

**Cymry Llundain
London Welsh**



The London Welsh Centre Trust

(a Company Limited by Guarantee)

Annual Report and Consolidated Financial Statements

for the year ended 31 August 2019

Charity - Registration number	232672
Company Number	00774093

The London Welsh Centre Trust

Company Information

For the Year Ended 31st August 2019

Directors and Trustees

The following individuals have acted as Directors and Trustees of the organisation the London Welsh Centre Trust for the purposes of charity law during the 2018-19 year, or have been appointed since the end of the financial year :

Richard Saunders	Chair of Trustees
Rhys Pullen	Hon Secretary
Hannah Roberts	Hon Treasurer retired as trustee 15th July 2019
Gillian Phillips	
Stephen Aldridge	
David Daniel	retired 15th July 2019
Jacqueline Thomas	
Richard Furze	
Tomos Davies	
Jonathan Poyner	
Peter Allen	
Richard Williams	appointed 15th July 2019

Company Secretary Rhys Pullen Hon Secretary

Chief Executive Officer Ceri Wyn Griffith

Company Number 00774093

Charity - Registration number 232672

Registered Office

157-163 Grays Inn Road
London
WC1 X 8UE

Business Address

157-163 Grays Inn Road
London
WC1 X 8UE

Accountants

Z Group
Ibex House
162-164 Arthur Road
Wimbledon Park
London
SW19 8AQ

Bankers

Barclays Bank Plc

Charity Aid Foundation Bank

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The London Welsh Centre Trust

Directors and Trustees Annual Report

For the Year Ended 31st August 2019

The trustees are pleased to present their report together with the financial statements of the charity (the London Welsh Centre Trust) and its subsidiary (the London Welsh Centre Limited) (the Group), for the year ending 31st August 2019 which are also prepared to meet the requirements for the directors report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2015).

1 Objectives & Vision for the Charity

The London Welsh Centre Trust is a registered charity which operates as the London Welsh Centre.

The objects of the charity are to provide an educational and cultural centre in or near London to:

- Promote the knowledge and use of the Welsh language by educational (excluding political) means;
- Promote the knowledge and appreciation of Welsh literature, language, music, history, art, science and any other subjects of an educational or cultural nature; and
- Carry out any other purpose of an educational or cultural nature which is for the benefit of the public.

The Trust delivers its objects through providing a building for the Welsh community and the wider public in London to experience and participate in community and cultural activities with a Welsh flavour. The trading activities of the Centre are administered through its wholly owned subsidiary.

The Trustees and staff have a vision that shapes the delivery of the objects - to be a home for the Welsh community in London, to be a window to Wales for the people of London, and to be a platform in London for artists and performers from Wales. "Sharing the best of Wales in London". The LWC host, support, promote and facilitate Welsh social and cultural activities in London as well as opening up the facilities to be used by the general public in Camden and beyond.

In shaping our objectives for the year and planning our cultural programme, the Trustees have considered the Charity Commission's guidance on public benefit. The activities hosted or facilitated by the Centre have been accessible to all and have been broad-ranging in content.

2 Structure, governance and management

Governing Document

The London Welsh Centre Trust (formally the London Welsh Trust) (LWCT) was incorporated on 16th September 1963. LWCT is a company limited by guarantee registered under the Companies Acts and a charity registered with the Charity Commission. The most recent version of the Articles of Association of the LWCT were adopted by the members by a special resolution dated 11th June 2012.

LWCT is the sole trustee (appointed by the Charity Commission) of the Sir Howell Jones Williams Trust, the organisation that owns the freehold of the building known as the London Welsh Centre.

The LWCT is governed by the board of Trustees. The day to day management of the LWCT and the London Welsh Centre is delegated by the Trustees to the staff of the Centre led by the Chief Executive Officer.

The London Welsh Centre Trust wholly owns a trading subsidiary, London Welsh Centre Limited. The company is incorporated in the United Kingdom (Company number 00204686). The company operates any commercial aspects of the business carried out at the London Welsh Centre, such as bar and catering and room hire. Surplus funds from this business are passed to the charity to support the charitable objectives. A summary of the subsidiary finances is included in the notes to the accounts.

Appointment of Trustees

It is a policy of the LWCT to ensure that the Trustees appointed include mature individuals with experience in the field of Administration, Law, Finance, Marketing and Human Resources, gained by holding responsible positions outside the LWCT. Additional training and familiarisation is provided as and when needed.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2019

Organisational Management

The board of Trustees is legally responsible for the overall management of the Group. It meets regularly, at least four times per year, receiving reports from the CEO, the Finance committee, the Premises committee and board members with particular responsibilities.

