
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	14	0	-5	36	0	0	-16	-15	0	14
2019-20 Scheme Pays - Reimbursement	1	0	0	0	0	2	0	-1	0	2
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	3,104	0	0	753	0	2,564	-1,374	-1,462	0	3,585
Total	5,059	0	-5	789	0	3,196	-82	-3,418	0	5,539
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	5,059	0	-5	789	0	3,196	-82	-3,418	0	5,539

Non Current

Clinical negligence:-										
Secondary Care	0	0	0	0	0	0	0	0	0	0
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	0	0	0	0	0	0	0	0	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal Injury	0	0	0	0	0	0	0	0	0	0
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	0	0	0	0	0	0	0	0	0	0
Structured Settlements - WRPS	0	0	0	0	0	0	0	0	0	0
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	42	0	-36	0	0	10	0	0	0	16
2019-20 Scheme Pays - Reimbursement	169	0	0	0	0	168	0	-169	0	168
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	1,907	0	0	-753	0	3,150	0	-61	0	4,243
Total	2,118	0	0	-789	0	3,328	0	-230	0	4,427
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	2,118	0	0	-789	0	3,328	0	-230	0	4,427

TOTAL

Clinical negligence:-										
Secondary Care	1,723	0	0	0	0	1,860	0	-1,723	0	1,860
Primary Care	0	0	0	0						

23. Provisions WRP
2023-24

	At 1 April 2023	Structured settlement cases transferred to Risk Pool	Transfers to creditors	Transfers between current and non-current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2024
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current										
Clinical negligence-										
Secondary Care	355,147	-62,730	-10,559	45,186	0	124,661	-74,886	-72,680	-9,431	294,708
Primary Care	631	0	0	0	0	4,625	-383	-155	0	4,718
Redress Secondary Care	3,122	0	-440	1	0	2,561	-970	-1,302	0	2,972
Redress Primary Care	0	0	0	0	0	13	-13	0	0	0
Personal injury	3,617	0	-167	94	0	4,009	-1,541	-2,102	0	3,910
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	5,535	0	0	899	0	3,644	-1,568	-4,412	0	4,098
Structured Settlements - WRPS	19,418	1,792	0	0	0	26,161	-20,984	-1,330	-2,642	22,415
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	0	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0	0
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	387,470	-60,938	-11,166	46,180	0	165,674	-100,345	-81,981	-12,073	332,821
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	387,470	-60,938	-11,166	46,180	0	165,674	-100,345	-81,981	-12,073	332,821
Non Current										
Clinical negligence-										
Secondary Care	481,152	0	-13,346	-45,202	0	258,395	-8,574	-23,813	0	648,612
Primary Care	0	0	0	0	0	13	0	0	0	13
Redress Secondary Care	3	0	0	-1	0	0	0	-2	0	0
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	212	0	0	-107	0	1,145	-986	-96	0	168
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	4,275	0	0	-869	0	3,537	-278	-1,025	0	5,640
Structured Settlements - WRPS	621,158	60,938	0	0	0	4,639	0	-24,587	0	662,148
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	0	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0	0
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	1,106,800	60,938	-13,346	-46,179	0	267,729	-9,838	-49,523	0	1,316,581
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,106,800	60,938	-13,346	-46,179	0	267,729	-9,838	-49,523	0	1,316,581
TOTAL										
Clinical negligence-										
Secondary Care	836,299	-62,730	-23,905	-16	0	383,056	-83,460	-96,493	-9,431	943,320
Primary Care	631	0	0	0	0	4,638	-383	-155	0	4,731
Redress Secondary Care	3,125	0	-440	0	0	2,561	-970	-1,304	0	2,972
Redress Primary Care	0	0	0	0	0	13	-13	0	0	0
Personal injury	3,829	0	-167	-13	0	5,154	-2,527	-2,198	0	4,078
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	9,810	0	0	30	0	7,181	-1,846	-5,437	0	9,738
Structured Settlements - WRPS	640,576	62,730	0	0	0	30,800	-20,984	-25,917	-2,642	684,563
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	0	0	0	0	0	0	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0	0	0	0	0	0	0
Restructurings	0	0	0	0	0	0	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0	0	0	0	0	0	0
Other Capital Provisions	0	0	0	0	0	0	0	0	0	0
Other	0	0	0	0	0	0	0	0	0	0
Total	1,494,270	0	-24,512	1	0	433,403	-110,183	-131,504	-12,073	1,649,402
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,494,270	0	-24,512	1	0	433,403	-110,183	-131,504	-12,073	1,649,402

Expected timing of cash flows:

	In year to 31 March 2025	Between 01-Apr-25 to 31 March 2029	Thereafter	Totals
	£000	£000	£000	£000
Clinical negligence-				
Secondary Care	294,708	459,855	188,757	943,320
Primary Care	4,718	13	0	4,731
Redress Secondary Care	2,972	0	0	2,972
Redress Primary Care	0	0	0	0
Personal injury	3,910	168	0	4,078
All other losses and special payments	0	0	0	0
Defence legal fees and other administration	4,098	5,640	0	9,738
Structured Settlements - WRPS	22,415	98,741	563,407	684,563
Pensions - former directors	0	0	0	0
Pensions - other staff	0	0	0	0
2019-20 Scheme Pays - Reimbursement	0	0	0	0
Restructuring	0	0	0	0
RoU Asset Dilapidations CAME	0	0	0	0
Other Capital Provisions	0	0	0	0
Other	0	0	0	0
Total	332,821	564,417	752,164	1,649,402
FHoT	0	0	0	0
Consolidated Total	332,821	564,417	752,164	1,649,402

The provisions relate to amounts over £25,000 in respect of ongoing claims against the NHS in Wales, the outcome of which will not be determined until the case has been finalised.

