



Gwasanaeth
Mabwysiadu
Cenedlaethol

National
Adoption
Service

National Adoption Service and Foster Wales Joint Committee

Unaudited Statement of Accounts Year Ended 31st March 25

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

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Narrative Report

Background

In October 2021, the Welsh Local Government Association (WLGA) Executive Board approved the formation of a Joint Committee for the National Adoption Service (NAS) and Foster Wales (FW) (the Joint Committee). The formal process of detailed engagement, consultation and development of the Joint Committee with the agreement of all 22 Welsh local authorities was carried out over a period of two and a half years.

Each local authority was required to seek agreement and formally sign up to the Joint Committee via their respective governance arrangements. This involved legal representatives from the WLGA and Cardiff Council to develop a detailed Joint Committee agreement which was then drafted by an independent, external legal company.

The Joint Committee has been established on behalf of the 22 Welsh Local Authorities, to enable them to exercise their joint powers for the provision of the national and co-ordinating functions of the services.

Membership of the Joint Committee is made up of an elected member representative for each of the 22 Local Authorities. It meets twice a year to receive and approve:

- The Mid-Year and Annual Reports of the NAS
- The Annual Report of FW
- The annual programmes of work for the NAS and for FW
- The budget for the office of the Director and national work for NAS and for FW
- The agreement, and any changes to the agreement, for the host authority support of the office of the Director and national work for NAS and FW.

The Joint Committee held its inaugural meeting in April 2024 and met again in November 2024.

NAS was established in 2014 to improve adoption services across Wales by uniting all 22 local authorities under a single, coordinated framework. It operates through a three-tier structure—local, regional, and national—working closely with 5 regional adoption collaboratives, 3 voluntary adoption agencies, health, and education services. This is underpinned by a Welsh legal instrument, ‘The Adoption and Children Act 2002, Joint Adoption Arrangements (Wales) Directions 2015’.

NAS focuses on recruiting and assessing adopters to meet the needs of children with a plan for adoption, placing children with adoptive families, supporting birth parents and adopted adults, and delivering adoption support services.

STATEMENT OF ACCOUNTS 2024/25

Since 2015, NAS has also operated the Adoption Register for Wales for the Welsh Government. This is a service that provides a matching facility for children and adopters who are not matched by their own services within a set timescale.

In 2024/25, NAS celebrated its 10-year anniversary with national events, launched a new adopter skills framework, and progressed reforms to modernise adoption practice, including a revised assessment form and recommendations from the Public Law Working Group.

NAS Performance

The 'Directions' underpinning NAS require it to operate a performance measurement system. This covers all aspects of its child and adopter related activity, plus adoption support. The trends in Wales mirror those in England where the adoption system is virtually identical.

In 2024/25, child referrals dropped by 6%, yet legal decisions to place children rose—Placement Orders increased by 10%, the highest in three years. Fewer children were matched (205) and placed (202), which is reflective of lower referrals and placement orders in previous years. The number of children waiting to be placed at the end of the year rose by 8%. During the year, the number of children matched, placed for adoption and being subject to an adoption order, fell again, continuing a downward trend. This decline reflects systemic challenges, including a lower level of adopter approvals, increasing complexity in children's needs and other factors reported by services, such as the delays in health and legal processes.

A total of 165 adopters were approved, a 12% rise from 2023/24, though the longer-term trend remains downward; overall, 65% of projected need was met this year. Encouragingly however, the number of adopter assessments started rose to 170, an increase from the previous two years, and the number of adopters waiting at the end of the year fell, suggesting that approved adopters are being matched more promptly.

Adoption support services remained in high demand, with over 1,650 active cases at year-end. Meanwhile, contact arrangements continued to grow, with over 4,000 indirect contact arrangements in place.

FW is the national network of all 22 local authority fostering services in Wales, created to improve outcomes for children by providing stable, local foster care. Evolving from the National Fostering Framework, it aims to keep children in their communities, enhance recruitment and retention of foster carers, and ensure consistent support, training and recognition for carers across Wales.

In 2024/25, FW focused on strengthening its national identity through strategic marketing, resulting in a 30% increase in website traffic and an 11% rise in enquiries. Brand recognition rose significantly, and the "Big Welcome" foster carer profile platform expanded to over 450 profiles.