The Finance sub-committee meets regularly, to undertake reviews of the Centre's finances and financial Management. They are responsible to the board of Trustees for financial matters, for co-ordination of the activities of the Group, management of staff and for any other matter delegated by the board of Trustees.

The Premises committee meets regularly to consider the condition and use of the building at 157-163 Grays Inn Road. They are responsible to the board for the state of repair of the building, as well as security, health and safety and legal and statutory requirements associated with the building.

The Chief Executive Officer (CEO) is appointed by the Trustees to manage the day to day operations of the Centre. The CEO has delegated authority, for operational matters and is responsible for the general management of the centre. The CEO has the authority to act without reference to the board of Trustees in matters of urgency relating to the Centre. The CEO must provide full reports of her actions to the board of Trustees.

The financial authorities of the CEO, Executive Officer roles and the Finance Committee are set out in the Group Financial Policies and Procedures.

None of the Trustees receives remuneration or other benefit from their work as Trustees with the Group.

3 Achievements & Performance

3.1 Achievements in the Year noted by the Chief Executive

Introduction

The Trust delivers its objects through providing a building for the Welsh community and the wider public in London to experience and participate in community and cultural activities with a Welsh flavour. In 2018-19, we delivered a full and diverse cultural programme with a wide range of cultural and community events through a number of different art forms including music, literature, drama, arts & crafts, heritage, sport, Welsh language activities, activities for the youngest and oldest age groups, and activities for the local community.

In addition to our own cultural programme, we facilitate a wide range of cultural activities through the room hire business of our subsidiary, The London Welsh Centre Limited. Groups that have used the Centre's spaces over the year include: Kudos Ltd, Barbican Centre, the Alzheimer's Society, BBC, Sonia Friedman Productions, Ambassador Theatre Group, ITN, National Theatre, The English Theatre Frankfurt, Theatr Clwyd, National Theatre Wales, National Theatre of Scotland, EIL UK, Royal Shakespeare Company, Cameron Mackintosh, National Autistic Society, Deloitte, Chippy Lane Productions, Department for Education, Royal Academy of Music, London City Singers, Arts Council England, Royal Society of Wildlife Trust, Salsa Rosada, Teach First, National Philatelic Society, National Union of Journalists, Mind, and Hospice UK.

The focus of our cultural programme in 2018-19 was again to build on the successes of previous years and to diversify, continuing to seek out further new opportunities for development and providing something for everyone. This was made possible through the continued enthusiasm, dedication and talent of our staff and volunteers, and the support and commitment of the Trustees.

Theatre / Drama / Dance

We enjoyed two sell-out performances of *The Wizard*, *The Goat and the Man Who Won the War* in November 2019. Rhod Gilbert visited in March 2019, as we hosted a film comedy evening, raising funds for Velindre Cancer Centre. Other comedy evenings held over the course of the year included the return of Alex Neve, and comedy film screenings.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2019

Music

The Centre again hosted the annual Nine Lessons and Carols Christmas service in December 2018, bringing together the congregations from the Welsh Chapels in London and the Centre local community. Then on to December 2018, when Cabarela wowed us with their less than traditional Christmas concert.

The Bar was packed on St David's Day for the *Cawl a Chân*, as Côr y Boro and Aelwyd Llundain led us in rousing song. Not long after, the London Welsh Rugby Choir were joined by the Flint Ladies Choir for a fantastic concert.

We are extremely proud to continue the Welsh choral musical tradition in the heart of London. Our three resident choirs rehearsed at the Centre, as usual, on a weekly basis. The choirs are open for anyone in the Welsh community and local community in London to join, and we see this opportunity for the public to participate in this aspect of Welsh culture as a key part of the delivery of our charitable objects.

We continued to hold regular acoustic music nights in the Bar, including the Open Mic nights, Dai Bando, and various album launches.

Literature

Another four editions of the London Welsh Centre magazine were produced. This is our informative and entertaining publication, which is delivered to subscribers of our Supporter's Scheme. We are extremely grateful to our team of volunteer writers and editors who do a fantastic job of compiling the content for each edition. The "London Kelt" was the first publication for the Welsh community in London in January 1895 - it was published from Gray's Inn Road, and we are proud to be continuing that historical tradition on Gray's Inn Road at the London Welsh Centre.