Timings of cashflow have been profiled to match total current liabilities. However, the total will include cases which may settle with a structured settlement, so the underlying cashflows will be over a number of years. Also, there can be delays in settlement dates anticipated for next year which will further impact the cashflow.

23. Provisions (continued)
2022-23

NHS Trust and Welsh Risk Pool

	At 1 April 2022	Structured settlement cases transferred to Risk Pool	Transfers to creditors	Transfers between current and non-current	Transfers (to)/from other NHS body	Arising during the year	Utilised during the year	Reversed unused	Unwinding of discount	At 31 March 2023
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Current										
Clinical negligence-										
Secondary Care	308,483	-40,291	-33,716	48,409	0	227,939	-61,159	-88,156	-4,637	356,872
Primary Care	133	0	0	0	0	639	-69	-72	0	631
Redress Secondary Care	2,300	0	-366	8	0	3,638	-1,183	-1,276	0	3,121
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	3,803	0	-8	-197	0	4,196	-1,821	-2,333	0	3,640
All other losses and special payments	0	0	0	0	0	16,839	-16,839	0	0	0
Defence legal fees and other administration	5,404	0	0	363	0	4,315	-1,791	-2,563	0	5,728
Structured Settlements - WRPS	18,070	1,247	0	0	0	24,219	-19,116	-679	-4,323	19,418
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	15	0	-5	20	0	0	-17	0	0	13
2019-20 Scheme Pays - Reimbursement	2	0	0	0	0	1	0	-2	0	1
Restructurings	0	0	0	0	0	0	0	0	0	0
Other	2,913	0	0	569	0	3,244	0	-3,625	0	3,101
Total	341,123	-39,044	-34,095	49,172	0	285,030	-101,995	-98,706	-8,960	392,525
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	341,123	-39,044	-34,095	49,172	0	285,030	-101,995	-98,706	-8,960	392,525
Non Current										
Clinical negligence-										
Secondary Care	472,825	0	-400	-48,687	0	100,677	-15,318	-27,945	0	481,152
Primary Care	0	0	0	0	0	0	0	0	0	0
Redress Secondary Care	12	0	0	-12	0	3	0	0	0	3
Redress Primary Care	0	0	0	0	0	0	0	0	0	0
Personal injury	0	0	0	195	0	403	-247	-139	0	212
All other losses and special payments	0	0	0	0	0	0	0	0	0	0
Defence legal fees and other administration	3,656	0	0	-79	0	1,591	-292	-599	0	4,277
Structured Settlements - WRPS	615,107	39,044	0	0	0	13,489	0	-46,483	0	621,157
Pensions relating to: former directors	0	0	0	0	0	0	0	0	0	0
Pensions relating to: other staff	53	0	-20	0	0	9	0	0	0	42
2019-20 Scheme Pays - Reimbursement	337	0	0	0	0	169	0	-337	0	169
Restructurings	0	0	0	0	0	0	0	0	0	0
Other	2,216	0	-569	0	0	780	0	-520	0	1,907
Total	1,094,206	39,044	-400	-49,172	0	117,121	-15,857	-76,023	0	1,108,919
FHoT	0	0	0	0	0	0	0	0	0	0
Consolidated Total	1,094,206	39,044	-400	-49,172	0	117,121	-15,857	-76,023	0	1,108,919
TOTAL										
Clinical negligence-										
Secondary Care	781,308	-40,291	-34,116	-278	0	328,616	-			

24 Contingencies

24.1 Contingent liabilities

Provision has not been made in these accounts for the following amounts:

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Legal claims for alleged medical or employer negligence;				
Secondary care	1,135,345	1,172,097	1,135,345	1,172,097
Primary Care	9,539	6,351	9,539	6,351
Secondary care - Redress	2,211	1,539	2,211	1,539
Primary Care - Redress	0	0	0	0
Doubtful debts	0	0	0	0
Equal pay cases	0	0	0	0
Defence costs	0	0	0	0
Other	0	0	0	0
Total value of disputed claims	1,147,095	1,179,987	1,147,095	1,179,987
Amount recovered under insurance arrangements in the event of these claims being successful	-1,146,918	-1,179,711	-1,146,918	-1,179,711
Net contingent liability	177	276	177	276

Other litigation claims could arise in the future due to known incidents. The expenditure which may arise from such claims cannot be determined and no provision has been made for them.