FW Performance

2024/25 saw an increase in enquiries, initial visits, allocations and approvals of mainstream foster carers, with enquiries to foster increasing by 11% (185), assessments allocated by 15% and approvals by 20%.

170 new placements were made available, made up of 134 short-term placements, 34 short breaks placements and 2 parent and child placements.

General placement data showed that 74.3% of children were placed in local authority foster care, with a growing trend in connected persons placements (23.6%). There was a slight decline in commercial agency placements (15.5%). Notably, 84% of new Local Authority placements were within the child's home area, compared to 41% for commercial/third sector providers, supporting the goal of local stability.

Risks

The current service risk register highlights the potential loss of Welsh Government grant funding as a key risk which could significantly impact adoption support, foster care services, and recruitment efforts. While oversight and engagement with government bodies are in place, financial uncertainty remains a key risk.

Operational risks include challenges in recruiting adopters and foster carers, maintaining service delivery, and ensuring IT and data security.

Mitigations include strategic oversight, medium term financial and contingency planning, and strengthened marketing and recruitment efforts.

Statement of Responsibilities for the Statement of Accounts for the National Adoption Service and Foster Wales Joint Committee

Cardiff Council (as Host) Responsibilities

The Council is required:

- To make arrangements for the proper administration of its financial affairs and secure that an appropriate officer has the responsibility for the administration of those affairs. This is the Corporate Director Resources Section 151 Officer; and
- To manage its affairs to secure economic, efficient and effective use of resources and safeguard its assets.

The Joint Committee's Responsibilities

The Joint Committee is required:

- To approve the Statement of Accounts.

Signature

Date

Chair of the National Adoption Service and Foster Wales Joint Committee

National Adoption Service

Room 475, 4th Floor

County Hall

Cardiff

CF10 4UW

Responsibilities of the Section 151 Officer as Treasurer of the Joint Committee

The Section 151 Officer is responsible for the preparation of the NAS and FW Joint Committee's financial statements in accordance with proper practices as set out in the CIPFA Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 (the Code).

In preparing these financial statements, the Section 151 Officer has:

- Selected suitable accounting policies and applied them consistently
- Made judgements and estimations that were reasonable and prudent; and
- Complied with the Code.

The Section 151 Officer has also:

- Kept proper accounting records which were up to date; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

The Section 151 Officer Certificate

I certify that the Statement of Accounts of the National Adoption Service and Foster Wales Joint Committee give a true and fair view of the financial position at 31st March 25.



Signature:

Date: **29.06.2026**

Christopher Lee

S151 Officer, Cardiff Council

County Hall

Atlantic Wharf

Cardiff

CF10 4UW

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

**Auditor General for Wales report to the members of the National Adoption
Service and Foster Wales Joint Committee**

National Adoption Service and Foster Wales Joint Committee Expenditure and Funding Analysis 2024/25

The objective of the Expenditure and Funding Analysis is to demonstrate how funding available to the NAS and FW Joint Committee (the Joint Committee) in the year has been used in providing services in comparison with any resources consumed or earned by the service in accordance with generally accepted accounting practices.

Expenditure and Funding Analysis 2024/25	Net Expenditure Chargeable to General Fund Balances £'000	Adjustments Between Accounting and Funding Basis £'000	Comprehensive Income and Expenditure £'000
Core Budget	0	0	0
Net Cost of Services	0	0	0
Financing and Investment Income and Expenditure			
Contribution from other local authorities	0	0	0
Interest receivable	0	0	0
Repayment of prior year underspend	0	0	0
Pensions interest payable	0	0	0
Surplus of Deficit on the Provision of Services	0	0	0
Opening General Fund Balance at 31 March 2024	0	0	0
Less deficit on General Fund Balance in Year	0	0	0
Closing General Fund Balance in Year	0	0	0
Closing General Fund Balance at 31 March 2025	0	0	0

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

National Adoption Service and Foster Wales Movement in Reserves Statement 2024/25

Movement in Reserves Statement	Notes	Usable Reserves £'000	Accumulated Absences Account £'000	Pensions Reserve £'000	Total Unusable Reserves £'000	Total Reserves £'000
Balance at 31 March 2024 Carried Forward	14	(959)	0	0	0	(959)
Movement in reserves during 2024/25		3				3
Total Comprehensive Income and Expenditure		0	0	0	0	0
Adjustments between Accounting Basis & Funding Basis		0	0	0	0	0
Increase/(Decrease) In Year		0	0	0	0	0
Balance at 31 March 2025 Carried Forward		(956)	0	0	0	(956)

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

Financial Performance Summary Report 2024/25

The cost of operating the Joint Committee and the services as well as how these costs are paid for are shown in the table below.