Book launches held during the year at the Centre, included : 'Edward Thomas and Wales' by John Towns; 'Y Gadair Wag' by Ifor ap Glyn; and 'On The Red Hill' by Mike Park - the latter appealing to the LGBT+ community.

Arts & Crafts

Rogers Jones & Company visited in October 2018 with a preview of The Welsh Art Sale; and later on in the year, we saw the Exhibition of Contemporary Welsh Art return to the Centre. A brilliant weekend, part of *Wales Week in London*, where we invited twenty contemporary artists to exhibit and sell their work to a London audience.

After having to cancel the 2018 *Welsh Emporium*, we were pleased to host the event in March 2019, with over 30 Welsh companies showcasing a colourful mix of stalls selling all kind of produce and products, including food and drink.

We continued to display Welsh art at the Centre, thanks to our partnership with Oriel Wyn Mel from Ceredigion, West Wales.

Food & Drink

We continued to host the highly popular G&T Tasting Masterclasses in the Bar. In March 2019, we hosted several Penderyn whisky tastings, in partnership with *The Ingredientist*.

Welsh Language

We delivered another full academic year of Welsh language teaching, as over 130 students again enrolled for our weekly Welsh classes. We again continued to organise and deliver our one-day teaching courses, for which we are again grateful to our staff and tutors who are dedicated to Welsh language teaching. Thanks to the efforts of our tutors and the Welsh Classes coordinator, the Centre continues to be a major provider of Welsh language teaching in London.

We also have another four Welsh language groups who meet regularly at the Centre – *Clebran* is a social group for women of all ages, *Merched y Wawr* is another, the *Clwb Darllen* regularly meet to discuss new literature, and *Cylch Siarad* is open to anyone who want to practise speaking Welsh with other Welsh speakers in the comfort of our bar at the Centre.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2019

Children

In October 2018, we hosted the seventh annual Gŵyl Halibâlŵ, a festival for children from all the Welsh language playgroups in London and the London Welsh School.

In March 2019, we were again delighted to provide our facilities for the annual Eisteddfod y Plant for children of the Welsh chapel Sunday schools in London.

During a selection of our Six Nations screenings in 2019, children from the London Welsh School and members of the PTA, held a collection, to go toward the school's funds.

June 2019 was a special time for *Ysgol Gymraeg Llundain*, as they celebrated their 60th Anniversary with a *Twmpath* in the Main Hall.

Local & Welsh Community

The rehearsals of our three resident choirs continue to be open to the public, and a number of people from the local community visit these rehearsals, in particular during *Wales Week in London* and during the Bloomsbury festival. We were also delighted to continue to be the venue for Salsa Rosada, the salsa classes for the local LGBT community. We enjoy regular visits from the London Pembrokeshire Society, as well as other regular groups, such as the London (Wrexham) Reds.

Heritage

Our Welsh reference library, the Sian Busby Collection, continues to house a diverse range of Welsh literature, both English and Welsh language, plus a complete set of the transactions of the Honourable Society of the Cymmrodorion. These publications are available, by appointment, for anyone wishing to view them.

With thanks to one of our supporters, we continue to organise Welsh historical walks around the city – those around St David's Day being particularly popular.

We take great pride in marking the traditional dates and occasions in the Welsh calendar, including Santes Dwynwen's Day, St David's Day and Y Fari Lwyd.

Sport

The usual run of screenings of Wales' Autumn International rugby matches were in November 2018. In February and March 2019, we screened Wales' Six Nations matches and over the course of the year, we were lucky to be able to screen the football UEFA Nations League Qualifiers. We're delighted that these screenings continue to attract hundreds of people from across the Welsh community in London, but also visitors from the other competing nations.

3.2 Financial Review

The Group showed a surplus of £84,284 for the year. This was due to a surplus in most business areas of the trading subsidiary, but also a delay to some of the major premises work planned.

Room hire income increased a further £18,422 to £227,397 and the Bar & Catering net income increased by over £10,000 to £73,390. Functions and Events surplus increased by £6,000 to £23,148 and the Welsh Classes Net income raised an increased £3,500 to £23,846.

£7,246 was spent from the premises fund and £7,374 was spent on repairs & renewals, compared with the budgeted £25,000. Excluding the underspend on the property, the group again made a healthy surplus of around £40,000.

