



# PARTNERIAETH

## Partneriaeth

South West Wales Consortium

## Statement of Accounts

(Draft Subject to Audit)

**2022-23**

**20 December 2023**

Cynghrair o 3 awdurdod lleol yw Partneriaeth a reolir gan gyd-bwyllgor cyfansoddiadol cyfreithiol.

Partneriaeth is an alliance of 3 local authorities governed by a legally constituted joint committee.

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## **1.0 Narrative Report**

### **1.1 Introduction**

Partneriaeth's Statement of Accounts for 2022-23 provides a record of the financial position for the year. This section of the report aims to communicate Partneriaeth's purpose, how it has performed in accordance with its overall strategy and against performance indicators over the year, and how it has allocated its resources in line with intended outcomes. It demonstrates collective performance over the year and tells the story of Partneriaeth by providing a holistic, clear and well-structured view of its strategy, governance and performance.

## **2.0 Organisational Overview**

### **2.1 Key Facts about Partneriaeth**

Partneriaeth is an alliance of three local authorities - Carmarthenshire County Council, Pembrokeshire County Council and the City and County of Swansea Council. Partneriaeth commenced on 1 April 2022, with a new legal agreement in place.

Partneriaeth continued to support Ceredigion County Council through their access to network meetings and Neath Port Talbot County Borough Council for Aspiring Leaders provisions during 2022-23 and it is understood that this will continue in 2023-24.

Partneriaeth is governed by a legally constituted Joint Committee and provides a single integrated regional consortium, driving school improvement and learner achievement across the combined area in the South West Wales region.

### **2.2 Joint Committee**

The Joint Committee is made up of the Leader or equivalent of each local authority, supported by the Chief Executive of each local authority, and is advised by the Strategic Group, the Lead Director of Education, the Partneriaeth Lead Officer and Statutory Officers. Officers of the Councils or from outside bodies may attend committee meetings as required. Internal Audit and Audit Wales report independently to the Joint Committee. The Joint Committee was chaired by the Leader of Carmarthenshire County Council during 2022-23.

### **2.3 Strategic Group**

The Strategic Group is made up of the Directors of Education of each of the local authorities, the Partneriaeth Lead Officer and Partneriaeth strategic advisers as and when required.

### **2.4 Management Structure**

- **Lead Chief Executive** – Martin Nicholls (Chief Executive, Swansea)
- **Lead Education Director** – Helen Morgan-Rees (Director of Education, Swansea)
- **Partneriaeth Lead Officer** – Ian Altman
- **S151 Officer** – Jon Haswell (Director of Resources, Pembrokeshire)
- **Monitoring Officer** – Linda Rees-Jones (Head of Administration & Law and Monitoring Officer, Carmarthenshire)

## **2.5 Partneriaeth's Values**

Partneriaeth strives to deliver a consistent school improvement service, focused on challenge and support strategies that improve teaching and learning in classrooms and lead to improved pupil attainment and progress in all schools.

Partneriaeth's aim is to build school capacity through support, challenge and intervention so that schools become self-improving, resilient organisations. They facilitate school led support and intervention programmes at a peer to peer, department to department and school to school level according to the area of need that has been identified within the school.

The region will build school capacity through continuing support, challenge and intervention to become self-improving, resilient organisations which continually improve outcomes for learners. This regional strategy for a self-improving system is well underway and is firmly founded in the principles of school-to-school improvement.

Partneriaeth is committed to the Welsh Language and its prosperity, and the language is an integral part of all the administrative procedures of the organisation. Partneriaeth consider Welsh to be a central element of the identity of the region, and will continue to do as much as they can to promote the language and its use.

### **Partneriaeth Mission Statement**

Partnership working to achieve excellence for all.

## **2.6 Partneriaeth's Aims**

Partneriaeth's aims:

- 1) We lead schools and settings to design, develop and deliver a curriculum with equity and excellence at its core.
- 2) We support schools and settings to become ambitious, self-improving learning organisations.
- 3) We provide professional learning and opportunities for collaboration in order to develop strong and supportive partnerships.

## **2.7 Funding Sources**

Partneriaeth receives its funding from two main sources – Annual contribution from each of the Local Authorities and grant from Welsh Government.

## **3.0 Governance**

### **3.1 Code of Corporate Governance**

The Partneriaeth Code of Corporate Governance is yet to be approved by the Joint Committee.

### **3.2 Annual Governance Statement**

The Partneriaeth Annual Governance Statement provides an overview of the effectiveness of Partneriaeth's governance arrangements during 2022-23. It highlights significant governance issues and priorities for improvement which will be addressed by Partneriaeth in 2023-24.

The Annual Governance Statement for 2022-23 was considered and approved by the Partneriaeth

Joint Committee on 6 October 2023. The Partneriaeth Annual Governance Statement contains two Priorities for Improvement with the planned actions to be followed up as part of the Annual Internal Audit review of Partneriaeth for 2023-24.

## **4.0 Operational Model**

### **4.1 Partneriaeth Business Plan**

The Partneriaeth Business Plan 2022-23 was approved by the Joint Committee on 7 October 2022. The Business Plan identified six improvement priorities that match the enabling objectives of the National Mission, whilst reflecting local and regional priorities:

- **Priority 1** – Curriculum & Assessment - Supporting a national curriculum with equity & excellence at its core that sets high standards for all learners
- **Priority 2** – Developing a high-quality education profession - improving the teaching & learning in our schools
- **Priority 3** – Leadership - supporting inspirational leaders working collaboratively to raise standards. Includes future leadership & professional networks
- **Priority 4** – Strong & inclusive schools committed to excellence, equity & well-being
- **Priority 5** – Supporting a self-improving system - supporting a system in which the education profession have the skills, capacity & agency to continually learn & improve their practice
- **Priority 6** – Ensure that Partneriaeth has strong governance and effective business and operational support that provides value for money.

The Partneriaeth Business Plan 2022-23 was developed by using the outcomes of self-evaluation, research findings, cross-consortia planning as well as identification of school, local authority, regional and national priorities. A wide range of stakeholders contributed and there was consultation on the development of the plan prior to publication.

- Headteachers;
- Directors of Education
- Partneriaeth Joint Committee and Executive Board
- Partneriaeth Central Team
- Stakeholder Group
- Strategic Group
- Operations Group

### **4.2 Performance Management Framework**

As the employing Local Authority for Partneriaeth, Pembrokeshire County Council's Performance Management Framework is used. It enables all staff working for Partneriaeth to identify how their work contributes to achieving the organisations overall objectives. This is achieved by compiling and publishing a hierarchy of aligned plans. The highest level plans describe Partneriaeth's objectives, set the strategic direction and take a long term view. By contrast, individual officer performance review plans are reviewed annually, and in many cases, twice a year.

## 5.0 Risks and Opportunities

### 5.1 Business Risk Management

Members and Officers are responsible for ensuring that risk is considered in the decisions they take and suitable arrangements are put in place to manage risk. The Joint Committee has responsibility for overseeing Partneriaeth's Business Risk Management arrangements.