Table 1: National Adoption Service and Foster Wales Joint Committee Revenue Budget and Outturn 2024/25

NAS & FW Revenue	2024/25 Budget £'000	2024/25 Outturn £'000	2024/25 Variance £'000
Expenditure:			
National Adoption Service	3,476	3,497	21
Foster Wales	3,033	3,007	(26)
Welsh Adoption Register	221	221	0
Total	6,730	6,725	(5)
Funded by:			
Welsh Government Grants	(5,824)	(5,824)	0
WLGA	(906)	(898)	8
Earmarked Reserve	0	(3)	(3)
Total	(6,730)	(6,725)	5
Net	0	0	0

The Statement of Accounts for the NAS and FW are set out in this document. The core statements of the Joint Committee are:

- The Comprehensive Income and Expenditure Statement which provides information on how it has performed throughout the year and as a result, whether the operations have resulted in a surplus or deficit.
- The Balance Sheet which provides a snapshot of assets and liabilities and cash balances and reserves at year end.

This is the first year of operation of the Joint Committee and the first set of financial statements, with no comparative information available in terms of the revenue budget and outturn position.

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

**Table 2: National Adoption Service and Foster Wales Joint Committee
Comprehensive Income & Expenditure Statement 2024/25**

2023/24 £'000		Notes	2024/25 £'000
	Costs of Service		
0	Employees	8	675
0	Premises		11
0	Transport		5
0	Supplies & Services		806
0	Third Party Payments	9	5,165
0	Support Services		63
0	Net Operating Expenditure		6,725
0	Operating Income	10	(6,725)
0	Net Cost of Service		0

**Table 3: National Adoption Service and Foster Wales Joint Committee Balance
Sheet at 31 March 2025**

1 April 2024 £'000	Balance Sheet Item	Notes	31 March 2025 £'000
	Long Term Non-Current Assets		
0	Property, Plant and Equipment		0
0	Intangible Assets		0
0	Long Term Debtors		0
0	Total Non-Current Assets		0
40	Prepayments		3
2,878	Short Term Debtors	12	5,008
0	Short Term Debtors Cash Owing from Host Authority		0
2,918	Current Assets		5,011
(572)	Short Term Creditors	13	(338)
(1,387)	Short Term Cash		(3,717)
(1,959)	Current Liabilities		(4,055)
959	Net Assets		956
(959)	Usable Reserves	14	(956)

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

National Adoption Service and Foster Wales Joint Committee Cash Flow Statement 2024/25

1 April 2024 £'000		31 March 2025 £'000
0	Net Surplus/(Deficit) on the provision of service	0
	Adjust net surplus or deficit on the provision of services for non-cash movements	
0	Increase/(Decrease) in Creditors	(234)
0	(Increase)/Decrease in Debtors	(2,129)
0	(Increase) drawdown from usable reserves	(3)
0	(Increase)/Decrease in Prepayments	37
0	Movement on Pension Liability	0
0	Total adjustments to net surplus or deficit on the provision of services for non-cash movements	(2,329)
0	Adjust for items included in the net surplus or deficit on the provision of services that are investing and financing activities	0
0	Net Cash Flows from operating activities	(2,329)
	Investing Activities	
0	Purchase of property, plant and equipment, investment property and intangible assets	0
0	Other receipts from investing activities	0
0	Total Investing Activities	0
0	Financing Activities	0
0	Net (Increase)/decrease in cash and cash equivalents	(2,329)
0	Cash and cash equivalents at the beginning of the reporting period	(1,388)
0	Cash owed to (from) Host Authority as at 31st March 2025	(3,717)

Introduction to the Financial Statements

Statement of Accounting Policies

The purpose of this statement is to explain the basis of the figures in the accounts. It outlines the accounting policies adopted.

Statement of Responsibilities for the Statement of Accounts

This statement sets out the responsibilities of the Council as the Host Authority and the Section 151 Officer for the preparation of the Statement of Accounts. The Statement has to be signed and dated by the presiding Chair of the NAS & FW Joint Committee.

