



Audit and Risk Assurance Committee (ARAC)

Extraordinary meeting: Financial Accounts

Thursday 11 September 2025 at 11.00am
Microsoft Teams

Attendees

Members

- Claire Bevan (Chair)
- Julia Evans
- Chris Knight
- David Powell
- Sian Richards

Internal Audit

- Elan Parry, TIAA

External Audit

- Helen Goddard, Audit Wales
- Morgan Burchell, Audit Wales

Senior Leadership Team

- Rhian Bowen-Davies - Commissioner
- Delyth Evans – Head of Finance and Resources
- Nia Halton – Head of Finance
- Rachel Bowen – Director of Policy
- Ruth Thomas – Senior Executive Assistant (Secretariat)

Apologies

- Kelly Davies - Chief Operating Officer, OPCW
- Steen Gourlay, TIAA

Agenda item 1: Introductions and apologies

Chair welcomed everyone to the Extraordinary Meeting to approve the Commissioner's 2024-25 Annual Report and Financial Accounts.

Apologies had been received from Kelly Davies, Chief Operating Officer and Steen Gourlay, TIAA.

It was acknowledged that it was the final ARAC meeting for the Head of Finance and Resources. Chair thanked the Head of Finance and Resources for her work over the last year, particularly in ensuring a smooth transition from the previous postholder. Nia Halton, Head of Finance was welcomed to the meeting and introductions were made.

Agenda item 2: Annual Accounts

Presentation of 2024-25 Annual Accounts

i) Covering Paper

The Head of Finance and Resources introduced the cover paper to support the discussion of the financial accounts for 2024-25.

Chair confirmed that members had had the opportunity to read the paper, and the Head of Finance and Resources highlighted that, at year end, the organisation was ahead of budget (with £1534 remaining).

Chair invited any comments and questions from the committee.

Following a question from Julia Evans, Helen Goddard confirmed that, if zero, the inclusion of 'Operating Expenditure' is optional in the financial statements.

Sian Richards noted the increased expenditure on cyber security as a positive development given the ever-increasing threat of a cyber-attack.

Following a query on the asset values, the Head of Finance and Resources provided assurance on the values listed and noted that Internal Audit had recently reviewed this area.

Committee noted the content of the cover paper.

ii) Annual Report and Accounts 2025

Committee commended the Head and Finance and Resources on the quality of the report.

The Commissioner confirmed that the full annual report and financial accounts would be published online.

The Commissioner informed the Committee that the format of future annual reports will be reviewed with a view to making them more engaging and with a greater focus on how we can improve how we demonstrate reach and impact of activities over the year.

Chris Knight noted a small number of typographical errors. It was agreed that these would be incorporated.

It was confirmed that the information on pensions included was mandatory.

Chair thanked the Head of Finance and Resources and Senior Leadership Team for the excellent report and level of detail which provides substantial assurance to Committee.

Agenda item 3: External Audit – Audit Wales

i) Audit of Accounts Report

Helen Goddard provided an overview of the audit report highlighting the different report format used, the key factors and conclusions and a reminder about materiality and the level of error used.

Committee was informed that there had been no significant findings or concerns to note.

Two minor issues had been found, which the Head of Finance and Resources had corrected. This was detailed in Appendix 2.

Morgan Burchell highlighted the two recommendations in Appendix 5. Recommendation 1: the importance of ensuring that the cash balance at year end is within 5% of the Grant in Aid budget. It was noted that SLT Officers sought and received retrospective agreement from the Welsh Government for this.

Recommendation 2 noted the requirement for the remuneration report including pensions data to be provided within Tranche 1 to ensure that the audit is undertaken efficiently.

Committee was informed that mitigating actions had already been put in place for the current financial year. Elan Parry confirmed that the Key Financial Controls review conducted by Internal Audit would follow up on the recommendations made in the report.

Morgan Burchell confirmed that Audit Wales intend to issue an unqualified opinion to OPCW on this year's accounts and thanked the Head of Finance and Resources for their cooperation during the audit.

Morgan Burchell advised that certification by the Auditor General would be week commencing 15 September, following which the accounts would be laid at the Senedd.

Julia Evans queried the feasibility of bringing approval of the accounts back to July. It was confirmed that the current scheduling works well from both an External Audit and OPCW perspective and allows for translation of documents.

ii) Letter of Representation

Chair confirmed that members had reviewed and noted the paper.

The Audit and Risk Assurance Committee approved the 2024-25 Annual Accounts and report.

Chair thanked the Head of Finance and Resources and Audit Wales on behalf of the Committee.

Agenda item 4: Annual Report of the ARAC

Chair introduced the report which had been tabled to Committee in April for provisional approval. Committee were invited to add any additional comments.

Chair highlighted the level of attendance and commitment by ARAC members as exceptional and noted Committee's assurance in the strength of organisational governance.

The Commissioner thanked the Head of Finance of Resources for her work in preparing the financial statements and Committee for the support, scrutiny and assurance provided at Committee meetings. The Commissioner also thanked the auditors for the advice and guidance at meetings and during the year.

Committee noted the effective and smooth transition to a new Commissioner and a new Head of Finance and Resources in Autumn 2024.

Julia Evans queried whether it would be appropriate for a representative of ARAC to attend a review of the Strategic Risk Register meeting held by the Senior Leadership Team. It was agreed that this would be discussed.

The Audit and Risk Assurance Committee approved the Annual Report of ARAC.

Agenda item 5: Any Other Business

Julia Evans queried whether the meeting should be titled as an 'Extraordinary Meeting' given that it is now an annual and recurring meeting. This would be considered.

On behalf of Committee, Chair thanked the Head of Finance and Resources for her contribution and wished her well for the future.

Agenda item 6: Date and time of next meeting

The next full Committee meeting will be held online on Tuesday 21 October at 2.15pm.