



Neuadd y Sir
Y Rhadyr
Brynbuga
NP15 1GA

Dydd Mercher, 3 Medi 2025

Hysbysiad o gyfarfod

Pwyllgor Llywodraethu ac Awdit

**Dydd Iau, 11eg Medi, 2025 at 2.00 pm,
Neuadd Y Sir, Y Rhadyr, Brynbuga, NP15 1GA**

**Nodwch y cynhelir rhag gyfarfod 30 munud cyn dechrau'r cyfarfod ar gyfer aelodau'r
pwyllgor a swyddogion Archwilio Cymru**

AGENDA

Item No	Item	Pages
1.	Ymddiheuriadau am absenoldeb	
2.	Datganiadau o Fuddiant	
3.	Fforwm Agored i'r Cyhoedd	
4.	Nodi'r Rhestr Weithredu o'r cyfarfod diwethaf.	1 - 2
5.	Adroddiad Cynnydd Chwarterol Archwilio Mewnol (Ch1)	3 - 14
6.	Adroddiad Blynyddol y Pwyllgor Llywodraethu ac Archwilio 2024/25	15 - 18
7.	Datganiad o Gyfrifon Drafft 2024/25 Cronfa Eglwysi Cymru/Ymddiriedolaeth Gwaddol Ysgol Fferm Sir Fynwy	19 - 62
8.	Blaengynllun y Pwyllgor Llywodraethu ac Archwilio	63 - 66
9.	Cymeradwyo cofnodion y cyfarfod blaenorol.	67 - 70
10.	Dyddiad y Cyfarfod Nesaf: 30ain Hydref 2025 am 2.00pm.	

**Paul Matthews
Prif Weithredwr**

CYNGOR SIR FYNWY

MAE CYFANSODDIAD Y PWYLLGOR FEL SY'N DILYN:

Andrew Blackmore

Siwan Davies

Colin Prosser

Rhodri Guest

County Councillor Sara Burch	Cantref;	Labour and Co- Operative Party
County Councillor John Crook	Magor East with Undy;	Welsh Labour/Llafur Cymru
County Councillor Tony Easson	Dewstow;	Independent Socialist
County Councillor David Jones	Crucorney;	Independent Group
County Councillor Malcolm Lane	Mardy;	Welsh Conservative Party
County Councillor Phil Murphy	Caerwent;	Welsh Conservative Party
County Councillor Peter Strong	Rogiet;	Welsh Labour/Llafur Cymru
County Councillor Ann Webb	St Arvans;	Welsh Conservative Party

Gwybodaeth Gyhoeddus

Mynediad i gopiâu papur o agendâu ac adroddiadau

Gellir darparu copi o'r agenda hwn ac adroddiadau perthnasol i aelodau'r cyhoedd sy'n mynychu cyfarfod drwy ofyn am gopi gan Gwasanaethau Democrataidd ar 01633 644219. Dylid nodi fod yn rhaid i ni dderbyn 24 awr o hysbysiad cyn y cyfarfod er mwyn darparu copi caled o'r agenda hwn i chi.

Edrych ar y cyfarfod ar-lein

Gellir gweld y cyfarfod ar-lein yn fyw neu'n dilyn y cyfarfod drwy fynd i www.monmouthshire.gov.uk neu drwy ymweld â'n tudalen Youtube drwy chwilio am MonmouthshireCC. Drwy fynd i mewn i'r ystafell gyfarfod, fel aelod o'r cyhoedd neu i

gymryd rhan yn y cyfarfod, rydych yn caniatáu i gael eich ffilmio ac i ddefnydd posibl y delweddau a'r recordiadau sain hynny gan y Cyngor.

Y Gymraeg

Mae'r Cyngor yn croesawu cyfraniadau gan aelodau'r cyhoedd drwy gyfrwng y Gymraeg neu'r Saesneg. Gofynnwn gyda dyledus barch i chi roi 5 diwrnod o hysbysiad cyn y cyfarfod os dymunwch siarad yn Gymraeg fel y gallwn ddarparu ar gyfer eich anghenion.

Canllawiau ar gyfer Fforwm Agored i'r Cyhoedd y Pwyllgor Llywodraethu ac Awdit

Mae ein cyfarfodydd Pwyllgor Llywodraethu ac Awdit yn cael eu ffrydio'n fyw a bydd dolen i'r ffrwd fyw ar gael ar dudalen cyfarfod gwefan Cyngor Sir Fynwy

Os hoffech rannu eich barn ar unrhyw faterion sy'n cael eu trafod gan y Pwyllgor Llywodraethu ac Awdit, gallwch fynychu'r cyfarfod yn bersonol (neu ymuno o bell drwy Microsoft Teams), neu gyflwyno sylwadau ysgrifenedig (drwy Microsoft Word, uchafswm o 500 gair).

Y dyddiad cau ar gyfer cyflwyno sylwadau i'r Cyngor yw 5pm, a hynny dri diwrnod gwaith clir cyn y cyfarfod. Bydd yr holl sylwadau a dderbynnir ar gael i Aelodau'r Pwyllgor cyn y cyfarfod.

Mae'r amser a roddir i bob aelod o'r cyhoedd i siarad yn ddibynnol ar Gadeirydd y Pwyllgor. Gofynnwn i gyfraniadau beidio â bod yn hwy na 4 munud.

Os hoffech fynychu un o'n cyfarfodydd i siarad o dan y Fforwm Agored i'r Cyhoedd yn y cyfarfod, bydd angen i chi roi tri diwrnod gwaith o rybudd drwy e-bostio

GACRegistertoSpeak@monmouthshire.gov.uk

Os hoffech awgrymu pynciau yn y dyfodol i'w hystyried gan y Pwyllgor Llywodraethu ac Awdit, e-bostiwch GACRegistertoSpeak@monmouthshire.gov.uk

Nodau a Gwerthoedd Cyngor Sir Fynwy

Ein diben

Adeiladu Cymunedau Cynaliadwy a Chydnerth

Amcanion y gweithiwn tuag atynt

- Rhoi'r dechrau gorau posibl mewn bywyd i bobl
- Sir lewyrchus a chysylltiedig
- Cynyddu i'r eithaf botensial yr amgylchedd naturiol ac adeiledig
- Llesiant gydol oes
- Cyngor gyda ffocws ar y dyfodol

Ein Gwerthoedd

Bod yn agored. Rydym yn agored ac yn onest. Mae pobl yn cael cyfle i gymryd rhan mewn penderfyniadau sy'n effeithio arnynt, dweud beth sy'n bwysig iddynt a gwneud pethau drostynt eu hunain/eu cymunedau. Os na allwn wneud rhywbeth i helpu, byddwn yn dweud hynny; os bydd yn cymryd peth amser i gael yr ateb, byddwn yn esbonio pam; os na allwn ateb yn syth, byddwn yn ceisio eich cysylltu gyda'r bobl a all helpu - mae adeiladu ymddiriedaeth ac ymgysylltu yn sylfaen allweddol.

Tegwch. Darparwn gyfleoedd teg, i helpu pobl a chymunedau i ffynnu. Os nad yw rhywbeth yn ymddangos yn deg, byddwn yn gwrandao ac yn esbonio pam. Byddwn bob amser yn ceisio trin pawb yn deg ac yn gyson. Ni allwn wneud pawb yn hapus bob amser, ond byddwn yn ymrwymo i wrando ac esbonio pam y gwnaethom weithredu fel y gwnaethom.

Hyblygrwydd. Byddwn yn parhau i newid a bod yn hyblyg i alluogi cyflwyno'r gwasanaethau mwyaf effeithlon ac effeithiol. Mae hyn yn golygu ymrwymiad gwirioneddol i weithio gyda phawb i groesawu ffyrdd newydd o weithio.

Gwaith Tîm. Byddwn yn gweithio gyda chi a'n partneriaid i gefnogi ac ysbrydoli pawb i gymryd rhan fel y gallwn gyflawni pethau gwych gyda'n gilydd. Nid ydym yn gweld ein hunain fel 'trefnwyr' neu ddatrysyr problemau, ond gwnawn y gorau o syniadau, asedau ac adnoddau sydd ar gael i wneud yn siŵr ein bod yn gwneud y pethau sy'n cael yr effaith mwyaf cadarnhaol ar ein pobl a lleoedd.

Caredigrwydd – Byddwn yn dangos caredigrwydd i bawb yr ydym yn gweithio gyda nhw, gan roi pwysigrwydd perthnasoedd a'r cysylltiadau sydd gennym â'n gilydd wrth wraidd pob rhyngweithio.

Rôl Cyn-cyfarfod

1. Pam fod y Pwyllgor yn ystyried yr eitem hon ar yr agenda? (perthnasedd a materoldeb)
2. Beth yw rôl y Pwyllgor a pha ganlyniadau y mae Aelodau am eu sicrhau?
3. A oes digon o wybodaeth i gyflawni hyn? Os na, pwy all ddarparu hyn?
4. Beth yw barn gyfrinachol yr archwilwyr ar y materion perthnasol?
 - Trafod barn/pryderon allweddol yr aelodau gyda'r papurau a chytuno ar flaenoriaethau

Cwestiynau / Ystyriaethau Posib ar gyfer y Cyfarfod

Archwilio Mewnol (AM)

1. Beth yw'r model swyddogaethol AM ac a yw'n addas at y diben?
2. A oes gan AM awdurdod a dylanwad digonol ar draws yr Awdurdod?
3. A oes digon o adnoddau gan AM ac a yw wedi'i ymrymuso'n addas? A yw'r cynllun AM blynyddol yn briodol? Ar ba sail ydym yn gwneud y dyfarniad hwn?
4. A yw Prif Swyddogion yn amlwg yn derbyn ac yn hyrwyddo rôl AM? Sut maent yn gwneud hyn?
5. A yw Swyddogion yn gweithredu'n egniol ar ganfyddiadau AM? Sut mae hyn yn cael ei ddangos? A ydyn ni'n herio ac yn dwyn swyddogion i gyfrif yn effeithiol am weithredu canfyddiadau AM?
6. Sut gallwn ni fod yn hyderus bod yr amgylchedd rheolaeth fewnol yn parhau i fod yn briodol?
7. A oes gennym ni hyder mewn effeithiolrwydd cyffredinol AM? Ar beth ydym yn seilio hyn?
8. A yw barn flynyddol/cyfnodol AM yn gredadwy?
9. A oes gennym ddigon o welededd dros waith, allbwn ac effeithiolrwydd y timau AM cysylltiedig, e.e. CBST?

Llywodraethu

1. A oes disgrifiad cydlynus sydd wedi ei amlinellu mewn cod ar gyfer trefniadau llywodraethu cyffredinol CSF? A yw'n addas at y diben?

Archwilio Allanol (AA)

1. A yw'r tîm AA (ariannol a pherfformiad) yn gredadwy?
2. A ydym yn hyderus ynglŷn â'r trefniadau ar gyfer datblygu cynllun gwaith/amserlen waith flynyddol AA ac a yw'n cyd-fynd â'n dealltwriaeth o risgiau allweddol?
3. A yw Prif Swyddogion/uwch swyddogion yn ymgysylltu'n briodol ag AA? Sut mae hyn yn cael ei ddangos?
4. A oes perthynas adeiladol rhwng AM ac AA (ac arolygiaethau eraill)? Beth yw'r dystiolaeth o hyn?
5. A yw swyddogion perthnasol wedi ystyried canlyniadau/casgliadau adroddiadau cenedlaethol a phenodol AA?
6. A oes gennym ni welededd da dros faterion sy'n dod i'r amlwg a nodwyd gan AA?
7. O ran ISA260 ac adroddiadau ariannol cyfatebol gan AA, a yw swyddogion yn dangos yn glir eu bod yn deall y materion a godwyd ac a oes ganddynt gynllun credadwy i ddatrys materion ar gyfer y flwyddyn ariannol nesaf?
8. A oes gan AA hyder yn Swyddogion CSF a threfniadau llywodraethu?