Expenditure and Funding Analysis

The objective of the Expenditure and Funding Analysis is to demonstrate how the available funding has been used in providing services in comparison with those resources consumed or earned in accordance with generally accepted accounting practices. The Expenditure and Funding Analysis also shows how this expenditure is allocated for decision making purposes. There is no financing income and expenditure and no surplus or deficit generated for the Council General Fund. Income and expenditure accounted for under generally accepted accounting practices for the NAS & FW Joint Committee is presented more fully in the Comprehensive Income and Expenditure Statement.

Movement in Reserves Statement

This statement shows the brought forward balances and the movement in the year on any reserves held by the Joint Committee and analysed into “Usable Reserves” (i.e. those that the Joint Committee may use to provide services, subject to the need to maintain a prudent level of reserves, and the statutory limitations on their use) and “Unusable Reserves”. The Surplus or Deficit on the Provision of Services line shows the true economic cost of providing the Joint Committee services, more details of which are shown in the Comprehensive Income and Expenditure Statement.

Comprehensive Income and Expenditure Statement

This statement shows the accounting cost in the year of providing services in accordance with generally accepted accounting practices.

Balance Sheet

The Balance Sheet shows the assets and liabilities recognised by the Joint Committee at the Balance Sheet date. This also includes those assets and liabilities brought forward from the prior year due to the transfer of the NAS and FW to the Joint Committee.

Cash Flow Statement

The Cash Flow Statement shows the change in cash and cash equivalents of the Joint Committee during the reporting period. The statement shows how the Joint Committee generates and uses any cash and cash equivalents by classifying cash flows into operating, financing and investing activities. There were no financing or investing activities for the Joint Committee during 2024/25. The Cash Flow Statement also shows the cash position brought forward from the prior year due to the transfer of the NAS and FW to the Joint Committee.

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

Annual Governance Statement

The statement sets out the framework within which Cardiff Council as the Host authority manages and reviews internal control. It outlines the components of the framework, including the arrangements for Internal Audit and how the consortium has complied with the various elements of the framework. 2024/25 was the first year of operation of the Joint Committee.

Notes to the Financial Statements

1. Accounting Policies

The purpose of this statement is to explain the basis of the figures in the accounts. It outlines the accounting policies adopted.

In accordance with the Accounts and Audit (Wales) Regulations 2014, this Statement of Accounts summarises the Joint Committee transactions for the 2024/25 financial year and its financial position as at 31 March 2025.

The accounts are prepared in accordance with International Financial Reporting Standards (IFRS). A number of the accounting policies used in preparing these accounts, along with any critical assumptions and sources of estimation used are the same as those for the accounts of the Council. Whilst these are not replicated in full, the key policies applied are below:

(a)	Accounting Policies	The Joint Committee is required to prepare an annual Statement of Accounts by the Accounts and Audit Wales Regulations 2014 (Amended) which require the accounts to be prepared in accordance with proper accounting practices. These practices comprise of the Code of Practice on Local Authority Accounting in the United Kingdom 2024/25 and the Service Reporting Code of Practice for Local Authorities 2024/25 and supported by International Financial Reporting Standards (IFRS) and statutory guidance. These accounts are prepared on a going concern basis.
(b)	Revenue Income and Expenditure	The revenue income and expenditure transactions for the Joint Committee are accounted for in the year that it takes place, not simply when cash payments are made or received. In particular: Revenue from the sale of goods is recognised when the Joint Committee transfer the significant risks and rewards of ownership to the purchaser, and it is probable that the economic benefits or service potential associated with the transaction will flow to the Joint Committee; Revenue from the provision of services is recognised when the Joint Committee can measure reliably the percentage of completion of the transaction, and it is probable that economic benefits or service potential associated with the transaction will flow to the Joint Committee; Expenses in relation to services received (including services provided by employees) are recorded as expenditure when the services are received rather than when payments are made; and where revenue and expenditure have been recognised but cash has not been received or paid, a debtor or creditor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors would need to be written down, and a change made to revenue for the income that might be collected.

