

# Public Document Pack



Neuadd y Sir  
Y Rhadyr  
Brynbuga  
NP15 1GA

County Hall  
Rhadyr  
Usk  
NP15 1GA

Tuesday, 17 January 2017

**Notice of meeting / Hysbysiad o gyfarfod:**

## **Monmouthshire Farm School Endowment Trust**

**Monday, 23rd January, 2017 at 11.00 am,  
County Hall, The Rhadyr, Usk, NP15 1GA**

### **AGENDA**

<b>Item No</b>	<b>Item</b>	<b>Pages</b>
1.	Apologies for absence	
2.	Declarations of Interest	
3.	To confirm and sign the minutes of the previous meeting of the Monmouthshire Farm School Endowment Trust 14th November 2016	1 - 2
4.	To consider whether to exclude the press and public from the meeting during consideration of the following item of business in accordance with Section 100A of the Local Government Act 1972, as amended, on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 12 and 14 of Part 4 of Schedule 12A to the Act. (Proper Officer's view attached).	3 - 4
5.	To consider a report by the Chief Officer for Children and Young People regarding applications received against the Trust Fund for the Academic Year 2016/17	5 - 16
6.	Monmouthshire Farm School Endowment Trust Fund Annual report for the year ended 31 March 2016	17 - 28
7.	To receive the Wales Audit Office - Independent Examination of Financial Statements Report	29 - 36
8.	To confirm the date and time of the next meeting	

**Paul Matthews**

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**Chief Executive / Prif Weithredwr**

MONMOUTHSHIRE COUNTY COUNCIL  
CYNGOR SIR FYNWY

THE CONSTITUTION OF THE COMMITTEE IS AS FOLLOWS:

County Councillors:

A. Easson  
D. Edwards  
R. Edwards  
R.J.W. Greenland  
D. Jones  
S.B. Jones  
Pagett  
Hayes  
Havard  
Symondson  
Yeowell  
Backhouse

## Public Information

### **Access to paper copies of agendas and reports**

A copy of this agenda and relevant reports can be made available to members of the public attending a meeting by requesting a copy from Democratic Services on 01633 644219. Please note that we must receive 24 hours notice prior to the meeting in order to provide you with a hard copy of this agenda.

### **Welsh Language**

The Council welcomes contributions from members of the public through the medium of Welsh or English. We respectfully ask that you provide us with adequate notice to accommodate your needs.

# Aims and Values of Monmouthshire County Council

## Sustainable and Resilient Communities

### Outcomes we are working towards

#### **Nobody Is Left Behind**

- Older people are able to live their good life
- People have access to appropriate and affordable housing
- People have good access and mobility

#### **People Are Confident, Capable and Involved**

- People's lives are not affected by alcohol and drug misuse
- Families are supported
- People feel safe

#### **Our County Thrives**

- Business and enterprise
- People have access to practical and flexible learning
- People protect and enhance the environment

### Our priorities

- Schools
- Protection of vulnerable people
- Supporting Business and Job Creation
- Maintaining locally accessible services

### Our Values

- **Openness:** we aspire to be open and honest to develop trusting relationships.
- **Fairness:** we aspire to provide fair choice, opportunities and experiences and become an organisation built on mutual respect.
- **Flexibility:** we aspire to be flexible in our thinking and action to become an effective and efficient organisation.
- **Teamwork:** we aspire to work together to share our successes and failures by building on our strengths and supporting one another to achieve our goals.

# Nodau a Gwerthoedd Cyngor Sir Fynwy

## Cymunedau Cynaliadwy a Chryf

### Canlyniadau y gweithiwn i'w cyflawni

#### Neb yn cael ei adael ar ôl

- Gall pobl hŷn fyw bywyd da
- Pobl â mynediad i dai addas a fforddiadwy
- Pobl â mynediad a symudedd da

#### Pobl yn hyderus, galluog ac yn cymryd rhan

- Camddefnyddio alcohol a chyffuriau ddim yn effeithio ar fywydau pobl
- Teuluoedd yn cael eu cefnogi
- Pobl yn teimlo'n ddiogel

#### Ein sir yn ffynnu

- Busnes a menter
- Pobl â mynediad i ddysgu ymarferol a hyblyg
- Pobl yn diogelu ac yn cyfoethogi'r amgylchedd