Liability for Permanent Injury Benefit under the NHS Injury Benefit Scheme lies with the employer. Individual claims to the NHS Pensions Agency could arise due to known incidents.

Contingent liabilities includes claims relating to alleged clinical negligence, personal injury and permanent injury benefits under the NHS Injury Benefits Scheme. The above figures include contingent liabilities for all Health Bodies in Wales.

24.2. Remote contingent liabilities

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Guarantees	0	0	0	0
Indemnities	83,647	102,503	83,647	102,503
Letters of comfort	0	0	0	0
Total	83,647	102,503	83,647	102,503

24.3 Contingent assets

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
	0	0	0	0
	0	0	0	0
	0	0	0	0
Total	0	0	0	0

The Trust has no contingent assets.

25. Capital commitments

Commitments under capital expenditure contracts at the statement of financial position sheet date:

The disclosure of future capital commitments not already disclosed as liabilities in the accounts.

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Property, plant and equipment	32,454	38,598	32,454	38,598
Right of Use Assets	0	0	0	0
Intangible assets	684	6,068	684	6,068
Total	33,138	44,666	33,138	44,666

The capital commitments include contract obligations of £28m in respect of the Integrated Radiotherapy Solution project and £2m for the enabling works at the new hospital site development.

Note 28 contains more information about the commitments relating to the construction of the New Velindre Cancer Centre under the Welsh Government's Mutual Investment Model.

26. Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note are prepared on a cash basis.

Gross loss to the Exchequer

26.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during year to 31 March 2024	
	Number	£
Clinical negligence	383	86,013,359
Personal injury	43	2,728,313
All other losses and special payments	348	1,167,085
Structured Settlements managed by WRP	354	21,455,038
Total	1,128	111,363,795
FHoT losses and special payments	0	0
Consolidated Total	1,128	111,363,795

26.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year claims in excess of £300,000		Cumulative amount
	Case Number	£	
Cases in excess of £300,000:			
Secondary Care			
Aneurin Bevan	12 x CN, 1 X PI	13	18,322,814
BCU	15 x CN	15	10,159,132
Cardiff and Vale	10 X CN	10	11,882,242
Cwm Taf	9 X CN	9	5,344,689
Hywel Dda	6 X CN, 1 X PI	7	4,566,978
Swansea Bay	12 x CN	12	10,284,355
Public Health Wales	1 X CN	1	478,390
	No of cases	£	£
Sub-total	67	61,038,600	64,222,270
All other cases paid in year	1,046	44,894,208	52,094,016
Structured Settlements managed by WRP	15	5,430,987	30,523,696
Total cases paid in year	1,128	111,363,795	146,839,982

26.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number	£
Cumulative amount up to £300k	80	62,935,064
Cumulative amount greater than £300k	1,048	48,428,731
Total	1,128	111,363,795

26.2 Velindre NHS Trust excluding WRP Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note are prepared on a cash basis.

Gross loss to the Exchequer

26.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during year to 31 March 2024	
	Number	£
Clinical negligence	3	20,329
Personal injury	1	263
All other losses and special payments	9	-1,307,799
Structured Settlements managed by WRP	0	0
Total	13	-1,287,207
FHoT losses and special payments	0	0
Consolidated Total	13	-1,287,207

26.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year claims in excess of £300,000		Cumulative amount
	Case Number	£	
Cases in excess of £300,000:			
	No of cases	£	£
Sub-total	0	0	0
All other cases paid in year	13	-1,287,207	-1,287,207
Structured Settlements managed by WRP	0	0	0
Total cases paid in year	13	-1,287,207	-1,287,207

26.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number	£
Cumulative amount up to £300k	13	-1,287,207
Cumulative amount greater than £300k	0	0
Total	13	-1,287,207

All other losses and special payments includes -£1,815,172 relating to the reversal of previous years' stock write-offs.

26.3 WRP Losses and special payments

Losses and special payments are charged to the Statement of Comprehensive Net Expenditure in accordance with IFRS but are recorded in the losses and special payments register when payment is made. Therefore, the payments in this note are prepared on a cash basis.

Gross loss to the Exchequer

26.1 Number of cases and associated amounts paid out during the financial year

	Amounts paid out during year to 31 March 2024	
	Number	£
Clinical negligence	380	85,993,030
Personal injury	42	2,728,050
All other losses and special payments	339	2,474,884
Structured Settlements managed by WRP	354	21,455,038
Total	1,115	112,651,002
FHoT losses and special payments	0	0
Consolidated Total	1,115	112,651,002

26.2 Analysis of number of cases and associated amounts paid out during the financial year

Case Type	In year claims in excess of £300,000		Cumulative amount £
	Case Number	£	
Cases in excess of £300,000:			
Secondary Care			
Aneurin Bevan	12 x CN, 1 X PI	13	18,322,814
BCU	15 x CN	15	10,159,132
Cardiff and Vale	10 X CN	10	11,882,242
Cwm Taf	9 X CN	9	5,344,688
Hywel Dda	6 X CN, 1 X PI	7	4,566,978
Swansea Bay	12 x CN	12	13,468,026
Public Health Wales	1 X CN	1	478,390
Sub-total	67	61,038,600	64,222,270
All other cases paid in year	1,033	46,181,415	53,381,223
Structured Settlements managed by WRP	15	5,430,987	30,523,696
Total cases paid in year	1,115	112,651,002	148,127,189