The Partneriaeth corporate risk register identifies the risks (threats) to the achievement of the Partneriaeth aims. As a live document, it is revised and updated on an ongoing basis and was last formally reviewed by the Joint Committee on 3 February 2023, with the residual risk scores shown below:

Risk	Residual Risk Scores
Timeliness of Welsh Government Funding	6
Lack of clarity on functions	6
Failure to Support Local Authorities in relevant areas during Estyn Engagement	6
Failure to comply with RCSIG Terms & Conditions (Grant regs)	4
Data Protection	4
Partneriaeth found not to provide Value for Money	4
Partneriaeth Governance	4
Failure to deliver the 6 priority areas of the Business Plan	4
Lack of communication with all stakeholders	3
Failure to deliver against Local Authority priorities included in Partneriaeth's Business Plan	3

### 5.2 Key Financial Risks for 2022-23 and Beyond

- Adequacy and timeliness of Welsh Government funding
- Failure to Comply with Regional Consortia School Improvement Grant (RCSIG) Terms and Conditions
- Continued reliance on grant funding.

## 6.0 Strategy and Resource Allocation

### 6.1 Grant Allocations

The RCSIG was allocated by the Welsh Government in accordance with the National Ministerial Priorities. RCSIG grant funding was allocated according to the Partneriaeth Business Plan 2022-23 priorities.

The terms and conditions of the grant are carefully adhered to, and whenever possible clear links are made between grants to enable greater value for money when planning expenditure. An update is included in the Finance Report provided to the Joint Committee at each meeting.

### 6.2 Welsh Government Grant Funding

The various Welsh Government grants received in 2022-23 are outlined in Note 12.1.

## **7.0 Performance**

### **7.1 Performance Reporting**

Regional performance in terms of progress implementing the Business Plan is reported to the Joint Committee.

### **7.2 Financial Reporting**

The Joint Committee are generally provided with a Finance Update Report from the S151 Officer at each of their meetings.

### **7.3 Summarised Financial Performance**

The summarised financial performance provides a high level overview of the financial position of Partneriaeth as at 31 March 2023. Set out in the following paragraphs is the final outturn position for 2022-23 compared to the Revised Budget approved by the Partneriaeth Joint Committee on 3 February 2023.

7.4 Revenue Expenditure

Central Team	Revised Budget 2022-23 £000	Actual 2022-23		
		Central Team £'000	Grants £'000	Total £'000
<b>Staffing Costs</b>				
Salaries	2,168	730	1,377	<b>2,107</b>
Secondments, Specialists	103	57	159	<b>216</b>
Travel, Subsistence, Training & Development	17	11	20	<b>31</b>
IT Hardware & Mobiles	20	31	-	<b>31</b>
	<b>2,308</b>	<b>829</b>	<b>1,556</b>	<b>2,385</b>
<b>Development and Running Costs</b>				
Rent and Accommodation	25	16	6	<b>22</b>
General Office Expenses	7	4	13	<b>17</b>
Stationary, Telephone & Photocopying	5	-	2	<b>2</b>
Translation	50	7	48	<b>55</b>
Software & Marketing	27	-	-	<b>-</b>
Service Level Agreements	214	214	-	<b>214</b>
External Audit	15	15	-	<b>15</b>
Other Contracted Services	529	35	540	<b>575</b>
Business Plan Objectives	4,270	14	5,378	<b>5,392</b>
	<b>5,142</b>	<b>305</b>	<b>5,987</b>	<b>6,292</b>
<b>Grants Passported to LA's</b>	-	-	<b>41,434</b>	<b>41,434</b>
<b>Total Gross Expenditure</b>	<b>7,450</b>	<b>1,134</b>	<b>48,977</b>	<b>50,111</b>
<b>Income</b>				
Contributions from Member Authorities	(300)	(300)	-	<b>(300)</b>
Grant Funding RCSIG	(4,802)	-	(28,378)	<b>(28,378)</b>
Grant Funding RCSIG EIG Retained	(841)	(841)	-	<b>(841)</b>
PDG	(1,030)	-	(20,242)	<b>(20,242)</b>
EWC	(381)	-	(423)	<b>(423)</b>
Other LA Income	(96)	(96)	-	<b>(96)</b>
Siarter laith	-	(15)	(83)	<b>(98)</b>
Other Income	-	(7)	(6)	<b>(13)</b>
<b>Total Income</b>	<b>(7,450)</b>	<b>(1,259)</b>	<b>(49,132)</b>	<b>(50,391)</b>
<b>Net Surplus</b>	-	(125)	(155)	<b>(280)</b>
Appropriation to/(from) Reserve	-	125	<b>155</b>	<b>280</b>



## Commentary on the 2022-23 Revenue Performance

The Partneriaeth Consortium total gross expenditure for 2022-23 totalled £50.111m, which included £41.434m of grants being passported directly to the three constituent Local Authorities.

The Partneriaeth Joint Committee received two budget monitoring reports and financial updates on 29 April 2022 and 3 February 2023 and were updated on additional grant resources as they became available. All Joint Committee reports can be found on the Carmarthenshire website at <https://democracy.carmarthenshire.gov.wales/mgCommitteeDetails.aspx?ID=376>

Local Authorities were invoiced for their contributions for 2022-23 in the sum of £0.300m. Unlike other consortia, Partneriaeth does not directly employ School Improvement Challenge Advisors. They are employed by each Local Authority and work collaboratively across the region as a whole as and when necessary to deliver an effective service. Partneriaeth therefore only directly employs a small administrative Central Team which supports the Partneriaeth Lead Officer.

Contributions towards the costs of the Central Team were split between the three Local Authorities on the basis of pupil numbers for PLASC-20 figures (80%) and the number of schools within each Local Authority (20%).

<b>Local Authority</b>	<b>% of LA Contribution</b>	<b>Contribution</b>
Pembrokeshire	21.79	£65,370
Carmarthenshire	35.72	£107,160
Swansea	42.49	£127,470
<b>Total</b>	<b>100%</b>	<b>£300,000</b>

#### 7.4.1 Budget and Funding Position 2023-24

The Partneriaeth Joint Committee approved the Budget for 2023-24 and the Draft Medium Term Financial Plan for 2023-24 to 2026-27 at their meeting on 23 June 2023.

