

DEMOCRACY AND BOUNDARY COMMISSION CYMRU

GOVERNANCE AND AUDIT COMMITTEE MEETING HELD ON WEDNESDAY 17 OCTOBER 2025 VIA MS TEAMS (11:00 – 11:30)

GAC Members Present: Andrew Blackmore (Independent Chair), Jassa Scott (Independent Member), Dianne Bevan (Member)

Audit Wales Representative Present: Julie Rees

DBCC Officers Present: David Carr (Finance Manager)

1. Apologies for Absence

1.1 Apologies for absence were received from Kalwant Grewal (Independent Member) and Bethan Price (Member).

1.2 It was noted that Committee's Terms of Reference required 3 members to be present, one of whom was required to be an independent member, for a meeting to be deemed quorate. It was confirmed that the current meeting was quorate.

2. Declarations of Interest

2.1 There were no declarations of interest.

3. Annual Accounts 2024-25 and Audit of Financial Statements Report.

3.1 Julie Rees reported that accounts had been received on time and that the audit was now substantially complete. There had been a significant delay in completing the audit due to difficulty obtaining information from Welsh Government regarding capital charges relating to the new Cathays Park accommodation lease.

3.2 There were no uncorrected misstatements in the accounts or significant issues arising from the audit. There were five corrected misstatements in the accounts which were:

- £256k moved from Right of Use Asset value to non-lease accommodation revenue costs to account for lease service charges identified as not falling within the scope of IFRS 16.
- £96k accommodation costs in respect of the construction of the meeting room removed from revenue expenditure and capitalised.
- £19k for dilapidation provision for the Cathays Park accommodation lease added to the accounts.
- £9.7k incorrectly classified as lease rental costs in the operating expenditure was reallocated to the correct classification of accommodation costs.
- £4k to correct a casting error typo in the Statement of Comprehensive Net Expenditure.

- 3.3 There were also several minor audit adjustments made to the accounts to improve clarity and provide additional information.
- 3.4 There were two audit recommendations raised in the report which were that the Commission should reconcile payroll costs recorded on Sage to monthly bank statements and that the Commission should record IFRS 16 capitalised lease costs on their fixed assets register and maintain a lease liability amortisation schedule to accurately measure future lease liability. Both recommendations had been accepted by DBCC Management.
- 3.5 It was the Auditor General's intention to issue an unqualified audit report subject to there being no events affecting the accounts up to the point of the Auditor General's certification scheduled for 22 October 2025. The Chair thanked Julie Rees for her report.
- 3.6 The Chair expressed his thanks to Audit Wales and DBCC officers for their work in finalising the audit of the accounts and achieving a positive outcome to the audit. The Chair requested that a copy of the Audit of Accounts report be sent to DBCC's Internal Auditors, MIAA. It was **agreed** that a copy would be emailed to Gary Baines of MIAA.
- 3.7 The Committee recommended that the DBCC should approve the audited accounts and their signing and agreed to sign the Letter of Representation.

4. Any Other Business

- 4.1 The Chair reminded members that there was a risk management session before the Commission meeting on 29 October at 9:30 and details could be found in the email from the Chief Executive.