### Ein blaenoriaethau

- Ysgolion
- Diogelu pobl agored i niwed
- Cefnogi busnes a chreu swyddi
- Cynnal gwasanaethau sy'n hygyrch yn lleol

### Ein gwerthoedd

- **Bod yn agored:** anelwn fod yn agored ac onest i ddatblygu perthnasoedd ymddiriedus
- **Tegwch:** anelwn ddarparu dewis teg, cyfleoedd a phrofiadau a dod yn sefydliad a adeiladwyd ar barch un at y llall.
- **Hyblygrwydd:** anelwn fod yn hyblyg yn ein syniadau a'n gweithredoedd i ddod yn sefydliad effeithlon ac effeithiol.
- **Gwaith tîm:** anelwn gydweithio i rannu ein llwyddiannau a'n methiannau drwy adeiladu ar ein cryfderau a chefnogi ein gilydd i gyflawni ein nodau.

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# Public Document Pack Agenda Item 3

## MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Monmouthshire Farm School Endowment Trust held at County Hall, The Rhadyr, Usk, NP15 1GA on Monday, 14th November, 2016 at 11.00 am

**PRESENT:** County Councillors: A. Easson, D. Edwards, R. Edwards, D. Jones, S.B. Jones and Professor Hayes

### **OFFICERS IN ATTENDANCE:**

Andrew Evans	Senior Management Accountant
Paula Harris	Democratic Services Officer
Holly Barnard	Accountancy Assistant

#### **1. Apologies for absence**

We received apologies from County Councillor R. Greenland and Nicola Wellington.

A Member of the Committee commented on the poor attendance at meetings of the trust and stressed that when the new term starts in May 2017 the importance of attending the trust meeting was made clear to the individuals who become trustees.

#### **2. Declarations of Interest**

None received.

#### **3. To confirm and sign the minutes of the previous meeting of the Monmouthshire Farm School Endowment Trust 18th July 2016**

The minutes of the Committee meeting on the 18<sup>th</sup> July 2016 were confirmed and signed by the Chairman.

#### **4. To consider whether to exclude the press and public from the meeting during consideration of the following item of business in accordance with Section 100A of the Local Government Act 1972, as amended, on the grounds that it involves the likely disclosure of exempt information as defined in Paragraphs 12 and 14 of Part 4 of Schedule 12A to the Act. (Proper Officer's view attached).**

#### **5. To consider a report by the Chief Officer for Children and Young People regarding applications received against the Trust Fund for the Academic Year 2016/17**

We considered 27 applications received against the Trust Fund presented on behalf of the Chief Officer for Children and Young People.

The Committee was briefed on the monies available to allocate.

One application was rejected due the course subject BSc Physical Geography not falling under the term of reference for the trust.

We resolved:

- (i) that awards be made to the applicants, as agreed, subject to appropriate receipts

## MONMOUTHSHIRE COUNTY COUNCIL

### Minutes of the meeting of Monmouthshire Farm School Endowment Trust held at County Hall, The Rhadyr, Usk, NP15 1GA on Monday, 14th November, 2016 at 11.00 am

and evidence of attendance being received;

(ii) to note that the total amount of funding awarded to students at today's meeting was £35,649.

(iii) two applications were given provisional grant amounts subject to further information being sought by the finance officers. **(ACTION A.W.)**

Members of the Committee questioned if standardised costs could be introduced when students ask for help with costs with items such as laptops and chainsaws.

#### **6. Letter of complaint**

Members discussed a letter received by a parent of an applicant who was refused on the grounds he lived outside the geographical boundaries for the trust.

The Members sympathised but as the applicant lived outside the boundary they were unable help. They wished him well and requested that a letter be sent in reply and suggest the applicant approached Newport City Council to ask if they had a similar discretionary fund that would assist him with expenses. **(ACTION A.W.)**

#### **7. Date and time of the next meeting**

23<sup>rd</sup> January 2017 11am  
27<sup>th</sup> March 2017 11am

**The meeting ended at 12.07 pm**



## SCHEDULE 12A LOCAL GOVERNMENT ACT 1972 EXEMPTION FROM DISCLOSURE OF DOCUMENTS

**REPORT:** APPLICATIONS FOR FUNDING  
**AUTHOR:** FINANCE MANAGER CYP FINANCE  
**MEETING AND DATE OF MEETING:** MONMOUTHSHIRE FARM SCHOOL  
ENDOWEMENT TRUST  
MONDAY 23<sup>rd</sup> JANUARY 2017.