<b>Budgeted Expenditure</b>	<b>Core Funded 2023-24 £'000</b>	<b>Grant Funded 2023-24 £'000</b>	<b>Original Budget 2023-24 £'000</b>
<b>Staffing Costs</b>			
Salaries*	-	2,023	2,023
Secondments, Specialists	-	81	81
Travel & Subsistence	-	10	10
Training & Development	-	5	5
	-	<b>2,119</b>	<b>2,119</b>
<b>Development and Running Costs</b>			
Rent and Accommodation	15	-	15
Electricity	2	-	2
Service Charges	11	-	11
Hardware Purchases	22	-	22
Software	10	-	10
Mobile Telephone	5	-	5
General Office Expenses	7	-	7
Translation	-	40	40
External Audit	16	-	16
Other Contracted Services	-	48	48
Marketing	18	-	18
Service level Agreements	229	-	229
Business Plan Objectives	-	3,501	3,501
	<b>335</b>	<b>3,589</b>	<b>3,924</b>
<b>Total Expenditure</b>	<b>335</b>	<b>5,708</b>	<b>6,043</b>
<b>Budgeted Income</b>			
Member Local Authority Contributions	-	-	-
Grant Funding RCG	-	4,326	4,326
Grant Funding RCG EIG Retained	-	842	842
PDG Co-ordinator	-	50	50
EWC	-	381	381
Secondment Income from WG	-	109	109
Reserves	335	-	335
<b>Total Income</b>	<b>335</b>	<b>5,708</b>	<b>6,043</b>

\*Core salaries funded by RCSIG EIG retained

#### **7.4.2 Assets and Liabilities**

Partneriaeth took over all continuing ERW assets and running costs, with the ERW pension liability transferring to Pembrokeshire County Council as the employing Local Authority.

Total Partneriaeth debtors are valued at £0.041m relating to grant funding and payment of secondment invoices, which have been paid during 2023-24. No issues have been identified in relation to the impairment of any other current assets.

No issues have been identified regarding the settlement of current liabilities.

#### **7.4.3 Pensions Liability**

Partneriaeth pension liability remains with Pembrokeshire County Council as the employing Local Authority.

#### **7.4.4 Usable Reserves and Balances**

At its meeting on 17 May 2023, the ERW Joint Committee approved the distribution of the ERW reserves and balances, £0.143m to Powys County Council and £1.492m to Partneriaeth.

##### **General Working Reserve**

This reserve constitutes Partneriaeth's working balance and is maintained to meet day to day operational eventualities. It was created in order to provide an adequate level of funding to deal with any unexpected expenditure. This reserve had a balance of £0.100m at the end of 2022-23.

##### **Earmarked Reserves**

These constitute balances held at the year-end for specific purposes and will be used in accordance with those specific requirements. These reserves had a balance of £1.672m at the end of 2022-23.

##### **Education Workforce Council (EWC) Unused Funding**

The EWC provides Partneriaeth with grant funding on an annual basis to fund training. When the cost of providing the training has been less than the annual grant, the EWC have advised that they do not require the grant to be returned with any remaining balance being appropriated to reserve.

#### **7.4.5 Significant Interests**

Members of the ERW Joint Committee, Lead Officers and Officers of the Executive Board are required to declare potential conflicts of interest arising from employment and other arrangements. There are no conflicts of interests to report.

#### **7.4.6 Payments to Auditors**

It is estimated that £15k will be paid to Audit Wales for its work auditing the 2022-23 financial statements. All grant certification will be subject to Internal Audit as required by Welsh Government.

#### **7.4.7 Post Balance Sheet Events**

Any events taking place between 20 December 2023 and the date the audited Statement of Accounts being authorised for issue by the Partneriaeth S151 Officer, will be reported and approved by the Partneriaeth Joint Committee. There are no events to be reported.

### **8.0 Basis of Preparation and Presentation**

Any matters which may have affected Partneriaeth's ability to deliver its Business Plan have been identified in the body of this Narrative Report.

If you need any more information about the Partneriaeth Statement of Accounts, please contact the Director of Resources, Pembrokeshire County Council, County Hall, Haverfordwest, SA61 1TP. The Partneriaeth Statement of Accounts are also available on Partneriaeth's internet site.

**Jonathan Haswell FCCA**  
**Partneriaeth S151 Officer**  
**20 December 2023**

## **9.0 The Independent Auditor's Report of the Auditor General for Wales to the Members of the Partneriaeth Joint Committee**

### **Report on the audit of the financial statements**

#### **Opinion on the financial statements**

I have audited the financial statements of the Partneriaeth Joint Committee for the year ended 31 March 2023 under the Public Audit (Wales) Act 2004.

The Partneriaeth Joint Committee's financial statements comprise the Movement in Reserves Statement, the Comprehensive Income and Expenditure Statement, the Balance Sheet, the Cash Flow Statement, 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 international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23.

In my opinion the financial statements:

- give a true and fair view of the financial position of the Partneriaeth Joint Committee as at 31 March 2023 and of its income and expenditure for the year then ended; and
- have been properly prepared in accordance with legislative requirements and international accounting standards as interpreted and adapted by the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23.

#### **Basis of opinion**

I conducted my audit in accordance with applicable law and International Standards on Auditing in the UK (ISAs (UK)) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I am independent of the Partneriaeth Joint Committee in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Authority's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### **Conclusions relating to going concern**

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

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on Partneriaeth's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the responsible financial officer 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 my auditor's report thereon. The Responsible Financial Officer is responsible for the other information contained within the annual report. My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my report, I do not express any form of assurance conclusion thereon. My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

## **Report on other requirements**

### **Opinion on other matters**

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

- the information contained in the Narrative Report for the financial year for which the financial statements are prepared is consistent with the financial statements and the Narrative Report has been prepared in accordance with the Code of Practice on Local Authority Accounting in the United Kingdom 2022-23; and
- the information given in the Annual Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and the Annual Governance Statement has been prepared in accordance with guidance.

### **Matters on which I report by exception**

In the light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Narrative Report or the Annual Governance Statement.

I have nothing to report in respect of the following matters, which I report to you, if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my team;
- the financial statements are not in agreement with the accounting records and returns; or
- I have not received all the information and explanations I require for my audit.

## **Responsibilities**

### **Responsibilities of the responsible financial officer for the financial statements**

As explained more fully in the Statement of Responsibilities for the Statement of Accounts set out on page 15, the responsible financial officer is responsible for the preparation of the statement of accounts, which give a true and fair view, and for such internal control as the responsible financial officer determines is necessary to enable the preparation of statements of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the statement of accounts, the responsible financial officer is responsible for assessing the Authority'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 deemed inappropriate.

### **Auditor's responsibilities for the audit of the financial statements**

My 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 my 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. I design

procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

My procedures included the following:

- enquiring of management, Partneriaeth's internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Partneriaeth Joint Committee's policies and procedures concerned with:
  - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
  - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- considering as an audit team how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals.
- obtaining an understanding of the Partneriaeth Joint Committee's framework of authority, as well as other legal and regulatory frameworks that the Partneriaeth Joint Committee operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Partneriaeth Joint Committee.

In addition to the above, my procedures to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations discussed above;
- enquiring of management, the Partneriaeth Joint Committee about actual and potential litigation and claims;
- reading minutes of meetings of the Joint Committee as those charged with governance, and its committees;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- I also communicated relevant identified laws and regulations and potential fraud risks to all audit team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the Partneriaeth Joint Committee's controls, and the nature, timing and extent of the audit procedures performed. A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Authority's website <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of my auditor's report.

