

MONMOUTH DIOCESAN TRUST

England & Wales · Charity number 232841

Details

Status	Registered
Legal form	Charitable company
Company number	00182863
Registered	1964-03-19
Register	View on the Charity Commission register

Contact

Address	Monmouth Diocesan Trust 64 Caerau Road Newport Gwent NP20 4HJ
Phone	01633267490
Email	bethandavies@churchinwales.org.uk
Website	http://monmouth.churchinwales.org.uk/

Activities

Objects: TO ASSIST AND PROMOTE THE WORK OF THE CHURCH IN WALES IN THE DIOCESE OF MONMOUTH.

Activities: To provide funding for new and existing Church in Wales schools in Monmouth diocese.

Classification

- **How:** Acts As An Umbrella Or Resource Body
- **What:** Education/training
- **Who:** Children/young People

Geography

- **Area of benefit:** DIOCESE OF MONMOUTH
- Blaenau Gwent
- Cardiff
- Monmouthshire
- Newport City
- Torfaen

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£40,299	£641,540	-	-
2023-12-31	£40,878	£653,043	-	-
2022-12-31	£47,255	£636,383	-	-
2021-12-31	£27,151	£629,151	-	-
2020-12-31	£35,208	£636,149	-	-

Trustees

Name	Role	Appointed
NICOLA PRICE		2016-07-18
REBECCA PENN		2018-09-10
SUSAN GWYER-ROBERTS		2018-09-10
The Right Reverend Cherry Elizabeth Vann		2020-02-01
The Venerable Ian Kendall Rees		2021-09-13
The Venerable James Andrew Henley		2026-03-26
The Venerable Stella Bailey		2022-06-20
Very Reverend Ian Christopher Black		2021-09-13

MONMOUTH DIOCESAN TRUST

England & Wales - Charity number 232841

Accounts

COMPANY REGISTRATION NUMBER: 00182863
CHARITY REGISTRATION NUMBER: 232841

**The Monmouth Diocesan Trust
Company Limited by Guarantee
Financial Statements
31 December 2024**

WALTER HUNTER & CO LIMITED
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

The Monmouth Diocesan Trust
Company Limited by Guarantee
Financial Statements
Year ended 31 December 2024

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The Monmouth Diocesan Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2024

The trustees, who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 December 2024.

Reference and administrative details

Registered charity name	The Monmouth Diocesan Trust
Charity registration number	232841
Company registration number	00182863
Principal office and registered office	Diocesan Office 64 Caerau Road Newport NP20 4HJ

The trustees

Ex officio	The Bishop of Monmouth (Chair) - The Right Reverend C E Vann The Dean of Newport - The Very Reverend I C Black The Archdeacon of Newport - The Venerable J S Williams The Archdeacon of Monmouth - The Venerable I K Rees The Archdeacon of the Gwent Valleys - The Venerable S Bailey
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Elected	Susan Gwyer-Roberts Nicola Price Rebecca Penn
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Appointed by Area Deans	There are currently vacancies for Area Deans
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Secretary Executive Officer	Isabel Thompson Bethan Davies
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Auditor	Walter Hunter & Co Limited Chartered accountants & statutory auditor 24 Bridge Street Newport South Wales NP20 4SF
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Bankers	NatWest Bank plc High Street Newport NP19 1GG
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Solicitors	Jacklyn Dawson Solicitors Equity Chambers John Frost Square Newport NP20 1PW
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The Monmouth Diocesan Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2024

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Objectives and activities

Objectives and strategy

The charity is responsible for the provision of support and finance, as available, for Church in Wales Schools within the Diocese of Monmouth as approved by trustees.

The Memorandum & Articles of Association of the Trust permit it to hold property and funds on behalf of parishes within the Diocese. In 1999 most of these properties and funds were transferred to the Monmouth Diocesan Board of Finance to enable the Trust to concentrate on supporting the Church Schools within the Diocese.

- 21st Century School Building Programme

Money which used to be given by the Welsh Government directly to the Church in Wales to help maintain and upgrade the school buildings has been withdrawn and subsumed into the Government's 21st Century School Building Programme. This programme is administered by the Local Authorities, who now decide the priority for upgrading school buildings.

- Capital Repair and Maintenance Programme (CRAMP)

As agents of the Welsh Government scheme, the Trust administered grant monies of £16,026 in 2024 to help the Diocesan Voluntary Aided schools with minor repairs.

Public benefit

The Trustees have had due regard to the charity commission guidance on public benefit and are content that the Trust is demonstrating public benefit in providing support for church schools. The Trustees are satisfied that the church schools are providing a good standard of education for local children and are serving the wider community.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2024

Achievements and performance

Raglan School

Work to transfer the land upon which the new school has been built is ongoing pending receipt of valuations of the respective parcels of land currently in the ownership of the Council and the Trust.

During 2024, through discussions with Monmouthshire Council quotes were obtained for valuers to value the various parcels of land so that they could be transferred.

Loan to Magor School

There is £47.5k outstanding from the Governing Body of Magor Church in Wales Primary School. However, there is no contract in place for the repayment. The School Governors have agreed to pay between £1,000 and £2,000 per annum.

Land at Llanfair Kilgeddin

The school building at Llanfair Kilgeddin was sold in 2018 for £265,000. The associated land is covered by a separate Trust Deed and has been marketed for sale. In 2018 the trustees, agreed in principle, to sell the land to the Monmouthshire Housing Association for the development of affordable housing.

In 2020, an independent surveyor's report, advised the trustees that Monmouthshire Housing Association's offer for the land did not represent best value and they were advised to consider other options.

The land is now being maintained while discussions continue about the options for the remaining site. Meetings were held with Monmouthshire Housing Association in 2024.

Valuation of Trust Properties

The school properties were revalued in 2016 and they are being depreciated from 2017. The trustees have now agreed to revalue the properties every 10 years.

The Monmouth Diocesan Trust
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 December 2024

Financial review

Fixed Assets

The Diocesan Trust's fixed assets were re-valued in December 2016. The total value of the fixed assets at 31 December 2024 was £ 35,041,837 (compared to £ 35,642,613 at 31 December 2023).

Investment powers and policy

Under the governing document, the charity has the power to invest in any way the trustees wish, subject to Trustee legislation.

The investments are managed by independent investment managers who have delegated authority to buy and sell without reference to trustees. In practice, all such purchases and sales are notified to the Secretary, and a full review of the charity's portfolio is undertaken twice each year by an Investment Advisory Group representing both of the Diocesan charities. The Archdeacon of Newport and Mrs Susan Gwyer-Roberts represent the interests of the Diocesan Trust on this group.

The Investment Managers are required to adhere to the prescribed ethical policy agreed by Trustees. The ethical policy follows that agreed by the Church in Wales and is discussed and reviewed regularly.

The value of the investments at 31 December 2024 was £753,629 (compared to £736,781 at 31 December 2023).

Reserves policy

The current policy is to hold at least £50k in cash to cover short term expenditure.

Our Investment Managers have assured us that further funds can be available within one month, if required. The trustees consider that the level of reserves is adequate for the future needs and requirements of the charity. The reserves policy is reviewed regularly.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2024

Structure, Governance and Management

Governing Document

Monmouth Diocesan Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 19th June 1922. It is registered as a charity with the Charity Commission for England & Wales.

Rules covering membership are laid down in the Articles of Association.

Elections of trustees are for a period of one year and take place at the Annual General Meeting. The Area Deans are responsible for nominating 3 of their group to be trustees.

The Headteachers of the CinW schools, in conjunction with the DDE, are responsible for nominating 2 of their group to be trustees.

Trustee induction and training

The Diocesan Secretary is available to brief new trustees about their legal obligations under charity and company law, the background history of the charity, the decision-making processes, the regular monitoring of the finances, and the previous year's financial performance of the charity.

Management and Organisation

Meetings

The Trustees met four times in 2024 in addition to the Annual General Meeting held on 19th September 2024.

At each meeting a statement showing the previous quarter's income and expenditure was presented. A forecast of future expenditure and the value of the Charity's investments was also made available to trustees.

Administration

The Secretary and Executive Officer, employed by Monmouth Diocesan Board of Finance, manages the day-to-day operations of the charity. The Secretary has delegated authority, approved by the trustees, for operational matters and the control of the finances of the charity within prescribed guidelines for projects approved by the trustees.

Financial relationship with Monmouth Diocesan Board of Finance

The Monmouth Diocesan Board of Finance took over financial responsibility for the diocesan provision of education during 2020, covering costs that the Diocesan Trust were no longer able to cover. With this, the DBF embarked on a new relationship with the Diocese of Llandaff whose education team extended their scope to take on the diocesan statutory duties for church schools in Monmouth.

Prior to 2020 an annual administration fee was payable to Monmouth Diocesan Board of Finance to cover the costs of secretariat facilities provided by the Monmouth Diocesan Board of Finance. It has been agreed with the DBF that the Trust will not be required to pay the administration fee from 2020 onwards in order to reduce Trust expenditure. This will continue to be reviewed in 2024.

The Monmouth Diocesan Trust
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report) *(continued)*
Year ended 31 December 2024

Structure, Governance and Management *(continued)*

Risk management

Major Risk

The major identified risk is the income which is required to support the 15 Church Schools in the Diocese.

During 2020, as part of wider Diocesan Review, it was agreed that the Monmouth Diocesan Board of Finance would take over the expenditure relating to the diocesan statutory duties for education. Work has continued, to ensure the Diocesan Trust is financially sustainable and in 2022 the Church Schools agreed to a Service Level of Agreement and the Diocesan Trust will receive a contribution from each school towards the services provided.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2024

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 Companies Act 2006. 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.

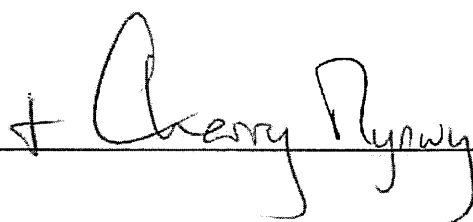
Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 01 September 2025 and signed on behalf of the board of trustees by:

The Bishop of Monmouth (Chair) - The Right Reverend C E Vann
Trustee



The Monmouth Diocesan Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Monmouth Diocesan Trust

Year ended 31 December 2024

Opinion

We have audited the financial statements of The Monmouth Diocesan Trust (the 'charity') for the year ended 31 December 2024 which comprise the statement of financial activities (including income and expenditure account), statement of financial position and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

The Monmouth Diocesan Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Monmouth Diocesan Trust *(continued)*

Year ended 31 December 2024

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Monmouth Diocesan Trust *(continued)*

Year ended 31 December 2024

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for 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 trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our 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 our 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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- By enquiring with senior management and those charged with governance all area of risk identified were considered and any potential litigation or claim, if any, were noted
- Ensuring by enquiry that there were no issues of non-compliance with laws and regulations relating to tax and compliance
- By obtaining an understanding of the charity's policies and procedures on compliance with laws and regulations, and with best accounting practice
- Noting issues discussed with Trustees and the Senior Management Team as this relates to risks faced by the charity
- Reviewing information received from the charity's solicitors, if any and discussing their contents with the Trustees
- Reviewing disclosures in the financial statements and testing to supporting documentation to assess compliance with applicable laws and regulations
- Auditing the risk of management overrides of controls including testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business

Through these procedures, we did not become aware of actual or suspected non-compliance.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Monmouth Diocesan Trust *(continued)*

Year ended 31 December 2024

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Independent Auditor's Report to the Members of The Monmouth Diocesan Trust *(continued)*

Year ended 31 December 2024

We 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 we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Rhodes BSc BFP FCA (Senior Statutory Auditor)

For and on behalf of
Walter Hunter & Co Limited
Chartered accountants & statutory auditor
24 Bridge Street
Newport
South Wales
NP20 4SF

01 September 2025

The Monmouth Diocesan Trust
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)

Year ended 31 December 2024

		2024	2023	
		Restricted funds Educational Purposes £	Total funds £	
	Note	Restricted funds Land & Buildings £	Total funds £	
Income and endowments				
Charitable activities	5	3,504	8,462	11,966
Investment income	6	–	28,333	28,333
Total income		<u>3,504</u>	<u>36,795</u>	<u>40,299</u>
Expenditure				
Expenditure on raising funds:				
Costs of raising donations and legacies	7	–	4,272	4,272
Expenditure on charitable activities	8,9	613,198	24,070	637,268
Total expenditure		<u>613,198</u>	<u>28,342</u>	<u>641,540</u>
Net gains on investments	11	–	20,630	20,630
Net expenditure		<u>(609,694)</u>	<u>29,083</u>	<u>(580,611)</u>
Transfers between funds	19	8,918	(8,918)	–
Net movement in funds		<u>(600,776)</u>	<u>20,165</u>	<u>(580,611)</u>
Reconciliation of funds				
Total funds brought forward		35,642,613	805,397	36,448,010
Total funds carried forward		<u>35,041,837</u>	<u>825,562</u>	<u>35,867,399</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 15 to 24 form part of these financial statements.