This surplus provides a good contribution to the annual general maintenance and staffing costs of the building but also towards some long overdue refurbishment needed. The significant work involved in planning and obtaining appropriate quotations for the refurbishment to the building delayed the implementation of this more major work, but the effect of the start of this work could already be seen by the end of the first quarter of the 19-20 year.

A further £120,000 has been set aside from the general unrestricted funds for the premises work over the next couple of years, bringing the designated premises fund to £202,754. This will be reviewed further at the end of the 19-20 year.

The trading surplus in LWCL allowed a donation to be made to LWCT of £70,769 (2018: £62,528).

The balance sheet continued to show a strong cash position and no problem with collectability of debtors'.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2019

4 Future Plans

The impact of Covid 19 has struck us all in March 2020. As a result we have had to close the Centre while social distancing rules apply. It is therefore difficult to set clear timescales at present for our future plans. However, when the current situation eases, the trustees intend to oversee the continued development of the building and expansion of the Centre's programme of cultural and community activities. The Trust's principal asset is the Centre itself, which provides its largest source of income. The Trustees therefore intend to explore ways of further increasing income from room hire, including prudent further investment in the physical fabric of the Centre to make it as attractive a venue as possible for events and for hirers, while retaining its unique character. A new premises committee was established in the year to August 2019. This is now overseeing a review of the fabric of the building and health and safety aspects of the premises. Having consolidated the governance policies, the Trustees intend to continue to develop the range of skills and experience at its disposal, both from Trustees themselves and from the staff. The Trustees are confident that the policies it has in place and the skills of the staff team provide a strong basis for further progress in the future.

5 Reserves policy

The Group has combined funds of £487,572 (2018: £403,288), of which £20,064 (2018: £20,064) were restricted.

The Trustees review the level of reserves each year. The work currently being envisaged on the fabric of the building is now envisaged to be up to £150,000. There are also internal furnishings to consider. Therefore a further £120,000 is being moved to the designated premises fund from the General Unrestricted funds. With the carried over funds, this brings the funds to £202,754. The Premise fund had been expected to be spent over the period to August 2020, but the work planned is more complex than anticipated and will be more costly. Excluding this sum unrestricted reserves at the end of the year represented 7.4 months unrestricted expenditure. The use of the remaining Legacy received can be considered once premises costs are available. In the meantime the Trustees are satisfied that reserves level are appropriate given the volatility of some income streams.

Grants and donations received for an identified particular purpose, in support of the centre are used at the earliest opportunity and noted as a separated fund in the accounts.

6 Public Benefit Statement

Public Benefit Requirement

The trustees had due regard to the guidance published by the Charities Commission in compliance with its duties under section 4 of the Charities Act 2011.

This guidance sets out two key principles:

1. The organisation must have an identifiable benefit.
2. The benefit must be to the public or a section of the public.

The Trustees confirm that the Trust carries out its objectives for public benefit. The Trust continues to ensure that the Centre is fully or partially open to the public throughout the year during normal office hours.

During the year the Centre holds numerous events promoting musical, literary and artistic appreciation, including concerts, book launches, exhibition. Many of these events are free of charge and the vast majority are open to the public. The purpose of these events is the advancement of arts, culture and heritage.

The Trust from time to time holds open days or evenings at the centre, when the public are particularly encouraged to come into the centre to learn about its activities, the Welsh language and culture.

The Trustees ensure that the Centre delivers events of a welsh cultural and educational nature. The Centre continues to offer preferential rates for hiring of its spaces to local community groups and charities to ensure that the Centre's facilities are supporting the advancement of community development.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2019

7 Risk Management

The Trustees consider the maintenance of a safe environment for staff, subscribers and customers of the Centre to be their primary duty. The Trustees will continue to assess and manage any risks related to the Centre building or operations through regular risk assessments by staff, with results reported to the Trustees by the CEO.

The key risk management tools used by the Trustees include:

- formal agendas and minutes for all Board of Trustee meetings;
- a report from the CEO on all risk items at each Trustees meeting;
- strategic planning, financial forecasting, budgeting and management accounting;
- financial policies and procedures reviewed annually;
- a standing finance committee of Trustees to review financial management and authorise items of expenditure;
- a standing premises committee of Trustees to review risk, H & S, capital and maintenance plans and related
- restricted double signatory arrangements for cheque payments and dual electronic authorisation for electronic
- policies and procedures covering health and safety, safeguarding and related matters monitored and enforced
- financial management procedures covering such aspects as monthly reconciliation of bank accounts, petty cash and receipts relating to subscriptions, welsh classes and functions; and
- data protection procedures for such aspects as human resources, lettings management, subscription information.