#### **Certificate of completion of audit**

I certify that I have completed the audit of the accounts of the Partneriaeth Joint Committee in accordance with the requirements of the Public Audit (Wales) Act 2004 and the Auditor General for Wales' Code of Audit Practice.

**Adrian Crompton**  
**For and on behalf of the Auditor General for Wales**  
**7 June 2024**

1 Capital Quarter  
Cardiff  
CF10 4BZ

## **STATEMENT OF ACCOUNTS**

### **PARTNERIAETH JOINT COMMITTEE**

#### **STATEMENT OF RESPONSIBILITIES FOR THE STATEMENT**

##### **The Partneriaeth Joint Committee's Responsibilities**

The Partneriaeth Joint Committee is required:

- To make arrangements for the proper administration of its financial affairs and to ensure that one of its officers has the responsibility for the administration of those affairs. In this Partneriaeth Joint Committee, that officer is the Director of Resources of Pembrokeshire County Council.
- To manage its affairs to secure the economic, efficient and effective use of resources and safeguard its assets.
- To approve the Statement of Accounts.

##### **The Director of Resources Responsibilities**

The Director of Resources is responsible for the preparation of the Joint Committee Statement of Accounts in accordance with proper practices as set out in the CIPFA/LASAAC Code of Practice on Local Authority Accounting in the United Kingdom (the Code).

In preparing this Statement of Accounts, the Director of Resources has:

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

The Director of Resources has also:

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

#### **CERTIFICATE OF DIRECTOR OF RESOURCES**

The Statement of Accounts of the Partneriaeth Joint Committee for the year ended 31 March 2023 is contained on Sections 10 to 14, and is produced in accordance with the requirements of the Local Government Accounts and Audit (Wales) Regulations 2014, (as amended). The Regulations prescribe the contents of the Statement of Accounts and it is upon the contents only that the Audit opinion is expressed.

I certify the accounts present a true and fair view of the financial position of the Partneriaeth Joint Committee as at 31 March 2023 and its income and expenditure for the year ended 31 March 2023 and append my signature to the Statement in accordance with Regulation 10(1).



**J HASWELL FCCA**

**Partneriaeth S151 Officer**

**Date: 20 December 2023**

## **REPORTING AND APPROVAL**

These accounts, initially published on 20 December 2023 will be reported to the Partneriaeth Joint Committee for approval following the conclusion of the Annual Audit on 7 June 2024. The audit certificate is shown on pages 11-13.

**Darren Price**  
**Chair of Partneriath Joint Committee**

**Offices Address:** Y Llwyfan,  
College Road,  
Carmarthen,  
SA31 3EQ

**Date:** 7 June 2024



## **10.0 Core Financial Statements – Underlying Principles**

The application of accounting standards, concepts, critical judgements and inherent risks, and accounting policies used in preparing the core financial statements are set out in the following pages.

### **10.1 Financial Reporting Standards**

The International Financial Reporting and Other Standards that have been issued have been applied as required by the Code of Practice on Local Authority Accounting.

The Code of Practice requires that the Joint Committee discloses information relating to the impact of an accounting change that will be required by a new standard that has been issued but not yet adopted by the Code for the relevant financial year. There are no key changes to accounting standards issued but not yet adopted that will impact on the Joint Committee.

The Statement of Accounts set out in sections 11 to 14 have been prepared in compliance with the 2022-23 Code of Practice on Local Authority Accounting.

### **10.2 Accounting Concepts**

The following pervasive accounting concepts have been used in the preparation of the Core Accounting Statements:

- Accruals basis
- Going Concern

The qualitative characteristics of financial information continue to be employed:

- Relevance
- Comparability
- Verifiability
- Timeliness
- Understandability
- Materiality
- Faithful Representation
- Completeness, Neutrality, Free from Error
- Primacy of legislative requirements

### 10.3 Critical judgements in Applying Accounting Policies and Estimating Risk

In applying the accounting policies set below in section 10.4 the Partneriaeth Joint Committee has made judgements about the complex transactions and those involving uncertainty in future years.

There continues to be a high degree of uncertainty about the future level of funding for local government. Therefore whilst some grants may be reduced, given the relatively small number of employees directly employed by Partneriaeth, there is insufficient evidence to conclude that the Joint Committee activities will be severely impaired or reduced in future years.

Pembrokeshire County Council is the employing body for the Partneriaeth staff and maintains the Partneriaeth finances/accounts; providing financial services, internal audit, ICT, HR and procurement support to Partneriaeth via service level agreements.

In certain instances it has been necessary to estimate the changes made in the accounts using historical experience, current trends etc. Actual results may be different from the assumptions made and consequently may affect the charges made in future years' accounts. Where there are changes between estimated and actual amounts these changes will be reflected in the Partneriaeth accounts, funded from reserve; these are not anticipated to be material.

The main risk areas are set out in the following table:

<b>Issues appertaining to items in the current set of accounts:</b>		
<b>Item</b>	<b>Risk</b>	<b>Potential Affect</b>
Contractual Obligations	Incorrect quantifications and legal challenge	Additional charge to the Joint Committee and its Partner Authorities
Grant Funding	Claimed ineligible expenditure or grant unspent by deadline	Loss of grant with expenditure to be funded from core or grant clawback
Confirmation of regional position as delivery mechanism for School improvement	Funding from WG and subsequent expectations	Inability to respond to increasing expectations of regional working.
Delay in receiving grant funding	Committed expenditure not being eligible. Poor planning.	Loss of grant with expenditure to be funded from core or grant clawback. Adverse cash flow
Governance – Future arrangements	Decisions not made in timely manner	Delay in improvements, grant clawback or loss of grant funding
Core LA funding not being received	Break-up of the Consortium	Loss of Welsh Government grant Cessation of regional working

<b>Issues potentially impacting the accounts in the future</b>		
<b>Item</b>	<b>Risk</b>	<b>Potential Affect</b>
Changes in Political Priorities	Reduced funding	Reduction in service, or cessation of regional working
Educational Outcomes	Pupils attainment does not improve at the necessary pace	Loss of future grant funding/ Local Authorities having to change support levels to Partneriaeth
Grant Funding	Claimed ineligible expenditure or grant not spent by deadline	Loss of grant with expenditure to be funded from core or grant clawback Reduction in service provision
Demographic Change	Assumptions Incorrect	Increased service & contractual costs
Grant Funding	Loss of grant from Welsh Government	Reduction in service provision
Transformation/ Alternative Service Delivery	Changed ways of working do not deliver assumed financial savings	Budget over/under spend Separate accounting arrangements
Welsh Language Standard	Assumption incorrect	Increased service & contractual costs
Wellbeing of Future Generations Act	Act not considered in decision making	Cost of corrective action
Grant funding withheld by Welsh Government	Partneriaeth not adhering to regional nature of grant conditions	Schools do not access the support required.
Partneriaeth – Future provision of education through regional working.	Regional service does not continue	Insufficient support provided to schools to implement new curriculum and action the Estyn recommendations.