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

		There were no outstanding debts for the Joint Committee at financial year end.
(c)	Cash and Cash Equivalents	All cash transactions are administered by Cardiff Council as the Joint Committee does not operate its own bank account.
(d)	Prior Period Adjustments, Changes in Accounting Policies, Estimates and Errors	This is the first year of operation of the Joint Committee and there are no prior period adjustments, changes in accounting policies, estimates and errors.
(e)	Charges to Revenue for Non-Current Assets	The Joint Committee does not hold any non-current assets at 31 March 2025.
(f)	Government Grants and Contributions	Government Grants, Third Party Contributions and Donations are recognised as due to the Joint Committee when there is reasonable assurance that: The Joint Committee will comply with the conditions attached to the payments; and The grant(s) or contributions will be received. Grants and contributions advanced for which conditions have not been satisfied are carried in the Balance Sheet as creditors. Once conditions are satisfied, the grants or contributions are credited to the Comprehensive Income and Expenditure Statement.
(g)	Property, Plant and Equipment	The Joint Committee does not hold any property, plant and equipment at 31 March 2025.
(h)	Reserves	Reserves represent sums of money set aside for specific purposes. The Joint Committee held grant receipts in advance carried forward from 2023/24 to be transferred to an earmarked reserve in line with grant terms and conditions.
(i)	Going Concern	The concept that the Statement of Accounts are prepared on the assumption that the Joint Committee will continue in operational existence for the foreseeable future.

2. Accounting Standards that have been issued but have yet to be adopted

At the balance sheet date, there are no new relevant standards or amendments to existing standards that have been published but not yet adopted by the Code that will have any impact upon the financial statements.

3. Critical Judgements in Applying Accounting Policies

In applying the accounting policies set out above, the NAS & FW Joint Committee would have made certain judgements about complex transactions or those involving uncertainty about future events. However, there are none known at the date of the report.

There is a degree of uncertainty about future levels of funding for local government, and this will be addressed as part of the annual budget cycle.

4. Events after the Balance Sheet Date

The Audited Statement of Accounts was authorised for issue by the Section 151 Officer on ***.

Events taking place after this date are not reflected in the financial statements or notes. There have been no post balance sheet events prior to this date that have been reflected in the Statement of Accounts. Such events could result in the Statement of Accounts being adjusted. Two types of events can be identified.

- Those that provide evidence of conditions that existed at the end of the reporting period - the Statement of Accounts is adjusted to reflect such events.
- Those that are indicative of conditions that arose after the reporting period - the Statement of Accounts is not adjusted to reflect such events, but where a category of events would have a material effect, disclosure is made in the notes of the nature of the events and their estimated financial effect.

5. Prior Period Adjustments

A change in accounting policies or to correct a material error can result in a prior period adjustment. Changes in accounting estimates do not give rise to a prior period adjustment but are accounted for prospectively.

Changes in accounting policies are only made when required by proper accounting practices, or the change provides more reliable or relevant information about the effect of the transactions, other events and condition of the financial position or financial performance of the NAS & FW Joint Committee. When a change is made it is applied retrospectively (unless stated otherwise) by adjusting opening balances and comparative amounts for the prior period as if the new policy had always applied. Material errors discovered in prior period figures are corrected retrospectively by amending opening balances and comparative amounts for the prior period.

This is the first year of operation of the NAS & FW Joint Committee and there are no prior period adjustments.

6. Assumptions Made about the Future and Other Major Sources of Estimation Uncertainty

The Statement of Accounts contains estimated figures that are based on assumptions made by the NAS & FW Joint Committee about the future or that are otherwise uncertain. Estimates are made taking into account historical experience, current trends and other relevant factors. However, because balances cannot be determined with certainty, actual results could be materially different from the assumptions and estimates. There are no items in the NAS & FW Joint Committee Balance Sheet at 31st March 2025 for which there is significant risk of material adjustment in the forthcoming financial year.

7. Exit Packages

There were no exit packages agreed in 2024/25 by the service.

8. Remuneration

Officers supporting the activities of the Joint Committee are contractually employed by Cardiff Council. In accordance with International Accounting Standard 19 – Employee Benefits, the employing body is required to disclose certain information concerning the income and expenditure of its pension scheme and its related assets and liabilities. As the Joint Committee does not directly employ staff, these statutory disclosures do not apply (instead staff pension liabilities etc. of the relevant officers will be disclosed in the financial statements of Cardiff Council).