I have considered grounds for exemption of information contained in the report referred to above and make the following recommendation to the Proper Officer:-

### **Exemptions applying to the report:**

Likely to reveal information relating to a particular individual (Paragraph 12).

Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Paragraph 14).

### **Factors in favour of disclosure:**

Accountability of the Trustees for the proper disbursement of Trust Funds.

### **Prejudice which would result if the information were disclosed:**

May discourage potential applicants (Applications depend on assessment of financial need).

### **My view on the public interest test is as follows:**

Factors against disclosure outweigh those in favour

### **Recommended decision on exemption from disclosure:**

Withhold

Date: 04/01/2017

Signed:

*A. J. Evans*

Andrew Evans

Post:

Deputy Finance Manager

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I accept the recommendation made above.



\_\_\_\_\_  
Proper Officer

Date: 4-1-17

By virtue of paragraph(s) 12, 14 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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**Monmouthshire Farm School Endowment  
Trust Fund**

**Annual report  
for the year ended 31 March 2016**

-Registered Charity Number: 525649

**Monmouthshire Farm School Endowment Trust Fund  
Annual report for year ended 31st March 2016**

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**Monmouthshire Farm School Endowment Trust Fund  
Annual report for year ended 31st March 2016**

**Trustees, officers and advisors**

**Trustees**

D L Edwards  
Monmouthshire County Council

D Yeowell  
Torfaen County Borough Council

R Edwards  
Monmouthshire County Council

Professor J D Hayes  
University College Wales Aberystwth

R J W Greenland  
Monmouthshire County Council

K Backhouse  
Director Usk Campus – Coleg Gwent

S B Jones  
Monmouthshire County Council

D Havard  
Caerphilly County Borough Council

A Easson  
Monmouthshire County Council

D.W.H Jones  
Monmouthshire County Council

L Winnett  
Blaenau Gwent County Borough Council  
(Left during year)

R Pagett  
Blaenau Gwent County Borough Council  
(Started during year)

Dr W O C Symondson  
University of Wales College Cardiff

**Secretary**

P Matthews – Acting Monitoring Officer, Monmouthshire County Council

**Registered Office**

@innovation House, PO box 106, Magor NP26 9AN

**Auditors**

Wales Audit Office, 24 Cathedral Road, Cardiff, CF11 9LJ

**Solicitors**

R Tranter, Head of Legal Services, Monmouthshire County Council

**Investment custodian**

Monmouthshire County Council

**Bankers**

Barclays Bank, Leicester, Leicestershire LE87 2BB

## **Monmouthshire Farm School Endowment Trust Fund Annual report for year ended 31st March 2016**

### **Report of the Trustee for the year ended 31st March 2016**

The Trustee presents its annual report and the audited financial statements for the year ended 31 March 2016 of The Monmouthshire Farm School Endowment Trust Fund. The information with respect to the Trustee, officers and advisors set out on page 1 forms part of this report. The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. The financial statements comply with the Charity's trust deed.

#### **Status and administration**

The Charity is governed by the 1959 Principal Scheme as amended by the Altering Scheme of 1971, although the governing body may rightly claim a history stretching back to 1894. The Fund is registered with the Charity Commission under charity number 525649.

#### **Objects**

The primary object of the Charity, as stated in its governing document, is to make awards to students in need of assistance to attend Usk Agricultural College, or at the discretion of the governing body, any other college, institution or university to pursue courses of study in agricultural subjects. The governing body can use its discretion to apply any unawarded income to provide funding towards the cost of their facilities or amenities at Usk College which would benefit these students. The grant awarded have allowed the beneficiaries to pursue land based courses to enhance career opportunities. The area of benefit is clearly defined, household income is a consideration when making the award. Grants were awarded to 18 people and the total awards were £21,547.

#### **Review of activities and future developments**

The statement of financial activities for the year is set out on page 5 of the financial statements. A summary of the financial results and the work of the Charity are set out below.

The Fund has increased in value by £2,499 (£23,380 increase in 2014/15) over the financial year as a result of outgoing resources being outweighed by incoming resources.