26.3 Analysis of number of cases and associated amounts where no payments were made in financial year

	Number	£
Cumulative amount up to £300k	67	64,222,271
Cumulative amount greater than £300k	1,048	48,428,731

27. Right of Use / Finance leases obligations

27.1 Obligations (as lessee)

Amounts payable under right of use asset / finance leases: 2023-24

	LAND 31 March 2024 £000	BUILDINGS 31 March 2024 £000	OTHER 31 March 2024 £000	TOTAL 31 March 2024 £000	TOTAL 31 March 2024 £000
	NHS Trust			Consolidated	
Minimum lease payments					
Within one year	0	859	244	1103	1103
Between one and five years	0	2367	312	2679	2679
After five years	0	1456	0	1456	1456
Less finance charges allocated to future periods	0	-417	-20	-437	-437
Minimum lease payments	0	4,265	536	4,801	4,801
Included in:					
Current borrowings	0	787	233	1020	1020
Non-current borrowings	0	3478	303	3781	3781
Total	0	4,265	536	4,801	4,801
Present value of minimum lease payments					
Within one year	0	787	233	1020	1020
Between one and five years	0	2142	303	2445	2445
After five years	0	1336	0	1336	1336
Total present value of minimum lease payments	0	4,265	536	4,801	4,801
Included in:					
Current borrowings	0	787	233	1020	1020
Non-current borrowings	0	3478	303	3781	3781
Total	0	4,265	536	4,801	4,801

Amounts payable under right of use asset / finance leases:

2022-23

	LAND 31 March 2023 £000	BUILDINGS 31 March 2023 £000	OTHER 31 March 2023 £000	TOTAL 31 March 2023 £000	TOTAL 31 March 2023 £000
	NHS Trust			Consolidated	
Minimum lease payments					
Within one year	0	963	185	1149	1149
Between one and five years	0	1540	279	1819	1819
After five years	0	687	0	687	687
Less finance charges allocated to future periods	0	-105	-6	-111	-111
Minimum lease payments	0	3,085	458	3,544	3,544
Included in:					
Current borrowings	0	941	182	1124	1124
Non-current borrowings	0	2144	276	2420	2420
Total	0	3,085	458	3,544	3,544
Present value of minimum lease payments					
Within one year	0	941	182	1124	1124
Between one and five years	0	1491	276	1767	1767
After five years	0	653	0	653	653
Total present value of minimum lease payments	0	3,085	458	3,544	3,544
Included in:					
Current borrowings	0	941	182	1124	1124
Non-current borrowings	0	2144	276	2420	2420
Total	0	3,085	458	3,544	3,544

27.2 Right of Use Assets / Finance lease receivables (as lessor)

Amounts receivable under right of use assets / finance leases:

The Trust has no finance lease receivables.

Amounts receivable under right of use assets / finance leases:

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
Gross investment in leases				
	NHS Trust		Consolidated	
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less finance charges allocated to future periods	0	0	0	0
Present value of minimum lease payments	0	0	0	0
Included in:				
Current financial assets	0	0	0	0
Non-current financial assets	0	0	0	0
Total	0	0	0	0
Present value of minimum lease payments				
Within one year	0	0	0	0
Between one and five years	0	0	0	0
After five years	0	0	0	0
Less finance charges allocated to future periods	0	0	0	0
Total present value of minimum lease payments	0	0	0	0
Included in:				
Current financial assets	0	0	0	0
Non-current financial assets	0	0	0	0
Total	0	0	0	0

27.3 Finance Lease Commitment

The Trust does not have any commitments becoming operational in a future period.

28. Private finance transactions (including those funded by MIMs)

Private Finance Initiatives (PFI) / Public Private Partnerships (PPP)

On the 28th March 2024, Velindre University NHS Trust entered into a contract with Acorn Velindre Limited ("Project Co") who will be responsible for building (and financing) the new c.£318m hospital and then maintaining it over a 25-year concession period. During the concession period, a 'unitary charge payment' or 'annual service payment' (ASP) will be made on a monthly basis by Velindre University NHS Trust to Project Co to cover the cost of delivering the Project. The contract has been entered into under the Welsh Government's Mutual Investment Model.

This contractual arrangement meets the definition of a service concession arrangement and is to be accounted for on-balance sheet. The project consists of a construction element, split into six phases. Project Co's public service obligation is constructing the infrastructure and maintaining it in a proper state which will be used by the Trust to provide public clinical services.

The agreement expires 25 years after the completion of the final construction phase, due on the 16th March 2027, when Project Co is required to hand back the Facilities. There is no payment to Project Co associated with the hand back of the Facilities.

Under the terms and conditions of the Project Agreement, from inception of the contract, the assets are under the control of the Trust.