The Monmouth Diocesan Trust

Company Limited by Guarantee

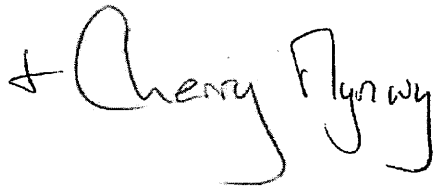
Statement of Financial Position

31 December 2024

	Note	2024 £	2023 £
Fixed assets			
Tangible fixed assets	15	35,041,837	35,642,613
Investments	16	753,629	736,781
		<u>35,795,466</u>	<u>36,379,394</u>
Current assets			
Debtors	17	6,258	1,038
Cash at bank and in hand		87,087	95,391
		<u>93,345</u>	<u>96,429</u>
Creditors: amounts falling due within one year	18	<u>21,412</u>	<u>27,813</u>
Net current assets		<u>71,933</u>	<u>68,616</u>
Total assets less current liabilities		<u>35,867,399</u>	<u>36,448,010</u>
Funds of the charity			
Restricted funds Educational Purposes		825,562	805,397
Restricted funds Land & Buildings		<u>35,041,837</u>	<u>35,642,613</u>
Total charity funds	19	<u>35,867,399</u>	<u>36,448,010</u>

These financial statements were approved by the board of trustees and authorised for issue on 01 September 2025, and are signed on behalf of the board by:

The Bishop of Monmouth (Chair) - The Right Reverend C E Vann
Trustee



The notes on pages 15 to 24 form part of these financial statements.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2024

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Diocesan Office, 64 Caerau Road, Newport, NP20 4HJ.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities measured at fair value.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

As a registered charity, the Monmouth Diocesan Trust is exempt from income tax to the extent that its income and gains are applicable to charitable purposes only.

The Monmouth Diocesan Trust
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2024

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

The Monmouth Diocesan Trust
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2024

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is recognised so as to write off the cost or valuation of assets less their residual value over their useful lives.

School buildings (valued on 31 December 2016) are depreciated at rate calculated by the District Valuer to write off these assets over their estimated remaining useful lives, ranging from 20 years to 51 years.

Other buildings (valued on 31 December 2016) are depreciated on a 2% p.a. straight line basis.

Any expenditure on school buildings or trust properties after this date is depreciated at a rate of 2% p.a. on cost.

Land is not depreciated.

The Monmouth Diocesan Trust
Company Limited by Guarantee
Notes to the Financial Statements *(continued)*
Year ended 31 December 2024

3. Accounting policies *(continued)*

Investments

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

3. Accounting policies *(continued)*

Financial instruments *(continued)*

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

4. Limited by guarantee

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

There are 8 members of the charity (2023: 8).

5. Charitable activities

	Restricted Funds Land & Buildings £	Restricted Funds Educational Purposes £	Total Funds 2024 £
Rental Income	3,504	–	3,504
Schools (Service Level Agreement)	–	8,462	8,462
	<u>3,504</u>	<u>8,462</u>	<u>11,966</u>

	Restricted Funds Land & Buildings £	Restricted Funds Educational Purposes £	Total Funds 2023 £
Rental Income	3,504	–	3,504
Schools (Service Level Agreement)	–	8,371	8,371
	<u>3,504</u>	<u>8,371</u>	<u>11,875</u>

6. Investment income

	Restricted Funds Educational Purposes £	Total Funds 2024 £	Restricted Funds Educational Purposes £	Total Funds 2023 £
Dividends	28,189	28,189	28,884	28,884
Interest Receivable	144	144	119	119
	<u>28,333</u>	<u>28,333</u>	<u>29,003</u>	<u>29,003</u>

The Monmouth Diocesan Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

7. Costs of raising donations and legacies

	Restricted Funds Educational Purposes £	Total Funds 2024 £	Restricted Funds Educational Purposes £	Total Funds 2023 £
Investment management	4,272	4,272	4,212	4,212

8. Expenditure on charitable activities by fund type

	Restricted Funds Land & Buildings £	Restricted Funds Educational Purposes £	Total Funds 2024 £
Support for Education	–	24,070	24,070
Support for Schools - Land & Buildings	600,776	–	600,776
Support for Other Trust Property	4,975	–	4,975
Support costs	7,447	–	7,447
	<u>613,198</u>	<u>24,070</u>	<u>637,268</u>

	Restricted Funds Land & Buildings £	Restricted Funds Educational Purposes £	Total Funds 2023 £
Support for Education	–	28,549	28,549
Support for Schools - Land & Buildings	601,814	–	601,814
Support for Other Trust Property	4,963	–	4,963
Support costs	13,505	–	13,505
	<u>620,282</u>	<u>28,549</u>	<u>648,831</u>

9. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2024 £	Total fund 2023 £
Support for Education	24,070	–	24,070	28,549
Support for Schools - Land & Buildings	600,776	1,231	602,007	602,959
Support for Other Trust Property	4,975	–	4,975	4,963
Governance costs	–	6,216	6,216	12,360
	<u>629,821</u>	<u>7,447</u>	<u>637,268</u>	<u>648,831</u>

The Monmouth Diocesan Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

10. Analysis of support costs

	Restricted Funds Land & Buildings £	Total 2024 £	Total 2023 £
General office	87	87	53
Insurance	1,144	1,144	1,092
Governance: Audit fee	6,216	6,216	12,360
	<u>7,447</u>	<u>7,447</u>	<u>13,505</u>

11. Net gains on investments

	Restricted Funds Educational Purposes £	Total Funds 2024 £	Restricted Funds Educational Purposes £	Total Funds 2023 £
Unrealised gains/(losses) on listed investments	8,681	8,681	13,229	13,229
Realised gains/(losses) on listed investments	11,949	11,949	(7,204)	(7,204)
	<u>20,630</u>	<u>20,630</u>	<u>6,025</u>	<u>6,025</u>

12. Net expenditure

Net expenditure is stated after charging/(crediting):

	2024 £	2023 £
Depreciation of tangible fixed assets	600,776	600,776
Fees payable for the audit of the financial statements	<u>6,216</u>	<u>12,360</u>

13. Staff costs

The Trust does not directly employ any staff. Administration of the Trust is undertaken by the Monmouth Diocesan Board of Finance.

14. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

15. Tangible fixed assets

	Freehold Land and Buildings £
Cost	
At 1 January 2024 and 31 December 2024	39,810,500
Depreciation	
At 1 January 2024	4,167,887
Charge for the year	600,776
At 31 December 2024	<u>4,768,663</u>
Carrying amount	
At 31 December 2024	35,041,837
At 31 December 2023	<u>35,642,613</u>

Land and buildings includes land to the value of £21,567,500. No depreciation is provided on land.

Land and buildings with a carrying amount of £17,632,660 were revalued at 31 December 2016 by The Valuation Office Agency, who are independent valuers not connected with the charity, on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions at arm's length terms for similar properties.

At 31 December 2024, had the revalued assets been carried at historic cost less accumulated depreciation and impairment losses, their carrying amount would have been approximately £11,237,695 (2023: £11,655,136).

The revaluation reserve is disclosed in note 19.

16. Investments

	Cash or cash equivalents £	Listed investments £	Total £
Cost or valuation			
At 1 January 2024	6,852	729,929	736,781
Additions	(151,440)	151,440	–
Disposals	262,597	(250,648)	11,949
Fair value movements	–	9,683	9,683
Other movements	(4,784)	–	(4,784)
At 31 December 2024	<u>113,225</u>	<u>640,404</u>	<u>753,629</u>
Carrying amount			
At 31 December 2024	<u>113,225</u>	<u>640,404</u>	<u>753,629</u>
At 31 December 2023	<u>6,852</u>	<u>729,929</u>	<u>736,781</u>

The investment portfolio is managed by Brewin Dolphin and is valued at closing market value on 31 December 2024.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

17. Debtors

	2024 £	2023 £
Other debtors	<u>6,258</u>	<u>1,038</u>

An amount of £90,000 was agreed for repayment by the governors of Magor School when financial constraints allow. This will be included in the accounts as it is received. The amount outstanding in relation to this agreement is £47,500 (2023: £47,500).

18. Creditors: amounts falling due within one year

	2024 £	2023 £
Other creditors	<u>21,412</u>	<u>27,813</u>

19. Analysis of charitable funds

Restricted funds

	At 1 January 2024 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2024 £
Educational purposes	805,397	36,795	(28,342)	(8,918)	20,630	825,562
Land & Buildings: Property reserve	17,401,326	3,504	(613,198)	261,412	–	17,053,044
Land & Buildings: Revaluation reserve	18,241,287	–	–	(252,494)	–	17,988,793
	<u>36,448,010</u>	<u>40,299</u>	<u>(641,540)</u>	<u>–</u>	<u>20,630</u>	<u>35,867,399</u>

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	Gains and losses £	At 31 December 2023 £
Educational purposes	810,761	37,374	(32,761)	(16,002)	6,025	805,397
Land & Buildings: Property reserve	17,749,608	3,504	(620,282)	268,496	–	17,401,326
Land & Buildings: Revaluation reserve	18,493,781	–	–	(252,494)	–	18,241,287
	<u>37,054,150</u>	<u>40,878</u>	<u>(653,043)</u>	<u>–</u>	<u>6,025</u>	<u>36,448,010</u>

Schools Fund – Educational Purposes – This is the excess of income of the restricted funds after the creation of the Land and Buildings restricted fund and can only be used for educational purposes.

The Monmouth Diocesan Trust

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2024

19. Analysis of charitable funds *(continued)*

Land & Buildings - Property reserve – This fund reflects the net book value of the Trust’s tangible assets less amounts arising due to revaluation.

Land & Buildings - Revaluation reserve – This fund has arisen following the valuation of church schools in the Diocese of Monmouth in 2016

Transfers between funds

Transfers have been made between funds to agree the fund balances at the year end to reflect the net book value of land and buildings.

20. Analysis of net assets between funds

	Restricted Funds Land & Buildings £	Restricted Funds Educational Purposes £	Total Funds 2024 £
Tangible fixed assets	35,041,837	–	35,041,837
Investments	–	753,629	753,629
Current assets	–	71,933	71,933
Net assets	<u>35,041,837</u>	<u>825,562</u>	<u>35,867,399</u>

	Restricted Funds Land & Buildings £	Restricted Funds Educational Purposes £	Total Funds 2023 £
Tangible fixed assets	35,642,613	–	35,642,613
Investments	–	736,781	736,781
Current assets	–	68,616	68,616
Net assets	<u>35,642,613</u>	<u>805,397</u>	<u>36,448,010</u>

21. Custodian Funds

Trustees act as custodian trustees with responsibilities for funds held on behalf of others. These funds are held on behalf of parishes and have a dedicated bank account, and include the following trusts:

	2024 £	2023 £
Abertillery	45	38
Newport St Pauls	18	15
Rumney	30	20
Sundry Monmouth Diocesan Trust	134	134
	<u>227</u>	<u>207</u>

MONMOUTH DIOCESAN TRUST

England & Wales - Charity number 232841

Accounts

Charity registration number 232841

Company registration number 00182863 (England and Wales)

THE MONMOUTH DIOCESAN TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

THE MONMOUTH DIOCESAN TRUST

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THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Objectives and strategy

The charity is responsible for the provision of support and finance, as available, for Church in Wales Schools within the Diocese of Monmouth as approved by trustees.

The Memorandum & Articles of Association of the Trust permit it to hold property and funds on behalf of parishes within the Diocese. In 1999 most of these properties and funds were transferred to the Monmouth Diocesan Board of Finance to enable the Trust to concentrate on supporting the Church Schools within the Diocese.

- **21st Century School Building Programme**

Money which used to be given by the Welsh Government directly to the Church in Wales to help maintain and upgrade the school buildings has been withdrawn and subsumed into the Government's 21st Century School Building Programme. This programme is administered by the Local Authorities, who now decide the priority for upgrading school buildings.

- **Capital Repair and Maintenance Programme (CRAMP)**

As agents of the Welsh Government scheme, the Trust administered grant monies of £89,544 in 2023 to help the Diocesan Voluntary Aided schools with minor repairs.

Public benefit

The Trustees have had due regard to the charity commission guidance on public benefit and are content that the Trust is demonstrating public benefit in providing support for church schools. The Trustees are satisfied that the church schools are providing a good standard of education for local children and are serving the wider community.

Achievements and performance

Ragian School

Work to transfer the land upon which the new school has been built is ongoing, pending receipt of valuations of the respective parcels of land currently in the ownership of the Council and the Trust.