Income is comprised of interest on investment stock and cash held of £23,314 (£5,163 in 2014/15), and £32,479 (£37,328 in 2014/15) in respect of the annual payment from the Roger Edwards Educational Trust Fund. Expenditure of £30,127 (£46,457 in 2014/15) primarily comprised of grants payable of £27,651 (£44,200 in 2013/14) in line with the Charity's objects. Unrealised investment loss of £23,167 (£27,346 gain in 2014/15) were made in relation to investments held.

The current strategy is to ensure that there are sufficient funds to meet the needs of beneficiaries.

#### **Investment powers, policy and performance**

Under the terms of the Trust Deed, the Trustee has general powers of investment, subject to the provisions of the Trustee Act 2000. The Trustee has reviewed its investment strategy and produced an investment and fund strategy for 2014/15 which was approved by Monmouthshire County Council in its capacity as Trust administrator on 5<sup>th</sup> March 2014. Investments are strategically placed in low-risk investments. Investment performance is reviewed periodically in light of prevailing economic changes.

#### **Grant making policy**

Grants are made in pursuance of the Charity's objectives in assisting students in need to attend Usk Agricultural College, or at the discretion of the governing body, any other college, institution or university to pursue courses of study in agricultural subjects.

#### **Changes in fixed assets**

The movements in fixed asset investments during the year are set out in note 7 to the financial statements. During the year a new investment strategy was approved by the Trustee and as a result two new investments were made, these are detailed in note 7.



## **Monmouthshire Farm School Endowment Trust Fund Annual report for year ended 31st March 2016**

### **Reserves,**

The Fund consists primarily of the sale proceeds of the Former Monmouthshire Farm School by the governing body of the school to Monmouthshire County Council. The fund receives an annual payment from The Roger Edwards Educational Trust (Charity Number 525638) equivalent to two thirds of the annual investment and rental income accrued to the Foundation.

The Trust has reviewed its fund strategy and produced an investment and fund strategy for 2014-15 which states that it is the Trust's policy to maintain funds at approximately the current level and utilise the annual income received to fund its charitable expenditure. This was approved by Cabinet on the 5<sup>th</sup> March 2014.

### **Governance of the Charity**

Representative trustees appointed by Monmouthshire County Council have a term of office equivalent to the term of a County Council (four years); the other representative trustees have a term of office of three years and the co-operative trustees have a term of office of five years. The trustees are listed on page 1.

### **Risk management**

Monmouthshire County Council as appointed administrator of the Trust Fund periodically review the major risks to which the Charity is exposed as part of the Authority's overall risk management and financial control processes. The Roger Edwards Educational Trust provide significant income to this trust and forms the majority of income that can be used for grants. This income is received after the audited accounts have been agreed and therefore this is usually late in the financial year. A risk assessment policy was approved by Cabinet on 6<sup>th</sup> March 2013.

### **Auditors**

The Wales Audit Office are the appointed auditors to the Charity.

### **Trustee's responsibilities**

The Trustee is required by charity law to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Charity and of the net incoming/outgoing resources of the Charity as at the end of the financial year.

The Trustee confirms that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 31st March 2015. The Trustee also confirms that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The Trustee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 1993. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **By order of the Trustee**

Trustee:

Date:

**Monmouthshire Farm School Endowment Trust Fund  
Annual report for year ended 31st March 2016**

**Report of the independent examiner to the trustee of  
Monmouthshire Farm Endowment Trust Fund**

I report on the accounts of Monmouthshire Farm Endowment Trust Fund for the year ended 31st March 2016, which are set out on pages 5 to 10.

**Respective responsibilities of trustee and independent examiner**

The charity's trustee is responsible for the preparation of the accounts. The charity's trustee considers that an audit is not required for this year under section 144(2) of the Charities Act 2011 and that an independent examination is needed.

It is my responsibility:

- To examine the accounts under section 145 of the 2011 Act;
- To follow the procedures laid down in the general directions given by the Charity Commission under section 145 (5) of the 2011 Act; and
- To state whether particular matters have come to my attention.