In line with the Accounts and Audit (Wales) Regulations 2014, the Joint Committee also discloses:

- the number of employees whose remuneration is over £60,000 per annum disclosed within bands of £5,000.
- the remuneration and job title of senior employees who form part of the senior management team and whose salary is £60,000 or more per annum.

These are shown in the tables below.

Remuneration Band	Number of Employees
£	2024/25
115,000 - 119,999	1
75,000 - 79,999	0
70,000 - 74,999	1
65,000 - 69,999	2
Total	4

Post Title	Salary, fees and allowances £	Employers Pension Contributions £	Total £	Notes
Director of Operations	97,860	18,985	116,845	
Head of Foster Wales	61,434	11,918	73,352	
Total Senior Staff	159,294	30,903	190,197	

*The salary and pension contributions for the Head of Foster Wales include backpay which was receivable for 2024/25 but paid in 2025/26.

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

9. Related Parties Transactions

The Joint Committee is required to disclose material transactions with related parties – bodies or individuals that have the potential to control or influence the Joint Committee or to be controlled or influenced by the Joint Committee. Disclosure of these transactions allows readers to assess the extent to which the Joint Committee might have been constrained in its ability to operate independently or might have secured the limit to another party's ability to bargain freely with the Joint Committee.

Funding of expenditure by the 22 constituent local authorities is in line with the NAS & FW Joint Agreement. Welsh Government has the ability to effect influence on the Joint Committee via legislation and grant funding. Grants received in 2024/25 are detailed in note 3 below. Such transactions are detailed below.

Related Parties Transactions	2024/25 £
Blaenau Gwent CBC	550,494
Bridgend CBC	37,131
Caerphilly CBC	74,262
Carmarthenshire CC	331,502
Cardiff CC	158,002
Ceredigion CC	74,262
City and County of Swansea Council	483,884
Conwy CBC	74,262
Denbighshire CC	74,262
Flintshire CC	74,262
Gwynedd Council	158,002
Isle of Anglesey CC	74,262
Merthyr Tydfil BC	37,131
Monmouthshire CC	74,262
Neath Port Talbot CBC	74,262
Newport City Council	74,262
Pembrokeshire CC	232,264
Rhondda Cynon Taff CBC	254,394
Torfaen CBC	74,262
Vale of Glamorgan Council	606,883
Wrexham CBC	449,618
Sub Total: Local Authority Expenditure	4,041,926
Adoption UK	715,625
St David's Children's Society	291,456
Sub Total: Other Parties Expenditure	1,007,081
Welsh Government Grants	(5,823,487)
WLGA Allocation	(901,424)
Sub Total: Contributions from Other Parties	(6,724,911)

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STATEMENT OF ACCOUNTS 2024/25

Regionally, local authorities work together within five regional collaboratives to provide a range of adoption services, as follows:

- The Vale, Valleys & Cardiff Adoption Collaborative hosted by the Vale of Glamorgan Council
- The North Wales Adoption Service hosted by Wrexham County Borough Council
- The Western Bay Adoption Service hosted by Swansea City Council
- The Mid and West Wales Adoption Service hosted by Carmarthenshire County Council
- The South East Wales Adoption Service (SEWAS) hosted by Blaenau Gwent County Borough Council.

10. Income

The following table analyses income accounted for during the year.

Income	2024/25 £
WG Grant and WLGA Allocation	(6,724,911)
Total	(6,724,911)

Income relates to the drawdown of funding provided by Welsh Government and the WLGA

Grants and Other Funding Credited to Operating Income

Grant	2024/25 £
WG Adoption Register Wales	(220,296)
WG Adoption Support	(2,300,000)
WG NAS Adopt Cymru 2025 And Beyond	(669,492)
WG Development of an All-Wales Brand for Local Authority Fostering	(558,700)
WG Supporting Foster Wales	(2,074,999)
WLGA National Fostering Framework	(373,462)
WLGA National Adoption Service	(527,962)
Total	(6,724,911)

Grants and other funding are credited to the Comprehensive Income and Expenditure Statement from a combination of in year cash receipts and cash received in prior years and carried forward in the balance sheet as short- and long-term creditors in accordance with the funding terms and conditions.

NATIONAL ADOPTION SERVICE AND FOSTER WALES JOINT COMMITTEE

STATEMENT OF ACCOUNTS 2024/25

11. External Audit Costs

External Audit Costs	2024/25 £
Joint Committee Financial Audit	25,158
Total	0

Final costs for the 2024/25 audit will be charged following the completion of the audit.