Meetings were held during 2023 with Monmouthshire Council who are responsible for the initial work of valuing the land. The Trust is keen to see progress on these issues and will keep in regular contact with the Council to ensure it is completed.

Loan to Magor School

There is £47.5k outstanding from the Governing Body of Magor Church in Wales Primary School. However, there is no contract in place for the repayment. The School Governors have agreed to pay between £1,000 and £2,000 per annum.

Land at Llanfair Kilgeddin

The school building at Llanfair Kilgeddin was sold in 2018 for £265,000. The associated land is covered by a separate Trust Deed and has been marketed for sale. In 2018 the trustees agreed in principle, to sell the land to the Monmouthshire Housing Association for the development of affordable housing.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

In 2020, an independent surveyor's report, advised the trustees that Monmouthshire Housing Association's offer for the land did not represent best value and they were advised to consider other options.

The land is now being maintained while discussions continue about the options for the remaining site. Meetings with Monmouthshire Housing Association were held at the beginning of 2024.

Valuation of Trust Properties

The school properties were revalued in 2016 and they are being depreciated from 2017. The trustees have now agreed to revalue the properties every 10 years.

Financial review

Fixed Assets

The Diocesan Trust's fixed assets were revalued in December 2016. The total value of the fixed assets at 31 December 2023 was £35,642,613 (compared to £36,243,389 at 31 December 2022).

Investment powers and policy

Under the governing document, the charity has the power to invest in any way the trustees wish, subject to Trustee legislation.

The investments are managed by independent investment managers who have delegated authority to buy and sell without reference to trustees. In practice, all such purchases and sales are notified to the Secretary, and a full review of the charity's portfolio is undertaken twice each year by an Investment Advisory Group representing both of the Diocesan charities. The Archdeacon of Newport and Mrs Susan Gwyer-Roberts represent the interests of the Diocesan Trust on this group.

The Investment Managers are required to adhere to the prescribed ethical policy agreed by Trustees. The ethical policy follows that agreed by the Church in Wales and is discussed and reviewed regularly.

The value of the investments at 31 December 2023 was £736,781 (compared to £734,461 at 31 December 2022).

Reserves policy

The current policy is to hold at least £50k in cash to cover short term expenditure.

Our Investment Managers have assured us that further funds can be available within one month, if required. The trustees consider that the level of reserves is adequate for the future needs and requirements of the charity. The reserves policy is reviewed regularly.

Structure, governance and management

Governing Document

Monmouth Diocesan Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 19 June 1922. It is registered as a charity with the Charity Commission for England & Wales.

Rules covering membership are laid down in the Articles of Association.

Elections of trustees are for a period of one year and take place at the Annual General Meeting. The Area Deans are responsible for nominating 3 of their group to be trustees.

The Headteachers of the CinW schools, in conjunction with the DDE, are responsible for nominating 2 of their group to be trustees.

Trustee induction and training

The Diocesan Secretary is available to brief new trustees about their legal obligations under charity and company law, the background history of the charity, the decision-making processes, the regular monitoring of the finances, and the previous year's financial performance of the charity.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Management and Organisation

Meetings

The Trustees met four times in 2023 in addition to the Annual General Meeting held on 11 September 2023.

At each meeting a statement showing the previous quarter's income and expenditure was presented. A forecast of future expenditure and the value of the Charity's investments was also made available to trustees.

Administration

The Secretary and Executive Officer, employed by Monmouth Diocesan Board of Finance, manages the day-to-day operations of the charity. The Secretary has delegated authority, approved by the trustees, for operational matters and the control of the finances of the charity within prescribed guidelines for projects approved by the trustees.

Financial relationship with Monmouth Diocesan Board of Finance

The Monmouth Diocesan Board of Finance took over financial responsibility for the diocesan provision of education during 2020, covering costs that the Diocesan Trust were no longer able to cover. With this, the DBF embarked on a new relationship with the Diocese of Llandaff whose education team extended their scope to take on the diocesan statutory duties for church schools in Monmouth.

Prior to 2020 an annual administration fee was payable to Monmouth Diocesan Board of Finance to cover the costs of secretariat facilities provided by the Monmouth Diocesan Board of Finance. It has been agreed with the DBF that the Trust will not be required to pay the administration fee from 2020 onwards in order to reduce Trust expenditure. This will continue to be reviewed in 2024.

Risk management

Major Risk

The major identified risk is the income which is required to support the 15 Church Schools in the Diocese.

During 2020, as part of wider Diocesan Review, it was agreed that the Monmouth Diocesan Board of Finance would take over the expenditure relating to the diocesan statutory duties for education. Work has continued, to ensure the Diocesan Trust is financially sustainable and in 2022 the Church Schools agreed to a Service Level of Agreement and the Diocesan Trust will receive a contribution from each school towards the services provided.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reference and administrative details

Registered Company number

00182863

Registered Charity number

232841

Registered office

Diocesan Office
64 Caerau Road
Newport
South Wales
NP20 4HJ

Trustees

The directors of the company (the charity) are also its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Trustees during 2023 were as follows:

Ex officio

The Bishop of Monmouth (Chairman) - The Right Reverend C E Vann
The Dean of Newport - The Very Reverend I C Black
The Archdeacon of Newport - The Venerable J S Williams
The Archdeacon of Monmouth - The Venerable I K Rees
The Archdeacon of the Gwent Valleys - The Venerable S Bailey

Appointed by Area Deans

There are currently vacancies for Area Deans

Elected

Susan Gwyer-Roberts
Nicola Price
Rebecca Penn

Secretary and Executive Officer

Isabel Thompson
Bethan Davies

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

Reference and administrative details

Auditors

Azets Audit Services
Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

NatWest Bank plc
High Street
Newport
South Wales
NP19 1GG

Solicitors

Jacklyn Dawson
Equity Chambers
John Frost Square
Newport
NP20 1PW

Investment Managers

RBC Brewin Dolphin
Third Floor
Two Central Square
Cardiff
CF10 1FS


Funds held as custodian trustee

Custodian responsibilities

Trustees act as custodian trustees with responsibilities for funds held on behalf of others and shown at Note 21 of the Accounts. These funds are held on behalf of parishes and have a dedicated bank account.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.


.....
The Right Reverend C E Vann
Trustee
Dated: 20-6-2024
.....

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees, who are also the directors of The Monmouth Diocesan Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Opinion

We have audited the financial statements of The Monmouth Diocesan Trust (the 'charity') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant 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 our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2023 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 our 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Azets Audit Services

14-8-2024
.....

Chartered Accountants
Statutory Auditor

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Restricted funds Land & Buildings 2023 £	Restricted funds Educational Purposes 2023 £	Total 2023 £	Restricted funds Land & Buildings 2022 £	Restricted funds Educational Purposes 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	-	-	-	-	8,363	8,363
Charitable activities	4	3,504	8,371	11,875	3,504	6,986	10,490
Investments	5	-	29,003	29,003	-	28,402	28,402
Total income		3,504	37,374	40,878	3,504	43,751	47,255
Expenditure on:							
Raising funds	6	-	4,212	4,212	-	4,339	4,339
Charitable activities	7	620,282	28,549	648,831	614,086	17,958	632,044
Total resources expended		620,282	32,761	653,043	614,086	22,297	636,383
Net gains/(losses) on investments	12	-	6,025	6,025	-	(76,285)	(76,285)
Net incoming/(outgoing) resources before transfers		(616,778)	10,638	(606,140)	(610,582)	(54,831)	(665,413)
Gross transfers between funds		16,002	(16,002)	-	9,806	(9,806)	-
Net movement in funds		(600,776)	(5,364)	(606,140)	(600,776)	(64,637)	(665,413)
Fund balances at 1 January 2023		36,243,389	810,761	37,054,150	36,844,165	875,397	37,719,562
Fund balances at 31 December 2023		35,642,613	805,397	36,448,010	36,243,389	810,760	37,054,149

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	14	35,842,613		36,243,389	
Investments	15	736,781		734,461	
		<u>36,379,394</u>		<u>36,977,850</u>	
Current assets					
Debtors	16	1,038		1,109	
Cash at bank and in hand		95,391		108,043	
		<u>96,429</u>		<u>109,152</u>	
Creditors: amounts falling due within one year	17	<u>(27,813)</u>		<u>(32,853)</u>	
Net current assets			<u>68,616</u>		<u>76,298</u>
Total assets less current liabilities			<u><u>36,448,010</u></u>		<u><u>37,054,149</u></u>
Income funds					
Restricted funds - Educational Purposes	18	805,397		810,760	
Restricted funds - Land & Buildings		35,642,613		36,243,389	
		<u>36,448,010</u>		<u>37,054,149</u>	

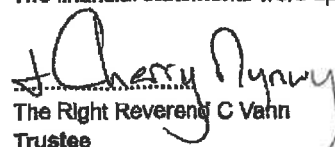
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 20-6-2024


The Right Reverend C Vann
Trustee

Company Registration No. 00162863

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Monmouth Diocesan Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Caerau Road, Newport NP20 4HJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for smaller charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Rental income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Investment income is recognised on a receivable basis.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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.

Allocation and apportionment of costs

Administration and management costs are allocated to the function of the charity to which they relate. The method of allocation has been on a percentage basis of the overall cost of that particular function.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

School buildings, and a church hall (valued on 31 December 2016) are depreciated at a rate calculated by the District Valuer to write off these assets over their estimated remaining lives, ranging from 20 years to 51 years.

Any expenditure on school buildings or trust properties after this date are depreciated at a rate of 2% on cost.

Land is not depreciated

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Derecognition of financial assets

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

As a registered charity Monmouth Diocesan Trust is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

3 Donations and legacies

	Total 2023 £	Restricted funds Educational Purposes 2022 £
Grants	-	8,363

4 Charitable activities

	Restricted funds Land & Buildings 2023 £	Restricted funds Educational purposes 2023 £	Total 2023 £	Total 2022 £
Schools (Service Level Agreement)	-	8,371	8,371	6,986
Rental income	3,504		3,504	3,504
	<u>3,504</u>	<u>8,371</u>	<u>11,875</u>	<u>10,490</u>
Analysis by fund				
Restricted funds - Land & Buildings	3,504		3,504	3,504
Restricted funds - general	-	8,371	8,371	6,986
	<u>3,504</u>	<u>8,371</u>	<u>11,875</u>	<u>10,490</u>

5 Investments

	Restricted funds Educational Purposes 2023 £	Restricted funds Educational Purposes 2022 £
Dividends	28,884	28,355
Interest receivable	119	47
	<u>29,003</u>	<u>28,402</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

6 Raising funds

	Restricted funds Educational Purposes 2023 £	Restricted funds Educational Purposes 2022 £
Investment management	4,212	4,339
	<u>4,212</u>	<u>4,339</u>

7 Charitable activities

	2023 £	2022 £
Support for Education	28,549	17,693
Support for Schools - Land & Buildings	601,814	601,311
Support for Other Trust Property	4,963	3,705
	<u>635,326</u>	<u>622,709</u>
Share of support costs (see note 8)	1,145	1,205
Share of governance costs (see note 8)	12,360	8,130
	<u>648,831</u>	<u>632,044</u>
Analysis by fund		
Restricted funds - Land & Buildings	620,282	614,086
Restricted Funds - Educational Purposes	28,549	17,958
	<u>648,831</u>	<u>632,044</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

8 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Insurance	1,092	-	1,092	1,092	-	1,092
Sundries	53	-	53	113	-	113
Audit fees	-	12,360	12,360	-	8,130	8,130
	<u>1,145</u>	<u>12,360</u>	<u>13,505</u>	<u>1,205</u>	<u>8,130</u>	<u>9,335</u>
Analysed between Charitable activities	<u>1,145</u>	<u>12,360</u>	<u>13,505</u>	<u>1,205</u>	<u>8,130</u>	<u>9,335</u>

Governance costs includes payments to the auditors of £12,360 for audit fees (2022 - £8,130) and £nil for other services (2022- £nil).

9 Net movement in funds

2023
£

2022
£

Net movement in funds is stated after charging/(crediting)

Fees payable to the company's auditor for the audit of the company's financial statements

12,360

8,130

Depreciation of owned tangible fixed assets

600,776

600,776

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

There were no employees during the year.

