

Minor Joint Committees in Wales

Annual Return for the Year Ended 31 March 2025

Accounting statements 2024-25 for:

Name of
Committee:

NATIONAL ADOPTION SERVICE AND FOSTER WALES

	Year ending		Notes and guidance
	31 March 2024 (£)	31 March 2025 (£)	
Statement of income and expenditure/receipts and payments			
1. Balances brought forward	0	0	Total balances and reserves at the beginning of the year as recorded in the financial records. Must agree to line 7 of the previous year.
2. (+) Income from local taxation/levy	0	6,724,911	Total amount of income received/receivable in the year from levy/contribution from principal bodies.
3. (+) Total other receipts	0	0	Total income or receipts recorded in the cashbook minus amounts included in line 2. Includes support, discretionary and revenue grants.
4. (-) Staff costs	0	-667,999	Total expenditure or payments made to and on behalf of all employees. Include salaries and wages, taxable allowances, PAYE and NI (employees and employers), pension contributions and termination costs. Exclude reimbursement of out-of-pocket expenses.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments of capital and interest made during the year on external borrowing (if any).
6. (-) Total other payments	0	-6,056,912	Total expenditure or payments as recorded in the cashbook minus staff costs (line 4) and loan interest/capital repayments (line 5).
7. (=) Balances carried forward	0	0	Total balances and reserves at the end of the year. Must equal (1+2+3) – (4+5+6).
Statement of balances			
8. (+) Debtors	0	4,048,404	Income and expenditure accounts only: Enter the value of debts owed to the Committee at the year-end.
9. (+) Total cash and investments	0	-3,716,758	All accounts: The sum of all current and deposit bank accounts, cash holdings and investments held at 31 March. This must agree with the reconciled cashbook balance as per the bank reconciliation.
10. (-) Creditors	0	-331,646	Income and expenditure accounts only: Enter the value of monies owed by the Committee (except borrowing) at the year-end.
11. (=) Balances carried forward	0	0	Total balances should equal line 7 above: Enter the total of (8+9-10).
12. Total fixed assets and long-term assets	0	0	The asset and investment register value of all fixed assets and any other long-term assets held as at 31 March.
13. Total borrowing	0	0	The outstanding capital balance as at 31 March of all loans from third parties (including PWLB).

Annual Governance Statement

We acknowledge as the members of the Committee, our responsibility for ensuring that there is a sound system of internal control, including the preparation of the accounting statements. We confirm, to the best of our knowledge and belief, with respect to the accounting statements for the year ended 31 March 2025, that:

	Agreed?		'YES' means that the Committee:	PG Ref
	Yes	No*		
1. We have put in place arrangements for: effective financial management during the year; and the preparation and approval of the accounting statements.	Yes		Properly sets its budget and manages its money and prepares and approves its accounting statements as prescribed by law.	6, 12
2. We have maintained an adequate system of internal control, including measures designed to prevent and detect fraud and corruption, and reviewed its effectiveness.	Yes		Made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.	6, 7
3. We have taken all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and codes of practice that could have a significant financial effect on the ability of the Committee to conduct its business or on its finances.	Yes		Has only done things that it has the legal power to do and has conformed to codes of practice and standards in the way it has done so.	6
4. We have provided proper opportunity for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit (Wales) Regulations 2014.	Yes		Has given all persons interested the opportunity to inspect the committee's accounts as set out in the notice of audit.	6, 23
5. We have carried out an assessment of the risks facing the Committee and taken appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	Yes		Considered the financial and other risks it faces in the operation of the Committee and has dealt with them properly.	6, 9
6. We have maintained an adequate and effective system of internal audit of the accounting records and control systems throughout the year and have received a report from the internal auditor.	Yes		Arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether these meet the needs of the Committee.	6, 8
7. We have considered whether any litigation, liabilities or commitments, events, or transactions, occurring either during or after the year-end, have a financial impact on the Committee and, where appropriate, have included them on the accounting statements.	Yes		Disclosed everything it should have about its business during the year including events taking place after the year-end if relevant.	6
8. We have taken appropriate action on all matters raised in previous reports from internal and external audit.	N/A		Considered and taken appropriate action to address issues/weaknesses brought to its attention by both the internal and external auditors.	6, 8, 23

* Please provide explanations to the external auditor on a separate sheet for each 'no' response given; and describe what action is being taken to address the weaknesses identified.