12. Short Term Debtors

2023/24 £	Short Term Debtors	2024/25 £
2,878,011	Central Government	4,910,095
0	WLGA	97,250
2,878,011	Total	5,007,345

The short-term debtors' balances relate to the timings of grant and other income claimed but not received at financial year end.

13. Creditors

2023/24 £	Creditors	2024/25 £
(571,646)	Other Entities and Individuals	(337,646)
(1,387,348)	Inter Company Cash – Sum Owed to Cardiff Council	(3,716,758)
(1,958,994)	Total	(4,054,404)

The Joint Committee does not hold its own bank account and all income and expenditure is managed by Cardiff Council through its bank balance. The amount shown as cash in the balance sheet represents the intercompany cash balance held by Cardiff on behalf of the Joint Committee at financial year end.

14. Movement on Earmarked Reserves

	Usable Reserves £'000
Balance as at 1st April 2024	(959)
Drawdown from reserve for approved spend	3
Balance as at 31st March 2025	(956)

Comprehensive Glossary

Accounting Period

The period of time covered by the accounts, typically a period of 12 months commencing on 1st April. The end of the accounting period is the balance sheet date.

Accounting Policies

The specific principles, bases, conventions, rules and practices applied by the Council on behalf of the Joint Committee in preparing and presenting its financial statements.

Accruals

Amounts included in the final accounts to recognise revenue and capital income and expenditures earned or incurred in the financial year, but for which actual payment had not been received or made as at 31st March.

Asset

An item having value to the authority in monetary terms. Assets are classed as either current or non-current;

- A current asset will be consumed or cease to have material value within the next financial year (e.g. cash and stock).
- A non-current asset provides benefits to the Authority and to the services it provides for a period of more than one year and may be tangible e.g. a building or vehicle, or intangible e.g. computer software licenses.

Balance Sheet

A statement in the recorded assets, liabilities and reserves at the end of the accounting period.

Cash Equivalents

Short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

Comprehensive Income and Expenditure Account

The revenue account of the NAS & FW Joint Committee that reports the net cost for the year of the functions for which it is responsible and demonstrates how that cost has been financed from budgeted contributions, grants and other income.

Creditor

Amount owed by the NAS & FW Joint Committee for works done, goods received or services rendered within the accounting period, but for which payment has not been made by the end of that accounting period.

Debtor

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Amount owed to the NAS & FW Joint Committee for works done, goods received, or services rendered within the accounting period, but for which payment has not been received by the end of that accounting period.

Events After the Balance Sheet Date

Events after the balance sheet date are those events, favourable or unfavourable, that arise between the balance sheet and the date when the Statement of Accounts is authorised for issue.

Exceptional Items

Material items which derive from affairs or transactions that fall within the ordinary activities of the NAS & FW Joint Committee which need to be disclosed separately by virtue of their size or incidence to give fair presentation of the accounts.

Going Concern

The concept that the Statement of Accounts are prepared on the assumption that the NAS & FW Joint Committee will continue in operational existence for the foreseeable future.

Liability

A liability is where the NAS & FW Joint Committee owes payment to an individual or another organisation.

- A current liability is an amount which will become payable or could be called in within the next accounting period, e.g., creditors or cash overdrawn.
- A deferred liability is an amount which by arrangement is payable beyond the next year at some point in the future or to be paid off by an accrual sum over a period of time.

Materiality

The concept that the Statement of Accounts should contain all amounts which, if omitted, or misstated, could be expected to lead to a distortion of the financial statements and ultimately mislead the user of the accounts.

Prior Year Adjustment

Material adjustments relating to prior years arising from changes in accounting policies or from the correction of fundamental errors. This does not include normal recurring correction or adjustments of accounting estimates made in prior years.

Provision

An amount put aside in the accounts for future liabilities or losses which are certain or very likely to occur, but the amounts or dates of when they will arise are uncertain.

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Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions.

Reserves The accumulation of surpluses, deficits and appropriations over past years. Reserves of a revenue nature are available can be spent or earmarked at the discretion of the NAS & FW Joint Committee.

Date of Authorisation of the Accounts for Issue

This Statement of Accounts was authorised for issue on **** by the Corporate Director Resources. Post balance sheet events have been considered up to this date.