2023
Number

2022
Number

Total

-

-

There were no employees whose annual remuneration was more than £60,000.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

12 Net gains/(losses) on investments

	Restricted funds Educational Purposes 2023 £	Restricted funds Educational Purposes 2022 £
Revaluation of investments	13,229	(86,645)
Gain/(loss) on sale of investments	(7,204)	10,360
	<u>6,025</u>	<u>(76,285)</u>

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Freehold land and buildings £
Cost or valuation	
At 1 January 2023	39,810,500
At 31 December 2023	39,810,500
Depreciation and impairment	
At 1 January 2023	3,567,111
Depreciation charged in the year	600,776
At 31 December 2023	4,167,887
Carrying amount	
At 31 December 2023	35,642,613
At 31 December 2022	36,243,389

Land and buildings includes land to the value of £21,567,500. No depreciation is provided on land

Land and buildings with a carrying amount of £17,632,660 were revalued at 31 December 2016 by The Valuation Office Agency, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2023, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £11,655,136 (2022 - £12,072,577).

The revaluation surplus is disclosed in the restricted funds note.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Tangible fixed assets

(Continued)

£3,864,251 of the net book value relates to land and buildings in respect of Llantilio Pertholey School. The local authority has not complied with their statutory obligation to transfer title and as such are holding as bare trustees on behalf of Monmouth Diocesan Trust pending compliance with this statutory obligation.

A new school opened in Raglan in September 2015 however at the balance sheet date the formal transfer of land to the Trust had not been concluded. There are ongoing negotiations between the Trust and Monmouthshire Council to enable land to be transferred between the two parties. As the risks and rewards of ownership sit with the Trust, the land and buildings are recognised as an asset in the financial statements.

15 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 January 2023	725,973	8,488	734,461
Additions	221,759	(221,759)	-
Valuation changes	13,229	-	13,229
Other movement	-	(3,705)	(3,705)
Disposals	(231,032)	223,828	(7,204)
	<u>729,929</u>	<u>6,852</u>	<u>736,781</u>
Carrying amount			
At 31 December 2023	<u>729,929</u>	<u>6,852</u>	<u>736,781</u>
At 31 December 2022	<u>725,973</u>	<u>8,488</u>	<u>734,461</u>

16 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Other debtors	<u>1,040</u>	<u>1,109</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

16 Debtors

(Continued)

An amount of £90,000 was agreed for repayment by the governors of Magor School over the next few years. This will be included in the accounts as it is received. The amount outstanding in relation to this agreement is £47,500 (2022: £48,000).

17 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	27,813	32,853
	<u>27,813</u>	<u>32,853</u>

THE MONMOUTH DIOCESAN TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2023

18 Restricted funds

The income funds of the charity include restricted funds as follows:

	Balance at 1 January 2022		Movement in funds		Balance at 1 January 2023		Movement in funds		Balance at 31 December 2023		
	£	£	Resources expended	Transfers	Revaluations, gains and losses	£	£	Resources expended	Transfers	Revaluations, gains and losses	
Educational Purposes	875,397	43,751	(22,297)	(9,806)	(76,285)	810,761	37,374	(32,761)	(16,002)	6,025	805,397
Land & Buildings - Property Reserve	18,097,890	3,504	(614,086)	262,300	-	17,749,608	3,504	(620,282)	268,496	-	17,401,326
Land & Buildings - Revaluation Reserve	18,746,275	-	-	(252,494)	-	18,493,781	-	-	(252,494)	-	18,241,287
	37,719,562	47,255	(636,383)	-	(76,285)	37,054,150	40,878	(653,043)	-	6,025	36,448,010

Schools Fund - Educational Purposes - This is the excess of income of the restricted fund after the creation of the Land and Buildings restricted fund and can only be used for educational purposes.

Land and Buildings - Property Reserve - This fund reflects the net book value of the trust's tangible assets.

Land and Buildings - Revaluation Reserve - This fund has arisen following the valuation of church schools in the Diocese of Monmouth in 2016.

Transfers between funds

Transfers have been made between funds to agree the fund balances at the year end to reflect the net book value of land and buildings.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

19 Analysis of net assets between funds

	Restricted - Land & Buildings 2023 £	Restricted - Educational Purposes 2023 £	Total 2023 £	Restricted - Land & Buildings 2022 £	Restricted - Educational Purposes 2022 £	Total 2022 £
Fund balances at 31 December 2023 are represented by:						
Tangible assets	35,642,613	-	35,642,613	36,243,389	-	36,243,389
Investments	-	736,781	736,781	-	734,461	734,461
Current assets/(liabilities)	-	68,616	68,616	-	76,299	76,299
	<u>35,642,613</u>	<u>805,397</u>	<u>36,448,010</u>	<u>36,243,389</u>	<u>810,760</u>	<u>37,054,149</u>

20 Related party transactions

There were no other disclosable related party transactions during the year.

21 Custodian Funds

Trustees act as custodian trustees with responsibilities for funds held on behalf of others. These funds are held on behalf of parishes and have a dedicated bank account, and include the following trusts:

Abertillery - £37.50 (2022: £30.00)
 Newport St Pauls - £15.00 (2022: £12.00)
 Rumney - £20.00 (2022: £20.00)
 Sundry Mon.Diocesan Trust - £134.00 (2022: £134.00).

MONMOUTH DIOCESAN TRUST

England & Wales - Charity number 232841

Accounts

Charity registration number 232841

Company registration number 00182863 (England and Wales)

THE MONMOUTH DIOCESAN TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

THE MONMOUTH DIOCESAN TRUST

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THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and financial statements for the year ended 31 December 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Objectives and strategy

The charity is responsible for the provision of support and finance, as available, for Church in Wales Schools within the Diocese of Monmouth as approved by trustees.

The Memorandum & Articles of Association of the Trust permit it to hold property and funds on behalf of parishes within the Diocese. In 1999 most of these properties and funds were transferred to the Monmouth Diocesan Board of Finance to enable the Trust to concentrate on supporting the Church Schools within the Diocese.

- **21st Century School Building Programme**

Money which used to be given by the Welsh Government directly to the Church in Wales to help maintain and upgrade the school buildings has been withdrawn and subsumed into the Government's 21st Century School Building Programme. This programme is administered by the Local Authorities, who now decide the priority for upgrading school buildings.

- **Capital Repair and Maintenance Programme (CRAMP)**

The Diocesan Trust are the agents of the Welsh Government scheme for the church schools in the dioceses of Monmouth.

In 2022 the Trust did not administer any grant monies and the allocation for Monmouth will be held over for works required in 2023.

Public benefit

The Trustees have had due regard to the Charity Commission guidance on public benefit and are content that the Trust is demonstrating public benefit in providing support for church schools. The Trustees are satisfied that the church schools are providing a good standard of education for local children and are serving the wider community.

Achievements and performance

Raglan School

Work to transfer the land upon which the new school has been built is ongoing pending receipt of valuations of the respective parcels of land currently in the ownership of the Council and the Trust. Further meetings and actions were completed towards this in 2022.

Loan to Magor School

There is £47.5k outstanding from the Governing Body of Magor Church in Wales Primary School. However, there is no contract in place for the repayment. The School Governors have agreed to pay between £1,000 and £2,000 per annum.

Land at Llanfair Kilgeddin

The school building at Llanfair Kilgeddin was sold in 2018 for £265,000. The associated land is covered by a separate Trust Deed and has been marketed for sale. In 2018 the trustees, agreed in principle, to sell the land to the Monmouthshire Housing Association for the development of affordable housing.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

In 2020 an independent surveyor's report, advised the trustees that Monmouthshire Housing Association's offer for the land did not represent best value and they were advised to consider other options.

Further planning advice was sought in 2022 and a report outlining the options for the future of the land is required.

Valuation of Trust Properties

The school properties were revalued in 2016 and they are being depreciated from 2017. The trustees have now agreed to revalue the properties every 10 years.

Financial review

Fixed Assets

The Diocesan Trust's fixed assets were re-valued in December 2016. The total value of the fixed assets at 31 December 2022 was £ 36,243,389 (compared to £ 36,844,165 at 31 December 2021).

Investment powers and policy

Under the governing document, the charity has the power to invest in any way the trustees wish, subject to Trustee legislation.

The investments are managed by independent investment managers who have delegated authority to buy and sell without reference to trustees. In practice, all such purchases and sales are notified to the Secretary, and a full review of the charity's portfolio is undertaken twice each year by an Investment Advisory Group representing both of the Diocesan charities. The Archdeacon of Newport and Mrs Susan Gwyer-Roberts represent the interests of the Diocesan Trust on this group.

The Investment Managers are required to adhere to the prescribed ethical policy agreed by Trustees. The ethical policy follows that agreed by the Church in Wales and is discussed and reviewed regularly.

The value of the investments at 31 December 2022 was £734,461 (compared to £813,960 at 31 December 2021).

Reserves policy

The current policy is to hold at least £50k in cash to cover short term expenditure. At the year end the charity held £108,043 (2021: £141,312) in cash at bank less liabilities of £32,853 (£80,166). This is in line with its reserves policy.

Our Investment Managers have assured us that further funds can be available within one month, if required. The trustees consider that the level of reserves is adequate for the future needs and requirements of the charity. The reserves policy is reviewed regularly.

Structure, governance and management

Governing Document

Monmouth Diocesan Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 19th June 1922. It is registered as a charity with the Charity Commission for England & Wales.

Rules covering membership are laid down in the Articles of Association.

Elections of trustees are for a period of one year and take place at the Annual General Meeting. The Area Deans are responsible for nominating 3 of their group to be trustees.

The Headteachers of the Church in Wales schools, in conjunction with the DDE, are responsible for nominating 2 of their group to be trustees.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Trustee induction and training

The Diocesan Secretary is available to brief new trustees about their legal obligations under charity and company law, the background history of the charity, the decision-making processes, the regular monitoring of the finances, and the previous year's financial performance of the charity.

Management and Organisation

Meetings

The Trustees met four times in 2022 in addition to the Annual General Meeting held on 12th September 2022. At each meeting a statement showing the previous quarter's income and expenditure was presented. A forecast of future expenditure and the value of the Charity's investments was also made available to trustees.

Administration

The Secretary and Executive Officer, employed by Monmouth Diocesan Board of Finance, manages the day-to-day operations of the charity. The Secretary has delegated authority, approved by the trustees, for operational matters and the control of the finances of the charity within prescribed guidelines for projects approved by the trustees.

Financial relationship with Monmouth Diocesan Board of Finance

The Monmouth Diocesan Board of Finance took over financial responsibility for the diocesan provision of education during 2020, covering costs that the Diocesan Trust were no longer able to cover. With this, the DBF embarked on a new relationship with the Diocese of Llandaff whose education team extended their scope to take on the diocesan statutory duties for church schools in Monmouth.

Prior to 2020 an annual administration fee was payable to Monmouth Diocesan Board of Finance to cover the costs of secretariat facilities provided by the Monmouth Diocesan Board of Finance. It has been agreed with the DBF that the Trust will not be required to pay the administration fee from 2020 onwards in order to reduce Trust expenditure. This will continue to be reviewed in 2023.

Risk management

Major Risk

The major identified risk is the income which is required to support the 15 Church Schools in the Diocese.

During 2020, as part of wider Diocesan Review, it was agreed that the Monmouth Diocesan Board of Finance would take over the expenditure relating to the diocesan statutory duties for education. Work has continued, to ensure the Diocesan Trust is financially sustainable, and in 2022 the Church Schools agreed to a Service Level Agreement and the Diocesan Trust will receive a contribution from each school towards the services provided.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Reference and administrative details

Registered Company number

00182863

Registered Charity number

232841

Registered office

Diocesan Office
64 Caerau Road
Newport
South Wales
NP20 4HJ

Trustees

The directors of the company (the charity) are also its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Trustees during 2022 were as follows:

Ex officio

The Bishop of Monmouth (Chairman)
The Dean of Newport
The Archdeacon of Newport
The Archdeacon of Monmouth
The Archdeacon of the Gwent Valleys (appointed 20 June 2022)

Appointed by Area Deans

There are currently vacancies for Area Deans

Elected

Christopher Cotterrill (resigned 28/11/2022)
Susan Gwyer-Roberts
Nicola Price
Rebecca Penn
Eleri Williams (resigned 8/4/2022)
The Very Rev Ian Black

Secretary and Executive Officer

Isabel Thompson
Bethan Davies

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Reference and administrative details

Auditors

Azets Audit Services
Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

NatWest Bank plc
High Street
Newport
South Wales
NP19 1GG

Solicitors

Jacklyn Dawson
Equity Chambers
John Frost Square
Newport
NP20 1PW

Investment Managers

RBC Brewin Dolphin
5 Callaghan Square
Cardiff
CF10 5BT

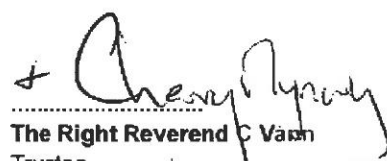
Funds held as custodian trustee

Custodian responsibilities

Trustees act as custodian trustees with responsibilities for funds held on behalf of others and shown at Note 20 of the Accounts. These funds are held on behalf of parishes and have a dedicated bank account.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.


