

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 2017

Charity - Registration number	232672
Company Number	00774093

The London Welsh Centre Trust

Company Information

For the Year Ended 31st August 2017

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 2016-17 year, or have been appointed since the end of the financial year :

Richard Saunders	Chair of Trustees from 5th February 2018
James Thomas	Retired as Chair and Trustee 5th February 2018
Rhys Pullen	Hon Secretary
Mrs Hannah Roberts	Hon Treasurer
Alex Meredith	
Richard Hopkin	
Gillian Phillips	
Stephen Aldridge	
David Daniel	
Jacqueline Thomas	
Richard Furze	(appointed 30th January 2017)
Tomos Davies	(appointed 3rd April 2017)
Jonathan Poyner	(appointed 5th February 2018)

Company Secretary	Rhys Pullen	Hon Secretary
Chief Executive Officer	Ceri Wyn Griffith	(appointed 18th December 2017)
Company Number	00774093	
Charity - Registration number	1134871	

Registered Office

157-163 Grays Inn Road
London
WC1X 8UE

Business Address

157-163 Grays Inn Road
London
WC1X 8UE

Accountants

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

Bankers

Barclays Bank Plc

Charity Aid Foundation Bank

The London Welsh Centre Trust

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The London Welsh Centre Trust

Directors and Trustees Annual Report

For the Year Ended 31st August 2017

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 2017 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 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 have a vision that shapes our 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". We host, support, promote and facilitate Welsh social and cultural activities in London as well as opening up our 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 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.

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, Finance Committee and board members with particular responsibilities.

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 Finance 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.

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

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

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2017

3 Achievements & Performance

3.1 Achievements in the Year noted by the Chief Executive

Introduction

In 2016-17, 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 this cultural programme, we facilitate a wide range of cultural activities through the room hire business of our subsidiary, The London Welsh Centre Ltd. Groups that have used the Centre's spaces over the year include Underbelly, ITN, the BBC, Mammoth Screen, Theatre Royal, The English Theatre Frankfurt, Aurora Orchestra, Theatr Clwyd, Working Title Films, National Theatre Wales, Edinburgh Film Festival, EIL UK, Balloon Ventures, Kudos, Cameron Mackintosh, Department for Education, City & Islington, London City Singers, The Salvation Christian Church, Salsa Rosada, Teach First, National Philatelic Society, Terrence Higgins Trust, National Union of Journalists, Mind, Hospice UK and the Alzheimer's Society.

The focus of our cultural programme in 2016-17 was again to build on the successes of previous years and to diversify, seeking out 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.

Music

We hosted a number of music performances throughout the year including a concert by Sorela in September 2016 and a performance by Sian James to mark St David's Day in March 2017.

The Centre again hosted the annual Nine Lessons and Carols Christmas service in December 2016, bringing together the congregations from the Welsh Chapels in London and the Centre's local community. Regular Acoustic music nights were held in the Bar, including the Open Mic nights, Dai Bando, and various album launches, including Bronwen Lewis' in May 2017.

The Main Hall was packed out on 1 March 2017, St David's Day, as up to 170 people joined us for an evening of song, hosted by the renowned traditionalist and harpist, Sian James, and joined by our very own Gwalia.

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.

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 "Kicking Off in North Korea" by Tim Hartley, and the London launch of Martin Daws' new collection of poems, 'Geiriau Gogs' in January 2017, which coincided with Santes Dwynwen's Day. The launch was a reading, as well as an imaginative telling full of music and audience participation.

Martin Daws returned in May 2017, to launch "Aderyn Rhiannon", a collection of poems written by himself and Aneirin Karadog (Prifardd Eisteddfod 2016).

Theatre / Drama / Dance

The Centre played host to three Chippy Lane Productions during the year. The notable Scratch Nights, one in October 2016 and the second in June 2017, hosting over 40 actors, eight directors, amongst other creatives.

We also held three comedy evenings during the year, including the return of Paul Harry-Allen's Friday night slot, Welsh language comedy by Stifyn Parri, as well as newcomers Dan Thomas and Phil Cooper.

We again supported the Bloomsbury Festival in October 2016, five events – the penultimate event being curated by Chippy Lane Productions – a successful rehearsed reading of two prominent Welsh playwrights.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2017

Film

During the Bloomsbury Festival in October 2016, we hosted a screening of Kevin Allen's acclaimed 'Under Milk Wood' in the Welsh language.