A Risk Register has been agreed by the Trustee Board. The register documents the various risks considered by the Trustees to be facing the organisation, the potential impact of those risks and the likelihood of the issues happening. It is reviewed annually.

8 Trustees responsibilities in relation to Financial Statements

The trustees are responsible for preparing the Trustee's annual report and financial statements in accordance with the applicable law and United Kingdom standards (UK GAAP).

Company law and the law applicable to charities in England and Wales require charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Group and of the Incoming resources and application of resources including the income and expenditure of the Group for that period. In preparing the financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for ensuring that sufficient accounting records are kept which disclose with reasonable accuracy at any time the financial position of the group and enables them to ensure that the financial statements comply with the law and requirements of the Charity Commission.

They are also responsible for safeguarding the assets of the Trust and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the Trustees



Richard Saunders (Chairman)

Dated: 11th May 2020

The London Welsh Centre Trust

Independent Examiners's Report to the Trustees of the London Welsh Centre Trust

I report on the accounts of the charity for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet and related notes 1 to 17

Respective responsibilities of trustees and examiner

The Charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention

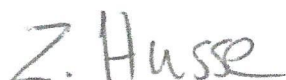
Basis of Independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the 2011 Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Acthave not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Zahid Hussein
For and on behalf of Z Group
Chartered Accountants
Ibex house, 162-164 Arthur Road
Winbledon Park
London SW19 8AQ

11 May 2020

The London Welsh Centre Trust

Consolidated Statement of Financial Activities (including consolidated income and expenditure account)

for year ending 31 August 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Income:					
Incoming resources from donations and legacies	2	45,400	-	45,400	47,160
Income from charitable activities	3	65,267	-	65,267	69,064
Investment income		493	-	493	218
Income from trading activities	4	358,352	-	358,352	323,837
Total income		469,512	-	469,512	440,279
Expenditure:					
Cost of trading activities	5	286,071		286,071	254,902
Cost of raising funds	6	12,988		12,988	31,740
Cost of Charitable activities	7	75,229		75,229	161,848
Governance	8	10,940		10,940	12,559
Total expenditure		385,228	-	385,228	461,049
Net income/expenditure		84,284	-	84,284	(20,770)
Reconciliation of Funds					
Total funds brought forward		383,224	20,064	403,288	424,058
Total funds carried forward		467,508	20,064	487,572	403,288

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derived from continuing activities.

The London Welsh Centre Trust
Consolidated Balance Sheet
as at 31 August 2019

	Notes	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Fixed assets					
Tangible assets	10	30,727	18,103	17,045	3,881
		<u>30,727</u>	<u>18,103</u>	<u>17,045</u>	<u>3,881</u>
Current assets					
Stock (Bar in subsidiary & merchandise in Charity)		6,771	4,348	746	-
Debtors	11	59,111	56,184	174,277	107,859
Cash at bank and in hand	12	490,921	445,703	278,848	307,120
Total current assets		<u>556,803</u>	<u>506,235</u>	<u>453,870</u>	<u>414,979</u>
Liabilities					
Creditors: falling due within one year	13	97,359	118,348	38,576	71,200
Net current assets		<u>459,444</u>	<u>387,887</u>	<u>415,295</u>	<u>343,779</u>
Provision for liabilities		2,600	2,702	-	-
Total assets less current liabilities		<u>487,572</u>	<u>403,288</u>	<u>432,340</u>	<u>347,660</u>
Funds	14				
Unrestricted income funds		467,508	383,224	412,276	327,596
Restricted income funds		20,064	20,064	20,064	20,064
Total funds		<u>487,572</u>	<u>403,288</u>	<u>432,340</u>	<u>347,660</u>

For the financial year ended 31 August 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

Directors' responsibilities

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The accounts have been prepared under the Charities Act 2011 and in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015) - Charities SORP (FRS 102)).

Approved by the Trustees on

11th May 2020



Richard Saunders, Chairman



Richard Furze, Chair of Finance Committee

Company registration number 00774093

The attached notes form part of these accounts

The London Welsh Centre Trust

Notes on the accounts

for the year ended 31 August 2019

1 Accounting Policies

Accounting Convention

The financial statements are prepared under the historical cost convention and include the results of the charities operations which are described in the Trustees Report and all of which are continuing.

The accounts have been prepared under the Charities Act 2011 and in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective January 2015) - Charities SORP (FRS 102)).