.....
The Right Reverend C. Vain
Trustee
Dated: 25/9/23

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees, who are also the directors of The Monmouth Diocesan Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Opinion

We have audited the financial statements of The Monmouth Diocesan Trust (the 'charity') for the year ended 31 December 2022 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant 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 our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2022 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 our 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services

Azets Audit Services

27-09-2023
.....

Chartered Accountants
Statutory Auditor

Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
United Kingdom
CF23 8AB

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

	Notes	Restricted funds Land & Buildings 2022 £	Restricted funds Educational Purposes 2022 £	Total 2022 £	Restricted funds Land & Buildings 2021 £	Restricted funds Educational Purposes 2021 £	Total 2021 £
Income from:							
Donations and legacies	3	-	8,363	8,363	-	-	-
Charitable activities	4	3,504	6,986	10,490	293	-	293
Investments	5	-	28,402	28,402	-	26,858	26,858
Total income		3,504	43,751	47,255	293	26,858	27,151
Expenditure on:							
Raising funds	6	-	4,339	4,339	-	4,671	4,671
Charitable activities	7	614,086	17,958	632,044	608,332	16,148	624,480
Total resources expended		614,086	22,297	636,383	608,332	20,819	629,151
Net gains/(losses) on investments	12	-	(76,285)	(76,285)	-	76,029	76,029
Net incoming/ (outgoing) resources before transfers		(610,582)	(54,831)	(665,413)	(608,039)	82,068	(525,971)
Gross transfers between funds		9,806	(9,806)	-	7,263	(7,263)	-
Net income/(expenditure) for the year/ Net movement in funds		(600,776)	(64,637)	(665,413)	(600,776)	74,805	(525,971)
Fund balances at 1 January 2022		36,844,165	875,397	37,719,562	37,444,941	800,592	38,245,533
Fund balances at 31 December 2022		36,243,389	810,760	37,054,149	36,844,165	875,397	37,719,562

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	13	36,243,389		36,844,165	
Investments	14	734,461		813,960	
		<u>36,977,850</u>		<u>37,658,125</u>	
Current assets					
Debtors	16	1,109		291	
Cash at bank and in hand		108,043		141,312	
		<u>109,152</u>		<u>141,603</u>	
Creditors: amounts falling due within one year	17	(32,853)		(80,166)	
Net current assets			76,299		61,437
Total assets less current liabilities			<u>37,054,149</u>		<u>37,719,562</u>
Income funds					
Restricted funds - Educational Purposes	18	810,760		875,397	
Restricted funds - Land & Buildings	19	36,243,389		36,844,165	
		<u>37,054,149</u>		<u>37,719,562</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2022, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 25/9/23


The Right Reverend C Yann
Trustee

Company Registration No. 00182863

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

The Monmouth Diocesan Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Caerau Road, Newport NP20 4HJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for smaller charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Rental income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Investment income is recognised on a receivable basis.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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.

Allocation and apportionment of costs

Administration and management costs are allocated to the function of the charity to which they relate. The method of allocation has been on a percentage basis of the overall cost of that particular function.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

School buildings, and a church hall (valued on 31 December 2016) are depreciated at a rate calculated by the District Valuer to write off these assets over their estimated remaining lives, ranging from 20 years to 51 years.

Any expenditure on school buildings or trust properties after this date are depreciated at a rate of 2% on cost.

Land is not depreciated

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Basic financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

Derecognition of financial assets

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

As a registered charity Monmouth Diocesan Trust is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds Educational Purposes 2022 £	Total 2021 £
Grants	8,363	-

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

4 Charitable activities

	Charitable Income Heading 1 2022 £	Charitable Income Heading 2 2022 £	Total 2022 £	Charitable Income Heading 2 2021 £
Schools (Service Level Agreement)	6,986	-	6,986	-
Rental income	-	3,504	3,504	293
	<u>6,986</u>	<u>3,504</u>	<u>10,490</u>	<u>293</u>
Analysis by fund				
Restricted funds - Land & Buildings	-	3,504	3,504	293
Restricted funds - general	6,986	-	6,986	-
	<u>6,986</u>	<u>3,504</u>	<u>10,490</u>	<u>293</u>

5 Investments

	Restricted funds Educational Purposes 2022 £	Restricted funds Educational Purposes 2021 £
Dividends	28,355	26,856
Interest receivable	47	2
	<u>28,402</u>	<u>26,858</u>

6 Raising funds

	Restricted funds Educational Purposes 2022 £	Restricted funds Educational Purposes 2021 £
Investment management	4,339	4,671
	<u>4,339</u>	<u>4,671</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Charitable activities

	2022 £	2021 £
Support for Education	17,693	15,999
Support for Schools - Land & Buildings	601,311	595,868
Support for Other Trust Property	3,705	6,849
	<u>622,709</u>	<u>618,716</u>
Share of support costs (see note 8)	1,205	1,054
Share of governance costs (see note 8)	8,130	4,710
	<u>632,044</u>	<u>624,480</u>
Analysis by fund		
Restricted funds - Land & Buildings	614,086	608,332
Restricted Funds - Educational Purposes	17,958	16,148
	<u>632,044</u>	<u>624,480</u>

8 Support costs

	Support costs £	Governance costs £	2022 Support costs		Governance costs £	2021 £
	£	£	£	£	£	£
Insurance	1,092	-	1,092	1,001	-	1,001
Sundries	113	-	113	53	-	53
Audit fees	-	8,130	8,130	-	4,710	4,710
	<u>1,205</u>	<u>8,130</u>	<u>9,335</u>	<u>1,054</u>	<u>4,710</u>	<u>5,764</u>
Analysed between Charitable activities	<u>1,205</u>	<u>8,130</u>	<u>9,335</u>	<u>1,054</u>	<u>4,710</u>	<u>5,764</u>

Governance costs includes payments to the auditors of £8,130 for audit fees (2021 - £4,710) and £nil for other services (2021- £nil).

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

9 Net movement in funds	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	8,130	4,710
Depreciation of owned tangible fixed assets	600,776	600,776

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

11 Employees

There were no employees during the year.

12 Net gains/(losses) on investments

	Restricted funds Educational Purposes 2022 £	Restricted funds Educational Purposes 2021 £
Gain/(loss) on sale of investments	(76,285)	76,029

13 Tangible fixed assets

	Freehold land and buildings £
Cost or valuation	
At 1 January 2022	39,810,500
At 31 December 2022	39,810,500
Depreciation and impairment	
At 1 January 2022	2,966,335
Depreciation charged in the year	600,776
At 31 December 2022	3,567,111
Carrying amount	
At 31 December 2022	36,243,389
At 31 December 2021	36,844,165

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

13 Tangible fixed assets (Continued)

Land and buildings includes land to the value of £21,567,500. No depreciation is provided on land

Land and buildings with a carrying amount of £17,632,660 were revalued at 31 December 2016 by The Valuation Office Agency, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2022, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £12,072,577 (2021 - £12,490,018).

The revaluation surplus is disclosed in the restricted funds note.

£3,916,358 of the net book value relates to land and buildings in respect of Llantilio Pertholey School. The local authority has not complied with their statutory obligation to transfer title and as such are holding as bare trustees on behalf of Monmouth Diocesan Trust pending compliance with this statutory obligation.

A new school opened in Raglan in September 2015 however at the balance sheet date the formal transfer of land to the Trust had not been concluded. There are ongoing negotiations between the Trust and Monmouthshire Council to enable land to be transferred between the two parties. As the risks and rewards of ownership sit with the Trust, the land and buildings are recognised as an asset in the financial statements.

14 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 January 2022	794,052	19,908	813,960
Additions	118,476	-	118,476
Valuation changes	(76,285)	-	(76,285)
Cash movement	-	(11,420)	(11,420)
Disposals	(110,270)	-	(110,270)
	<u>725,973</u>	<u>8,488</u>	<u>734,461</u>
Carrying amount			
At 31 December 2022	<u>725,973</u>	<u>8,488</u>	<u>734,461</u>
At 31 December 2021	<u>794,052</u>	<u>19,908</u>	<u>813,960</u>

15 Financial Instruments

	2022 £	2021 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>725,973</u>	<u>794,052</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

16 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	1,109	291

An amount of £90,000 was agreed for repayment by the governors of Magor School over the next few years. This will be included in the accounts as it is received. The amount outstanding in relation to this agreement is £48,000 (2021: £48,000).

17 Creditors: amounts falling due within one year

	2022	2021
	£	£
Other creditors	32,853	80,166

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

18 Restricted funds

The income funds of the charity include restricted funds as follows:

	Balance at 1 January 2021		Movement in funds		Movement in funds		Balance at 31 December 2022					
	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	£	£
Educational Purposes	800,592	26,858	26,858	(20,819)	(7,263)	76,029	43,751	(22,297)	(9,806)	(76,285)	810,760	
Land & Buildings - Property Reserve	18,446,172	293	293	(608,332)	259,757	-	3,504	(614,086)	262,300	-	17,749,608	
Land & Buildings - Revaluation Reserve	18,998,769	-	-	-	(252,494)	-	-	-	(252,494)	-	18,493,781	
	38,245,533	27,151	27,151	(629,151)	-	76,029	47,255	(636,383)	-	(76,285)	37,054,149	

Schools Fund - Educational Purposes - This is the excess of income of the restricted fund after the creation of the Land and Buildings restricted fund and can only be used for educational purposes.

Land and Buildings - Property Reserve - This fund reflects the net book value of the trust's tangible assets.

Land and Buildings - Revaluation Reserve - This fund has arisen following the valuation of church schools in the Diocese of Monmouth in 2016.

Transfers between funds

Transfers have been made between funds to agree the fund balances at the year end to reflect the net book value of land and buildings.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

19 Restricted funds - Land & Buildings

These are restricted funds which are material to the charity's activities made up as follows:

20 Analysis of net assets between funds

	Restricted - Land & Buildings 2022 £	Restricted - Educational Purposes 2022 £	Total 2022 £	Restricted - Land & Buildings 2021 £	Restricted - Educational Purposes 2021 £	Total 2021 £
Fund balances at 31 December 2022 are represented by:						
Tangible assets	36,243,389	-	36,243,389	36,844,165	-	36,844,165
Investments	-	734,461	734,461	-	813,960	813,960
Current assets/(liabilities)	-	76,299	76,299	-	61,437	61,437
	<u>36,243,389</u>	<u>810,760</u>	<u>37,054,149</u>	<u>36,844,165</u>	<u>875,397</u>	<u>37,719,562</u>

21 Related party transactions

There were no other disclosable related party transactions during the year.

22 Custodian Funds

Trustees act as custodian trustees with responsibilities for funds held on behalf of others. These funds are held on behalf of parishes and have a dedicated bank account, and include the following trusts:

Abertillery - £30 (2021: £23)
Newport St Pauls - £12 (2021: £9)
Rumney - £20 (2021: £15)
Sundry Mon.Diocesan Trust - £134 (2021: £134).

MONMOUTH DIOCESAN TRUST

England & Wales - Charity number 232841

Accounts

Charity registration number 232841

Company registration number 00182863 (England and Wales)

THE MONMOUTH DIOCESAN TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

THE MONMOUTH DIOCESAN TRUST

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THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees present their report and financial statements for the year ended 31 December 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Objectives and strategy

The charity is responsible for the provision of support and finance, as available, for Church in Wales Schools within the Diocese of Monmouth as approved by trustees.

The Memorandum & Articles of Association of the Trust permit it to hold property and funds on behalf of parishes within the Diocese. In 1999 most of these properties and funds were transferred to the Monmouth Diocesan Board of Finance to enable the Trust to concentrate on supporting the Church Schools within the Diocese.

- **21st Century School Building Programme**

Money which used to be given by the Welsh Government directly to the Church in Wales to help maintain and upgrade the school buildings has been withdrawn and subsumed into the Government's 21st Century School Building Programme. This programme is administered by the Local Authorities, who now decide the priority for upgrading school buildings.

- **Capital Repair and Maintenance Programme (CRAMP)**

As agents of the Welsh Government scheme, the Trust administered grant monies of £49,515 in 2020 to help the Diocesan Voluntary Aided schools with minor repairs.

Public benefit

The Trustees have had due regard to the Charity Commission guidance on public benefit and are content that the Trust is demonstrating public benefit in providing support for church schools. The Trustees are satisfied that the church schools are providing a good standard of education for local children and are serving the wider community.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Achievements and performance

Raglan School

The Beaufort Estate has agreed in principle to grant a lease to Monmouthshire County Council of the car park area at a nominal rent. The transfer of the land upon which the new school has been built has not yet been completed pending receipt of valuations of the respective parcels of land currently in the ownership of the Council and the Trust.