## **10.4 Accounting Policies**

The accounting policies used to prepare the Core Accounting Statements and the following Supporting Notes and Supplementary Financial Statements have been reviewed using the 2022-23 Code of Practice on Local Authority Accounting.

### **10.4.1 General Principles**

The objective of the accounting policies adopted shall be to ensure that the Statement of Accounts provides a “true and fair” view of the financial position of the Partneriaeth Joint Committee.

The accounts shall be prepared in accordance with the latest Code of Practice on Local Authority Accounting, issued by the Chartered Institute of Public Finance and Accountancy (CIPFA) (the Code) and adhere to the relevant Financial Reporting Standards and Practices, unless otherwise stated.

Figures shall be included in the Financial Statements using the cost convention specified by the appropriate accounting standard.

The accounting policies shall be revised as required from those of the previous year to reflect changes in reporting requirement with any such changes being disclosed.

#### **10.4.2 Exceptional, Extraordinary Items, Prior Year Adjustments & Events After the Reporting Period**

Extraordinary items - No items of income or expense will be treated as extraordinary. All items will therefore be accommodated within one of the specified lines of the Surplus or Deficit on the Provision of Services or the Other Comprehensive Income and Expenditure.

Exceptional items – When items of income and expense are material, their nature and amount will be disclosed separately, either on the face of the Comprehensive Income and Expenditure Account or in the notes to the accounts.

Unless otherwise sanctioned by the Code, material prior period adjustments shall result in a restatement of prior year figures and disclosure of the effect.

Material events occurring after the end of the reporting period shall, if applicable at the Balance Sheet date, amend the Statement of Accounts. Other events will be disclosed with an estimate of the likely financial effect. If amended after being issued prior to the conclusion of audit the responsible financial officer shall re-certify the revised Statement of Accounts as replacing that previously issued.

#### **10.4.3 Leases and Lease-Type Arrangements**

##### Recognition and Classification

Operating leases shall be defined as all other lease type arrangements not deemed to be finance leases. In considering property leases, land and buildings shall be considered separately for classification purposes, with land with an infinite life generally being recognised as an operating lease.

Operating Leases - the whole of the rental payable under operating leases shall be charged to the revenue account on a straight line basis over the term of the lease.

#### **10.4.4 Partneriaeth Joint Committee Reserves (Working Balances)**

##### Classification

Reserves shall be classified as usable, being available to support future expenditure or unusable being those required for financial accounting purposes.

##### Usable Reserves

The Partneriaeth Joint Committee shall govern the management and use of all reserves.

The expenditure financed from reserves shall be shown, when it is incurred, in the appropriate service section of the Comprehensive Income and Expenditure Statement.

The following circumstances shall allow amounts to be reserved from revenue:

- i. Material commitments exist for goods and services not received or paid for by 31 March
- ii. Facilitation of rolling over of funding to future years to ensure the cost effective use of resources and allow for variation in service demand from year to year
- iii. To set aside resources for future developments or contingencies

##### Unusable Reserves

No financial reserves are maintained by Partneriaeth.

##### Reporting

Appropriations to and from reserves shall be reported in the Movement in Reserves Statement.

#### **10.4.5 Income & Expenditure**

##### Employee Costs & Benefits

Salaries and wages shall be charged against the periods to which they relate and if necessary estimated accruals made using previous pay periods as a basis. An adjustment shall be made in the Comprehensive Income & Expenditure Account to take account of accrued leave entitlement.

##### Supplies and Services Etc

The Partneriaeth Joint Committee operates a system of accruals and converted payments. Creditors will be accrued by the end of a predetermined period of the following year and by the inclusion of estimates for significant items remaining outstanding at this time based on quotations or past costs. An exception to this principle relates to electricity and similar periodic payments which are charged at the date of meter reading rather than being apportioned between financial years. This policy shall be consistently applied each year and therefore does not have a material effect on any year's accounts.

##### Support Services

All support services provided within and to the Partneriaeth Joint Committee will be charged as appropriate through Grant, within the scope of the Terms and Conditions, and Local Authority contributions. Support services are provided by an administration team within Partneriaeth and from Local Authorities through Service Level Agreements (SLAs).

##### Income

All income due to the Partneriaeth Joint Committee shall be accounted for at the due date and recognised at fair value.

#### **10.4.6 Government Grants and Other Contributions**

##### General

Government grants and other contributions shall be accounted for on an accruals basis and when the conditions for their receipt have been complied with and there is reasonable assurance that the grant or contribution will be received.

##### Revenue Grants and Contributions

Where a revenue grant or contribution has been received, and conditions remain outstanding at the Balance Sheet date, the grant or contribution shall be recognised as a receipt in advance. When the grant conditions are met it shall be recognised in Comprehensive Income and Expenditure Statement as income and be matched in the service revenue accounts with the expenditure to which it relates.

##### Repayment

In the event of repayment this shall first be applied to any receipt or contribution received in advance. To the extent that the repayment exceeds any such receipt in advance, or where no receipt in advance exists, the repayment shall be recognised within the Comprehensive Income and Expenditure Statement as an expense.

#### **10.4.7 Employee Costs & Benefits**

##### Benefits during Employment

Normal remuneration costs shall be charged as an expense in the period to which they relate.

A year end accrual shall be made in the Comprehensive Income and Expenditure Statement of any material costs arising from holiday entitlement not taken. However, not being a charge for taxation purposes shall be reversed out in the Movement in Reserves Statement.

##### Termination Benefits

Termination benefits shall be charged in the Comprehensive Income and Expenditure Statement when the Partneriaeth Joint Committee is demonstrably committed to the termination of employment.

## Pension Costs

The pension contributions paid by the Partneriaeth Joint Committee shall be charged on an accruals basis to the appropriate service revenue account and, together with the contributions made by employees, shall be paid over to the respective fund.

Dyfed Pension Fund – The accounting policies applying to the Fund shall be determined by the administering Authority, Carmarthenshire County Council, who keep the accounts of the Fund and arrange for actuarial information to be provided to participating Bodies.

Pembrokeshire County Council, as the employing Authority for the Partneriaeth Joint Committee shall include the current service costs of pensions as calculated by the Fund's actuary in the cost of services within Pembrokeshire County Council accounts, in accordance with the requirements of IAS19 as this is accounted for as a defined benefit scheme.

Teacher's Pension Scheme - In the case of teachers, pensions are "unfunded" and are met from annual contributions, therefore no liability for future benefits shall be recognised in the Balance Sheet. The scheme is accounted for as a defined contribution scheme and the contributions payable are charged to the Consolidated Income and Expenditure Statement.

### **10.4.8 Debtors, Bad Debt Impairment & Creditors**

General Debtors shall be recognised in the Balance Sheet and measured at fair value of the amount receivable when revenue has been recognised. In the majority of cases fair value will equate to the cash value but in the case of long term debtors the value shall be discounted by the appropriate rate to reflect fair value. The adjustment shall be made in the Comprehensive Income and Expenditure Statement but not being a proper charge to the Partneriaeth Joint Committee shall be reversed in the Movement in Reserves Statement to the Financial Instrument Adjustment Account.