Income

Incoming resources from donations and legacies are accounted for on a receipts basis.

Income from hall and roomhire is recognised when the letting occurs. Income received in advance is carried forward as deferred income.

Income from bar and food sales is stated net of VAT and is recognised when the goods are served to the customer.

Expenditure

Resources expended are included on an accruals basis.

For the charity "London Welsh Centre Trust" - Resources expended include attributable VAT which cannot be recovered.

Support Costs

Support costs relating to the trading activity are based on actual figures. Other support costs are allocated between charitable activities and cost of raising funds based on the percentage of staff costs relating to those activities.

Fund accounting

Unrestricted funds are general funds that are available for use to further any of the purposes of the charity.

Designated funds are funds that the trustees of the charity have set aside for a particular purpose.

Restricted funds are those donated for use in a particular area or purpose and the restriction means that the funds can only be used for specific projects or activities.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

- Property improvements 10% on straight line basis
- Fixtures, fittings and equipment 20% on straight line basis

Group Accounts

The company and its subsidiary undertaking comprise a small -sized group.

Stock

Stock is included at the lower of cost or net realisable value.

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2019

2 Incoming resources from donations and legacies	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
General Donations	-	1,385	-	1,385
Donation from LWCL to LWCT	-	-	70,769	62,528
Subscription donation income	37,752	38,192	37,752	38,192
Gift Aid	7,648	7,583	7,648	7,583
Rent from LWCL to LWCT			0	17,000
	<u>45,400</u>	<u>47,160</u>	<u>116,169</u>	<u>126,688</u>

3 Income from charitable activities	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Functions	31,001	35,340	31,001	35,340
Welsh classes	33,067	30,669	33,067	30,669
Merchandising, e.g. Jewelry, Mugs, Cards	839	1,326	839	1,326
Other income	-	1,729	-	1,729
Publications	360	-	360	-
	<u>65,267</u>	<u>69,064</u>	<u>65,267</u>	<u>69,064</u>

4 Income from trading activities in the London Welsh Centre Ltd

The wholly owned trading subsidiary, London Welsh Centre limited is incorporated in the United Kingdom (company number 00204686). The company operates the bar and all commercial operations carried on at the London Welsh Centre Trust premises. A summary of the trading financial performance of the subsidiary alone is shown below.

4.1 Subsidiary Income statement	2019 £	2018 £
Turnover	£	£
Hall and Room hire	227,397	208,975
Bar & Food Sales	127,003	110,430
Sundry Income	3,953	4,432
Total Turnover	<u>358,352</u>	<u>323,837</u>
Direct Cost of sales	(48,801)	(47,512)
Gross Profit	<u>309,551</u>	<u>276,325</u>
Administrative Expenses	(239,355)	(211,552)
Operating Profit before gift to LWT	<u>70,196</u>	<u>64,773</u>
Amount gift aided to charity from LWCL to LWCT)	(70,769)	(62,528)
Operating profit/(loss)	<u>(573)</u>	<u>2,245</u>
Deposit Account Income	92	25
Tax on profit/(loss)	85	(431)
Deficit in subsidiary	<u>(396)</u>	<u>1,839</u>
Expenditure on trading activities shown in the consolidated SOFA comprised:		
Costs of sales and administrative expenses	288,071	259,495
Less: intercompany payments (Contribution to shared support costs)	(17,000)	(17,000)
	<u>271,071</u>	<u>242,495</u>

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2019

4.2 Subsidiary Balance sheet

	2019	2018
	£	£
Tangible fixed assets	13,682	14,223
Current assets		
- Bar stock	6,025	4,348
- Debtors	51,190	38,122
- Cash at bank	212,074	138,583
	269,289	181,053
Current liabilities		
- Trade creditors	2,262	5,451
- Other creditors	529	782
- Donation from LW Centre Ltd to LWC Trust	70,769	62,528
- Owed to London Welsh Centre Trust	95,587	27,269
- Taxes	3,657	5
- Accruals and deferred income	52,335	40,910
	(225,139)	(136,945)
Total net assets	57,832	58,331
Provisions for Liabilities	(2,600)	(2,702)
	55,232	55,628
Balance at start of year	55,628	53,789
Profit/ loss for the year	(396)	1,839
Aggregate share capital and reserves at end of year	55,232	55,628

5	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Cost of trading activities				
Direct costs - cost of sales (4.1)	48,801	47,512	-	-
Staff costs (9.2)	158,038	127,390	-	-
Support costs (9.1)	79,232	80,000	-	-
Total cost of trading activities	286,071	254,902	-	-