Loan to Magor School

There is £48k outstanding from the Governing Body of Magor Church in Wales Primary School. However, there is no contract in place for the repayment. The School Governors have agreed to pay between £1,000 and £2,000 per annum.

Land at Llanfair Kilgeddin

The school building at Llanfair Kilgeddin was sold in 2018 for £265,000. The associated land is covered by a separate Trust Deed and has been marketed for sale. In 2018 the trustees agreed, in principle, to sell the land to the Monmouthshire Housing Association for the development of affordable housing.

In 2020, an independent surveyor's report, advised the trustees that Monmouthshire Housing Association's offer for the land did not represent best value and they were advised to consider other options.

In 2022 pre application advice will be sought from the Local Planning Authority to explore alternative options.

Valuation of Trust Properties

The school properties were revalued in 2016 and they are being depreciated from 2017. The trustees have now agreed to revalue the properties every 10 years.

Financial review

Fixed Assets

The Diocesan Trust's fixed assets were re-valued in December 2016. The total value of the fixed assets at 31 December 2021 was £36,844,165 (compared to £37,444,941 at 31 December 2020).

Investment powers and policy

Under the governing document, the charity has the power to invest in any way the trustees wish, subject to Trustee legislation.

The investments are managed by independent investment managers who have delegated authority to buy and sell without reference to trustees. In practice, all such purchases and sales are notified to the Secretary, and a full review of the charity's portfolio is undertaken twice each year by an Investment Advisory Group representing both of the Diocesan charities. The Archdeacon of Newport and Mrs Susan Gwyer-Roberts represent the interests of the Diocesan Trust on this group.

The Investment Managers are required to adhere to the prescribed ethical policy agreed by Trustees. The ethical policy follows that agreed by the Church in Wales and is discussed and reviewed regularly.

The value of the investments at 31 December 2021 was £813,960 (compared to £792,654 at 31 December 2020).

Reserves policy

The current policy is to hold at least £50k in cash to cover short term expenditure.

Our Investment Managers have assured us that further funds can be available within one month, if required. The trustees consider that the level of reserves is adequate for the future needs and requirements of the charity. The reserves policy is reviewed regularly.

Structure, governance and management

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Governing Document

Monmouth Diocesan Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 19th June 1922. It is registered as a charity with the Charity Commission for England & Wales.

Rules covering membership are laid down in the Articles of Association.

Elections of trustees are for a period of one year and take place at the Annual General Meeting. The Area Deans are responsible for nominating 3 of their group to be trustees.

The Headteachers of the CinW schools, in conjunction with the DDE, are responsible for nominating 2 of their group to be trustees.

Trustee induction and training

The Diocesan Secretary is available to brief new trustees about their legal obligations under charity and company law, the background history of the charity, the decision-making processes, the regular monitoring of the finances, and the previous year's financial performance of the charity. New trustees are also offered annual training in order to keep up-to-date in exercising their responsibilities.

Management and Organisation

Meetings

The Trustees met four times in 2021 in addition to the Annual General Meeting held on 13th September 2021. At each meeting a statement showing the previous quarter's income and expenditure was presented. A forecast of future expenditure and the value of the Charity's investments was also made available to trustees.

Administration

The Secretary and Executive Officer, employed by Monmouth Diocesan Board of Finance, manages the day-to-day operations of the charity. The Secretary has delegated authority, approved by the trustees, for operational matters and the control of the finances of the charity within prescribed guidelines for projects approved by the trustees.

Financial relationship with Monmouth Diocesan Board of Finance

The Monmouth Diocesan Board of Finance took over financial responsibility for the diocesan provision of education during 2020, covering costs that the Diocesan Trust were no longer able to cover. With this, the DBF embarked on a new relationship with the Diocese of Llandaff whose education team extended their scope to take on the diocesan statutory duties for church schools in Monmouth, as well as providing much needed educational resources during a very challenging year for our church schools.

Prior to 2020 an annual administration fee was payable to Monmouth Diocesan Board of Finance to cover the costs of secretariat facilities provided by the Monmouth Diocesan Board of Finance. It has been agreed with the DBF that the Trust will not be required to pay the administration fee from 2020 onwards in order to reduce Trust expenditure. This will continue to be reviewed in 2022.

Risk management

Major Risk

The major identified risk is the income which is required to support the 15 Church Schools in the Diocese.

During 2020, as part of wider Diocesan Review, it was agreed that the Monmouth Diocesan Board of Finance would take over the expenditure relating to the diocesan statutory duties for education. Work continued in 2021 to ensure the Diocesan Trust is financially sustainable. In 2022 the Church Schools agreed to a Service Level of Agreement and the Diocesan Trust will receive a contribution from each school towards the services provided.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

Reference and administrative details

Registered Company number
00182863

Registered Charity number
232841

Registered office
Diocesan Office
64 Caerau Road
Newport
South Wales
NP20 4HJ

Trustees

The directors of the company (the charity) are also its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Trustees during 2021 were as follows:

Ex officio

The Bishop of Monmouth (Chairman)
The Dean of Newport (from September 2021)
The Archdeacon of Newport
The Archdeacon of Monmouth (until March 2021)
The Archdeacon of Monmouth (from September 2021)
The Archdeacon of the Gwent Valleys (until July 2021)

Appointed by Area Deans

The Area Dean of Bassaleg (until May 2021)

Elected

Christopher Cotterill
Susan Gwyer-Roberts
Nicola Price
Rebecca Penn
Eve Rowlands (until May 2021)
Eleri Williams

Secretary

Bethan Davies

Executive Officer

Isabel Thompson

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

Reference and administrative details

Auditors

Azets Audit Services Limited
Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

NatWest Bank plc
High Street
Newport
South Wales
NP19 1GG

Solicitors

Jacklyn Dawson
Equity Chambers
John Frost Square
Newport
NP20 1PW

Investment Managers

Brewin Dolphin
5 Callaghan Square
Cardiff
CF10 5BT

Funds held as custodian trustee

Custodian responsibilities

Trustees act as custodian trustees with responsibilities for funds held on behalf of others and shown at Note 19 of the Accounts. These funds are held on behalf of parishes and have a dedicated bank account.

Auditor

In accordance with the company's articles, a resolution proposing that Azets Audit Services be reappointed as auditor of the company will be put at a General Meeting.


.....
The Right Reverend G. Vann
Trustee
Dated: ...12/1/22...

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees, who are also the directors of The Monmouth Diocesan Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Opinion

We have audited the financial statements of The Monmouth Diocesan Trust (the 'charity') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant 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 our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

We have nothing to report in this regard.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 our 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

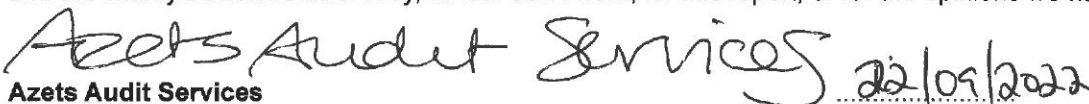
In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

 22/09/2022

Azets Audit Services

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United
Kingdom
CF23 8AB

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	Restricted funds Land & Buildings 2021 £	Restricted funds Educational Purposes 2021 £	Total 2021 £	Restricted funds Land & Buildings 2020 £	Restricted funds Educational Purposes 2020 £	Total 2020 £
Income from:							
Donations and legacies	3	-	-	-	-	8,866	8,866
Investments	4	293	26,858	27,151	500	25,842	26,342
Total income		293	26,858	27,151	500	34,708	35,208
Expenditure on:							
Raising funds	5	-	4,671	4,671	-	4,494	4,494
Charitable activities	6	608,332	16,148	624,480	615,111	16,544	631,655
Total resources expended		608,332	20,819	629,151	615,111	21,038	636,149
Net gains/(losses) on investments	10	-	76,029	76,029	-	(8,936)	(8,936)
Net incoming/ (outgoing) resources before transfers		(608,039)	82,068	(525,971)	(614,611)	4,734	(609,877)
Gross transfers between funds		7,263	(7,263)	-	13,835	(13,835)	-
Net income/(expenditure) for the year/ Net movement in funds		(600,776)	74,805	(525,971)	(600,776)	(9,101)	(609,877)
Fund balances at 1 January 2021		37,444,941	800,592	38,245,533	38,045,717	809,693	38,855,410
Fund balances at 31 December 2021		36,844,165	875,397	37,719,562	37,444,941	800,592	38,245,533

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	11	36,844,165		37,444,941	
Investments	12	813,960		792,654	
		<u>37,658,125</u>		<u>38,237,595</u>	
Current assets					
Debtors	14	291		-	
Cash at bank and in hand		141,312		172,595	
		<u>141,603</u>		<u>172,595</u>	
Creditors: amounts falling due within one year	15	<u>(80,166)</u>		<u>(164,657)</u>	
Net current assets			<u>61,437</u>		<u>7,938</u>
Total assets less current liabilities			<u>37,719,562</u>		<u>38,245,533</u>
Income funds					
Restricted funds - Educational Purposes	16	875,397		800,592	
Restricted funds - Land & Buildings	17	36,844,165		37,444,941	
		<u>37,719,562</u>		<u>38,245,533</u>	

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 12/9/22


The Right Reverend C Vann
Trustee

Company Registration No. 00182863

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

Charity information

The Monmouth Diocesan Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Caerau Road, Newport NP20 4HJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for smaller charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income is recognised on a receivable basis.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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.

Allocation and apportionment of costs

Administration and management costs are allocated to the function of the charity to which they relate. The method of allocation has been on a percentage basis of the overall cost of that particular function.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

School buildings (valued on 31st December 2016) are depreciated at a rate calculated by the District Valuer to write off these assets over their estimated remaining lives.

Any expenditure on school buildings or trust properties after this date are depreciated at a rate of 2% on cost.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in other recognised gains and losses except to the extent that a gain reverses a loss previously recognised in net income expenditure, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Basic financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Derecognition of financial assets

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

As a registered charity Monmouth Diocesan Trust is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Total	Restricted funds Educational Purposes
	2021	2020
	£	£
Legacies receivable	-	8,866

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

4 Investments

	Restricted funds Land & Buildings 2021 £	Restricted funds Educational Purposes 2021 £	Total 2021 £	Restricted funds Land & Buildings 2020 £	Restricted funds Educational Purposes 2020 £	Total 2020 £
Rental income	293	-	293	500	-	500
Dividends	-	26,856	26,856	-	25,811	25,811
Interest receivable	-	2	2	-	31	31
	<u>293</u>	<u>26,858</u>	<u>27,151</u>	<u>500</u>	<u>25,842</u>	<u>26,342</u>

5 Raising funds

	Restricted funds Educational Purposes 2021 £	Restricted funds Educational Purposes 2020 £
<u>Investment management</u>	4,671	4,494
	<u>4,671</u>	<u>4,494</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

6 Charitable activities

	2021 £	2020 £
Support for Education	15,999	16,371
Support for Schools - Land & Buildings	595,868	605,563
Support for Other Trust Property	6,849	3,964
	<u>618,716</u>	<u>625,898</u>
Share of support costs (see note 7)	1,054	1,197
Share of governance costs (see note 7)	4,710	4,560
	<u>624,480</u>	<u>631,655</u>
Analysis by fund		
Restricted funds - Land & Buildings	608,332	615,111
Restricted Funds - Educational Purposes	16,148	16,544
	<u>624,480</u>	<u>631,655</u>

7 Support costs

	Support costs £	Governance costs £	2021 £	Support costs £	Governance costs £	2020 £
Insurance	1,001	-	1,001	1,184	-	1,184
Sundries	53	-	53	13	-	13
Audit fees	-	4,710	4,710	-	4,560	4,560
	<u>1,054</u>	<u>4,710</u>	<u>5,764</u>	<u>1,197</u>	<u>4,560</u>	<u>5,757</u>
Analysed between Charitable activities	<u>1,054</u>	<u>4,710</u>	<u>5,764</u>	<u>1,197</u>	<u>4,560</u>	<u>5,757</u>

Governance costs includes payments to the auditors of £4,710 for audit fees (2020 - £4,560) and £nil for other services (2020- £nil).

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2021

9 Employees

There were no employees during the year.

10 Net gains/(losses) on investments

	Restricted funds Educational Purposes 2021 £	Restricted funds Educational Purposes 2020 £
Gain/(loss) on sale of investments	76,029	(8,936)

11 Tangible fixed assets

	Freehold land and buildings £
Cost or valuation	
At 1 January 2021	39,810,500
At 31 December 2021	39,810,500
Depreciation and impairment	
At 1 January 2021	2,365,559
Depreciation charged in the year	600,776
At 31 December 2021	2,966,335
Carrying amount	
At 31 December 2021	36,844,165
At 31 December 2020	37,444,941

Land and buildings with a carrying amount of £17,632,660 were revalued at 31 December 2016 by The Valuation Office Agency, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2021, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £7,645,041 (2020 - £7,993,811).