Additional disclosure notes*

The following information is provided to assist the reader to understand the accounting statement and/or the Annual Governance Statement

1. Company Code 9050 was set up in 2024-25 for the National Adoption Service and Foster Wales Accounts. Prior to this, the accounts were held in Company Code 1000 as part of the Cardiff Council Accounts. This is therefore the first year the Joint Committee Annual Return has been required.



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* Include here any additional disclosures the Committee considers necessary to aid the reader's understanding of the accounting statement and/or the annual governance statement.

Committee approval and certification

The Committee is responsible for the preparation of the accounting statements and the annual governance statement in accordance with the requirements of the Public Audit (Wales) Act 2004 (the Act) and the Accounts and Audit (Wales) Regulations 2014.

<p>Certification by the RFO I certify that the accounting statements contained in this Annual Return present fairly the financial position of the Committee, and its income and expenditure, or properly present receipts and payments, as the case may be, for the year ended 31 March 2025.</p>	<p>Approval by the Committee I confirm that these accounting statements and Annual Governance Statement were approved by the Committee under minute reference:</p>
<p>RFO signature:</p> 	<p>Minute ref:</p>
<p>Christopher Lee</p>	<p>Chair signature:</p> 
<p>Name:</p>	<p>Name: Councillor Jane Tremlett</p>
<p>Date: 07-May-25</p>	<p>Date: 30.05.25</p>

Annual internal audit report to:

Name of
Committee:

NATIONAL ADOPTION SERVICE AND FOSTER WALES 2024-25

The Committee's internal audit, acting independently and on the basis of an assessment of risk, has included carrying out a selective assessment of compliance with relevant procedures and controls expected to be in operation during the financial year ending 31 March 2025.

The internal audit has been carried out in accordance with the Committee's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and the internal audit conclusions on whether, in all significant respects, the following control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of the Committee.

	Agreed?			Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee)
	No*	N/A	Not covered**	
1. Appropriate books of account have been properly kept throughout the year.	YES			<p>The National Adoption Service and Foster Wales has through the lead authority Cardiff Council maintained proper accounts in compliance with the Accounts and Audit (Wales) Regulations 2014. The financial statements have been accurately prepared and verified. The Council's accounts for the National Adoption Service and Foster Wales, managed under a new company code for the first time in 2024-25, were found to be accurate. The body qualifies as a larger relevant body due to its income exceeding £2.5 million.</p> <p>Checked: Hosting Agreement and Joint Committee Agreement signed by all 22 Local Authorities. The Annual Return and Governance Statement. SAP Financial Data for 2024-25</p>
2. Financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was appropriately accounted for.	YES			<p>The Body's financial regulations have been met, payments were supported by invoices, expenditure was approved and VAT was correctly accounted for under Cardiff Council's VAT registration. Budget monitoring is in place, and a sample of payments and invoices were reviewed, confirming VAT compliance. Risk Management responsibilities are delegated to the Director, with oversight provided by the National Adoption Service and Foster Wales Governance Board. The Joint Committee follows the same VAT guidelines as Cardiff Council as set out by HMRC.</p>
3. The Committee assessed the significant risks to achieving its objectives and reviewed the	YES			<p>The Body has assessed significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these. The new Joint Committee,</p>