From the commencement of the project on the 28th March 2024, the Trust has recognised an asset under construction and associated financial liability under IFRS 9. As at the 31st March 2024, £28.004m has been recognised and is included in Notes 13 and 21. This asset is separate from the PDC funded enabling asset under construction.

From commencement of the concession period on the 16th March 2027, the ASP will be c.£35 million per annum (including payments related to operating maintenance, lifecycle cost and interest charge) and will be proportionate to the work completed, increasing as subsequent phases of construction are completed, until the construction phase is complete, when the full ASP is payable. A portion of the ASP is indexed to the Retail Price Index (all items excluding mortgage interest).

The total ASP commitment exclusive of recoverable VAT is £910m, with £70m due later than one year and not later than five years, and £840m due later than five years.

Accordingly, the asset will be initially measured following the principles contained within IFRS 16 (with the discount rate specified in the PES papers), with the service element and the interest charge recognised as incurred over the term of the concession arrangement.

The subsequent asset measurement will be subject to the guidance of IAS 16 under FReM for similar other non-current assets.

Liabilities will be measured using the appropriate discount rate, taking account of the reduction arising from the infrastructure payments included in the unitary payment stream.

Less than 1 year
Greater than 1 year up to 5 years
Greater than 5 Years

29. Financial Risk Management

IFRS 7, Derivatives and Other Financial Instruments, requires disclosure of the role that financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities.

NHS Trusts are not exposed to the degree of financial risk faced by business entities. Financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS 7 mainly applies. NHS Trusts have limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day to day operational activities rather than being held to change the risks facing NHS Trusts in undertaking their activities.

The Trust's treasury management operations are carried out by the finance department within parameters defined formally within the Trust's standing financial instructions and policies agreed by the board of directors. The Trust treasury activity is subject to review by the Trust's internal auditors.

Liquidity risk

The Trust's net operating costs are incurred under annual service agreements with various Health bodies, which are financed from resources voted annually by Parliament. NHS Trusts also largely finance their capital expenditure from funds made available from the Welsh Government under agreed borrowing limits. NHS Trusts are not, therefore, exposed to significant liquidity risks.

Interest-rate risks

The great majority of NHS Trusts' financial assets and financial liabilities carry nil or fixed rates of interest. NHS Trusts are not, therefore, exposed to significant interest-rate risk.

Foreign currency risk

NHS Trusts have no significant foreign currency income or expenditure and any such risk for Velindre University NHS Trust is underwritten by Welsh Government.

Credit Risk

Because the majority of the Trust's income comes from contracts with other public sector bodies, the Trust has low exposure to credit risk. The maximum exposures are in receivables from customers as disclosed in the trade and other receivables note.

General

The powers of the Trust to invest and borrow are limited. The Board has determined that in order to maximise income from cash balances held, any balance of cash which is not required will be invested. The Trust does not borrow from the private sector. All other financial instruments are held for the sole purpose of managing the cash flow of the Trust on a day to day basis or arise from the operating activities of the Trust. The management of risks around these financial instruments therefore relates primarily to the Trust's overall arrangements for managing risks to their financial position, rather than the Trust's treasury management procedures.

30. Movements in working capital

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Movements in working capital				
(Increase) / decrease in inventories	2,843	31,137	2,843	31,137
(Increase) / decrease in trade and other receivables - non-current	-209,829	-15,039	-209,829	-15,039
(Increase) / decrease in trade and other receivables - current	35,195	-67,264	35,136	-68,355
Increase / (decrease) in trade and other payables - non-current	29,602	-4,244	29,602	-4,244
Increase / (decrease) in trade and other payables - current	3,529	-9,598	-2,318	-11,122
Total	-138,660	-65,008	-144,566	-67,623
Adjustment for accrual movements in fixed assets - creditors	-26,782	-961	-26,782	-961
Adjustment for accrual movements in fixed assets - debtors	0	0	0	0
Adjustment for accrual movements in right of use assets - creditors	-1,257	0	-1,257	0
Adjustment for accrual movements in right of use assets - debtors	0	0	0	0
Other adjustments	13,605	9,241	13,716	9,368
Total	-153,094	-56,728	-158,889	-59,216

31. Other cash flow adjustments

	31 March 2024 £000	31 March 2023 £000	31 March 2024 £000	31 March 2023 £000
	NHS Trust		Consolidated	
Other cash flow adjustments				
Depreciation	11,174	10,504	11,174	10,504
Amortisation	2,321	1,358	2,321	1,358
(Gains)/Loss on Disposal	17	-3	17	-3
Impairments and reversals	0	3,363	0	3,363
Release of PFI deferred credits	0	0	0	0
NWSSP Covid assets issued debited to expenditure but non-cash	0	0	0	0
NWSSP Covid assets received credited to revenue but non-cash	0	0	0	0
Donated assets received credited to revenue but non-cash	-217	0	-217	0
Government Grant assets received credited to revenue but non-cash	0	0	0	0
Right of Use Grant (Peppercorn Lease) credited to revenue but non ca:	0	0	0	0
Non-cash movements in right of use assets	0	0	0	0
Non-cash movements in provisions	268,178	183,967	268,178	183,967
Total	281,473	199,189	281,473	199,189

32. Events after reporting period

The Wales Infected Blood Support Scheme

The Infected Blood Inquiry was an independent public statutory Inquiry established to examine the circumstances in which men, women and children treated by the NHS in the UK were given infected blood and infected blood products, since 1970. The Inquiry has issued interim reports in July 2022 and April 2023, with interim compensation payments made in October 2022. The final report of the Infected Blood Inquiry was published on 20 May 2024. On 21 May the UK Government announced the establishment of an Infected Blood Compensation Authority and published details of an outline compensation scheme.