Cyllidebu / Risg Ariannol / Cronfeydd Wrth Gefn

1. A oes yna broses ac amserlen sydd wedi'u diffinio, eu llywodraethu a'u gwirio'n glir ar gyfer datblygu cyllideb yr Awdurdod?
2. A oes cyfres briodol o bolisiau sy'n ymwneud â risgiau ariannol? A ydynt yn addas?
3. A yw'r rhagdybiaethau ariannol/gweithredol allweddol yn ddealladwy, yn gredadwy, wedi'u dogfennu ac yn cael eu profi gan

2. A oes eglurder ynghylch llywodraethu'r trefniadau goruchwyllo a chraffu amrywiol ar gyfer (ac effeithiolrwydd) partneriaethau a chydweithrediadau materol? 3. A oes eglurder ynglŷn â dyrannu cyfrifoldebau ac awdurdodau gwneud penderfyniadau? 4. Sut mae achosion o dorri rheolau llywodraethu/rheolaeth yn cael eu nodi a'u hadrodd? 5. A ydym yn hyderus bod y trefniadau ar gyfer gwariant materol (tendro, contractio a chaffael cyfalaf) yn gadarn? 6. A oes gennym ni hyder yn y trefniadau chwythu'r chwiban (a threfniadau tebyg) ar gyfer codi pryderon?	straen? 4. A oes gan y swyddogaeth Gyllid alluoedd a chapasiti addas i reoli risg ariannol / cwrdd â gofynion a rhwymedigaethau statudol i'r Cyngor? 5. A ydym yn hyderus bod y broses gyllidebol yn debygol o gynhyrchu cyllideb gredadwy / MTFP? 6. A oes trefniadau addas ar waith i reoli ac adrodd ar berfformiad ariannol cyffredinol? <u>Datganiadau Ariannol / Risgiau Camddatganiad</u> 1. A oes dealltwriaeth gyffredin o ddiben y Pwyllgor wrth adolygu datganiadau ariannol drafft? a) A yw'r Nodiadau i'r Cyfrifon yn rhesymol? b) A yw'r adroddiadau naratif, gan gynnwys y Datganiad Llywodraethu Blynnyddol, yn rhesymol ac yn cyd-fynd â barn y pwyllgor? 2. Ydym ni'n gyfforddus â barn gwaith ac archwilio AA?
<u>Risgiau Corfforaethol</u> 1. A yw atebolrwydd allweddol ar gyfer adnabod, asesu, monitro a rheoli risgiau wedi'i ddiffinio a'i weithredu'n ddigonol? 2. A yw'r dull o reoli risgiau wedi'i gynllunio a'i weithredu'n effeithiol? 3. Sut y gall y Pwyllgor fod yn hyderus bod y Gofrestr Risgiau Corfforaethol yn cynnwys yr holl risgiau sylweddol sy'n wynebu'r Awdurdod? 4. A yw'r cynlluniau gweithredu lliniaru risgiau yn gredadwy ac yn ddigonol er mwyn sicrhau'r canlyniadau a	

ddymunir?

Cwestiynau ar gyfer y Pwyllgor i orffen...

A oes gennym ni'r wybodaeth angenrheidiol i ddod i gasgliadau/gwneud argymhellion / uwchgyfeirio materion i'r Uwch Dîm Gweithredol, y cyngor, y pwyllgor craffu perthnasol?

A oes angen i ni wneud gwaith pellach? Os felly, sut?

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Governance and Audit Committee Action List
24th July 2025

Action	Subject/ Meeting	Officer	Outcome	Due date	Action Status	Recommended to close Action Yes/No
1	12 th June 2025	Chief Internal Auditor/Clerk	Completion rate of mandatory training for all staff on Anti Fraud, Bribery and Corruption: main update will be incorporated within the Anti Fraud Risk Assessment due in October. An update with some informal statistics will be provided at the September meeting.	30 th October 2025	OPEN	NO

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SUBJECT: INTERNAL AUDIT
Progress Report for Quarter 1 (2025/26)

DIRECTORATE: Resources
MEETING: Governance & Audit Committee
DATE: September 2025
DIVISION/WARDS AFFECTED: All

1. PURPOSE

To consider the adequacy of the internal control environment within the Council based on the outcomes of audit reviews and subsequent opinions issued to the 30th June 2025.

To consider the performance of the Internal Audit Section over the first 3 months of the current financial year.

2. RECOMMENDATION(S)

That the Committee note the audit opinions issued.

That the Committee note the progress made by the Section towards meeting the 2025/26 Operational Audit Plan and the Section's performance indicators at the 3 month stage of the financial year which are currently ahead of the profiled target.

3. KEY ISSUES

- 3.1 Audit work has started in line with the 2025/26 agreed draft audit plan, considered by the Governance & Audit Committee in June 2025.
- 3.2 This report gives brief details of the work undertaken in the year to date. The report also gives details of the Section's performance indicators for the 3 months to 30th June 2025.
- 3.3 The Global Internal Audit Standards (GIAS) came into force for the UK public sector in April 2025 replacing the Public Sector Internal Audit Standards. A self-assessment and gap analysis of compliance to the new standards has been completed and an action plan is in place to ensure the team fully meet the requirements.
- 3.4 The year end opinion for 2025/26 will be based on the audit work undertaken during the year, cumulative audit knowledge from previous

years on key financial systems along with any assurance gained from other parties where relevant.

4. REASONS

- 4.1 Since the start of the financial year, the Internal Audit Section has completed 6 audit jobs to draft stage from its 2025/26 draft Operational Audit Plan; 5 of these being opinion related and are shown in the table at Appendix 1.
- 4.2 In relation to audit opinion related reports, 5 had been issued in draft by the end of the 1st Quarter;
1. Welfare & Family Law
 2. Thornwell Primary
 3. My Mates
 4. Monmouth Leisure Centre
 5. Markets
- 4.3 One audit opinion was subject to an unfavourable opinion which was issued during Quarter 1 – My Mates. The findings from this review are included as Appendix 4 to this report.
- 4.4 Other audit work in line with the plan has started and site visits have been undertaken to a number of establishments. At the end of Quarter 1, 35% of the agreed audit plan has been deemed as being started or in progress.
- 4.5 A small number of reports were issued in draft, but not finalised, as at the end of the 2024/15 financial year. On the 30th June 2025, 5/8 had been successfully finalised.

Audit Management are working to finalise these outstanding reports as soon as possible. The reason for the delay in finalising the remaining 3 reports was due new Officers to commencing work with the Council who would each be instrumental in actioning the issued recommendations.

- 4.6 No special investigations / reactive pieces of work commenced during Quarter 1. However 2 investigations were open from the 2024/25 financial year, of these;
- 1 has been finalised with appropriate action taken under the Councils Disciplinary Policy.
 - 1 concern remains under investigation and is subject to HR processes where the Chief Internal Auditor has been appointed as the Investigating Officer. We envisage this to be finalised during quarter 2.
- 4.7 Appendix 3 of the report gives details of the Section's performance indicators as at the 30th June 2025.

- 4.8 As of 30th June 2025, 9% of the 2025/26 Audit Plan has been completed. This is slightly below the profiled target of 10%, but we are confident that this shortfall will be addressed in the second quarter.

5. SERVICE MANAGEMENT RESPONSIBILITIES

- 5.1 Heads of Service and service managers are responsible for addressing any weaknesses identified in internal systems and demonstrate this by including their management responses within the audit reports. When management agree the audit action plans, they are accepting responsibility for addressing the issues identified within the agreed timescales.
- 5.2 Ultimately, managers within MCC are responsible for maintaining adequate internal controls within the systems they operate and for ensuring compliance with Council policies and procedures. All reports, once finalised, are sent to the respective Chief Officers and Heads of Service for information and appropriate action where necessary.

6. FOLLOW UP AUDIT REVIEWS

- 6.1 Where 'unfavourable' (Limited Assurance / No Assurance) audit opinions are issued, they are followed up within a twelve month timescale to ensure that the agreed actions have been taken by management and that the internal control systems are improved.
- 6.2 No follow-up reviews have commenced during the first quarter of the financial year. The following reviews were subject to unfavourable audit opinions issued during previous financial years and the table below indicates when the follow-up work will be conducted by the Internal Audit team. The original findings from each of these reviews have already been presented to the Committee.

Year	Assignment	Opinion	Status
2023/24	Mileage	Limited	2025/26 – Q3
	General Expenses	Limited	2025/26 – Q3
	Children Looked After Savings	Limited	2025/26 – Q3
2024/25	Job Evaluation	Limited	2025/26 – Q2
	Procurement Cards	Limited	2025/26 – Q2
	Mardy Park Residential	Limited	2025/26 – Q4
	Facilities & Building Cleaning	Limited	2025/26 – Q4
	Bank Imprest - Severn View	Limited	2025/26 – Q3

	Residential		
	Caldicot School	Limited	2025/26 – Q4
	Supply Staff at Schools	Limited	2025/26 – Q4
	Contract Management	Limited	2026/27
	Pupil Referral Service	Limited	2026/27

6.3 The timing of a follow-up review is based on when the previous final report was issued plus enough time for management to successfully implement their management actions along with sufficient time to pass to ensure the changes are fully embedded within the service. Chief Officers and Senior Managers are given appropriate notice of follow-up audit reviews to so that proactive steps are being taken by management to act on the recommendations issued. As the table details, this is a challenging programme to ensure all these reviews are completed during quarter 3 and especially quarter 4 of the year. The Audit Management team are planning workloads to ensure as much of these can be completed within the year as possible.

6.4 Two planned follow-up reviews will not be completed during the 2025/26 financial year. These are Contract Management and Pupil Referral Service. The finalisation of both of these reviews has been delayed due to a new Strategic Procurement Lead starting in August 2025 and a new PRS Manager commencing part time from May 2025 and then full time from the new academic year in September. It was agreed that the finalisation process would be delayed allowing both Officers to commence employment and for the recommendations / management actions to be fully agreed between all parties.

7. RESOURCE IMPLICATIONS

None.

8. CONSULTEES

Deputy Chief Executive / Chief Officer Resources
Chair of Governance & Audit Committee

Results of Consultation:

N/A

9. BACKGROUND PAPERS

Draft Operational Audit Plan 2025/26

10. AUTHORS AND CONTACT DETAILS

Jan Furtek, Chief Internal Auditor

Telephone: 01600 730521

Email: janfurtek@monmouthshire.gov.uk

AUDIT COMMITTEE SEPTEMBER 2025

INTERNAL AUDIT SECTION PROGRESS REPORT 2025/26 – 3 MONTHS

APPENDIX 1

Internal Audit reviews from the 2025/26 Operational Audit Plan where fieldwork has been completed and/or final reports issued since 01/04/25 are listed in the table below.

Internal Control Opinions give the auditor's overall conclusion on the control environment operating in each system/establishment under review. Opinions range from Substantial Assurance through to No Assurance (Appendix 2).

Draft issued indicates that a draft report has been issued and a response is awaited from the client before the report can be finalised.

