

Independent Examination Report – the Monmouthshire Farm School Endowment Trust Fund

Examination year: 2019-20

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We intend to issue an unqualified examiners' report on your accounts. There are some matters to report to you prior to their approval.

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Independent Examination Report

Introduction

- 1 The charity's Trustee is responsible for preparing the financial statements in accordance with the Charities Act 2011 (the Act) and have considered that this year under section 144(2) of the Act an independent examination is needed of them.
- 2 We are responsible for providing an independent examiners' report on the Monmouthshire Farm School Endowment Trust Fund (the Fund) financial statements as at 31 March 2020. An independent examination involves reviewing whether the charity has, in all material respects:
 - maintained accounting records in accordance with Section 130 of the Act; and
 - prepared accounts which accord with the accounting records and comply with the accounting requirements of the Act.
- 3 We are also required to report to you any matter that, in our opinion, attention should be drawn to enable a proper understanding of the accounts to be reached prior to the accounts being approved by the trustees. Where this is the case our team has already discussed these issues with officers.
- 4 In our professional view, we have complied with the ethical standards that apply to our work; remain independent of yourselves; and our objectivity has not been compromised in any way. There are no relationships between ourselves and yourselves that we believe could undermine our objectivity and independence.

Impact of COVID-19 on this year's examination

- 5 The COVID-19 pandemic has had a significant impact on all aspects of our society and continues to do so. You are required by law to prepare accounts and it is of considerable testament to the commitment of your accounts team that you have succeeded in doing so this year in the face of the challenges faced. We are extremely grateful to the professionalism of the team in supporting us to complete our examination in such difficult circumstances.
- 6 The pandemic has unsurprisingly affected our examination. We continue to work remotely which means that we have not had direct access to systems such as the Council's financial ledger and shared drives, and have had to separately request all such information and working papers from Council staff for this examination. However, all information requested has been provided as required.
- 7 The pandemic has also affected the accounts. Narrative has now been included within Note 1 of the final accounts to outline uncertainty in the valuation of property fund investments arising from COVID-19. As this uncertainty has been reported to the charity by the valuer, the charity is required to disclose it in the accounts. As this matter has been disclosed in the final accounts, our 2019-20 examiners' report is not modified in respect of this matter.

- 8 We will be reviewing what we have learned for our examination process from the COVID-19 pandemic and whether there are innovative practices that we might adopt in the future to enhance that process.

Proposed examiners' report

- 9 We intend to issue an unqualified examiners' report on this year's accounts. Our proposed report is set out in **Appendix 1**.

Issues arising from the examination

Uncorrected misstatements

- 10 There are no misstatements identified in the accounts which remain uncorrected.

Corrected misstatements

- 11 There were initially misstatements in the accounts that have now been corrected by management. However, we believe that these should be drawn to your attention and they are set out with explanations below.

Exhibit 1: summary of corrections made

Area of correction	Nature of correction	Reason for correction
Note 7: Fixed Asset Investments	To correctly disclose investment balances in the financial statements.	Our examination identified that investments within Note 7 did not agree to investment manager reports and were consequently overstated by £3,708. This has now been corrected in the final accounts.
Note 8: Debtors	To correctly present comparative balances in the financial statements.	Our examination identified that the comparative 2018-19 debtor balance due from the Roger Edwards Educational Trust was recorded as £5,000 in the draft accounts, when it was actually £1,657. This has now been corrected in the final accounts.

Area of correction	Nature of correction	Reason for correction
Various	To correct minor presentational or narrative errors in the Trustee Report and accounts.	Other minor corrections have been made to the Trustee Report and financial statements to amend errors in narrative or presentation.

Appendix 1

Proposed examiners' report

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

I report on the accounts of Monmouthshire Farm School Endowment Trust Fund for the year ended 31 March 2020, which are set out on pages 6 to 11.

Responsibilities and basis of report

As the charity's Trustee, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 (the Act). You are satisfied that the accounts are not required to be audited by charity law and have chosen instead to have an independent examination.

I report in respect of my examination of your charity's accounts as carried out under section 145 of the Act. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and, consequently, does not cover all the matters that an auditor considers in giving their opinion on the accounts. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the accounts present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- accounting records were not kept as required by section 130 of the Act; or
- the accounts do not accord with those records; or
- the accounts do not comply with the applicable requirements concerning the form and content set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view which is not a matter considered as part of an independent examination; or
- the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Adrian Crompton
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11 January 2021

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