The UK Government also announced that a further interim compensation payment of £210,000 would be made to the "infected live" beneficiaries of all four UK Infected Blood Support Schemes.

The Wales Infected Blood Support Scheme (WIBSS), through NWSSP were again asked to administer these payments on behalf of the UK Government. On the 24th June 2024, 176 compensation payments of £210,000 each were made, with a total value of £36.960m.

Medical Pay Award

NHS Wales bodies were notified on 28th June 2024 of the revised pay arrangements for employees covered by medical and dental terms and conditions of service in Wales, which will be funded by Welsh Government. The arrangements are confirmed in the following pay letters:

- Pay Letter M&D(W) 04/24 applying to junior doctors. This confirms an overall 12.4% pay award backdated to 1 April 2023 and includes the 5% pay award already implemented and recognised in the accounts for 2023-24.
- Pay Letter M&D(W) 02/24 confirms the reform of the consultant (amended Welsh contract) pay scale from 1 January 2024.
- Pay Letter M&D(W) 03/24 confirms the pay scales applicable from 1 January 2024 for medical and dental consultants employed on national terms and conditions on the 2021 Specialty and Specialist contracts and the closed 2008 Associate Specialist contract in Wales.

The additional 7.4% for junior doctors, and the increases for consultants and specialists have not been recognised in the 2023-24 financial statements because the obligating event was the publication of the pay circular issued on 28 June 2024. These costs will be accounted for in the 2024-25 Annual Accounts.

These financial statements were authorised for issue by the Chief Executive and Accountable Officer on xx xx xxxx; post the date the financial statements were certified by the Auditor General for Wales.

33. Related Party transactions

The Trust is a body corporate established by order of the Welsh Minister for Health and Social Services.

The Welsh Government is regarded as a related party. During the year, the Trust has had a significant number of material transactions with the Welsh Government and with other entities for which the Welsh Government is regarded as the parent body, namely:

Related Party	Expenditure to related party £000	Income from related party £000	Amounts owed to related party £000	Amounts due from related party £000
Welsh Government	33,995	228,299	5,879	-6,752
WHSSC	217	59,912	217	785
Aneurin Bevan UHB	11,055	85,357	5,218	3,289
Betsi Cadwaladr UHB	8,455	59,757	4,126	5,115
Cardiff and Vale UHB	5,587	101,969	1,672	4,923
Cwm Taf Morgannwg UHB	11,777	69,376	3,269	2,310
Hywel Dda UHB	6,286	30,955	2,409	2,488
Powys THB	1,067	3,387	494	709
Swansea Bay UHB	7,135	55,600	1,325	3,633
Public Health Wales NHS Trust	352	10,265	78	1,141
Welsh Ambulance Service NHS Trust	1,256	2,063	143	425
Health Education & Improvement Wales	110	60,750	39	1,770
Digital Health & Care Wales	3,833	1,959	22	359
Welsh Risk Pool	0	13	0	0
Welsh Local Authorities (excluding those listed below where declarations of interest have been received):	1,578	22	80	134
Parties where specific interests have been declared				
	Name of individual declaring interest	Nature of the relationship		
St John Cymru (Wales)	Professor Donna Mead	President	8	0
City Hospice	Stephen Harries	Member of the Company Audit Committee (lay membership)	0	25
Merthyr Tydfil County Borough Council	Martin Veale	Audit Committee (lay membership)	0	4
Monmouthshire County Council	Martin Veale	Trustee	1	6
Healthcare People Management Association	Sarah Morley	Director	13	0
Life Sciences Hub Wales	Cath O'Brien	meetings	32	0
Life Sciences Hub Wales	Neil Frow	Professor of Medicinal Chemistry	0	0
Cardiff University	Professor Andrew Westwell	Paid lecturer	0	261
University of South Wales	Susan Thomas	Spouse is Director of Education	335	6
The Vale of Glamorgan Council	Steve Ham		82	0
			93,174	769,986
			25,013	20,371

In addition, the Trust has had a number of material transactions with other Government departments and other central and local Government bodies. The majority of these transactions have been with universities; and other transactions include payments to English, Scottish and Irish NHS organisations amounting to £13,014,000,000 (2022/2023, £13,594,000,000); of this total £13,009,000 (2022/2023 £2,208,000) related to an English Trust that provides a lease car salary sacrifice scheme to Trust employees.

