Monmouthshire Farm School Endowment Trust Fund

Annual report
for the year ended 31 March 2026

Registered Charity Number: 525649

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Trustees, officers and advisers

Trustees

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

Report of the Trustees for the year ended 31st March 2026

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 (£7,474 in 2024/25).

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 decreased in value by £9,663 (£29,204 increase in 2024/25) over the financial year as a result of gains on unrealised investments.

Income consists of dividends and interest from investments and cash held of £29,899 (£38,157 in 2024/25), and £254 (£512 2024/25) in respect of the annual payment from the Roger Edwards Educational Trust. Expenditure of £10,024 (£10,017 in 2024/25) primarily comprised grants payable of £7,474 (£7,474 in 2024/25) in line with the Charity's objects. An unrealised investment loss of £29,792 (£552 gain in 2024/25) 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.

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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 2025/26 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 2025.

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 2025.

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 2026. 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

This will be updated once the independent examination is completed.

Statement of financial activities (Sofa) for the year ended 31st March 2026

	Notes	**2026 Unrestricted Funds £**	**2025 Unrestricted Funds £**
Income & Endowments from:			
Investment income	2	29,899	38,157
Income from Roger Edwards Educational Trust		254	512
Total income & Endowments		**30,153**	**38,669**
Resources Expended			
Charitable expenditure Costs of activities in furtherance of the Charity's objects			
Expenditure on charitable activities	3	(7,474)	(7,474)
Other expenditure	3 & 4	(2,550)	(2,543)
Total Resources expended		**(10,024)**	(10,017)
Gains / (Losses) on investment assets	5	**(29,792)**	552
Net Income / (Expenditure)		**(9,663)**	29,204
Net movement in funds		**(9,663)**	29,204
Fund balances brought forward 1 April 2025		**663,192**	633,988
Fund balances carried forward 31 March 2026		**653,529**	663,192

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

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Balance Sheet as at 31 March 2026

	Notes	**2026**	2025
		Unrestricted	**Unrestricted**
		Funds	**Funds**
		£	£
Fixed assets			
Investments	7	**565,070**	551,312
		565,070	551,312
Current assets			
Debtors: amounts falling due within one year	8	**5,176**	10,255
Cash at bank and in hand		**87,521**	103,843
		92,697	114,098
Current Liabilities			
Creditors: amounts falling due within one year	9	**(4,238)**	(2,218)
Net current assets		**88,459**	111,880
Net assets		**653,529**	663,192
The Funds of the Charity:			
Unrestricted Funds	10	**653,529**	663,192
Total Charity funds		**653,429**	663,193

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

Trustee:

Notes to the financial statements for the year ended 31st March 2026

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.

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 2026 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

	2026	2025
	£	£
Interest on cash balances	**0**	0
Income from Investments	**29,899**	38,157
	29,899	38,157

3 Expenditure on Charitable Activities

	2026	2025
	£	£
Grants payable	**(7,474)**	(7,474)
Management & administration	**(2,550)**	(2,543)
	(10,024)	(10,017)

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.

4 Governance Costs

	2026	2025
	£	£
Net incoming resources is stated after charging:		
Independent Examiner's remuneration	**(2,020)**	(2,018)
	(2,020)	(2,018)

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 2026	**Market Value 2025**	**Gain/(Loss)**
	£	**£**	**£**
M&G Charibond	0	210,355	(210,355)
UBS Multi-Asset Income Fund	112,375	143,019	(30,644)
Royal Asset London	250,000	0	250,000
COIF Charities Property Fund	203,913	197,386	6,527
Total	566,288	550,760	15,528

6 Taxation

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

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

7 Fixed asset investments

	Total
	£
Valuation at 1 April 2025	**550,760**
Purchase	**250,000**
Disposal	**(210,355)**
Net revaluation loss	**(24,117)**
Valuation at 31 March 2026	**566,288**

Fixed asset investments solely consist of the quoted investments. All investments are stated at their market value at 31st March 2026. The historical cost of the investments at 31st March 2026 was £679,000. All of the Charity's investments are quoted in the UK. The details of these are disclosed in the table below, being COIF, Royal London and UBS.

Investments with a market value greater than 5% of the total portfolio market value at 31st March 2026 are as follows:

	£	%
COIF Charities Property Fund	203,913	36%
Royal London	250,000	44%
UBS Multi-Asset Income Fund	112,375	20%

The percentage shown above is the percentage of the total portfolio market value as at 31st March 2026.

8 Debtors

	2026	2025
	£	£
Amounts falling due within one year		
Roger Edwards Educational Trust	**254**	512
Other	**4,922**	9,743
	5,176	10,255

9 Creditors

	2026	2025
	£	£
Amounts falling due within one year		
Accruals and deferred income	**(4,238)**	(2,218)
	(4,238)	(2,218)

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

10 Unrestricted Funds

	Balance 1 April 2025	Incoming resources	Resources Expended	Investment Gain/(Loss)	**Balance 31 March 2025**
	£	£	£	£	**£**
Permanent endowed funds	663,192	30,153	(10,024)	(29,792)	653,529

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.