**Basis of independent examiner's report**

My examination was carried out in accordance with the general directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking of explanations from you as trustee concerning such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Examiner's statement**

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act;have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Ann-Marie Harkin  
On behalf of the Auditor General for Wales  
Date:

Wales Audit Office  
24 Cathedral Road  
Cardiff CF11 9LJ

**Monmouthshire Farm School Endowment Trust Fund**  
**Annual report for year ended 31st March 2016**

**Statement of financial activities (Sofa) for the year ended 31st March 2016**

	Notes	2016	2016	2016	2016	2015
		Unrestricted	Restricted	Endowment	Total	Total
		Funds	Funds	Funds	Funds	Funds
		£	£	£	£	£
<b>Income &amp; Endowments from:</b>						
Donations & Legacies		0	0	0	0	0
Charitable Activities		0	0	0	0	0
Investment income	2	23,314	0	0	23,314	5,163
Other Trading Activities		0	0	0	0	0
Other incoming resources (REET)		32,479	0	0	32,479	37,328
<b>Total income &amp; Endowments</b>		<b>55,793</b>	<b>0</b>	<b>0</b>	<b>55,793</b>	<b>42,491</b>
<b>Resources Expended</b>						
Raising funds:						
Investment Property Professional fees		0	0	0	0	0
Management and administration		0	0	0	0	0
Movement in bad debt provision		0	0	0	0	0
		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Charitable expenditure</b>						
Costs of activities in furtherance of the Charity's objects						
Grants payable	3	27,651	0	0	27,651	44,200
Management and administration	4	2,476	0	0	2,476	2,257
Governance Costs		0	0	0	0	0
<b>Total Resources expended</b>		<b>30,127</b>	<b>0</b>	<b>0</b>	<b>30,127</b>	<b>46,457</b>
Gains/(losses) on investment assets	5	(23,167)	0	0	(23,167)	27,346
<b>Net Income / Expenditure</b>		<b>2,499</b>	<b>0</b>	<b>0</b>	<b>2,499</b>	<b>23,380</b>
<b>Transfers between funds</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Recognised Gains / (Losses)</b>						
Gains/(losses) on the revaluation and disposal of tangible fixed assets		0	0	0	0	0
<b>Net movement in funds</b>		<b>2,499</b>	<b>0</b>	<b>0</b>	<b>2,499</b>	<b>23,380</b>
Fund balances brought forward 1 April 2015		702,433	0	0	702,433	679,053
<b>Fund balances carried forward 31 March 2016</b>		<b>704,932</b>	<b>0</b>	<b>0</b>	<b>704,932</b>	<b>702,433</b>

All incoming resources and resources expended are derived from continuing activities. There are no recognised gains or losses other than those disclosed above.

**Monmouthshire Farm School Endowment Trust Fund**  
**Annual report for year ended 31st March 2016**

**Balance Sheet as at 31 March 2016**

	Notes	2016 Unrestricted Funds £	2015 Unrestricted Funds £
<b>Fixed assets</b>			
Investments	7	611,952	477,869
		<b>611,952</b>	<b>477,869</b>
<b>Current assets</b>			
Debtors: amounts falling due within one year	8	35,393	36,305
Cash at bank and in hand		59,687	192,786
		<b>95,080</b>	<b>229,091</b>
<b>Current Liabilities</b>			
Creditors: amounts falling due within one year	9	2,100	4,527
<b>Net current assets less current liabilities</b>		<b>92,980</b>	<b>224,564</b>
Long term liabilities: Provisions		0	0
<b>Net assets less Liabilities</b>		<b>704,932</b>	<b>702,433</b>
<b>The Funds of the Charity:</b>			
Unrestricted Funds	10	704,932	702,433
<b>Total Charity funds</b>		<b>704,932</b>	<b>702,433</b>

The accounts were approved by the Trustee on 18<sup>th</sup> July 2016 and signed on their behalf by:

Trustee:

Date:

**Monmouthshire Farm School Endowment Trust Fund**  
**Annual report for year ended 31st March 2016**

**Notes to the financial statements for the year ended 31<sup>st</sup> March 2016**

**1 Principal accounting policies**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). A summary of the principal accounting policies, which have been applied consistently, are set out below.

**Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention, as modified by the inclusion of investments and tangible fixed assets at market value. During the year the Charity reviewed its accounting policies in accordance with FRS 102 'Accounting Policies'. No accounting policies have been changed as a result.

**Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**Incoming Resources**

All income received is accounted for on a receivable basis and has been classified under the appropriate categories. The income received from the Roger Edwards Educational Trust is an estimation of income based on historical data, the actual income relating to 2015-16 has not been received at the time of this report, and therefore any adjustment will be made in the accounts for 2016-17.