Where revenue has been recognised but cash has not been received, a debtor for the relevant amount is recorded in the Balance Sheet. Where debts may not be settled, the balance of debtors is written down and a charge made to revenue for the income that might not be collected.

General Creditors shall be recognised in the Balance Sheet and measured at fair value of the amount payable when goods have been delivered or services rendered. In the majority of cases fair value will equate to the cash value but in the case of long term creditors the value shall be discounted by the appropriate rate to reflect fair value. The adjustment shall be made in the Comprehensive Income and Expenditure Statement but not being a proper charge to the Partneriaeth Joint Committee fund shall be reversed in the Movement in Reserves Statement to the Financial Instrument Adjustment Account.

### **10.4.9 Cash and Cash Equivalents**

Represented by funds that are held to meet short-term cash commitments, rather than invested for other purposes, and that are readily convertible to known amounts of cash. The amount of cash and cash equivalents so defined shall be determined by reference to the daily cash flow forecasts.

### **10.4.10 VAT**

Transactions shall be shown net of VAT to the extent that it is recoverable/payable.

### **10.4.11 Related Parties**

The following disclosures shall be made in respect of material transactions with related parties not disclosed elsewhere in the Statement of Accounts:

- i. Nature of the relationship and influence exerted either by or on the Partneriaeth Joint Committee
- ii. The aggregate of transactions in the year separately showing payable and receivable amounts
- iii. Outstanding balances as at 31 March.

#### **10.4.12 Provisions**

Provisions are made where an event has taken place that gives the Partneriaeth Joint Committee a legal or constructive obligation that probably requires settlement by a transfer of economic benefits or service potential, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the appropriate service line in the Comprehensive Income and Expenditure Statement in the year that the Partneriaeth Joint Committee becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet. Estimated settlements are reviewed at the end of each financial year – where it becomes less than probable that a transfer of economic benefits will now be required (or a lower settlement than anticipated is made), the provision is reversed and credited back to the relevant service.

Where some or all of the payment required to settle a provision is expected to be recovered from another party (e.g. from an insurance claim), this is only recognised as income for the relevant service if it is virtually certain that reimbursement will be received if the Partneriaeth Joint Committee settles the obligation.

#### **10.4.13 Contingent Liabilities and Assets**

##### **Contingent Liabilities**

A contingent liability arises where an event has taken place that gives Partneriaeth a possible obligation whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of Partneriaeth. Contingent liabilities also arise in circumstances where a provision would otherwise be made but either it is not probable that an outflow of resources will be required or the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the Balance Sheet but are disclosed in a note to the accounts.

##### **Contingent Assets**

A contingent asset arises where an event has taken place that gives Partneriaeth a possible asset whose existence will only be confirmed by the occurrence or otherwise of uncertain future events not wholly within the control of Partneriaeth.

Contingent assets are not recognised in the Balance Sheet but disclosed in a note to the accounts where it is probable that there will be an inflow of economic benefits or service potential.

#### **11.0 Core Financial Statements – Components and Detail**

The core financial statements, prepared using International Financial Reporting Standards, (IFRS) comprise of:

- The Comprehensive Income and Expenditure Statement - showing the accounting cost in the year of providing services measured on an IFRS basis as opposed to the cost actually funded from taxation.
- The Movement in Reserves Statement – showing the movement on the different reserves held by the Partneriaeth Joint Committee analysed between usable reserves and unusable reserves held for financial accounting purposes.
- The Balance Sheet - which sets out the financial position on 31 March in terms of the value of assets and liabilities recognised by the Partneriaeth Joint Committee and the reserves held by the Partneriaeth Joint Committee
- The Cash Flow Statement - which summarises the inflows and outflows of cash and cash

equivalents with third parties arising from revenue and capital transactions.

## **Supporting Notes and Supplementary Financial Statements**

These comprise of:

- Notes to the core financial statements.

As there is no difference between how annual expenditure is used and funded from resources (government grants and contributions) by Partneriaeth as reported to management in comparison with those resources consumed or earned by Partneriaeth in accordance with generally accepted accounting practices (IFRS basis) no Expenditure and Funding Analysis statement is required

### **11.1 Comprehensive Income and Expenditure Statement**

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

The Comprehensive Income and Expenditure Statement can be summarised as follows:

- **Surplus/Deficit on Continuing Operations** – analyses by subjective groupings, the day to day income and expenditure on such items as employee remuneration, running costs of services, service specific grants, fees and charges.



COMPREHENSIVE INCOME AND EXPENDITURE STATEMENT	Note	2022-23		
	NO.	Gross Expenditure £000	Income £000	Net Expenditure £000
<b>Staffing Costs</b>				
Salaries		2,107	-	2,107
Secondments, Specialists		216	-	216
Travel, Subsistence, Training & Development		31	-	31
IT Hardware & Mobiles		31	-	31
		<b>2,385</b>	-	<b>2,385</b>
<b>Development and Running Costs</b>				
Rent and Accommodation		22	-	22
General Office Expenses		17	-	17
Stationary, Telephone & Photocopying		2	-	2
Translation		55	-	55
Service Level Agreements		214	-	214
External Audit		15	-	15
Other Contracted Services		575	-	575
Business Plan Objectives		5,392	-	5,392
		<b>6,292</b>	-	<b>6,292</b>
<b>TOTAL EXPENDITURE</b>		<b>8,677</b>	-	<b>8,677</b>
<b>Income</b>				
Member Local Authority Contributions		-	(300)	(300)
Grant Funding RCSIG		-	(6,270)	(6,270)
Grant Funding RCSIG EIG Retained		-	(841)	(841)
PDG Co-ordinator		-	(999)	(999)
EWC		-	(423)	(423)
Other Local Authority Income		-	(96)	(96)
Siarter Iaith		-	(15)	(15)
Other Income		-	(13)	(13)
<b>TOTAL INCOME</b>		-	<b>(8,957)</b>	<b>(8,957)</b>
<b>WG Grant Passported to Member Authorities</b>	<b>12.1</b>			
Carmarthenshire		14,503	(14,503)	-
Pembrokeshire		8,179	(8,179)	-
City and County of Swansea		18,752	(18,752)	-
		<b>41,434</b>	<b>(41,434)</b>	-
<b>(Surplus) / Deficit on Continuing Operations</b>		<b>50,111</b>	<b>(50,391)</b>	<b>(280)</b>
<b>Financing &amp; Investment Income and Expenditure (Surplus) or Deficit on Provision of Services</b>				<b>(280)</b>
<b>TOTAL COMPREHENSIVE INCOME &amp; EXPENDITURE</b>				<b>(280)</b>

## 11.2 Movement in Reserves Statement

This Statement shows the movement in the year on the different reserves held by the Partneriaeth Joint Committee, analysed between usable (those that can be applied to fund expenditure) and other unusable reserves. The unusable reserves include reserves that hold unrealised gains and losses that are only realised when assets are sold and reserves that hold accounting differences needed to reconcile the differences between reporting on the IFRS accounting basis and the statutory funding basis.