Status of reports as at 30th June 2025

Internal Audit Services - Management Information for 2025/26 – Quarter 1

Opinion Summary	Number
Substantial Assurance	1
Reasonable Assurance	4
Limited Assurance	1
No Assurance	0
Total	5

Job number	Directorate	Service	Job Name	Risk Rating / Priority	Final / Draft	Opinion given (Assurance)
P2526-09	Law & Governance	Legal	Welfare & Family Law	Medium	Draft	Substantial
P2526-19	Learning, Skills & Economy	Primary Schools	Thornwell Primary	Medium	Draft	Reasonable
P2526-51	Customer, Culture and Wellbeing - Mon Life	Leisure Services	Monmouth Leisure Centre	Medium	Draft	Reasonable
P2526-19	Learning, Skills & Economy	Primary Schools	Thornwell Primary	Medium	Draft	Reasonable
P2526-54	Customer, Culture and Wellbeing - Mon Life	Environment & Culture	Markets	Medium	Draft	Reasonable
P2526-27	Social Care, Safeguarding	Adult Services	My Mates	Medium	Draft	Limited

	& Health					
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Non – opinion / Added Value Audit Work

Job number	Directorate	Service	Job Name
P2526-65	Corporate	Corporate	Annual Governance Statement

Internal Audit Opinions

Each report contains an opinion which is an overall assessment of the control environment reviewed.

OPINION	DESCRIPTION
SUBSTANTIAL ASSURANCE	A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.
REASONABLE ASSURANCE	There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.
LIMITED ASSURANCE	Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.
NO ASSURANCE	Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.

The table below summarises the risk ratings used during our audits:

RISK RATING	DESCRIPTION
CRITICAL	Major or unacceptable risk which requires immediate action.
SIGNIFICANT	Important risk that requires attention as soon as possible.
MODERATE	Risk partially mitigated but should still be addressed.
STRENGTH	No risk. Sound operational controls and processes confirmed.

For grant claim audits:

Unqualified opinion - the terms and conditions of the grant were generally complied with;

Qualified opinion - the terms and conditions of the grant were not fully complied with; the identified breaches of terms and conditions will be reported to the grantor and internally to relevant Head of Service/Chief Officer.

AUDIT COMMITTEE SEPTEMBER 2025**INTERNAL AUDIT SECTION PROGRESS REPORT
2025/26 – 3 MONTHS****APPENDIX 3****Performance Indicators**

N/A – not available

	2025/25	Q1	Q2	Q3	Q4	Target
1	Percentage of planned audits completed	10%	32%	49%	82%	80% pa
2	Average no. of days from audit closing meeting to issue of a draft report	2.7 days	1.7 days	2.3 days	1.8 days	15 days
3	Average no. of days from receipt of response to draft report to issue of the final report	N/A*	3.3 days	3.0 days	3.8 days	10 days
4	Percentage of recommendations made that were accepted by the clients	N/A*	100%	100%	100%	95%
5	Percentage of clients at least 'satisfied' by audit process	N/A*	100%	100%	100%	95%

	2025/26	Q1	Q2	Q3	Q4	Target
1	Percentage of planned audits completed	9%				10% in Q1 80% pa
2	Average no. of days from audit closing meeting to issue of a draft report	1.5 days				15 days
3	Average no. of days from receipt of response to draft report to issue of the final report	N/A*				10 days
4	Percentage of recommendations made that were accepted by the clients	N/A*				95%
5	Percentage of clients at least 'satisfied' by audit process	N/A*				95%

* These statistics are based on the conclusion of an audit review (final report stage). As at 30th June 2025, no 2025/26 audit review had yet been finalised.

SUMMARY OF WEAKNESSES – MY MATES

The audit, conducted between February and June 2025, aimed to assess compliance with policies, budget management, eligibility criteria, and payroll controls.

The audit identified several significant weaknesses such as missing formal documentation for eligibility criteria, outdated application forms, insufficient grant funding, delayed banking, and non-compliance in payroll practices. The absence of the My Mates Manager during the audit fieldwork limited some discussions, but conclusions were drawn from available documentation. No critical risks were found, but the overall rating was Limited Assurance, indicating significant gaps requiring improvement

RISK RATING	DESCRIPTION	TOTAL IDENTIFIED
CRITICAL	Major or unacceptable risk which requires immediate action.	0
SIGNIFICANT	Important risk that requires attention as soon as possible.	13
MODERATE	Risk partially mitigated but should still be addressed.	11
STRENGTH	No risk. Sound operational controls and processes confirmed.	14

Ref.	SIGNIFICANT
1.05	There were missing member application forms and related supporting information. Several member folders were empty.
1.06	For the sample of activities selected, a risk assessment could not be located.
1.07	The Safeguarding Audit Framework for Evaluation (SAFE) had not been undertaken for the My Mates service.
1.08	All mandatory training classed as “Essential Learning” had not been completed by the team on the Thingqi system.
1.09	Staff observations of incidents or problematic behaviours were not consistently retained. There was no framework over how to record, retain and disseminate this information to relevant parties.
2.06	The My Mates service was marketed as a ‘dating’ platform on application forms.
2.07	There was no formal written eligibility criteria available for those accessing the service.
3.04	RIF / ICF grant funding was not meeting the costs of running the My Mates service.
3.05	My Mates was a cash-based service and did not provide alternative methods of payment to members such as online payment or Chip&Pin. Sometimes, staff held cash temporarily prior to banking.

Ref.	SIGNIFICANT
3.06	Banking was not always undertaken in a timely manner.
4.03	Staff were not recognised as permanent employees and there was no evidence of justification for the on-going temporary employee status.
4.04	Subsistence claimed via Payroll was not claimed in line with the HMRC approved rate. Guidance drafted April 2024 within the Team did not provide rates applicable and did not appear to be finalised with HR.
4.05	The taking of enhanced time off in lieu (TOIL) was inconsistent with MCC's employment guidance around taking of overtime. TOIL and flexi time records were not always kept separately, and TOIL did not account for a mandatory 30-minute break after 6 hours of work.
1.05	There were missing member application forms and related supporting information. Several member folders were empty.
1.06	For the sample of activities selected, a risk assessment could not be located.
1.07	The Safeguarding Audit Framework for Evaluation (SAFE) had not been undertaken for the My Mates service.
1.08	All mandatory training classed as "Essential Learning" had not been completed by the team on the Thingi system.
1.09	Staff observations of incidents or problematic behaviours were not consistently retained. There was no framework over how to record, retain and disseminate this information to relevant parties.
2.06	The My Mates service was marketed as a 'dating' platform on application forms.
2.07	There was no formal written eligibility criteria available for those accessing the service.
3.04	RIF / ICF grant funding was not meeting the costs of running the My Mates service.
3.05	My Mates was a cash-based service and did not provide alternative methods of payment to members such as online payment or Chip&Pin. Sometimes, staff held cash temporarily prior to banking.
3.06	Banking was not always undertaken in a timely manner.
4.03	Staff were not recognised as permanent employees and there was no evidence of justification for the on-going temporary employee status.
4.04	Subsistence claimed via Payroll was not claimed in line with the HMRC approved rate. Guidance drafted April 2024 within the Team did not provide rates applicable and did not appear to be finalised with HR.
4.05	The taking of enhanced time off in lieu (TOIL) was inconsistent with MCC's employment guidance around taking of overtime. TOIL and flexi time records were not always kept separately, and TOIL did not account for a mandatory 30-minute break after 6 hours of work.

Ref.	MODERATE
1.10	The business case for the original pilot of My Mates and subsequent roll of the service was missing. Since the first presentation regarding the service to the Adults Select Committee in December 2016, no progress to date has been formally reported back to Members.

Ref.	MODERATE
1.11	Internal performance reporting does not provide sufficient coverage of the My Mates service.
1.12	The MS Forms application form database did not contain a number of key consent fields and reference contact information was also missing. Errors in age calculations existed and incorrect start dates for members were recorded.
1.13	The My Mates application form incorrectly stated that members' information would only be shared with My Mates staff.
2.08	WhatsApp was used for colleague-to-colleague communications.
2.09	Dealing with members can extend beyond working hours.
3.07	MCC official receipt books were not used to record income received.
3.08	The cost of staff attending events was not recorded within the ICF/RIF return.
3.09	Audit could not locate the supporting paperwork for the S128 £3,835.02 accrual at the end of the 2023/24 financial year.
4.06	Appointment letters and job descriptions were inaccurate and did not align with the rota or weekend working arrangements for a team member. Additionally, the compressed hours arrangements within the team were not documented in the employee's HR file.
4.07	Although copies of employees driving licences and MOT certificates were retained, only two of the three motor insurance certificates were available. Additionally, there was no summary record confirming that the manager conducted annual checks.



**SUBJECT: GOVERNANCE AND AUDIT COMMITTEE
ANNUAL REPORT 2024/25**

DIRECTORATE: Resources

MEETING: Governance and Audit Committee

DATE: 20 August 2025

DIVISION/WARDS AFFECTED: All

1. PURPOSE

To set out the 2024/25 Annual Report from the Chair of the Council's Governance & Audit Committee [which the Committee endorsed at its meeting on 11th September 2025].

2. CONCLUSION

- 2.1 The Committee concluded that it had discharged its responsibilities during the 2024/25 period and consequently the Council can be reasonably assured over its work, outputs and the conclusion reached, namely, that the Authority's overall governance, risk and control arrangements are broadly effective. Our conclusion has been informed by the work and annual, formal opinion provided by the Authority's Chief Internal Auditor, the reports produced by Audit Wales, and other inspectorate and regulatory bodies, alongside papers presented by officers.
- 2.2 It is particularly pleasing to present this conclusion given the extended period of change and uncertainty experienced by the Authority during the financial year.
- 2.3 We would like to thank all of the officers and external assurance providers who have supported our work by attending meetings, presenting papers and addressing concerns raised. Similarly, as Committee Chair, I would like to thank committee members for their valued contribution throughout the period.
- 2.4 The Committee confirms that, over the period, it has received a sufficient number and range of papers and reports of appropriate quality which supports in discharging its responsibilities. Such papers and reports include, for example:
 - budgetary, financial control and investment management;

- risk management policies, framework information and risk registers;
- data security and IT related matters, and
- the annual work programmes for the Authority's Internal Audit function and Audit Wales, and the results and recommendations arising from individual audit assignments.

2.5 The Council is invited to:

- consider the conclusion and observations set out within this Annual Report;
- provide feedback on the performance of the Governance and Audit Committee, and
- as appropriate endorse this Report.

3. THE COMMITTEE'S RESPONSIBILITIES

3.1 The core responsibilities for the Governance & Audit Committee are set out in summary form at section 10.2 within the Council's Constitution (10 April 2025 version) with further information on its responsibilities and expectations unhelpfully dispersed throughout the remainder of what is a very lengthy document. Section 10.2 states the Committee's responsibilities are to:

- ensure that there are effective relationships between external and internal audit, inspection agencies and other relevant bodies, and that the value of the audit process is actively promoted;
- review and approve the annual statement of accounts, external auditor's opinion and reports to members, and monitor management action in response to the issues raised by external audit;
- maintain an overview of the Council's constitution in respect of contract procedure rules and financial regulations, and
- make recommendations, as appropriate, to Cabinet and Council on any matters reported through the Governance and Audit Committee.

3.2 The Committee also has a number of additional functions as required by s81, Local Government (Wales) Measure 2011), noting that these functions are not explicitly reflected in the Constitution, alongside other specific responsibilities which the Council has conferred upon the Committee.