**Grants payable**

Grants payable are accounted for in full as liabilities of the Charity when approved by the Trustee and accepted by the beneficiaries.

**Management and administration**

Monmouthshire County Council administer the Trust Fund on behalf of the Trustee. Management and administration costs include expenditure on administration of the Charity and compliance with constitutional and statutory requirements, and an appropriate apportionment of support service recharges and overhead apportionments.

**Irrecoverable VAT**

Any irrecoverable VAT is charged to the statement of financial activities, or capitalised as part of the cost of the related asset, where appropriate.

**Recognition of liabilities**

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

**Fund accounting**

General funds are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity. Investment income and gains are allocated to the appropriate fund.

**Investments**

Investments are included at market value at the balance sheet date. Any realised and unrealised gains and losses on revaluation or disposals are combined in the statement of financial activities.

## Monmouthshire Farm School Endowment Trust Fund Annual report for year ended 31st March 2016

### Cash flow statement

The Charity is exempt from publishing a cash flow statement as it qualifies for exemption as a small charitable company under Financial Reporting Standard 1 paragraph 5(f) on the basis that it meets the relevant conditions and size criteria specified in the Companies Act 1985 (Accounts of Small and Medium-Sized Companies and Minor Amendments) Regulations 1997 (SI 1197/220).

### 2 Investment income

	2016	2015
	£	£
Interest on government securities	0	0
Interest on cash balances	615	2,591
Interest on Investments	22,699	2,572
	<b>23,314</b>	5,163

### 3 Resources expended

	2016	2015
	£	£
Grants payable	27,651	44,200
Management & administration	2,476	2,257
	<b>30,127</b>	46,457

Grants payable comprise numerous payments to individual students in respect of part-time courses attended. It is not possible to provide further details due to restrictions of confidentiality.

### 4 Net incoming resources

	2016	2015
	£	£
Net incoming resources is stated after charging:		
Auditor's remuneration	1,701	1,701
	<b>1,701</b>	1,701

Though no specific indemnity insurance has been purchased by the Charity, the Fund is covered by Monmouthshire County Councils' fidelity guarantee insurance. Insurance covers financial losses incurred as a result of fraudulent acts conducted by Authority employees but does not cover the Trustee for any wrong decisions that may have been made.

### 5 Gains and losses on revaluation and disposal of investment assets

Market Value 31/03/15	Additions (Disposals)	Market Value 31/03/16	Gain/(Loss)
--------------------------	--------------------------	--------------------------	-------------

**Monmouthshire Farm School Endowment Trust Fund**  
**Annual report for year ended 31st March 2016**

	£	£	£	£
2.5% Consolidated Stock	70,329	(71,750)	0	1,421
Charibond	205,538	0	199,805	(5,733)
OEIC	202,002	0	184,541	(17,461)
COIF	0	229,000	227,606	(1,394)
<b>Total</b>	<b>477,869</b>	<b>157,250</b>	<b>611,952</b>	<b>(23,167)</b>

The 2.5% consolidated stock was redeemed during the financial year with the realised loss accounted for in the SOFA. Following the redemption of this the funds were invested in line with the investment policy.

## 6 Taxation

The Charity is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

The Charity falls with Monmouthshire County Council regulations for VAT, and therefore any liability is accounted for within Monmouthshire County Council.

## 7 Fixed asset investments

	<b>Total</b>
	<b>£</b>
Valuation at 1 April 2015	<b>477,869</b>
Additions	<b>229,000</b>
Disposals at opening market value	<b>(71,750)</b>
Net revaluation (loss) / gain	<b>(23,167)</b>
<b>Valuation at 31 March 2016</b>	<b>611,952</b>

Fixed asset investments solely consist of the quoted investments. All investments are stated at their market value at 31st March 2016. The historical cost of the investments at 31st March 2016 was £639,000. All of the Charity's investments are quoted in the UK. During the year a new investment strategy was approved by the trustees and as a result two new investments were made. The details of these are disclosed in the table below, being Charibond, COIF and OEIC Fund.