The revaluation surplus is disclosed in the restricted funds note.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

11 Tangible fixed assets

(Continued)

£3,968,465 of the net book value relates to land and buildings in respect of Llantilio Pertholey School. The local authority has not complied with their statutory obligation to transfer title and as such are holding as bare trustees on behalf of Monmouth Diocesan Trust pending compliance with this statutory obligation.

During the year the Board monitored progress on the building of a new school in Raglan. This has included the negotiations between the Trust and Monmouthshire Council to enable land to be transferred between the two parties. The school opened in September 2015 however, at the year end the formal transfer of land had not been concluded.

12 Fixed asset investments

	Listed investments £	Cash in portfolio £	Total £
Cost or valuation			
At 1 January 2021	784,105	8,549	792,654
Additions	131,610	-	131,610
Valuation changes	76,029	-	76,029
Cash movement	-	11,359	11,359
Disposals	(197,692)	-	(197,692)
At 31 December 2021	794,052	19,908	813,960
Carrying amount			
At 31 December 2021	794,052	19,908	813,960
At 31 December 2020	784,105	8,549	792,654

13 Financial instruments

2021
£

2020
£

Carrying amount of financial assets

Instruments measured at fair value through profit or loss

794,052

784,105

14 Debtors

2021
£

2020
£

Amounts falling due within one year:

Other debtors

291

-

An amount of £90,000 was agreed for repayment by the governors of Magor School over the next few years. This will be included in the accounts as it is received. The amount outstanding in relation to this agreement is £48,000 (2020: £48,000).

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

15 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other creditors	80,166	164,657
	<u>80,166</u>	<u>164,657</u>

THE MONMOUTH DIOCESAN TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

16 Restricted funds

The income funds of the charity include restricted funds as follows:

	Balance at 1 January 2020		Income resources		Resources expended		Transfers		Revaluations, gains and losses		Balance at 1 January 2021		Income resources		Resources expended		Transfers		Revaluations, gains and losses		Balance at 31 December 2021	
	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£	£
Educational Purposes	809,693		34,708		(21,038)		(13,835)		(8,936)		800,592		26,858		(20,819)		(7,263)		76,029			875,397
Land & Buildings - Property Reserve	18,794,454		500		(615,111)		266,329		-		18,446,172		293		(608,332)		259,757		-			18,097,890
Land & Buildings - Revaluation Reserve	19,251,263		-		-		(252,494)		-		18,998,769		-		-		(252,494)		-			18,746,275
	38,855,410		35,208		(636,149)		-		(8,936)		38,245,533		27,151		(629,151)		-		76,029			37,719,562

Schools Fund - Educational Purposes - This is the excess of income of the restricted fund after the creation of the Land and Buildings restricted fund and can only be used for educational purposes.

Land and Buildings - Property Reserve - This fund reflects the net book value of the trust's tangible assets.

Land and Buildings - Revaluation Reserve - This fund has arisen following the valuation of church schools in the Diocese of Monmouth in 2016.

Transfers between funds

Transfers have been made between funds to agree the fund balances at the year end to reflect the net book value of land and buildings.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2021

17 Restricted funds - Land & Buildings

These are restricted funds which are material to the charity's activities made up as follows:

Transfers between funds

Transfers have been made between funds to agree the fund balances at the year end to reflect the net book value of land and buildings.

Schools Fund- Land and Buildings- This fund has arisen following the valuation of church schools in the Diocese of Monmouth in 2000.

18 Analysis of net assets between funds

	Restricted - Land & Buildings 2021 £	Restricted - Educational Purposes 2021 £	Total 2021 £	Restricted - Land & Buildings 2020 £	Restricted - Educational Purposes 2020 £	Total 2020 £
Fund balances at 31 December 2021 are represented by:						
Tangible assets	36,844,165	-	36,844,165	37,444,941	-	37,444,941
Investments	-	813,960	813,960	-	792,654	792,654
Current assets/ (liabilities)	-	61,437	61,437	-	7,938	7,938
	<u>36,844,165</u>	<u>875,397</u>	<u>37,719,562</u>	<u>37,444,941</u>	<u>800,592</u>	<u>38,245,533</u>

19 Related party transactions

The charity has a longstanding and ongoing administrative relationship with Monmouth Diocesan Board of Finance. In prior years this was charged to the Trust annually.

There were no other disclosable related party transactions during the year.

20 Custodian Funds

Trustees act as custodian trustees with responsibilities for funds held on behalf of others. These funds are held on behalf of parishes and have a dedicated bank account, and include the subsidiary trusts:

Abertillery - £23 (2020: £15)
Newport St Pauls - £9 (2020: £9)
Rumney - £15 (2020: £10)
Sundry Mon.Diocesan Trust - £134 (2020: £167).

MONMOUTH DIOCESAN TRUST

England & Wales - Charity number 232841

Accounts

Charity Registration No. 232841

Company Registration No. 00182863 (England and Wales)

THE MONMOUTH DIOCESAN TRUST
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

THE MONMOUTH DIOCESAN TRUST

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THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees present their report and financial statements for the year ended 31 December 2020.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

Objectives and activities

Objectives and strategy

The charity is responsible for the provision of support and finance, as available, for Church in Wales Schools within the Diocese of Monmouth as approved by trustees.

The Memorandum & Articles of Association of the Trust permit it to hold property and funds on behalf of parishes within the Diocese. In 1999 most of these properties and funds were transferred to the Monmouth Diocesan Board of Finance to enable the Trust to concentrate on supporting the Church Schools within the Diocese.

- **21st Century School Building Programme**

Money which used to be given by the Welsh Government directly to the Church in Wales to help maintain and upgrade the school buildings has been withdrawn and subsumed into the Government's 21st Century School Building Programme. This programme is administered by the Local Authorities, who now decide the priority for upgrading school buildings.

- **Capital Repair and Maintenance Programme (CRAMP)**

As agents of the Welsh Government scheme, the Trust administered grant monies of £49,515 in 2020 to help the Diocesan Voluntary Aided schools with minor repairs.

Public benefit

The Trustees have had due regard to the charity commission guidance on public benefit and are content that the Trust is demonstrating public benefit in providing support for church schools. The Trustees are satisfied that the church schools are providing a good standard of education for local children and are serving the wider community.

Achievements and performance

Raglan School

The Beaufort Estate has agreed in principle to grant a lease to Monmouthshire County Council of the car park area at a nominal rent. The transfer of the land upon which the new school has been built has not yet been completed pending receipt of valuations of the respective parcels of land currently in the ownership of the Council and the Trust.

Loan to Magor School

There is £47.5k outstanding from the Governing Body of Magor Church in Wales Primary School. However, there is no contract in place for the repayment. The School Governors have agreed to pay between £1,000 and £2,000 per annum.

Land at Llanfair Kilgeddin

The school building at Llanfair Kilgeddin was sold in 2018 for £265,000. The associated land is covered by a separate Trust Deed and has been marketed for sale. In 2018 the trustees, agreed in principle, to sell the land to the Monmouthshire Housing Association for the development of affordable housing.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

In 2020, an independent surveyor's report advised the trustees that Monmouthshire Housing Association's offer for the land did not represent best value and they were advised to consider other options.

Trustees will continue to explore options for this land in 2021.

Valuation of Trust Properties

The school properties were revalued in 2016 and they are being depreciated from 2017. The trustees have now agreed to revalue the properties every 10 years.

Financial review

Fixed Assets

The Diocesan Trust's fixed assets were re-valued in December 2016. The total value of the fixed assets at 31 December 2020 was £37,444,941 (compared to £38,045,717 at 31 December 2019).

Investment powers and policy

Under the governing document, the charity has the power to invest in any way the trustees wish, subject to Trustee legislation.

The investments are managed by independent investment managers who have delegated authority to buy and sell without reference to trustees. In practice, all such purchases and sales are notified to the Secretary, and a full review of the charity's portfolio is undertaken twice each year by an Investment Advisory Group representing both of the Diocesan charities. The Archdeacon of Newport and Mrs Susan Gwyer-Roberts represent the interests of the Diocesan Trust on this group.

The Investment Managers are required to adhere to the prescribed ethical policy agreed by Trustees. The ethical policy follows that agreed by the Church in Wales and is discussed and reviewed regularly.

The value of the investments at 31 December 2020 was £792,654 (compared to £801,473 at 31 December 2019).

Reserves policy

The current policy is to hold at least £50k in cash to cover short term expenditure.

Our Investment Managers have assured us that further funds can be available within one month, if required. The trustees consider that the level of reserves is adequate for the future needs and requirements of the charity. The reserves policy is reviewed regularly.

Structure, governance and management

Governing Document

Monmouth Diocesan Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 19th June 1922. It is registered as a charity with the Charity Commission for England & Wales.

Rules covering membership are laid down in the Articles of Association.

Elections of trustees are for a period of one year and take place at the Annual General Meeting. The Area Deans are responsible for nominating 3 of their group to be trustees.

The Headteachers of the CinW schools, in conjunction with the DDE, are responsible for nominating 2 of their group to be trustees.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Trustee induction and training

The Diocesan Secretary is available to brief new trustees about their legal obligations under charity and company law, the background history of the charity, the decision-making processes, the regular monitoring of the finances, and the previous year's financial performance of the charity. New trustees are also offered annual training in order to keep up-to-date in exercising their responsibilities.

Management and Organisation

Meetings

The Trustees met four times in 2020 in addition to the Annual General Meeting held on 7th September 2020. At each meeting a statement showing the previous quarter's income and expenditure was presented. A forecast of future expenditure and the value of the Charity's investments was also made available to trustees.

Administration

The Secretary and Executive Officer, employed by Monmouth Diocesan Board of Finance, manages the day-to-day operations of the charity. The Secretary has delegated authority, approved by the trustees, for operational matters and the control of the finances of the charity within prescribed guidelines for projects approved by the trustees.

Financial relationship with Monmouth Diocesan Board of Finance

The Monmouth Diocesan Board of Finance took over financial responsibility for the diocesan provision of education during 2020, covering costs that the Diocesan Trust were no longer able to cover. With this, the DBF embarked on a new relationship with the Diocese of Llandaff whose education team extended their scope to take on the diocesan statutory duties for church schools in Monmouth, as well as providing much needed educational resources during a very challenging year for our church schools.

Prior to 2020 an annual administration fee was payable to Monmouth Diocesan Board of Finance to cover the costs of secretariat facilities provided by the Monmouth Diocesan Board of Finance. It has been agreed with the DBF that the Trust will not be required to pay the administration fee from 2020 onwards in order to reduce Trust expenditure.

Risk management

Major Risk

The major identified risk is the income which is required to support the 15 Church Schools in the Diocese. The Trustees agreed in 2015 to increase the expenditure on staffing (full-time DDE and part-time Administrator) for the following 5 years (up to 2020) in order to provide more support to the Church Schools and integrate the schools within the emerging Ministry Areas of the Diocese.

However, during 2020, as part of wider Diocesan Review, it was agreed that the Monmouth Diocesan Board of Finance would take over the expenditure relating to the diocesan statutory duties for education. Work will continue into 2021 to ensure that the Diocesan Trust is financially sustainable.

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Reference and administrative details

Registered Company number
00182863

Registered Charity number
232841

Registered office
Diocesan Office
64 Caerau Road
Newport
South Wales
NP20 4HJ

Trustees

The directors of the company (the charity) are also its trustees for the purposes of charity law and throughout this report are collectively referred to as the trustees.

Trustees during 2020 were as follows:

Ex officio

The Bishop of Monmouth (Chair)
The Dean of Monmouth - until September 2020
The Archdeacon of Newport
The Archdeacon of Monmouth
The Archdeacon of the Gwent Valleys

Appointed by Area Deans

The Area Dean of Bassaleg

Elected

Christopher Cotterill
Susan Gwyer-Roberts
Nicola Price
Rebecca Penn
Eve Rowlands
Eleri Williams

Secretary

Bethan Davies

Executive Officer

Isabel Thompson - from June 2020

THE MONMOUTH DIOCESAN TRUST

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

Reference and administrative details

Auditors

Azets Audit Services Limited
Ty Derw, Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

Bankers

NatWest Bank plc
High Street
Newport
South Wales
NP19 1GG

Solicitors

Jacklyn Dawson
Equity Chambers
John Frost Square
Newport
NP20 1PW

Investment Managers

Brewin Dolphin
5 Callaghan Square
Cardiff
CF10 5BT

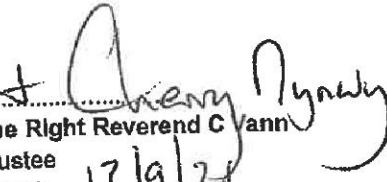
Funds held as custodian trustee

Custodian responsibilities

Trustees act as custodian trustees with responsibilities for funds held on behalf of others and shown at Note 19 of the Accounts. These funds are held on behalf of parishes and have a dedicated bank account.