The Trust Board is the corporate trustee of Velindre University NHS Trust Charitable Funds. During the year the Trust donated £7,350,000 (2022/2023, £2,791,000 received from) to Velindre University NHS Trust Charitable Funds.

Welsh Government expenditure excludes £24,371,000 that relates to Public Dividend Capital (PDC) received during 2023/2024 (2022/2023, £18,479,000 was received).

Transactions with St John Cymru, City Hospice, Healthcare People Management Association and Life Sciences Hub Wales have been disclosed due to senior Trust managers declaring an interest in these parties and as the transactions could be of material value to these companies.

34. Third party assets

The Trust held £nil cash at bank and in hand at 31st March 2024 (31st March 2023, £nil) which relates to monies held by the Trust on behalf of patients. Cash held in Patient's Investment Accounts amounted to £nil at 31st March 2024 (31st March 2023, £nil).

35. Pooled budgets

Velindre University NHS Trust has no pooled budgets.

Velindre University NHS Trust Annual Accounts 2023-24

36. Operating Segments
IFRS 8 requires organisations to report information about each of its operating segments.

36. Operating Segments

Operating Revenue

Segmental Income

Operating Expenses

	VELINDRE		NWSSP		WRP		TOTAL		FHOT		ELIMINATIONS		CONSOLIDATED	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Segmental Income	214,857	183,449	555,446	572,881	290,913	201,411	1,061,216	957,741	5,947	4,781	(1,985)	(1,343)	1,065,178	961,179
Total	214,857	183,449	555,446	572,881	290,913	201,411	1,061,216	957,741	5,947	4,781	(1,985)	(1,343)	1,065,178	961,179
Operating Expenses	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Local Health Boards	261	243	15,497	14,241	0	0	15,758	14,484	0	0	0	0	15,758	14,484
Welsh NHS Trusts	0	0	15	18	0	0	15	18	0	0	0	0	15	18
Welsh Special Health Authorities	573	451	1,772	1,570	0	0	2,345	2,021	0	0	0	0	2,345	2,021
Goods and services from other NHS bodies	0	0	0	0	0	0	0	0	0	0	0	0	0	0
WHSSC & EASC	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Local Authorities	2	3	0	0	0	0	2	3	0	0	0	0	2	3
Purchase of healthcare from non-NHS bodies	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Welsh Government	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other NHS Trusts	0	0	436	508	0	0	436	508	0	0	0	0	436	508
Directors' costs	1,510	1,420	0	0	0	0	1,510	1,420	0	0	0	0	1,510	1,420
Operational staff costs	88,077	80,121	99,522	91,225	0	0	187,599	171,346	0	0	0	0	187,599	171,346
Non operational trainee staff costs	0	0	244,313	229,121	0	0	244,313	229,121	0	0	0	0	244,313	229,121
Non operational collaborative bank staff costs	0	0	537	347	0	0	537	347	0	0	0	0	537	347
Single lead employer staff trainee costs	0	2,743	3,125	0	0	0	3,125	2,743	0	0	0	0	3,125	2,743
Collaborative bank staff costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Supplies and services - clinical	91,984	80,909	60,516	64,083	0	0	152,500	144,992	0	0	0	0	152,500	144,992
Supplies and services - general	834	657	65,328	82,683	0	0	66,162	83,340	0	0	0	0	66,162	83,340
Consultancy Services	1,722	2,403	2,759	1,547	0	0	4,481	3,950	0	0	0	0	4,481	3,950
Establishment	2,814	2,777	11,784	10,429	0	0	14,598	13,206	0	0	0	0	14,598	13,206
Transport	1,135	953	1,954	2,538	0	0	3,089	3,493	0	0	0	0	3,089	3,493
Premises	8,914	5,908	25,677	23,954	0	0	34,591	29,862	0	0	0	0	34,591	29,862
FHOT Resources expended	0	0	0	0	0	0	0	0	807	965	(255)	(311)	552	654
Costs of generating funds	0	0	0	0	0	0	0	0	2,398	1,110	(1,843)	(522)	755	176
Charitable activities	0	0	0	0	0	0	0	0	66	83	(66)	(100)	0	(17)
Governance Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Impairments and Reversals of Receivables	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Depreciation	5,911	5,469	3,494	3,357	0	0	9,405	8,826	0	0	0	0	9,405	8,826
Depreciation (RoU Asset)	222	148	1,547	1,529	0	0	1,769	1,677	0	0	0	0	1,769	1,677
Amortisation	1,481	787	840	571	0	0	2,321	1,358	0	0	0	0	2,321	1,358
Impairments and reversals of property, plant and equipment	0	0	0	1,121	0	0	0	1,121	0	0	0	0	0	1,121
Fixed asset impairments and reversals (RoU Assets)	0	0	0	1,894	0	0	0	1,894	0	0	0	0	0	1,894
Impairments and reversals of intangible assets	0	0	0	348	0	0	0	348	0	0	0	0	0	348
Impairments and reversals of financial assets	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Impairments and reversals of non-current assets held for sale	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Audit fees	259	236	0	7	0	0	259	243	21	17	(21)	(17)	259	260
Other auditors' remuneration	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Losses, special payments and irrecoverable debts	1,636	(1,084)	(4,041)	19,659	302,986	209,408	300,581	227,983	0	0	0	0	300,581	227,983
Research and development	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NWSSP centrally purchased and donated COVID items issued free of charge to NHS Wales organisations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NWSSP centrally purchased COVID items issued free of charge to other organisations	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expense related to short-term leases	107	197	156	172	0	0	263	369	0	0	0	0	263	369
Expense related to low-value asset leases (excluding short-term leases)	0	40	16	20	0	0	16	60	0	0	0	0	16	60
Other operating expenses	8,836	256	20,088	21,908	0	963	28,924	23,122	0	0	0	0	28,924	23,122
Total	216,278	184,637	555,335	572,837	302,986	210,371	1,074,899	967,845	3,292	2,175	(1,985)	(1,343)	1,075,906	968,877
Investment Revenue	1,676	1,257	0	0	0	0	1,676	1,257	249	144	0	0	1,925	1,401
Other Gains and Losses	6	0	(23)	3	0	0	(17)	3	0	0	0	0	(17)	3
Finance Costs	(14)	(4)	(76)	(36)	12,073	8,960	11,983	8,920	0	0	0	0	11,983	8,920
SURPLUS / (DEFICIT) <i>(excluding donated assets received or issued)</i>	247	65	12	11	0	0	259	76	2,504	2,760	0	0	3,163	2,826