6	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Cost of raising Funds				
Staff costs (9.2)	7,347	9,590	7,347	9,590
Support costs (9.1)	5,641	22,150	5,641	22,150
Total cost of raising funds	12,988	31,740	12,988	31,740

7	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Costs of charitable activities				
- Staff Costs (9.2)	25,716	33,564	25,716	33,564
- Functions & fund raising expenses	8,791	17,963	8,791	17,963
- Welsh language classes	9,221	10,358	9,221	10,358
- Merchandising Costs	(250)	2,300	(250)	2,300
- London Welsh Magazine	9,185	9,065	9,185	9,065
- Support Costs (9.1)	22,566	88,598	22,566	88,598
Total cost of charitable activities	75,229	161,848	75,229	161,848

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2019

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
8 Governance Costs				
- Staff costs on Charitable Governance (9.2)	3,674	4,795	3,674	4,795
- Reporting accountants' fee	4,973	5,321	2,973	3,171
- Legal and Professional fees: e.g. Peninsula,	2,293	2,443	2,293	-
	<u>10,940</u>	<u>12,559</u>	<u>8,940</u>	<u>7,966</u>
9 Support and Staff costs				
9.1 Support costs				
- Rates, lighting & heating	18,911	25,674	1,911	8,674
- Insurance	10,984	9,853	4,394	3,902
- Depreciation	6,725	6,196	1,788	1,400
- Printing, stationery, telephone, etc.	7,471	7,568	1,064	530
- Bookkeeping fees	21,311	26,167	8,376	12,361
- Bank Charges	3,175	1,623	60	93
- Computer Maintenance	357	793	357	306
- Sundries (incl training, advertising, travel, etc.)	3,745	2,279	1,017	612
- Performing rights	1,221	1,066		
- Cleaning & Waste Disposal	19,004	21,254	521	3,095
- Repairs & Maintenance	7,374	27,506	1,473	19,437
- Major premise works	7,246	60,338	7,246	60,338
- Tax on profit for the year	(85)	431		
- Bad & Doubtful Debt	-	-		
	<u>107,439</u>	<u>190,748</u>	<u>28,207</u>	<u>110,748</u>
Support Costs Allocation				
Allocation to Trading Activities (5)	79,232	80,000		
Allocation to Cost of Raising Funds (6)	5,641	22,150	5,641	22,150
Allocation to Charitable Activities (7)	22,566	88,598	22,566	88,598
	<u>107,439</u>	<u>190,748</u>	<u>28,207</u>	<u>110,748</u>

The support costs relating to the trading activities are based on actual figures. Other support costs are allocated between charitable activities and cost of raising funds based on the percentage of staff costs relating to those activities.

9.2 Staff Costs	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Salaries	178,471	163,221	29,188	43,464
Social Security Costs	13,477	10,634	4,722	3,001
Pension	2,827	1,484	2,827	1,484
	<u>194,775</u>	<u>175,339</u>	<u>36,737</u>	<u>47,949</u>
Analysis of staff costs on				
- Trading Activity (subsidiary) (5)	158,038	127,390		
- Raising Funds - Donations, Subscriptions, Legacies (6)	7,347	9,590	7,347	9,590
- Charitable Activity (7)	25,716	33,564	25,716	33,564
- Governance (8)	3,674	4,795	3,674	4,795
Total staff costs	<u>194,775</u>	<u>175,339</u>	<u>36,737</u>	<u>47,949</u>

The average number of Staff in the year is

15

9

2

1

No individual staff member was paid more than £60,000 in the year.

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2019

Note

10 Tangible Fixed Assets

Group	Plant & Machinery	Property Improvement	Furniture & Equipment	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 September 2018	47,797	150,533	74,070	46,540	318,940
Additions	(30,011)	0	36,795	12,565	19,348
At 31 August 2019	17,786	150,533	110,865	59,105	338,288
Depreciation					
At 1 September 2018	36,017	146,652	71,628	46,540	300,837
Charge for the year	(26,545)	1,294	23,919	8,057	6,725
At 31 August 2019	9,472	147,946	95,547	54,597	307,562
Net Book Value					
At 31 August 2019	8,314	2,587	15,318	4,508	30,727
At 1 September 2018	11,780	3,881	2,442	-	18,103