4. SPECIFIC MATTERS FOR NOTING

4.1 For context, it is critically important to recognise that officers have continued to engage constructively and in good faith with the Committee throughout the period. Indeed the manner in which officers have engaged with the Committee has been exemplary with, for example, good levels of collaborative working between the Committee and officers; robust but respectful debate; effective management of disagreements, and an improved 'no surprises' culture as evidenced by the number of informal

briefings, greater levels of openness and a positive attitude to revising proposals following the Committee's feedback.

4.2 Notwithstanding the above, the Committee notes the following matters:

- We have consistently raised concerns over the extended timeline for appointing a permanent Chief Internal Auditor, (CIA), indeed the Authority has had an Acting CIA for over 2.5 years. Such a situation could have adversely impacted the incumbent's authority, influence and effectiveness to the detriment of the Authority's overall system of control, but it is important to note that there has been no evidence of this. The Committee is pleased to note that this situation has been resolved following the recent successful recruitment exercise, (July 2025) and we look forward to continue working with the CIA.
- In last year's Annual Report the Council accepted that the Committee's should play a role in reviewing proposed changes to the Authority's Constitution in recognition that this document is fundamental to how the Authority is governed and controlled. It is disappointing to note that officers did not engage with the Committee when proposing recent changes to the Constitution. In this regard we note the inconsistency between the Constitution and the underlying legislation in respect of the eligibility criteria for the appointment of the Chair of the Democratic Services Committee, as highlighted in the Council's meeting of 15 May 2025. I have asked Democratic Services to liaise with the Monitoring Officer to ensure that future updates to the Constitution, and the Code of Corporate Governance, are presented to the Governance and Audit Committee before being considered by the Council.

5. COMMITTEE CONSTITUTION, MEMBERSHIP & ATTENDANCE

- 5.1 Following the Local Government and Elections (Wales) Act 2021 coming into effect the Council's former Audit Committee was re-named as the Governance & Audit Committee with other changes as required by the legislation, such as an increase in the number of lay members to comprise one third of the Committee were made with three lay members (including the Chair) appointed meaning that the Committee has a total of 12 members (comprises eight elected and four lay members).
- 5.2 There have been minor changes to membership over the period with all new members, along with existing members, offered an appropriate training and support programme which ensures that all members feel able to contribute effectively and to do so in a non-partisan manner. I think it helpful to highlight that members, both elected and lay, bring a diverse but complementary range of highly relevant skills and professional experience to the committee which enables each to make a significant and valued contribution.
- 5.3 The Committee is supported by Democratic Services with the, Deputy Chief Executive and Chief Officer Resources, the Head of Finance and

the Chief Internal Auditor, Performance and Data Insights Manager in attendance at most meetings. Representatives from our external auditors (Audit Wales) are invited too and attend meetings as appropriate.

- 5.4 The Committee met on nine occasions during 2024/25. For each meeting, the Committee was quorate and there were sufficient members to enable an informed discussion on the matters raised. The high attendance rate by members demonstrates their continued commitment to the work of the Committee.

6. RESOURCE IMPLICATIONS

None.

7. CONSULTEES

- Governance & Audit Committee members
- Deputy Chief Executive/ S151 Officer
- Monitoring Officer.

8. RESULTS OF CONSULTATION:

Report agreed.

9. BACKGROUND PAPERS

Papers for the Governance & Audit Committee meetings during 2024/25.

10. AUTHOR AND CONTACT DETAILS

Andrew Blackmore, Chair, on behalf of the Governance and Audit Committee

Andrewblackmore@monmouthshire.gov.uk



AGENDA ITEM TBC

SUBJECT:	DRAFT STATEMENT OF ACCOUNTS 2024/25 – CHARITABLE TRUST FUNDS
MEETING:	Governance and Audit Committee
DATE:	11th September 2025
DIVISIONS/WARD AFFECTED:	All

1. PURPOSE:

1.1 This report has been prepared to provide Governance and Audit Committee Members with an opportunity to review and provide comments on the:

- Draft 2024/25 Welsh Church Fund Accounts (**Appendix 1**)
- Draft 2024/25 Monmouthshire Farm School Endowment Trust Fund Accounts (**Appendix 2**)
- Draft 2024/25 Llanelly Hill Social Welfare Centre Accounts (**Appendix 3**)

2. RECOMMENDATIONS:

2.1 That the Governance & Audit Committee review the 2024/25 draft Statement of Accounts for the above bodies and provide comments or proposed amendments which will be considered alongside the external audit process and prior to the final publication.

3. KEY ISSUES

3.1 The Authority acts as lead or investment trustee for a number of charitable trust funds.

3.2 The accounts for these funds have to be prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on the 16th of July 2014 and the Charities Act 2011, alongside the UK Generally Accepted Practice as it applies from the 1st of January 2015.

4. Welsh Church Act Fund

Background

4.1 Monmouthshire County Council acts as lead trustee for the Welsh Church Act Fund, a charitable trust covering the Council administrative areas of Blaenau Gwent, Caerphilly, Monmouthshire, Torfaen, and the City of Newport.

4.2 The primary object of the trust is to assist public groups and individuals for educational, social, recreational, and other charitable benefit purposes. Grants are available from the fund for capital or revenue purposes. Capital grants may be awarded to assist organisations in the furnishing and

upkeep of buildings. Revenue grants are designed to further the aims of societies and to assist individuals in their various pursuits.

- 4.3 An annual budget for grant payments is agreed by full Council in March preceding the financial year and is split between the five administrative bodies on a population basis. Each trustee approves grant applications and pay monies in line with their own financial regulations.
- 4.4 The overall grant allocation from the fund in each financial year is considered in line with the long-term financial viability of the trust and to maintain the ability to generate funds in future years for distribution by maintaining sufficient capital assets.
- 4.5 In line with the requirements of lead trustee, Monmouthshire County Council is responsible for preparing the draft accounts as presented in **Appendix 1** and these will be subject to external audit by Audit Wales, and subsequently a final version will be considered for approval by this committee at its meeting in January 2026. Following final approval, the accounts will be lodged with the Charities Commission by the end of January 2026.

Activity in year

- 4.6 The fund has increased in value by £487 during the year (£16,603 gain in 2023/24). This small increase is primarily due to investment income returns offset by the value of grants paid out by the fund.
- 4.7 Income during the year principally comprised of investment income of £219,160 which is broadly consistent with the returns of £226,373 generated in 2023/24.
- 4.8 Resources expended during the year amounted to £208,826 (£293,488 in 2023/24) and principally comprised grant distribution payments of £191,153 (£267,391 in 2023/24). This decrease was due to Caerphilly Borough Council and Newport City Council having spent in 2023/24, grant balances that had been brought forward from previous financial years.
- 4.9 Net losses on the capital value of investments held amounted to £10,107 (£83,718 net gain in 2023/24). This follows some uncertainty in the financial markets over the period combined with some investment fund managers exiting the charity sector.
- 4.10 The Trustee's policy is to maintain the level of investments at a level that provides sufficient annual income to fund the Charity's charitable expenditure. The level of funds held at 31st March 2025 is £5,218,381 (£5,217,894 in 2023/24).

5. Monmouthshire Farm School Endowment Trust Fund

Background

- 5.1 Monmouthshire County Council acts as Trust administrator and Investment custodian for the Monmouthshire Farm School Endowment Trust Fund.
- 5.2 The primary object of this charitable trust is to make awards to students in need of assistance to attend Usk Agricultural College (Coleg Gwent), or at the discretion of the governing body, any other college, institution, or university to pursue courses of study in agricultural subjects.
- 5.3 The draft accounts presented will be subject to independent examination by Audit Wales and will subsequently be considered by the trustees prior to lodging with the Charities Commission by the end of January 2026.

Activity in year

The Fund has increased in value by £24,331 (£11,339 increase in 2023/24) over the financial year

due to interest on investments (£33,796) exceeding resources expended to administer the fund £10,017, together with the small unrealised gain on market investments of £552.

- 5.4 Income consisted of interest on investments and cash held of £33,284 (£29,876 in 2023/24), and £512 (£465 in 2023/24) in respect of the annual payment from the Roger Edwards Educational Trust.
- 5.5 Expenditure of £10,017 (£9,007 in 2023/24) primarily comprised of grants payable of £7,474 (£5,178 in 2023/24) in line with the Charity's objects. An unrealised investment gain of £552 (£9,995 loss in 2023/24) was made in relation to investments held.
- 5.6 The current strategy is to ensure that there are sufficient funds to meet the needs of beneficiaries. The income generation from investments forms the main basis of the following year's grant allocations to ensure continuity and non-degradation of the fund's capital assets and to perpetuate the Charity as a going concern.

6. Llanelly Hill Social Welfare Centre

Background

- 6.1 The Llanelly Hill Social Welfare centre is a registered charitable trust owned and run by a board of trustees and supported by Monmouthshire County Council.
- 6.2 Due to the comparatively small size of the trust and the values involved, the statement of accounts does not require a formal audit or inspection process and will subsequently be lodged with the Charities Commission.

Activity in year

- 6.3 The trust has generated income of £33,309 during the year (£6,394 in 2023/24) primarily from income generating activities at the centre. This included grant funding received during 2024/25 of £23,214 from the National Lottery community fund which has allowed for the appointment of an additional project manager to support activities at a cost £13,923 for the year.
- 6.4 The income generated has covered the management and maintenance costs incurred during the year of £25,268, resulting in an overall operational gain on the fund of £8,041.

7. REASONS

- 7.1 To consider the accounts as presented enabling the external audit and independent inspection process to be undertaken and reported in due course.

8. RESOURCE IMPLICATIONS

- 8.1 As outlined in the respective accounts to be found in the Appendices.

9. CONSULTEES

Deputy Chief Executive (Section 151 Officer)

10. BACKGROUND PAPERS

Appendix 1 - Draft 2023/24 Welsh Church Fund Accounts

Appendix 2 - Draft 2024/25 Monmouthshire Farm School Endowment Trust Fund Accounts

Appendix 3 - Draft 2024/25 Llanelly Hill Social Welfare Centre Accounts

11. AUTHORS:

Jonathan S. Davies
Head of Finance (Deputy Section 151 Officer)

12. CONTACT DETAILS

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Tel: (01633) 644114

**The Monmouthshire County Council
Welsh Church Act Fund**

**Annual Report and Financial Statements for the year
ended the 31 March 2025**

Registered Charity Number: 507094

**The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025**

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**The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025**

Trustee, Officers, and Advisors

Trustee

Monmouthshire County Council

Secretary

James Williams

Chief Officer, Law & Governance (Monitoring Officer)

Monmouthshire County Council

Registered Office

County Hall

The Rhadyr,

Usk

NP15 1GA

Auditors

Audit Wales

1, Capital Quarter,

Tyndall Street,

Cardiff

CF10 4BZ

Solicitor

James Williams

Chief Officer, Law & Governance (Monitoring Officer)

Monmouthshire County Council

Investment Custodian

Monmouthshire County Council

General Management

Mr Peter Davies

Deputy Chief Executive and Section 151 Officer

Monmouthshire County Council

Bankers

Barclays Bank

1-5 St David's Way

St David's Centre

Cardiff

CF10 2DP

**The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025**

Report of the Trustee for the year ended 31 March 2025

The Trustee presents its annual report and the audited financial statements for the year ended 31st March 2025 of The Monmouthshire County Council Welsh Church Act Fund ('the Charity').

The information with respect to the Trustee, officers and advisors set out on page 1 forms part of this report.

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on the 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and the UK Generally Accepted Practice as it applies from the 1st January 2015.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Structure, Governance and Management

The Charity is governed by the Welsh Church Act 1914 and the Welsh Church Act (Designation and Specification) Order 1996 and is registered with the Charity Commissioners under charity number 507094.