37. Other Information**37.1. 6.3% Staff Employer Pension Contributions - Notional Element**

The value of notional transactions is based on estimated costs for the twelve month period 1 April 2023 to 31 March 2024. This has been calculated from actual Welsh Government expenditure for the 6.3% staff employer pension contributions between April 2023 and February 2024 alongside Trust data for March 2024.

Transactions include notional expenditure in relation to the 6.3% paid to NHS BSA by Welsh Government and notional funding to cover that expenditure as follows:

	2023-24	2022-23
STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 MARCH 2024	£000	£000
Revenue from patient care activities	16,474	14,659
Operating expenses	16,474	14,659
3. Analysis of gross operating costs		
3. Revenue from patient care activities		
Welsh Government	3,875	3,373
Welsh Government - Hosted Bodies	4,338	3,868
4. Other Operating Revenue		
Other	8,261	7,418
5.1 Operating expenses		
Directors' costs	72	59
Operational staff costs	8,141	7,182
Non operational trainee staff costs	8,142	7,328
Non operational collaborative bank staff costs	11	9
Single lead employer staff trainee cost	108	81
Collaborative bank staff cost	0	0

Notional income reported as 'other operating revenue' is from Local Health Boards, Welsh NHS Trusts and Welsh Special Health Authorities in respect of the Single Lead Employer (SLE) trainees employed via NWSSP and operational within the respective organisation.

**THE NATIONAL HEALTH SERVICE IN WALES ACCOUNTS DIRECTION GIVEN BY
WELSH MINISTERS IN ACCORDANCE WITH SCHEDULE 9 SECTION 178 PARA 3(1) OF
THE NATIONAL HEALTH SERVICE (WALES) ACT 2006 (C.42) AND WITH THE
APPROVAL OF TREASURY**

NHS TRUSTS

1. Welsh Ministers direct that an account shall be prepared for the financial year ended 31 March 2010 and subsequent financial years in respect of the NHS Wales Trusts in the form specified in paragraphs [2] to [7] below.

BASIS OF PREPARATION

2. The account of the NHS Wales Trusts shall comply with:

(a) the accounting guidance of the Government Financial Reporting Manual (FRoM), which is in force for the financial year for which the accounts are being prepared, as detailed in the NHS Wales Trust Manual for Accounts;

(b) any other specific guidance or disclosures required by the Welsh Government.

FORM AND CONTENT

3. The account of the Trust for the year ended 31 March 2010 and subsequent years shall comprise a foreword, an income statement, a statement of financial position, a statement of cash flows and a statement of changes in taxpayers' equity as long as these statements are required by the FRoM and applied to the NHS Wales Manual for Accounts, including such notes as are necessary to ensure a proper understanding of the accounts.

4. For the financial year ended 31 March 2010 and subsequent years, the account of the Trust shall give a true and fair view of the state of affairs as at the end of the financial year and the operating costs, changes in taxpayers' equity and cash flows during the year.

5. The account shall be signed and dated by the Chief Executive.

MISCELLANEOUS

6. The direction shall be reproduced as an appendix to the published accounts.

7. The notes to the accounts shall, inter alia, include details of the accounting policies adopted.

Signed by the authority of Welsh Ministers

Signed : Chris Hurst

Dated : 17.06.2010

1 Please see regulation 3 of the 2009 No 1558(W.153); NATIONAL HEALTH SERVICE, WALES; The National Health Service Trusts (Transfer of Staff, Property Rights and Liabilities)



Ymddiriedolaeth GIG Prifysgol Felindre
Adroddiad Blynyddol 2023-2024