At its meeting on 17 May 2023, the ERW Joint Committee approved the distribution of the ERW reserves and balances, £0.143m to Powys County Council and £1.492m to Partneriaeth.

The (Surplus)/Deficit on the provision of services reflects the economic cost of providing the Partneriaeth Joint Committee's services, more details of which are provided in the Comprehensive Income and Expenditure Statement on the following page.

<b>Actual 2022-23</b>	<b>Partneriaeth Usable Earmarked Reserves £000</b>	<b>Partneriaeth General Working Reserve £000</b>	<b>Total Partneriaeth Reserves £000</b>
<b>Balance 1st April 2022*</b>	<b>(1,392)</b>	<b>(100)</b>	<b>(1,492)</b>
(Surplus) / Deficit On Provision of Services	(280)	-	(280)
<b>Total Comprehensive Income &amp; Expenditure (see note 11.1)</b>	<b>(280)</b>	<b>-</b>	<b>(280)</b>
Transfer to Partneriaeth General Working Balance	-	-	<b>0</b>
<b>(Increase) / Decrease In Year</b>	<b>(280)</b>	<b>-</b>	<b>(280)</b>
			0
<b>Balance 31st March 2023</b>	<b>(1,672)</b>	<b>(100)</b>	<b>(1,772)</b>

\*opening balance adjustment to reflect the distribution of the ERW reserves and balances of £1.492m to Partneriaeth.

### 11.3 Balance Sheet

This Statement shows the value at the Balance Sheet date of the assets and liabilities recognised by the Partneriaeth Joint Committee. The net assets (assets less liabilities) are matched by usable reserves comprising of the General Working Reserve and Earmarked Reserves.

BALANCE SHEET AS AT 31st MARCH	Note No.	1 April 2022* £000	2022-23	
			£000	£000
<b>CURRENT ASSETS:</b>				
Short-term Debtors and Prepayments	14.1.2	4,004	41	
Cash & Cash Equivalents	14.2	951	2,542	
<b>Total Current Assets</b>		<b>4,955</b>		<b>2,583</b>
<b>TOTAL ASSETS</b>				
<b>CURRENT LIABILITIES</b>				
Short-term Creditors*	14.1.3	(3,463)	(811)	
<b>Total Current Liabilities</b>		<b>(3,463)</b>		<b>(811)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>1,492</b>		<b>1,772</b>
<b>TOTAL LONG TERM LIABILITIES</b>				
<b>NET ASSETS</b>		<b>1,492</b>		<b>1,772</b>
Usable Reserves				
- Earmarked Joint Committee Reserves*	13.1	(1,392)		(1,672)
- General Working Reserve	13.1	(100)		(100)
<b>TOTAL RESERVES</b>		<b>(1,492)</b>		<b>(1,772)</b>

\*opening balance adjustment to reflect the distribution of the ERW reserves and balances of £0.143m to Powys County Council, shown as short-term creditors.

## 11.4 Cash Flow Statement

The Cash Flow Statement shows the changes in cash and cash equivalents during the reporting period, showing how the Partneriaeth Joint Committee generates and uses cash and cash equivalents by classifying cash flows into operating, investing and financing activities.

The amount of net cash flows arising from net operating activities is a key indicator of the extent to which operations are funded by way of grant income or from the recipients of services provided by the Partneriaeth Joint Committee.

All cash transactions are administered by Pembrokeshire County Council as Partneriaeth Joint Committee does not operate its own bank account.

CASH FLOW STATEMENT	2022-23		
	1 April 2022 £000	£000	£000
<b>Reconciliation of Comprehensive Income and Expenditure Statement to Net Revenue Cashflow</b>			
<b>Net (Surplus)/Deficit on the provision of services</b>	(885)		(280)
<b>Adjustments to net surplus or deficit on the provision of services for non-cash movements</b>			
Movements in revenue debtors, creditors, stocks etc.	3,069	(1,311)	(1,311)
<b>Net cash Flow from Operating Activities</b>	<b>2,184</b>		<b>(1,591)</b>
<b>NET (INCREASE)/DECREASE IN CASH &amp; CASH EQUIVALENTS</b>			
Cash & Cash equivalents at the beginning of reporting period	3,135	951	
Cash & Cash equivalents at the end of reporting period	951	2,542	
<b>(INCREASE)/DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>2,184</b>		<b>1,591</b>

See note 14.1 for a breakdown of debtors and creditors and note 14.2 for cash at the end of the year.

## 12.0 Notes to the Comprehensive Income & Expenditure Statement

### 12.1 Revenue Grants

The table below sets out specific grant income from Welsh Government and Other Grant Awarding Bodies.

Revenue Grants	2022-23	Grants Allocated Direct to Authority	Grants Held Centrally
	£000	£000	£000
Pupil Development Grant	(20,242)	(19,243)	(999)
Regional Consortia School Improvement Grant	(29,219)	(22,108)	(7,111)
Siater Iaith	(98)	(83)	(15)
<b>Total Revenue Grants</b>	<b>(49,559)</b>	<b>(41,434)</b>	<b>(8,125)</b>

The above revenue grants have been accounted as follows during the year:

Revenue Grants	2022-23	Grants Allocated Direct to Authority	Grants Held Centrally
	£000	£000	£000
Welsh Government Grants	(49,461)	(41,351)	(8,110)
Siater Iaith	(98)	(83)	(15)
<b>Total Revenue Grants</b>	<b>(49,559)</b>	<b>(41,434)</b>	<b>(8,125)</b>

#### 12.1.1 Further analysis of the Grants held centrally:

Revenue Grants	2022-23 Grants Held Centrally	
	£'000	£000
<b>Payments to schools via LA's for specific work</b>		
Carmarthenshire	1,685	
Ceredigion	7	
Neath Port-Talbot	17	
Pembrokeshire	1,108	
Powys	349	
City and County of Swansea	2,191	
		5,357
<b>Other expenditure</b>		
Salaries	1,377	
Secondments, Specialists	158	
Travel, Subsistence, Training & Development	20	
Rent and Accommodation	6	
General Office Expenses	13	
Stationary, Telephone & Photocopying	2	
Translation	48	
External Audit & Other Contracted services	540	
Business Plan Objectives	164	
Grants Covering Central Team	439	
		2,768
<b>Total expenditure</b>		<b>8,125</b>

## 12.2 Exceptional Costs

There were no exceptional costs incurred in the period.

## 12.3 Remuneration Details

12.3.1 The following tables set out the disclosure of remuneration for Partneriaeth Joint Committee Senior Staff as follows:

- Lead Officer and Senior Strategic Advisors including pension contributions or equivalent payments. The total contribution rate for employer pension contributions was 17.1% for 2022-23
- Other Employees receiving remuneration of £60,000 or more (not including employer pension contributions) in bands of £5,000.