The Charity covers the Council administrative areas of Blaenau Gwent, Caerphilly, Monmouthshire, Torfaen, and the City of Newport, with Monmouthshire County Council being designated as the host Authority. The Monmouthshire Welsh Church Act Fund was established on 1 April 1996, from the former Gwent Welsh Church Act Fund and part of the former Mid Glamorgan Welsh Church Act Fund.

Monmouthshire County Council as the Corporate Body is the Trustee for the Welsh Church Fund and therefore there are no policies and procedures adopted for the induction and training of trustees. The trustees also have regard to the Charity Commission's guidance on public benefit.

The management of the Charity Fund is undertaken by officers of the Council and a calculated proportion of their time is charged to the Fund.

Objectives

The primary object of the Charity for each year, as stated in its governing document, is to assist public groups and individuals for educational, social, recreational, and

The Monmouthshire County Council Welsh Church Act Fund Annual Report for year ended 31 March 2025

other charitable benefit purposes. Grants are available from the Fund for capital or revenue purposes. Capital grants may be awarded to assist organisations in the furnishing and upkeep of buildings. Revenue grants are designed to further the aims of societies and to assist individuals in their various pursuits.

Grants allocation policy

An annual budget set by the Trustee for grant payments is split between the administrative areas of Blaenau Gwent, Caerphilly, Monmouthshire, Torfaen, and Newport on a population basis.

A Committee set up by the Trustee approves grant applications on a basis in line with full Council meetings or as deemed required by the participating authorities. Grants are made in pursuance of the Charity's objectives.

The grant allocation of each financial year is considered in line with the long-term financial viability of the trust and to maintain the ability to generate funds in future years for distribution by maintaining sufficient capital assets.

Review of activities and future developments

The Statement of Financial activities for the year is set out on page 11 of the financial statements. A summary of the financial results and the work of the Charity are set out below.

The Statement of Financial activities has increased in value by £487 during the year, (£16,603 gain in 2023/24). This small increase is primarily due to investment income returns offset by the value of grants paid out by the fund.

Income is principally comprised of investment income of £219,160 which is broadly consistent with the returns of £226,373 generated in 2023/24. The Charity has utilised the Trustee's own investment managers to manage the other individual market investments, thus, controlling management fees and therefore maximising returns whilst at the same time maintaining a balanced capital risk strategy.

Resources expended during the year amounted to £208,826 (£293,488 in 2023/24) and principally comprised grant distribution payments of £191,153 (£267,391 in 2023/24). This decrease was due to Caerphilly and Newport Councils having spent in 2023/24, grant balances that had been brought forward from previous financial years.

Net losses on investments held amounted to £10,107 (£83,718 net gain in 2023/24). This small investment loss was due to the fact that some of our investment fund managers withdrew charity investment funds from the investment markets due to low demand from the charity sector. Also, uncertainty in the financial markets led to a cautious economic outlook. This therefore impacted on the financial markets through the year. The 'Trusts' current investment strategy of diversifying the portfolio across several investment categories has enabled a certain degree of stability amid the volatility in the financial markets. The long-term projections on these charity fund investments as indicated by the Trustees'

The Monmouthshire County Council Welsh Church Act Fund Annual Report for year ended 31 March 2025

Treasury consultants continue to offer a balanced risk portfolio between income generation and asset growth.

Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Charity about the future or that are otherwise uncertain. Estimates have been made considering historical experience, current trends, and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates.

The items in the Charity's Balance Sheet at 31st March 2025 for which there is a significant risk of material adjustment in the forthcoming financial year are as follows:

The revaluation of investment property and property funds

Valuation techniques are used to determine the carrying amount of pooled property funds and investment property. Investment assets have been revalued as at the 31st March 2025 reporting date.

Changes in the valuation assumptions used, together with significant changes in rental growth could affect (increase or decrease) the fair value of property-based investments. As the investments are held on a long-term strategy basis, the fund does not foresee any long-term negative effect in the generation of future income streams.

Income generation

The Charity's investment income was £219,160 compared to £226,373 in 2023/24. The diverse external pooled fund investment strategy that replaced the pooled investment strategy with Monmouthshire County Council has continued to produce consistent returns in the financial markets due to investment in a few specific charitable investment funds as well as income generation funds. This income generation forms the main basis of the following years grant allocations to ensure continuity and non-degradation of the funds capital assets and to perpetuate the charity as a 'going concern.'

Bad debt provision

There are no bad debts arising in the year of account.

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 investment policy of the Trust is to maximise the rate of investment return, whilst employing a risk strategy that minimises any potential reduction in the capital value of the Fund.

The Trustee reviewed its investment strategy and produced an investment and fund strategy for 2024/25, which was approved by Monmouthshire County Council in its capacity as sole and corporate trustee, on 6th March 2024.

The Monmouthshire County Council Welsh Church Act Fund Annual Report for year ended 31 March 2025

Financial market investments have been restated at the financial year-end to reflect their current open market value.

Changes in fixed assets

The fixed asset investments were re-valued in the 2024/25 financial year in line with the Investment Asset policy of revaluation every year.

Reserves

The Trustee's policy is to maintain the level of investments at a level that provides sufficient annual income to fund the Charity's charitable expenditure. The level of funds held at 31st March 2025 is £5,218,381 (£5,217,894 in 2023/24). The Trustee reviewed its Fund strategy and produced an investment and fund strategy for 2024/25, which stated that the purpose of reserves is to maintain investments such that they realise sufficient income to provide grants to organisations at a consistent level. Whilst the strategy is to ensure that there is no long-term detrimental effect on overall reserve balances, recommendations made by the Charity Commission has resulted in grants allocations being made in line with investment returns.

Governance of the Charity

Representative Councillors from each of the five administrative areas of Blaenau Gwent, Caerphilly, Monmouthshire, Torfaen, and Newport are appointed by their respective councils annually to form a committee to oversee fund management. Members are appointed to the committee for the term of the Council.

Risk management

The Trustee has undertaken a review of the major risks to which the Charity is exposed, and its risk management and internal control procedures should be updated to ensure that systems are in place to mitigate the risks identified. The risk assessment was considered by Monmouthshire County Council on 6th March 2024 and no risks were identified.

Auditors

Audit Wales were appointed as auditors to the Welsh Church Act Fund in 2007/08.

Statement of Trustee's responsibilities

The Trustee is responsible for preparing financial statements for each financial year, which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charity and its financial activities for that period.

In preparing those financial statements, the Trustee is required to:

- select suitable accounting policies and then apply them consistently.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards and statements of recommended

**The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025**

practice have been followed, subject to any departures disclosed and explained in the financial statements; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operational existence.

The Trustee confirms that it has complied with the above requirements in preparing the financial statements.

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

The Trustee certifies that:

- as far as it is aware, there is no relevant information of which the Charity's auditors are unaware; and
- as Trustee of the Charity, it has taken all the steps that it ought to have taken in order to make itself aware of any relevant audit information and to establish that the Charity's auditors are aware of that information.

By order of the Trustee

**Mr Peter Davies
Deputy Chief Executive
S151 Officer - Monmouthshire County Council**

Date:

**The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025**

The independent auditor's report of the Auditor General for Wales to the trustees of Monmouthshire County Council Welsh Church Act Fund

Opinion on financial statements

I have audited the financial statements of Monmouthshire County Council Welsh Church Act Fund for the year ended 31 March 2024 under the Charities Act 2011.

The financial statements comprise the Statement of Financial Activities, Balance Sheet and Statement of Cash Flows and related notes, including the material accounting policies.

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

In my opinion the financial statements:

- give a true and fair view of the state of affairs of the charity as at 31 March 2024 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Charities Act 2011.

Basis for opinion

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

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

Conclusions relating to going concern

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

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

**The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025**

authorised for issue.

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

Other Information

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

I have nothing to report in this regard.

Matters on which I report by exception

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

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

Responsibilities of the trustee for the financial statements

As explained more fully in the statement of trustee's responsibilities set out on page 2, the trustee is responsible for:

- maintaining sufficient accounting records;
- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the trustee determine is necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

- assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustee anticipate that the services provided by the charity will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

I have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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

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

My procedures included the following:

- Enquiring of management, including obtaining and reviewing supporting documentation relating to Monmouthshire County Council Welsh Church Fund's policies and procedures concerned with:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- Considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition, expenditure recognition, posting of unusual journals;
- Obtaining an understanding of Monmouthshire County Council Welsh Church Act Fund's framework of authority as well as other legal and regulatory frameworks that the Monmouthshire County Council Welsh Church Act Fund operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of Monmouthshire County Council Welsh Church Act Fund.
- Obtaining an understanding of related party relationships.

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

**The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025**

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

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

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Monmouthshire County Council Welsh Church Act Fund's controls, and the nature, timing and extent of the audit procedures performed.

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

Other auditor's responsibilities

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

Adrian Crompton
Auditor General for Wales
21 January 2025

1 Capital Quarter
Tyndall Street
Cardiff
CF10 4BZ

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

Statement of financial activities (Sofa) for the year ended 31 March 2025

	Notes	2024/25 Total Unrestricted Funds £	2023/24 Total Unrestricted Funds £
Income & Endowments from:			
Investment income	2	219,160	226,373
Other incoming resources		260	0
Total income & Endowments		219,420	226,373
Resources Expended			
Raising funds:			
Investment Property Professional fees		(367)	(570)
Management and administration		(6,611)	(14,637)
		(6,978)	(15,207)
Charitable expenditure			
Costs of activities in furtherance of the Charity's objects			
Grants payable	3,4	(191,153)	(267,391)
Management and administration		(2,695)	(2,620)
Other			
Governance Costs	5	(8,000)	(8,270)
Total Resources Expended		(208,826)	(293,488)
Gains/(losses) on investment assets		(10,107)	83,718
	9,10		
Net Income /(Expenditure)		487	16,603
Net movement in funds		487	16,603
Fund balances brought forward April 2024		5,218,381	5,201,291
Fund balances carried forward 31 March 2025	13	5,218,381	5,217,894

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

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

Balance Sheet as at 31 March 2025

	Notes	2024/25	2023/24
		Unrestricted	Unrestricted
		Funds	Funds
		£	£
Fixed assets			
Investment Land	9	488,365	493,000
Investments	10	4,559,443	4,720,791
		5,047,808	5,213,791
Current assets			
Debtors: amounts falling due within one year	11	65,186	52,295
Cash at bank	8	287,249	225,434
		352,435	277,729
Current Liabilities			
Creditors: amounts falling due within one year	12	(181,862)	(273,626)
Net current assets or liabilities		170,573	4,103
Net assets or liabilities		5,218,381	5,217,894
The Funds of the Charity: [OBJ]			
Unrestricted Funds	13	5,218,381	5,217,894
Total Charity funds		5,218,381	5,217,894

These accounts were approved by the Trustee on 16th January 2026 and signed on their behalf by:

By order of the Trustee

Mr Peter Davies
Deputy Chief Executive
S151 Officer - Monmouthshire County Council

Date:

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

Statement of Cash flows as at 31 March 2025

	Total Funds £	Prior Year Funds £
Cash flows from operating activities		
<i>Net cash provided by operating activities</i> <i>'Note 7'</i>	(311,096)	(229,397)
Cash flow from investing activities		
Dividends and rents from investments	217,035	226,373
Proceeds from sale of investments	655,876	0
Purchase of investments	(500,000)	0
<i>Change in cash and cash equivalents in the reporting period</i>	61,815	(3,024)
Cash and cash equivalents at the beginning of the reporting period	225,434	228,458
<i>Cash and cash equivalents at the end of the reporting period</i>	287,249	225,434

Notes to the financial statements for the year ended 31 March 2025

1 Principal accounting policies

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 1st January 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102. The trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

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.