Charity

	Plant & Machinery	Property Improvement	Furniture & Equipment	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 September 2018	-	150,533	68,071	46,540	265,144
Additions	-	0	11,507	3,446	14,953
At 31 August 2019	-	150,533	79,578	49,986	280,097
Depreciation					
At 1 September 2018	-	146,652	68,071	46,540	261,263
Charge for the year	-	1,294	384	111	1,788
At 31 August 2019	-	147,946	68,455	46,651	263,051
Net Book Value					
At 31 August 2019	-	2,587	11,123	3,335	17,045
At 1 September 2018	-	3,881	-	-	3,881

11 Debtors

	Group 2019	Group 2018	Charity 2019	Charity 2018
	£	£	£	£
- Trade debtors	45,570	32,654	270	550
- Amount due from LWCL to LWCT	-	-	166,356	89,797
- Other accrued Income	-	938	-	938
- Gift Aid Recoverable	-	7,583	-	7,583
- VAT	-	1,337	-	-
- Prepayments and other debtors	13,541	13,672	7,651	8,991
	59,111	56,184	174,277	107,859

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2019

12	Cash at Bank & in hand	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
	Current Account - CAF bank	128,965	159,460	128,965	159,460
	Coif Deposit Account	55,628	55,271	55,628	55,271
	Current Account - General	149,077	129,965	70,511	68,690
	Deposit Account	95,034	44,893	23,743	23,699
	Current Account - Bar & Catering	62,004	56,003	-	-
	Cash In Hand	213	111	-	-
		<u>490,921</u>	<u>445,703</u>	<u>278,848</u>	<u>307,120</u>

13	Creditors	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
	- Trade creditors	12,841	13,761	10,579	8,310
	- Other creditors	1,490	1,198	961	416
	- Tax	23	5	-	-
	- VAT	3,634	-	-	-
	- Reporting Accountant's Fee	4,400	4,400	2,400	2,400
	- Accruals and deferred income	74,971	98,984	24,636	60,074
		<u>97,359</u>	<u>118,348</u>	<u>38,576</u>	<u>71,200</u>

14	Movements in Funds	2018 As at Start of Year £	Incoming Resources £	Outgoing Resources £	Transferred Resources £	2019 As at End of Year £
	Restricted Funds - Charity Only					
	- Fund Raiser for refurbishment	15,064	-	-	-	15,064
	- Main Hall Floor & Other Areas	5,000	-	-	-	5,000
	Total Restricted	<u>20,064</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,064</u>
	Unrestricted Funds					
	Charity - designated	90,000		(7,246)	120,000	202,754
	Charity - undesignated	237,596	111,069	(19,143)	(120,000)	209,522
	Subsidiary Funds	55,628	358,443	(358,840)	-	55,232
	Total Unrestricted	<u>383,224</u>	<u>469,512</u>	<u>(385,228)</u>	<u>-</u>	<u>467,508</u>
	Group Total funds	<u>403,288</u>	<u>469,512</u>	<u>(385,228)</u>	<u>-</u>	<u>487,572</u>

15 Related Party Relationships and transactions

Support costs of £17,000 (2018 - £17,000) were paid from the London Welsh Centre Ltd to the London Welsh Centre Trust.

In the year ended 31 August 2019, the London Welsh Centre Ltd (a subsidiary of the London Welsh Centre Trust) made the following Donation to the London Welsh Centre trust.

2019	£70,769	(2018	£62,528)
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At the 31 August 2019, the London Welsh Centre Ltd owed the London Welsh Centre Trust the following amount. This is inclusive of the donation mentioned above.

2019	£166,356	(2018	£89,797)
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No remuneration or expenses were paid to the trustees in the year or the previous year.

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2019

16 Constitution and Ultimate Parent Company

London Welsh Centre Trust is a company limited by Guarantee, having no share Capital. Members are liable for the companies debts whilst being a member and up to one year after ceasing to be a member for those transactions entered into before that date, to a maximum of £1.

London Welsh Centre Limited is a company limited by Guarantee, having no share Capital. Members are liable for the companies debts whilst being a member and up to one year after ceasing to be a member for those transactions entered into before that date, to a maximum of £1. The company's sole member and ultimate parent is the London Welsh Centre Trust.

17	Operating Surplus/ (deficit)	Group 2019	Group 2018	Charity 2019	Charity 2018
	This is stated after charging:	£	£	£	£
	Depreciation of owned fixed Assets	6,725	6,500	1,788	1,704
	Reporting accountants' fees	4,973	5,321	2,973	3,171