Senior Officers	Year	Gross Salary, Fees & Other Emoluments	Employer Pension Contributions to Local Government Pension Scheme	Benefits in Kind
Lead Officer	2022-23	£83,693	£14,553	-
Senior Strategic Adviser	2022-23	£76,819	£13,443	-
Senior Strategic Adviser	2022-23	£71,516	£12,428	-
Senior Strategic Adviser	2022-23	£71,516	£12,428	-

Other Employees	Number of Other Employees
Remuneration Band	2022-23
£60,000 - £64,999	3
£65,000 - £69,999	-
£70,000 - £74,999	-
£75,000 - £79,999	-
£95,000 - £99,999	-

One employee received remuneration above £60,000 but is excluded from the table above due to the fact that they are seconded and recharged to Welsh Government for the period April 2022 to March 2023. The total reimbursement from Welsh Government was £101k (via invoice to WG).

There are other senior officer roles within the Partneriaeth Joint Committee who are not employed by the Consortium and they do not receive any remuneration through the additional roles that they carry out on behalf of the region. They include:

Lead Chief Executive	Swansea
Lead Director of Education	Swansea
Director of Resources/S151 Officer	Pembrokeshire
Monitoring Officer	Carmarthenshire

Also on the Executive Board were the 3 Directors of Education from Carmarthenshire, Pembrokeshire and Swansea.

For information on the remuneration of the above individuals and seconded staff members, users should refer to the respective Local Authority Statement of Accounts.

### 12.3.2 Termination Benefits

No redundancy or termination payments were made during 2022-23.

### 12.4 Audit Fees

The following amounts are estimated as payable to Audit Wales for the year:

	2022-23 £000
Fees payable to Wales Audit Office with regard to external audit services carried out by the Appointed Auditor for the year	15
<b>Total</b>	<b>15</b>

### 12.5 Related Parties

Related parties refers to bodies or individuals that have the potential to control or influence the Partneriaeth Joint Committee or to be influenced or controlled by the Partneriaeth Joint Committee thereby possibly constraining the ability of the Partneriaeth Joint Committee or the other party to operate independently.

There are other instances where Executive Board Members, Lead Officers and Members of the Partneriaeth Joint Committee may attend meetings of the third party bodies but do not have the direct ability to exercise control, however, the opinions they express may influence decisions and policy.

#### 12.5.1 Significant Interests

Members of the Partneriaeth Joint Committee, Lead Officers and Officers of the Executive Board are required to declare potential conflicts of interest arising from employment and other arrangements. There are no conflicts of interests to report.

#### 12.5.2 Material Relationships

The following material relationships have been identified where material influence exists.

##### Welsh Government

The Welsh Government has the responsibility for the statutory framework and provides the majority of the Partneriaeth Joint Committees funding, much of which is subject to specific terms and conditions. The bodies can, therefore, exert effective control over the operations of the Partneriaeth Joint Committee. Details of grants received are set out in note 14.1.3

The following table shows the total transactions and year end balances with 5 Local Authorities:

Transactions with Local Authorities	Debtors Outstanding £000	Creditors Outstanding £000	Creditors Outstanding (Grant Balance due to LA's) £000	Total expenditure in the year £000
Carmarthenshire County Council	0	(43)	0	16,267
Pembrokeshire County Council	0	(7)	0	9,875
Swansea County Council	0	(36)	0	21,166
Powys County Council	0	(144)	0	205
Ceredigion County Council	0	0	0	7
<b>Total</b>	<b>0</b>	<b>(230)</b>	<b>0</b>	<b>47,520</b>

## 13.0 Notes To The Movement In Reserves

### 13.1 Usable Reserves

Usable Reserves	Balance 1 April 2022 £000	Contribution from Revenue Accounts £000	Contribution to Revenue Accounts £000	Balance 31 March 2023 £000
Earmarked Reserves	(1,392)	(280)	-	(1,672)
General Working Reserve	(100)	-	-	(100)
<b>Total Useable Reserves</b>	<b>(1,492)</b>	<b>(280)</b>	<b>-</b>	<b>(1,772)</b>

At its meeting on 17 May 2023, the ERW Joint Committee approved the distribution of the ERW reserves and balances, £0.143m to Powys County Council and £1.492m to Partneriaeth.

#### General Working Reserve

This reserve constitutes Partneriaeth's working balance and is maintained to meet day to day operational eventualities. It was created in 2022-23 in order to provide an adequate level of funding to deal with any unexpected expenditure.

#### Earmarked Reserves

These constitute balances held at the year-end for specific purposes and will be used in accordance with those specific requirements. The opening balance was transferred from ERW in accordance with the ERW Joint Agreement.

Both reserves are reviewed annually during the budget process.



## 14.0 Notes to the Balance Sheet

### 14.1 Debtors and Creditors

#### 14.1.2 Debtors and Prepayments

All amounts included as assets are shown at market (fair) value.

	Net 1 April 2022 £000	Gross 31 March 2023 £000	Impairment Allowance £000	Net 31 March 2023 £000
<b>Amounts falling due in one year:</b>				
Welsh Government	97	41	-	41
Local Authorities & Schools	3,907	-	-	-
<b>Total Debtors</b>	<b>4,004</b>	<b>41</b>	<b>-</b>	<b>41</b>

#### 14.1.3 Creditors

	Balance 31 March 2023				
	1 April 2022* £'000	Short Term Creditors £000	Revenue Grants Receipts in Advance £000	Capital Grants Receipts in Advance £000	Total Creditors £000
<b>Amounts falling due in one year:</b>					
Welsh Government	(840)	(227)	-	-	(227)
Local Authorities & Schools*	(2,479)	(230)	-	-	(280)
Other Creditors	(144)	(354)	-	-	(354)
<b>Total Creditors</b>	<b>(3,463)</b>	<b>(811)</b>	<b>-</b>	<b>-</b>	<b>(811)</b>

\*restated opening balance to include £0.143m of closing ERW reserves due to Powys County Council.

#### 14.1.3 Further Breakdown of Short-Term Creditor Analysis

Breakdown of Short-Term Creditors	2022-23 £000
Pupil Development Grant	30
Regional Consortia School Improvement	269
Education Workforce Council (EWC)	4
Siarter Iaith	15
<b>Total Current Liabilities Revenue Grants</b>	<b>318</b>
Central Team	493
<b>Total Creditors Due 31 March</b>	<b>811</b>

## 14.2 Cash and Cash Equivalents

	<b>Balance 1 April 2023 £'000</b>	<b>Balance 31 March 2023 £000</b>
Cash at Bank / in Hand	951	2,542
Cash Overdrawn	-	-
<b>Total Cash and Cash Equivalents</b>	<b>951</b>	<b>2,542</b>

## 14.3 Contingent Liabilities

None.