Incoming Resources

All income is accounted for on an accrual's basis.

Cash Balances

Cash is sums of money available for immediate use by the Welsh Church Fund. Such items are deemed to be cash balances held in the Fund's bank accounts (less un-presented cheques). The Welsh Church Fund does not hold Cash in Hand.

Resources expended

All expenditure is accounted for on an accrual's basis. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with use of the resources.

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

Management and administration costs include expenditure on administration of the

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

Charity and, an appropriate apportionment of overheads based upon a time allocation.

Governance Costs

Governance costs comprise costs involving the compliance with constitutional and statutory requirements. These costs relate to audit fees payable to the appointed external auditor.

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.

Debtors/ Creditors

Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

Fund accounting

Funds are unrestricted funds which are available for use at the discretion of the Trustee in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Investment Land and Property

Capitalisation, Replacement and Valuation

The Trust's policy is to revalue its Investment land on an annual basis in line with the Charities SORP. Valuations will also be undertaken where identified that there have been material movements between formal valuations, as holdings are Investment Land not tangible fixed assets.

All land Investments were valued internally by a qualified land surveyor as at 31st March 2025 and all assets held at year-end are included in the accounts at that valuation date. Vacant properties are valued at open market value.

Depreciation

Land is not depreciated. The Fund currently has no buildings on the fixed asset register.

Investments

Any realised and unrealised gains and losses on revaluation or disposals of investments are included in the statement of financial activities. The Authority is authorised to invest any surplus income or dispose of any investments when it deems appropriate. Investments are strategically placed in external pooled fund investment funds specifically designed for charitable organisations. The basis of valuation on the market-based investments held with CCLA, M&G, AEGON and Schroder's, is the open market value of the unit holdings on the 31st of March 2025 multiplied by the units

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

held. Investment performance is reviewed periodically in light of prevailing economic changes. The 2024 Treasury Stock 2024 was redeemed during the year as it had reached its maturity date. UBS has withdrawn the Multi Asset Income fund from the investment market a was therefore redeemed during the financial year and re-invested with AEGON. The value of the 'pooled' investment with Monmouthshire County Council is the cash value as at the 31st of March 2025.

Fees and similar income

Fees receivable and charges for services and use of premises are accounted for in the period in which the service is provided.

Cash flow statement

The Charity has produced a cash flow statement under Financial Reporting Standard 102 under section 7 on the basis that it meets the relevant conditions and size criteria specified in the Companies Act.1985.

2 Investment income

	2025	2024
	£	£
Investments with Monmouthshire County Council	29,907	21,112
Investment Property Rental Income	4,138	4,138
External Investments	185,115	201,123
	219,160	226,373

3 Grants Payable

	2025	2024
	£	£
Grants have been paid to the following administering Local Authorities for them to make to groups and individuals on behalf of the Fund:		
Monmouthshire County Council	33,200	19,789
Torfaen County Borough Council	50,668	37,055
Newport City Council	20,947	71,394
Blaenau Gwent County Borough Council	23,796	23,052
Caerphilly County Borough Council	62,542	116,101
	191,153	267,391

The management and administration cost of the fund and grants distributed were

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

£9,306 during the year.

4 Analysis of Grants

	Grants to Organisations	Grants to Individuals
	£	£
The Advancement of Education	0	3,000
The Advancement of Religion	74,602	0
The Relief of Poverty	0	50,667
Other Purposes Beneficial to the Community	62,884	0
Total	137,485	53,667

Unspent balances are retained for distribution in subsequent financial years. Grants to Churches and other religious establishments totaled £74,602 and Community Organisations £62,884 respectively during the financial year. Grants of essential equipment and furnishings to the value of £50,667 were allocated to individuals for the relief of families deemed to be in poverty. No organization or individual received more than one grant award during 2024/25.

5 Governance Costs

	2025 £	2024 £
Auditor's remuneration	8,000	8,270
	8,000	8,270

No indemnity insurance for Trustee's liability has been purchased by the Charity however 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.

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 is not separately registered for VAT because it falls within the Local Authority's VAT Registration as corporate trustee and accordingly, all their expenditure

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

is recorded exclusive of any VAT incurred.

7 Reconciliation of net income/ (expenditure) to net cash flow from operating activities as at 31 March 2025

	Current Year £	Prior Year £
<i>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</i>	487	16,603
Adjustments for non-cash transactions		
(Gains) / losses on investments	10,107	(83,718)
Dividends, Interest & Rents from investments	(217,035)	(226,373)
(Increase) / decrease in debtors / bad debts	(12,891)	(5,135)
Increase / (decrease) in creditors	(91,763)	69,226
Net cash provided and (used in) operating activities	(331,096)	(229,397)

8 Analysis of cash and cash equivalents as at 31 March 2025

	Current Year £	In Year Movement £	Prior Year £
Cash at bank	287,249	61,815	225,434
Total cash and cash equivalents	287,249	61,815	225,434

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

9 Investment Land and Property

	Total
	£
Valuation	
At 1 April 2024	493,000
Disposals	0
Revaluation	(4,635)
At 31 March 2025	488,365
Depreciation	
At 1 April 2024	0
Charge in year	0
Disposals	0
At 31 March 2025	0
Net book Value	
At 1 April 2024	493,000
At 31 March 2025	488,365

Tangible Investment assets solely consist of freehold land. Valuations were conducted in accordance with the valuation policy in the 2024/25 financial year and thereafter on an annual rolling basis.

10 Investments

	2025	2024
	£	£
CCLA - COIF Property Fund	925,421	906,388
UBS Multi Asset Income Fund	0	532,736
M&G Charibond Fund	602,303	617,340
Schroders Income Maximiser	388,444	361,322
M&G Charifund	528,307	506,657
CCLA - COIF Investment Fund	1,315,413	1,379,696
AEGON	499,555	0
Treasury Stock 2024 2.5%	0	116,652
Invested with Monmouthshire County Council	300,000	300,000
	4,559,443	4,720,791

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

The Trust has externally managed investments held with UBS, M&G, Schroeder's, CCLA, and HM Treasury. The investment with Monmouthshire County Council is managed by the Authority's treasury management team, aided by their appointed external treasury management advisors. Returns from Monmouthshire County Council are generated on a "pooled" basis. The average rate of interest generated was 4.94% for 2024/25 (4.84% for 2023/24).

There were no additions or disposals of investments during the financial year. None of the Investments are held outside of the territorial limits of the United Kingdom and the cost of the revaluations is contained within the charity management fee charged annually from Monmouthshire County Council.

11 Debtors

	2025 £	2024 £
Amounts falling due within one year		
<i>Prepayment & accrued income</i>		
Investment Income	65,186	52,295
Other Debtors	0	0
MCC Bank Transfer	0	0
<i>Trade debtors</i>		
Rental income	0	0
Bad debt provision for loss of rental income	0	0
<i>Other Debtors</i>		
HM Revenue and Customs	0	0
Other Debtors	0	0
	65,186	52,295

All investment interest due from the trustee was paid in year in 2024/25.

12 Creditors

	2025 £	2024 £
Amounts falling due within one year		
Grant creditors	164,753	254,602
Other creditors	17,109	19,024
	181,862	273,626

Grant creditors are recognised as the amounts awarded by the five constituent authorities of the Welsh Church Fund unpaid at the financial year-end. Other creditors are fees reimbursable for professional services utilised during the financial year by the Charity.

The Monmouthshire County Council Welsh Church Act Fund
Annual Report for year ended 31 March 2025

13 Funds

	Balance 1 April 2024	Incoming resources	Resources Expended	Other Unrealised Gain / (Loss)	Balance 31 March 2025
	£	£	£	£	£
Unrestricted funds	5,217,894	219,420	(208,826)	(10,107)	5,218,381

14 Related party transactions

During the year transactions with related parties arose as follows:

	2025		2024	
	Receipts	Payments	Receipts	Payments
	£	£	£	£
Monmouthshire County Council	29,908	7,294	21,112	13,374

Members of the Authority have direct control over the Welsh Church Fund's financial and operating policies. Where work or services have been commissioned, or where grants were made during the financial year in which members had an interest, members have a duty to declare such an interest. The Welsh Church Fund must ensure that grants allocated were in full compliance with the Authority's standing orders and that grants were made with proper consideration of declarations of such interests.

During the financial year, members who declared an interest did not take part in any discussion or decision relating to grants made or works or services commissioned. Details of all interests declared are recorded in minutes or relevant meetings and recorded in the Register of Members' Interest, open to public inspection at County Hall, Usk.

There are outstanding balances for expenditure of £4,238 with Monmouthshire County Council. The Trust also held a £300,000 investment fund balance with Monmouthshire County Council at the year-end.

15 Trustee's Expenses, Remuneration and Benefits

No Expenses, Remuneration or Benefits were incurred during the year of account

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Monmouthshire Farm School Endowment Trust Fund

Annual report for the year ended 31 March 2025

Registered Charity Number: 525649

Monmouthshire Farm School Endowment Trust Fund
Annual report for the year ended 31st March 2025

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Monmouthshire Farm School Endowment Trust Fund

Annual report for the year ended 31st March 2025

Trustees, officers and advisers

Trustees

P Murphy
Monmouthshire County Council

D W H Jones
Monmouthshire County Council

M Cross
Blaenau Gwent County Borough Council

Dr W O C Symondson
University of Wales College Cardiff

R Clark
Torfaen County Borough Council

M Groucutt
Monmouthshire County Council

J McKenna
Monmouthshire County Council

J Crook
Monmouthshire County Council
(started in year)

L Wright
Monmouthshire County Council

P James
University College Wales Aberystwyth

H Morgan
Director Usk Campus – Coleg Gwent

C. Andrews
Caerphilly County Borough Council

Investment custodian

Monmouthshire County Council

Secretary

James Williams
Monitoring Officer
Monmouthshire County Council

Bankers

Barclays Bank
1-5 St David's Way
St David's Centre
Cardiff
CF10 2DP

Registered Office

County Hall, The Rhadyr, Usk, NP15 1GA

Solicitors

James Williams
Monitoring Officer
Monmouthshire County Council

Independent Examiners

Audit Wales, 1 Capital Quarter, Tyndall Street
Cardiff CF10 4BZ

Monmouthshire Farm School Endowment Trust Fund

Annual report for the year ended 31st March 2025

Report of the Trustees for the year ended 31st March 2025

The Trustees present their annual report and the independently examined financial statements for the year ended 31st March 2025 of The Monmouthshire Farm School Endowment Trust Fund. The information with respect to the Trustees, officers and advisers set out on page 1 forms part of this report. The financial statements have been prepared in accordance with the Financial Reporting Standards applicable in the UK and Ireland (FRS102) issued on 16th July 2014 and Charity Act 2011. 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. The Trustees also have regard to the Charity Commission's guidance on public benefit.

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 facilities or amenities at Usk College which would benefit these students. The grants 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. The total grant awards were £7,474 (£5,178 in 2023/24).

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 is set out below.

The Fund has increased in value by £24,331 (£11,339 increase in 2023/24) over the financial year as a result of gains on unrealised investments.

