

SUBJECT:	THE WELSH CHURCH ACT FUND AUDITED STATEMENT OF ACCOUNTS 2019/20 AND THE INDEPENDENT EXAMINATION REPORT FOR THE MONMOUTHSHIRE FARM SCHOOL ENDOWMENT TRUST FUND 2019/20
MEETING:	Audit Committee
DATE:	7th January 2021
DIVISIONS/WARD AFFECTED:	All

1. PURPOSE:

- 1.1. The purpose of this report is to provide the audited annual accounts for The Welsh Church Act Trust Fund and Independent Examination Report for The Monmouthshire Farm School Endowment Trust Fund for 2019/20, subsequent to the audit process undertaken by Audit Wales, for consideration by Audit Committee fulfilling their appointed scrutiny function.

2. RECOMMENDATIONS:

- 2.1. That the audited accounts for The Welsh Church Act Fund 2019/20 (**Appendix 1**) is reviewed in conjunction with the Audit Wales ISA260 Audit of Accounts report for The Welsh Church Act Fund.
- 2.2. That the audited financial statements for The Monmouthshire Farm School Endowment Trust Fund for 2019/20 (**Appendix 2**) is reviewed in conjunction with the Independent Examination Report for The Monmouthshire Farm School Endowment Trust Fund.

3. KEY ISSUES

- 3.1. Audit Committee approval of the audited accounts for The Welsh Church Act Fund should follow the audit process and under the current Charity Commission guidelines, the accounts should be completed and filed with them by the 31st January 2021.
- 3.2. Audit Committee review of the final Monmouthshire Farm School Endowment Trust Fund accounts is undertaken prior to presentation to the Trust Funds Management Board on the 22nd January 2021.
- 3.3. The outbreak of the COVID-19 pandemic has caused significant disruption, both to the Trusts management teams and Audit Wales in being able to complete the necessary work to satisfy audit requirements to the required deadlines. Despite this disruption the audited statements have been produced within required timescales and as to enable the statements to be lodged with the relevant committees as required.
- 3.4. The meeting of the required deadlines has required a joint effort between the Trusts management and Audit Wales and management would like to acknowledge the professional and supportive approach that Audit Wales have taken despite unprecedented circumstances and challenges.

4. REASONS

- 4.1. It is pleasing to note that the auditors intend to provide an **unqualified opinion** on the Welsh Church Act Fund Accounts for 2019/20.

- 4.2. The final audited statements for the Welsh Church Fund Act (**Appendix 1**) incorporates all adjustments for “corrected misstatements” identified by Audit Wales and noted in in their ISA260 Audit of Accounts report.
- 4.3. Of significant note, the ISA260 Audit of Accounts report raised the following issue:
- **Emphasis of matter – effects of COVID-19 on the valuation of investment property funds**
- We draw attention to Note 10 of the financial statements, which describes uncertainties regarding the valuations of investment property funds arising from the current COVID-19 pandemic. Audit Wales opinion is not modified in respect of this matter.
- 4.4. The auditors intend to provide an **unqualified examiners report** on the Monmouthshire Farm School Endowment Trust Fund accounts for 2019/20.
- 4.5. The final audited statements for the Monmouthshire Farm School Endowment Trust (**Appendix 2**) incorporates all adjustments for “corrected misstatements” identified by Audit Wales in their examination report.

5. OPTIONS APPRAISAL

- 5.1. Not applicable.

6. EVALUATION CRITERIA

Not applicable

7. RESOURCE IMPLICATIONS

- 7.1. As outlined in the respective Accounts to be found in the Appendices.

8. WELLBEING OF FUTURE GENERATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)

- 8.1. There are no implications directly arising from the recommendations and decisions highlighted in this report.

9. CONSULTEES

Chief Officer - Resources
Head of Legal

10. BACKGROUND PAPERS

Appendix 1: Welsh Church Act Fund Statement of Accounts 2019/20

Appendix 2: Monmouthshire Farm School Endowment Trust Fund Statement of Accounts 2019/20

11. AUTHORS:

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12. CONTACT DETAILS

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