	Agreed?			Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee)
		No*	N/A Not covered**	
adequacy of arrangements to manage these.				established in April 2024, provides oversight over Foster Wales and the National Adoption Service. Risk Management is delegated to the Director, with updates provided in the Director's Scheme of Delegated Decisions report and oversight is provided by the Joint Committee Board. The Joint Committee monitors progress through midyear and end-of-year reports, ensuring actions from the Strategic Business Plan are completed. Meetings are held regularly, and members declare interests, maintaining transparency and governance.
4. The annual precept/levy/resource demand requirement resulted from an adequate budgetary process, progress against the budget was regularly monitored, and reserves were appropriate.	YES			The Annual Precept requirements were derived from an adequate budgetary process, with regular monitoring against the budget and appropriate reserves held. Funded by Welsh Government, the initiative supports the goal of providing care exclusively through local authorities and not-for-profit organisations by 2027. The National Adoption Service and Foster Wales receive funding through five grants and an annual allocation via WLGA. The Director of the Joint Committee along with finance staff, regularly monitors budget progress. Income and expenditure have been reconciled and verified, with a significant portion of the Welsh Government grant funding distributed to the twenty-two local authorities and third-sector partners providing adoption and fostering services.
5. Expected income was fully received, based on correct prices, properly recorded and promptly banked, and VAT was appropriately accounted for.	YES			The income data for 2024-25 was matched to actual receipts in SAP. Income was fully received, properly recorded and VAT was appropriately accounted for. The National Adoption Service and Foster Wales received funding through various Welsh Government grants and WLGA allocations. The core funding for the National Adoption Service is provided from the Revenue Support Grant, with additional grant aid supporting service expansion. Foster Wales also received substantial funding through Welsh Government grants and WLGA Allocations.
6. Petty cash payments were properly supported by receipts; expenditure was approved and VAT appropriately accounted for.			N/A	There are no Petty Cash Accounts held by the Joint Committee.
7. Salaries to employees and allowances to members were paid in accordance with approvals, and	YES			Member responsibilities and any salaries are the responsibility of the Local Authority they represent. Cardiff Council employs the staff of the service and there is a

	Agreed?			Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to the Committee)
	No*	N/A	Not covered**	
PAYE and NI requirements were properly applied.				Hosting agreement that includes provision for this. The Hosting agreement has been approved and signed by the 22 Joint Committee members and salaries to staff were paid via Cardiff Council's payroll with PAYE and NI requirements applied.
8. Asset and investment registers were complete, accurate, and properly maintained.			N/A	The Joint Committee holds no Assets or Investments.
	Agreed?			Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	No*	N/A	Not covered**	
9. Periodic and year-end bank account reconciliations were properly carried out.	YES			Bank Reconciliations have been conducted by the accountants, with the Director of the Joint Committee, regularly monitoring budget progress, supported by finance staff. The Joint Committee uses the same bank account as Cardiff Council and has its own company code, established in 2024-25 for the National Adoption Service and Foster Wales accounts. The Joint Committee and Governance Board provide oversight and monitoring, ensuring financial compliance and transparency.
10. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments/income and expenditure), agreed with the cashbook, were supported by an adequate audit trail from underlying records, and where appropriate, debtors and creditors were properly recorded.	YES			The accounting statements prepared during the year are correctly based on receipts and payments, income, and expenditure, and reconciled to data in SAP. They were prepared on the correct accounting basis and supported by an adequate audit trail from underlying records. SAP Data for the Joint Committee 2024-25, Annual Return and Governance Statement checked.

For any risk areas identified by the Committee (list any other risk areas below or on separate sheets if needed) adequate controls existed:

	Agreed?			Outline of work undertaken as part of the internal audit (NB not required if detailed internal audit report presented to Committee)
	No*	N/A	Not covered**	
11. Risk areas identified by the Committee had adequate controls in place to mitigate them and an appropriate risk management process exist for the Joint Committee.	YES			Risk areas have been identified by the Joint Committee and an adequate Risk Management approach and process is in place supported by a comprehensive Risk Register addressing all risks identified with adequate controls and mitigation strategies for the National Adoption Service and Foster Wales- 2024-25.
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* If the response is 'no', please state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

* If the response is 'not covered', please state when the most recent internal audit work was done in this area and when it is next planned, or if coverage is not required, internal audit must explain why not.

Internal audit confirmation

I/we confirm that as the Committee's internal auditor, I/we have not been involved in a management or administrative role within the Committee (including preparation of the accounts) or as a member of the Committee during the financial years 2023-24 and 2024-25. I also confirm that there are no conflicts of interest surrounding my appointment.

Name of person who carried out the internal audit: **PERNILLE LARSEN**

Signature of person who carried out the internal audit: **Pernille Larsen**

Date: 07.05.2025