Income consists of dividends and interest from investments and cash held of £33,284 (£29,876 in 2023/24), and £512 (£465 2023/24) in respect of the annual payment from the Roger Edwards Educational Trust. Expenditure of £10,017 (£9,007 in 2023/24) primarily comprised grants payable of £7,474 (£5,178 in 2023/24) in line with the Charity's objects. An unrealised investment gain of £552 (£9,995 loss in 2023/24) was made in relation to investments held.

The current strategy is to ensure that there are sufficient funds to meet the needs of beneficiaries. This income generation forms the main basis of the following year's grant allocations to ensure continuity and non-degradation of the fund's capital assets and to perpetuate the Charity as a going concern.

Investment powers, policy and performance

Under the terms of the Trust Deed, the Trustees have general powers of investment, subject to the provisions of the Trustee Act 2000. The Trustees have reviewed their investment strategy and produced an investment and fund strategy for 2024/25 which was approved by Monmouthshire County Council in its capacity as Trust administrator on 6th March 2024. 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.

Monmouthshire Farm School Endowment Trust Fund

Annual report for the year ended 31st March 2025

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 is entitled to receive an annual payment from The Roger Edwards Educational Trust (Charity Number 525638) equivalent to two thirds of the net annual investment and rental income accrued to the Trust.

The Trust has reviewed its fund strategy and produced an investment and fund strategy for 2024/25 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 Monmouthshire's full Council on the 6th March 2024.

Governance of the Charity

Representative Trustees appointed by Monmouthshire County Council have a term of office equivalent to the term of a County Council (five years); the other representative Trustees have a term of office of three years, and the co-opted Trustees have a term of office of five years. County Council Trustees are elected to the board of Trustees. Trustees that represent other organisations are internally appointed. The Trustees are listed on page 1.

Risk management

Monmouthshire County Council as appointed administrator of the Trust Fund periodically reviews the major risks to which the Charity is exposed as part of the Authority's overall risk management processes. The Roger Edwards Educational Trust has historically provided significant income to this trust to be used for the distribution of grants. This income is received after the independent examination of the accounts and therefore this is usually late in the financial year. A risk assessment policy was approved by Monmouthshire's full Council on 6th March 2024.

Independent examiners

Audit Wales are the appointed independent examiners to the Charity.

Trustees' responsibilities

The Trustees are 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 Trustees confirm 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 2025. The Trustees also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

The Trustees are 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 Trustees

Trustee:

Date:

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

To be updated

Monmouthshire Farm School Endowment Trust Fund
Annual report for the year ended 31st March 2025

Statement of financial activities (Sofa) for the year ended 31st March 2025

	Notes	2025 Unrestricted Funds £	2024 Unrestricted Funds £
Income & Endowments from:			
Investment income	2	33,284	29,876
Income from Roger Edwards Educational Trust		512	465
Total income & Endowments		33,796	30,341
Resources Expended			
Charitable expenditure			
Costs of activities in furtherance of the Charity's objects			
Expenditure on charitable activities	3	(7,474)	(5,178)
Other expenditure	3 & 4	(2,543)	(3,829)
Total Resources expended		(10,017)	(9,007)
Gains / (Losses) on investment assets	5	552	(9,995)
Net Income / (Expenditure)		24,331	11,339
Net movement in funds			
Fund balances brought forward 1 April 2024		633,988	622,649
Fund balances carried forward 31 March 2025		658,319	633,988

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 the year ended 31st March 2025

Balance Sheet as at 31 March 2025

	Notes	2025 Unrestricted Funds £	2024 Unrestricted Funds £
Fixed assets			
Investments	7	551,312	550,760
		551,312	550,760
Current assets			
Debtors: amounts falling due within one year	8	5,383	2,620
Cash at bank and in hand		103,843	82,831
		109,226	85,451
Current Liabilities			
Creditors: amounts falling due within one year	9	(2,219)	(2,223)
Net current assets		107,007	82,228
Net assets		658,319	633,988
The Funds of the Charity:			
Unrestricted Funds	10	658,319	633,988
Total Charity funds		658,319	633,988

The draft financial statements were approved for release by the Trustees on 14th July 2025 and signed on their behalf by:

Trustee:

Date:

Monmouthshire Farm School Endowment Trust Fund
Annual report for the year ended 31st March 2025

Notes to the financial statements for the year ended 31st March 2025

1 Principal accounting policies

Basis of accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16th July 2014 and the Financial Reporting Standard applicable in the United Kingdom and Republic (FRS 102) and Charity Act 2011.

The trust constitutes a public benefit entity as defined by FRS 102. The Trustees consider that there are no material uncertainties about the Trust's ability to continue as a going concern.

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 from the Roger Edwards Educational Trust is an estimate of the income to be received for the year.

Grants payable

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

Management and administration

Monmouthshire County Council administer the Trust Fund on behalf of the Trustees. 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. The basis of the apportionment is a fixed fee agreed with the Trustees of £200 per year.

Debtors/ Creditors

Where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

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 Trustees 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 the year ended 31st March 2025

Assumptions made about the future and other major sources of estimation uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the Trust about the future or that are otherwise uncertain. Estimates have been made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be different from the assumptions and estimates.

The items in the Trust's Balance Sheet at 31st March 2025 for which there is a significant risk of adjustment in the forthcoming financial year are as follows:

The revaluation of investment property and property funds

Changes in the valuation assumptions used, together with significant changes in rental growth could affect (increase or decrease) the fair value of property-based investments. Indicative net asset statements for property funds are subject to uncertainty at the reporting date and the valuation for pooled property funds and investment property is less reliable than usual. As the investments are held on a long-term strategy basis, the fund does not foresee any long-term negative effect in the generation of future income streams.

Cash flow Statement

The Charity has taken exemption from preparing a cash flow under Charities SORP FRS 102 Update Bulletin 1.

2 Income from Investments

	2025	2024
	£	£
Interest on cash balances	0	0
Income from Investments	33,284	29,876
	33,284	29,876

3 Expenditure on Charitable Activities

	2025	2024
	£	£
Grants payable	(7,474)	(5,178)
Management & administration	(2,543)	(3,829)
	(10,017)	(9,007)

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

Monmouthshire Farm School Endowment Trust Fund
Annual report for the year ended 31st March 2025

4 Governance Costs

	2025	2024
	£	£
Net incoming resources is stated after charging:		
Independent Examiner's remuneration	(2,018)	(2,016)
	(2,018)	(2,016)

No indemnity insurance for Trustees liability has been purchased by the Charity. Though no specific indemnity insurance has been purchased by the Charity, the Fund is covered by Monmouthshire County Council's fidelity guarantee insurance. Insurance covers financial losses incurred as a result of fraudulent acts conducted by Authority employees but does not cover the Trustees for any wrong decisions that may have been made. Governance costs have remained the same during the year as a result of the Public Audit Wales Act and in particular the duty placed on Audit Wales to ensure full cost recovery in its audit fees. The audit fee is included in the management and administration expenditure as per note 3.

5 Gains and losses on revaluation and disposal of investment assets

	Market Value 2024	Market Value 2025	Gain/(Loss)
	£	£	£
M&G Charibond	210,355	205,232	(5,123)
UBS Multi-Asset Income Fund	143,019	144,531	1,511
COIF Charities Property Fund	197,386	201,550	4,165
Total	550,760	551,313	552

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.

Monmouthshire Farm School Endowment Trust Fund
Annual report for the year ended 31st March 2025

7 Fixed asset investments

	Total £
Valuation at 1 April 2024	550,760
Purchase	0
Net revaluation gain	552
Valuation at 31 March 2025	551,312

Fixed asset investments solely consist of the quoted investments. All investments are stated at their market value at 31st March 2025. The historical cost of the investments at 31st March 2025 was £639,000. All of the Charity's investments are quoted in the UK. 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 2025 are as follows:

	£	%
COIF Charities Property Fund	201,550	37%
M&G Charibond	205,232	37%
UBS Multi-Asset Income Fund	144,530	26%

The percentage shown above is the percentage of the total portfolio market value as at 31st March 2025.

8 Debtors

	2025 £	2024 £
Amounts falling due within one year		
Roger Edwards Educational Trust	512	464
Other	4,871	2,154
	5,383	2,619

9 Creditors

	2025 £	2024 £
Amounts falling due within one year		
Accruals and deferred income	(2,218)	(2,223)
	(2,218)	(2,223)

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

Monmouthshire Farm School Endowment Trust Fund
Annual report for the year ended 31st March 2025

10 Unrestricted Funds

	Balance 1 April 2024	Incoming resources	Resources Expended	Investment Gain/(Loss)	Balance 31 March 2025
	£	£	£	£	£
Permanent endowed funds	633,988	33,284	(10,017)	552	658,319

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 Trustees. Payments have been made to Monmouthshire County Council respect of management and administration expenses.

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Llanelly Hill Social Welfare Centre Trust Fund
Statement of financial activities for the year ended 31st March 2025

	2025	2024
	£	£
<i>Incoming resources</i>		
Income Generated By Management Committee	33,309	6,394
Contribution from Monmouthshire County Council	0	0
Total incoming resources	33,309	6,394
Charitable expenditure:		
Costs of activities in furtherance of the Charity's objects		
Management and Maintenance	25,268	6,335
Total resources expended	25,268	6,335
Net Gain / (Loss) before transfers	8,041	59
Net incoming resources before fixed asset revaluations	0	0
Gains/(losses) on the revaluation of fixed assets	0	0
Net movement in funds	0	0
Fund balances brought forward 1 April	66,472	66,413
Fund balances carried forward 31 March	74,513	66,472

Llanelly Hill Social Welfare Centre Trust Fund**Balance Sheet at 31st March 2025**

	2025	2024
	£	£
Fixed assets		
Building and Land	65,000	65,000
	65,000	65,000
Current assets		
Debtors: amounts falling due within one year	106,450	73,141
Creditors: amounts falling due within one year	96,938	71,670
Net current Liabilities	9,512	1,471
Total assets less current liabilities	0	0
Net assets	74,513	66,472
Reserves:		
Endowment capital	74,513	66,472
Total funds	74,513	66,472

GOVERNANCE & AUDIT COMMITTEE WORK PROGRAMME 2025-26

1ST MAY 2025

Reports to be with Peter by – 7th April 2025
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – 10th April 2025
 Pre-meeting – 14th April 2025
 Finalised reports to Democratic Services – 17th April 2025
 Despatch by Democratic Services – 23rd April 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Self - assessment of Performance Management Arrangements Report	Richard Jones		✓			
Audit Wales Work Programme: Council Progress Update	Richard Jones		✓			
Internal Audit Plan 25/26	Jan Furtek				✓	
Implementation of Internal Audit agreed recommendations	Jan Furtek				✓	
Internal Audit Charter, Mandate and Strategy	Jan Furtek				✓	
Audit Wales Work Programme and Timetable quarterly update - March 2025	Steve Wyndham/Charlotte Owen					✓
Audit Wales Annual Audit Plan 2025 - 26	Steve Wyndham					✓

12TH JUNE 2025

Reports to be with Peter by – 23rd May 2025
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – 29th May 2025
 Pre-meeting – 2nd June 2025
 Finalised reports to Democratic Services – 3rd June 2025
 Despatch by Democratic Services – 4th June 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Effectiveness of Strategic Risk Management Framework	Richard Jones		✓			
Draft Freedom of Information (FOI) & Data Protection Act (DPA) Breaches & Date Subject Access Request (DSARs)	Sian Hayward		✓			
Internal Audit Annual Report 2024/25	Jan Furtek				✓	
SRS Annual Internal Audit Report – Torfaen CBC IA Team	Jan Furtek				✓	