Investments with a market value greater than 5% of the total portfolio market value at 31st March 2016 are as follows:

	£	%
COIF	227,606	32.7
Charibond	199,805	37.2
OEIC Fund	184,541	30.1

The percentage shown above is the percentage of the total portfolio market value as at 31<sup>st</sup> March 2016.

## 8 Debtors

**Monmouthshire Farm School Endowment Trust Fund**  
**Annual report for year ended 31st March 2016**

	2016	2015
	£	£
<b>Amounts falling due within one year</b>		
Receivable from The Roger Edwards Educational Trust Fund	32,000	36,000
Accrued Interest Receivable	2,330	
HM Revenue and Customs	1,063	305
	<b>35,393</b>	<b>36,305</b>

The majority of the debt relates to the payment from the Roger Edwards Educational Trust. This is an estimate of the income based on historical payments.

## 9 Creditors

	2016	2015
	£	£
<b>Amounts falling due within one year</b>		
Accruals and deferred income	2,100	4,527
	<b>2,100</b>	<b>4,527</b>

The amounts owed relate to audit fees and payments to Monmouthshire County Council to administer the trust.

## 10 Funds

	Balance 1 April 2015	Incoming resources	Resources Expended	Investment Gain/(Loss)	Balance 31 March 2016
	£	£	£	£	£
Permanent endowed funds	702,433	55,793	(30,127)	(23,167)	<b>704,932</b>

## 11 Related party transactions

No remuneration directly or indirectly out of the funds of the Charity was paid or payable for the year to any trustee. Payments have been made to Monmouthshire County Council respect of management and administration expenses.





WALES **AUDIT** OFFICE  
SWYDDFA **ARCHWILIO** CYMRU

## Independent Examination of Financial Statements Report

# Monmouthshire Farm School Endowment Trust Fund

**Financial year:** 2015-16

**Issued:** December 2016

**Document reference:** 614A2016

# Status of report

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This document has been prepared for the internal use of Monmouthshire County Council as part of work performed in accordance with statutory functions, the Code of Audit Practice and the Statement of Responsibilities issued by the Auditor General for Wales.

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It is our intention to issue an unqualified examiners report on the 2015-16 financial statements

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## Introduction

1. The Charity's trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011 (the Act) and have considered that this year under section 144(2) of the Act an independent examination is needed of them.
2. We are responsible for providing an independent examiners report on the Monmouthshire Farm School Endowment Trust Fund (the Fund) financial statements as at 31 March 2016. An independent examination involves reviewing whether the charity has, in all material respects:
  - Maintained accounting records in accordance with Section 130 of the Act; and
  - Prepared accounts which accord with the accounting records and comply with the accounting requirements of the Act.
3. We are also required to report to you any matter that, in our opinion, attention should be drawn to enable a proper understanding of the accounts to be reached prior to the accounts being approved by the trustees. Where this is the case our team has already discussed these issues with officers.

## Proposed examination report

4. It is our intention to issue an unqualified examination report on the financial statements. Our proposed report is set out in [Appendix 1](#).

## Significant issues arising from our examination

5. There is one significant issue to report which is a recurring issue for the Fund. The Fund's financial statements include an income distribution of £32,000 from the Roger Edwards Educational Trust Fund. As per the deeds of the charity, this distribution is based on a two thirds share of the annual income of the Roger Edwards Educational Trust Fund which is payable following the external examination of the accounts of that Trust Fund. However, as that external examination is not yet complete, uncertainty exists concerning the final income distribution payable to the Farm School Fund.
6. Information was provided to us in a timely and helpful manner and we are appreciative of the assistance provided by officers to facilitate the completion of our examination.

# Appendix 1

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## Proposed report of the independent examiner to the trustee of Monmouthshire Farm School Endowment Trust Fund

I report on the accounts of Monmouthshire Farm School Endowment Trust Fund for the year ended 31 March 2016, which are set out on pages 5 to 10

### Respective responsibilities of trustees and independent examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility:

- to examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

### Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### Examiner's statement

In connection with my examination, no matter has come to my attention:

- which gives me reasonable cause to believe that in any material respect the requirements:
  - to keep accounting records in accordance with Section 130 of the 2011 Act; and
  - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met; or
- to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

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Ann-Marie Harkin  
On behalf of the Auditor General for Wales  
Date:

Wales Audit Office  
24 Cathedral Road  
Cardiff CF11 9LJ





WALES AUDIT OFFICE  

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