Auditor

Azets Audit Services were appointed as auditor to the charity and a resolution proposing that they be re-appointed will be put at a General Meeting.


.....
The Right Reverend C Yann
Trustee
Dated:13/9/21

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 DECEMBER 2020

The trustees, who are also the directors of The Monmouth Diocesan Trust for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees 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 incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 operation.

The trustees are responsible for keeping adequate 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 Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Opinion

We have audited the financial statements of The Monmouth Diocesan Trust (the 'charity') for the year ended 31 December 2020 which comprise the statement of financial activities, the balance sheet and the notes to the financial statements, including a summary of significant 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 our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2020 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 requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

We have nothing to report in this regard.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Matters on which we are required to report by exception

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

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our 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 our 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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

28-9-2021

Chartered Accountants
Statutory Auditor

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
United
Kingdom
CF23 8AB

THE MONMOUTH DIOCESAN TRUST

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF THE MONMOUTH DIOCESAN TRUST

Azets Audit Services is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	Restricted funds Land & Buildings 2020 £	Restricted funds Educational Purposes 2020 £	Total 2020 £	Restricted funds Land & Buildings 2019 £	Restricted funds Educational Purposes 2019 £	Total 2019 £
Income from:							
Donations and legacies	3	-	8,866	8,866	-	1,500	1,500
Investments	4	500	25,842	26,342	500	31,778	32,278
Total income		500	34,708	35,208	500	33,278	33,778
Expenditure on:							
Raising funds	5	-	4,494	4,494	-	5,031	5,031
Charitable activities	6	615,111	16,544	631,655	635,004	93,917	728,921
Total resources expended		615,111	21,038	636,149	635,004	98,948	733,952
Net gains/(losses) on investments	10	-	(8,936)	(8,936)	-	78,382	78,382
Net incoming/ (outgoing) resources before transfers		(614,611)	4,734	(609,877)	(634,504)	12,712	(621,792)
Gross transfers between funds		13,835	(13,835)	-	33,728	(33,728)	-
Net income/(expenditure) for the year/ Net movement in funds		(600,776)	(9,101)	(609,877)	(600,776)	(21,016)	(621,792)
Fund balances at 1 January 2020		38,045,717	809,693	38,855,410	38,646,493	830,709	39,477,202
Fund balances at 31 December 2020		37,444,941	800,592	38,245,533	38,045,717	809,693	38,855,410

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

THE MONMOUTH DIOCESAN TRUST

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	11	37,444,941		38,045,717	
Investments	12	792,654		806,243	
		<u>38,237,595</u>		<u>38,851,960</u>	
Current assets					
Debtors	14	-		6	
Cash at bank and in hand		172,595		139,626	
		<u>172,595</u>		<u>139,632</u>	
Creditors: amounts falling due within one year	15	<u>(164,657)</u>		<u>(136,182)</u>	
Net current assets			7,938		3,450
Total assets less current liabilities		<u>38,245,533</u>		<u>38,855,410</u>	
Income funds					
Restricted funds - Educational Purposes	16	800,592		809,693	
Restricted funds - Land & Buildings	17	37,444,941		38,045,717	
		<u>38,245,533</u>		<u>38,855,410</u>	

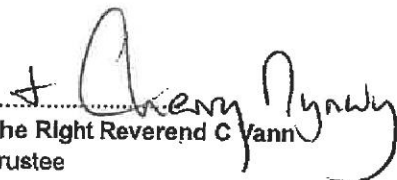
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2020, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 13-9-2021


The Right Reverend C Yann
Trustee

Company Registration No. 00182863

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Charity information

The Monmouth Diocesan Trust is a private company limited by guarantee incorporated in England and Wales. The registered office is Caerau Road, Newport NP20 4HJ.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for smaller charities not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Investment income is recognised on a receivable basis.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost 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.

Allocation and apportionment of costs

Administration and management costs are allocated to the function of the charity to which they relate. The method of allocation has been on a percentage basis of the overall cost of that particular function.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

School buildings (valued on 31st December 2016) are depreciated at a rate calculated by the District Valuer to write off these assets over their estimated remaining lives.

Any expenditure on school buildings or trust properties after this date are depreciated at a rate of 2% on cost.

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Transaction costs are expensed as incurred. Changes in fair value are recognised in other recognised gains and losses except to the extent that a gain reverses a loss previously recognised in net income expenditure, or a loss exceeds the accumulated gains recognised in equity; such gains and loss are recognised in net income/(expenditure) for the year.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Basic financial assets

Financial assets classified as other financial assets are stated at fair value with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

Derecognition of financial assets

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Taxation

As a registered charity Monmouth Diocesan Trust is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Restricted funds Educational Purposes 2020 £	Restricted funds Educational Purposes 2019 £
Donations and gifts	-	1,500
Legacies receivable	8,866	-
	<u>8,866</u>	<u>1,500</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

4 Investments

	Restricted funds Land & Buildings 2020 £	Restricted funds Educational Purposes 2020 £	Total 2020 £	Restricted funds Land & Buildings 2019 £	Restricted funds Educational Purposes 2019 £	Total 2019 £
Rental income	500	-	500	500	-	500
Dividends	-	25,811	25,811	-	31,695	31,695
Interest receivable	-	31	31	-	83	83
	<u>500</u>	<u>25,842</u>	<u>26,342</u>	<u>500</u>	<u>31,778</u>	<u>32,278</u>

5 Raising funds

	Restricted funds Educational Purposes 2020 £	Restricted funds Educational Purposes 2019 £
<u>Investment management</u>	4,494	5,031
	<u>4,494</u>	<u>5,031</u>

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Charitable activities

	2020 £	2019 £
Support for Education	16,371	90,198
Support for Schools - Land & Buildings	605,563	608,396
Support for Other Trust Property	3,964	1,470
	<u>625,898</u>	<u>700,064</u>
Share of support costs (see note 7)	1,197	22,857
Share of governance costs (see note 7)	4,560	6,000
	<u>631,655</u>	<u>728,921</u>
Analysis by fund		
Restricted funds - Land & Buildings	615,111	635,004
Restricted Funds - Educational Purposes	16,544	93,917
	<u>631,655</u>	<u>728,921</u>

7 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Insurance	1,184	-	1,184	2,566	-	2,566
Sundries	13	-	13	291	-	291
Administration costs	-	-	-	20,000	-	20,000
Audit fees	-	4,560	4,560	-	6,000	6,000
	<u>1,197</u>	<u>4,560</u>	<u>5,757</u>	<u>22,857</u>	<u>6,000</u>	<u>28,857</u>
Analysed between Charitable activities	<u>1,197</u>	<u>4,560</u>	<u>5,757</u>	<u>22,857</u>	<u>6,000</u>	<u>28,857</u>

Governance costs includes payments to the auditors of £4,560 for audit fees (2019- £4,500) and £nil for other services (2019- £1,500).

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

9 Employees

There were no employees during the year.

10 Net gains/(losses) on investments

	Restricted funds Educational Purposes 2020 £	Restricted funds Educational Purposes 2019 £
Gain/(loss) on sale of investments	(8,936)	78,382

11 Tangible fixed assets

	Freehold land and buildings £
Cost or valuation	
At 1 January 2020	39,810,500
At 31 December 2020	39,810,500
Depreciation and impairment	
At 1 January 2020	1,764,783
Depreciation charged in the year	600,776
At 31 December 2020	2,365,559
Carrying amount	
At 31 December 2020	37,444,941
At 31 December 2019	38,045,717

Land and buildings with a carrying amount of £17,632,660 were revalued at 31 December 2016 by The Valuation Office Agency, independent valuers not connected with the charity on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

At 31 December 2020, had the revalued assets been carried at historic cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £7,993,811 (2019 - £8,342,581).

The revaluation surplus is disclosed in the restricted funds note.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Tangible fixed assets

(Continued)

£4,020,573 of the net book value relates to land and buildings in respect of Llantilio Pertholey School. The local authority has not complied with their statutory obligation to transfer title and as such are holding as bare trustees on behalf of Monmouth Diocesan Trust pending compliance with this statutory obligation.

During the year the Board monitored progress on the building of a new school in Raglan. This has included the negotiations between the Trust and Monmouthshire Council to enable land to be transferred between the two parties. The school opened in September 2015 however, at the year end the formal transfer of land had not been concluded.

12 Fixed asset investments

	Listed investments £	Cash in portfolio	Total £
Cost or valuation			
At 1 January 2020	801,473	4,770	806,243
Additions	252,806	(252,806)	-
Valuation changes	(8,936)	-	(8,936)
Cash movement	-	(4,653)	(4,653)
Disposals	(261,238)	261,238	-
	<u>784,105</u>	<u>8,549</u>	<u>792,654</u>
Carrying amount			
At 31 December 2020	<u>784,105</u>	<u>8,549</u>	<u>792,654</u>
At 31 December 2019	<u>801,473</u>	<u>4,770</u>	<u>806,243</u>

13 Financial instruments

	2020 £	2019 £
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>784,105</u>	<u>801,473</u>

14 Debtors

	2020 £	2019 £
Amounts falling due within one year:		
Other debtors	<u>-</u>	<u>6</u>

An amount of £90,000 was agreed for repayment by the governors of Magor School over the next few years. This will be included in the accounts as it is received. The amount outstanding in relation to this agreement is £48,000 (2019: £48,000).

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2020

15 Creditors: amounts falling due within one year	2020	2019
	£	£
Other creditors	164,657	136,182
	<u>164,657</u>	<u>136,182</u>

THE MONMOUTH DIOCESAN TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

16 Restricted funds

The income funds of the charity include restricted funds as follows:

	Balance at 1 January 2019		Movement in funds		Balance at 1 January 2020		Movement in funds		Balance at 31 December 2020		
	£	£	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	
Educational Purposes	830,709	33,278	33,278	(98,948)	(33,728)	78,382	34,708	(21,038)	(13,835)	(8,936)	800,592
Land & Buildings - Property Reserve	19,142,736	500	500	(635,004)	286,222	-	500	(615,111)	266,329	-	18,446,172
Land & Buildings - Revaluation Reserve	19,503,757	-	-	-	(252,494)	-	-	-	(252,494)	-	18,998,769
	39,477,202	33,778	33,778	(733,952)	-	78,382	38,855,410	(636,149)	-	(8,936)	38,245,533

Schools Fund - Educational Purposes - This is the excess of income of the restricted fund after the creation of the Land and Buildings restricted fund and can only be used for educational purposes.

Land and Buildings - Property Reserve - This fund reflects the net book value of the trust's tangible assets.

Land and Buildings - Revaluation Reserve - This fund has arisen following the valuation of church schools in the Diocese of Monmouth in 2016.

Transfers between funds

Transfers have been made between funds to agree the fund balances at the year end to reflect the net book value of land and buildings.

THE MONMOUTH DIOCESAN TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

17 Restricted funds - Land & Buildings

These are restricted funds which are material to the charity's activities made up as follows:

Transfers between funds

Transfers have been made between funds to agree the fund balances at the year end to reflect the net book value of land and buildings.

Schools Fund- Land and Buildings- This fund has arisen following the valuation of church schools in the Diocese of Monmouth in 2000.

18 Analysis of net assets between funds

	Restricted - Land & Buildings	Restricted - Educational Purposes	Total	Restricted - Land & Buildings	Restricted - Educational Purposes	Total
	2020	2020	2020	2019	2019	2019
	£	£	£	£	£	£
Fund balances at 31 December 2020 are represented by:						
Tangible assets	37,444,941	-	37,444,941	38,045,717	-	38,045,717
Investments	-	792,654	792,654	-	806,243	806,243
Current assets/ (liabilities)	-	7,938	7,938	-	3,450	3,450
	<u>37,444,941</u>	<u>800,592</u>	<u>38,245,533</u>	<u>38,045,717</u>	<u>809,693</u>	<u>38,855,410</u>

19 Related party transactions

The charity was a longstanding and ongoing administrative relationship with Monmouth Diocesan Board of Finance. In prior years this was charged to the Trust annually and amounted to £nil (2019: £20,000).

There were no other disclosable related party transactions during the year (2019 - none).

20 Custodian Funds

Trustees act as custodian trustees with responsibilities for funds held on behalf of others. These funds are held on behalf of parishes and have a dedicated bank account, and include the subsidiary trusts:

Abertillery - £15 (2019: £7.50)

Newport St Pauls - £9 (2019: £6)

Rumney - £10 (2019: £5)

Sundry Mon. Diocesan Trust - £167 (2019: £167).