2024/25 Treasury Outturn report	Jonathan Davies	✓				
Audit Wales Annual Audit Summary 2024	Audit Wales/Richard Jones		✓			✓
Audit Wales Counter Fraud Arrangements Review & Management Response	Audit Wales/Richard Jones		✓			✓
Whistleblowing Annual Report	Philippa Green	✓				✓

24TH JULY 2025

Reports to be with Peter by – 7th July 2025

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 10th July 2025

Pre-meeting – 14th July 2025

Finalised reports to Democratic Services – 15th July 2025

Despatch by Democratic Services – 16th July 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Revenue & Capital MTFP update and process	Jon Davies	✓				
2025/6 Q1 - Treasury report	Jon Davies	✓				
Mon CC Draft Statement of Accounts 2024/25	Jon Davies	✓				
Draft Annual Governance Statement 2024/25	Jan Furtek				✓	
Draft Self-Assessment Report 2024/25	Richard Jones		✓			

11TH SEPTEMBER 2025

Reports to be with Peter by – 22nd August 2025

Reports to be with Wendy Barnard/Chair prior to pre-meeting – 28th August 2025

Pre-meeting – 1st September 2025

Finalised reports to Democratic Services – 2nd September 2025

Despatch by Democratic Services – 3rd September 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
Internal Audit Quarterly progress report (Q1)	Jan Furtek				✓	
Governance & Audit Committee Annual report 2024/5	Chair – Andrew Blackmore		✓			

2024/25 Welsh Church Fund/Monmouthshire Farm School Endowment Trust Draft Statements of Accounts	Jon Davies	✓				
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30TH OCTOBER 2025 (MOVED FROM 16TH OCTOBER 2025)

Reports to be with Peter by – 29th September 2025
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – 2nd October 2025
 Pre-meeting – 6th October 2025
 Finalised reports to Democratic Services – 7th October 2025
 Despatch by Democratic Services – 8th October 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
2024/25 MCC Statement of Accounts Final	Jon Davies	✓				
Global Internal Audit Standards – Implementation and Self-Assessment	Jan Furtek				✓	
CPR Exemptions - 6 monthly update to 31st March 2025	Jan Furtek				✓	
Health and Safety Annual Report	Kate Thompson		✓			
Anti-Fraud, Corruption & Bribery Policy Update	Jan Furtek				✓	

27TH NOVEMBER 2025

Reports to be with Peter by – 10th November 2025
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – 13th November 2025
 Pre-meeting – 17th November 2025
 Finalised reports to Democratic Services – 18th November 2025
 Despatch by Democratic Services – 19th November 2025

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
25/26 Q2 Treasury report	Jon Davies	✓				
ISA260 audit report of MCC accounts	Rachel Freitag/Jon Davies					✓
Audit Wales Work Programme: Council Progress update	Richard Jones		✓			
Whole Authority Annual Complaints Report	Annette Evans			✓		
The Ombudsmans's Annual Letter	Annette Evans			✓		
Audit Grants report	Audit Wales					✓
Audit Wales Financial Sustainability Review	Audit Wales					✓
Annual Audit Plan 24-25 Welsh Church Funds						✓
CPR Exemptions - 6 monthly update to 30th September 2025	Jan Furtek				✓	

Internal Audit quarterly progress report (Q2)	Jan Furtek				✓	
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15TH JANUARY 2026

Reports to be with Peter by – 24th December 2025
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – Wednesday 31st December 2025
 Pre-meeting – 5th January 2026
 Finalised reports to Democratic Services – 6th January 2026
 Despatch by Democratic Services – 7th January 2026

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
2024/5 WCF/Mon Farm Statement of Accounts Final	Jon Davies	✓				
2026/27 Capital strategy & Treasury strategy	Jon Davies	✓				
Effectiveness of Strategic Risk Management Framework and summary of wider arrangements	Richard Jones		✓			

26TH FEBRUARY 2026

Reports to be with Peter by – 9th February 2026
 Reports to be with Wendy Barnard/Chair prior to pre-meeting – 12th February 2026
 Pre-meeting – 16th February 2026
 Finalised reports to Democratic Services – 17th February 2026
 Despatch by Democratic Services – 18th February 2026

Report Title	Report Author	Terms of reference category				
		Financial Affairs	Risk, Internal Control, Performance & Corporate Governance	Complaints	Internal Audit	External Audit
ISA260 for trust funds	Rachel Freitag/Jon Davies					✓
25/26 Q3 Treasury report	Jon Davies	✓				
Anti Fraud, Bribery & Corruption Risk Assessment	Jan Furtek				✓	
Internal Audit quarterly progress report (Q3)	Jan Furtek				✓	
Draft Internal Audit Plan 2025/26	Jan Furtek				✓	

Public Document Pack Agenda Item 9

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Governance and Audit Committee held
at County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 24th July, 2025 at 2.00 pm

PRESENT: Andrew Blackmore (Chairman)
County Councillor Tony Easson, (Vice Chairman)

Lay Members: Siwan Davies, Colin Prosser, Rhodri Guest,

County Councillors: Sara Burch, John Crook, Tony Easson,
Phil Murphy, Peter Strong and Ann Webb

OFFICERS IN ATTENDANCE:

Peter Davies	Deputy Chief Executive and Chief Officer for Resources
Jan Furtek	Chief Internal Auditor
Wendy Barnard	Democratic Services Officer
Richard Jones	Performance and Data Insight Manager
Jonathan Davies	Head of Finance
Steve Wyndham	Audit Wales Officer
Hannah Carter	Performance Analyst
Daniel Francis	Finance Business Partner Corporate

APOLOGIES:

County Councillors David Jones and Malcolm Lane

1. Apologies for Absence

2. Declarations of Interest

No declarations of interest were made.

The Chair, on behalf of the Committee, congratulated Jan Furtek who has been successfully appointed to the role of Chief Internal Auditor.

The Chair also welcomed new Lay Member Siwan Davies to the meeting.

<https://youtu.be/ED6iYvC6bgg?si=YVRPlueUjHc2Qf4i&t=17>

3. Public Open Forum

No members of the public were present.

4. To note the Action List from the previous meeting.

The Action List from the previous meeting was noted:

<https://youtu.be/ED6iYvC6bgg?si=0X2WYHiQdbiew7xt>

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Governance and Audit Committee held at County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 24th July, 2025 at 2.00 pm

- Completion rate of mandatory training for all staff on Anti Fraud, Bribery and Corruption: The Chief Internal Auditor responded that the main update will be incorporated within the Anti Fraud Risk Assessment due in October. An update with some informal statistics will be provided at the next meeting.

5. Revenue and Capital MTFP update and progress

The Head of Finance /Section 151 Officer presented a report to provide the latest six-monthly update of the Council's Medium Term Financial Plan (MTFP), reflecting updated assumptions, risks, and strategic context. The report outlines the projected budget gap for 2026/27 and the medium term and outlines the context for developing a balanced budget. Following presentation of the report, Committee Members were invited to ask questions:

<https://youtu.be/ED6iYvC6bgg?si=eMCWGTpeKseoRmxJ&t=59>

As contained in the report recommendations, the Governance and Audit Committee:

- Noted the updated projected revenue budget shortfall of £13.6 million for 2026/27 and a cumulative shortfall of £38.0 million over the medium term.
- Noted the outline budget setting timetable as outlined in Appendix 1.
- Noted the progress against the Medium Term Financial Strategy (MTFS) delivery plan, as detailed in Section 14 of Appendix 1.

6. 2025/26 Q1 Treasury Management Performance Update

The Finance Business Partner and the Head of Finance/Section 151 Officer presented the 2025/26 Quarter 1 Treasury Management Performance Update. Following presentation of the report, Committee Members were invited to ask questions:

<https://youtu.be/ED6iYvC6bgg?si=t926ulCpeEZEKXDy&t=2406>

As per the report recommendations, the Governance and Audit Committee reviewed the results of treasury management activities and the performance achieved in quarter 1 as part of their delegated responsibility to provide scrutiny of treasury policy, strategy and activity on behalf of Council.

7. 2024/25 Draft MCC Statement of Accounts

The Head of Finance/Section 151 Officer presented the Draft Statement of Accounts to provide Governance and Audit Committee Members with an opportunity to review and provide comment on the draft 2024/25 Statement of Accounts of Monmouthshire County Council under the following terms of reference of the Committee:

- To review and scrutinise the authority's financial affairs;
- To oversee the authority's internal and external audit arrangements; and
- To review financial statements prepared by authority

Members noted that the figures provided are subject to change during the external audit process and that a final audited statement of accounts will be presented to this committee at a future date. Following presentation of the accounts, Members were invited to ask questions:

<https://youtu.be/ED6iYvC6bgg?si=dcJlvVcgexA6akp3&t=2860>

MONMOUTHSHIRE COUNTY COUNCIL

Minutes of the meeting of Governance and Audit Committee held at County Hall, The Rhadryr, Usk, NP15 1GA on Thursday, 24th July, 2025 at 2.00 pm

In line with the report recommendations, the Governance & Audit Committee:

- Reviewed the 2024/25 draft Statement of Accounts and highlighted any queries and comments.
- Noted that following the completion of the external audit process, the audited Statement of accounts for 2024/25, alongside the outcome of the external audit process, will be presented to this Committee.

The Team was thanked for the work involved in completing the draft statement of accounts.

8. Draft Annual Governance Statement 2024/25

The Chief Internal Auditor presented a draft version of the Council's Annual Governance Statement prior to inclusion into the Statement of Accounts 2024/25. Following presentation of the report, Committee Members were invited to ask questions

https://youtu.be/ED6iYvC6bgg?si=7iqT_3_NiXpB4BkQ&t=3613

As per the report recommendations:

- The Governance & Audit Committee contributed to the appropriateness and content of the draft Annual Governance Statement (2024/25);
- Considered the review of effectiveness and the assessment made against each of the governance principles; and
- Endorsed the Annual Governance Statement for inclusion within the Draft Statement of Accounts 2024/25.

9. Draft Self Assessment Report 2024/25

The Performance and Data Insight Manager and Performance Analyst presented the Draft Self-Assessment Report 2024/25 to provide the committee with an opportunity to review the draft Monmouthshire County Council Self-Assessment Report, in line with the requirements of the Local Government and Elections (Wales) Act 2021.

<https://youtu.be/ED6iYvC6bgg?si=EZu5VNhcpluj3BW&t=4309>

As contained in the report recommendations, the committee reviewed the draft self-assessment report 2024/25 and did not consider it necessary to make any recommendations for changes to the conclusions or actions prior to the report being considered by Council in September.

The Officers were thanked for their work on the report.

10. Governance and Audit Committee Forward Work Plan

The Forward Work Plan was noted.

A Member asked about scrutiny of the bus services support grant and bus network grant activity. Monmouthshire County Council is regional lead for the allocation of funding and is agent for on behalf of the Welsh Government. It was agreed to discuss scrutiny of this matter outside the Committee.

<https://youtu.be/ED6iYvC6bgg?si=cRitevJEI6Gr6NrWs&t=5543>

MONMOUTHSHIRE COUNTY COUNCIL

**Minutes of the meeting of Governance and Audit Committee held
at County Hall, The Rhadyr, Usk, NP15 1GA on Thursday, 24th July, 2025 at 2.00 pm**

11. To approve the minutes of the previous meeting

The minutes of the previous meeting were approved as an accurate record.

<https://youtu.be/ED6iYvC6bgg?si=UKkn2N7fmaXTwXjX&t=5564>

12. Date of Next Meeting: 11th September 2025

Meeting ended at 3.36 pm