Arts & Crafts

In February 2017, we held the inaugural Welsh Emporium, when over 50 Welsh companies visited and showcased their work. We had a colourful mix of stalls selling all kind of produce and products, which brought a new audience into the Centre.

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

Food & Drink

November 2016 saw the launch of our new range of wines, supplied by Welsh wine cellar, Dylanwad. We celebrated with over 50 people during a Wine Tasting evening in the Bar.

The Welsh Emporium filled the Main Hall and Bar with food and drink.

To celebrate St David's Day, we held a Welsh Supper Club, with over 100 attendees enjoying a three course meal, comprising of cockles, lamb and Welsh Amber pudding. Performers included harpists from the Royal Academy of Music, and local choir, Aelwyd Llundain.

Welsh Language

We continued to host our Cylch Siarad, a social group for anyone wanting to practice speaking Welsh with other Welsh-speakers in the comfort of our bar at the Centre.

We delivered another full academic year of Welsh language teaching as over 110 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.

Children

The Clwb Cynradd, our young people's group, continued to meet at the Centre and in October 2016, we hosted the fifth annual Gŵyl Halibâlŵ, a festival for children from all the Welsh language playgroups in London and the London Welsh School.

In April 2017, 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 all of our Six Nations screenings in 2017, children from the London Welsh School and members of the PTA, held a collection, to go toward the school's funds.

Local & Welsh Community

The rehearsals of our three resident choirs continue to be open to the public, and people from the local community visit these rehearsals, in particular during the St David's Day week and during the Bloomsbury festival.

In November 2016, we hosted the London Montgomeryshire Society's Q&A with Ffion Hague and Sian Lloyd – part of their 90th celebrations. We continued to host the London Pembrokeshire Society.

In February and March 2017, we worked closely with the founders of Wales Week in London to organise an array of events to coincide with their inaugural year. We were also delighted to continue to be the venue for Salsa Rosada, the salsa classes for the local LGBT community.

In July 2017, we staged a takeover of Welsh chef, Tom Simmons' new restaurant in Tower Bridge. The first of many collaborative events we're holding.

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.

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 Mari Lwyd.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2017

Sport

The usual run of screenings of Wales' Autumn International rugby matches were held in November 2016. In February and March 2017, we screened Wales' Six Nations matches and over the course of the year, were also lucky to be able to screen all six of Wales' World Cup Qualifiers. We're delighted that these screenings continue to attract hundreds of people from across the Welsh community in London, particularly younger people in their twenties and thirties, but also visitors from the other competing nations.

3.2 Financial Review

The year to August 2017 was the 2nd full year of operation with two entities, the London Welsh Centre Trust (LWCT) and its subsidiary the London Welsh Centre Ltd (LWCL), following the closure of the London Welsh Association Club. These two entities have for some time been managed as a group, and are now being reported as such. As this is the first year of group Accounting, the SOFA and Balance Sheet have been restated to allow appropriate comparatives to be explained.

Following the change in the accounting standards from the old FRSE to FRS 102 there is a requirement to account for Deferred Tax. This is also restated for the previous years balances for accurate comparatives.

The LWCT group had a considerable surplus in the year of £179,889. This is principally due to two legacies given to the London Welsh Centre Trust amounting to £114,311. Apart from the legacies, the group business operation had a surplus of £65,578, £45,727 increase on last year. This is largely as result of reduced costs.

The lower costs were largely from reduced expenditure on regular repairs and renewals and staffing. Planned larger pieces of work on the building could not be arranged until after the end of the year due to the time taken to obtain and assess quotes. This also delayed some of the regular smaller maintenance jobs.

Voluntary support contributed to staff cost saving. Whilst there continued to be a turnover of general operations staff, the management team remained stable and committed. They built on their experience of previous years to improve the business operation and start improving the state of the building. This in turn has begun to have a positive impact on the users of the centre and in some areas also produce a financial improvement.

Subscriptions income of £38,155 (2016: £37,434) and Functions net income of £21,699 (2016: £21,911) remained static. However a significant increase is shown for Welsh Class surplus of £22,543 (2016 £9,686). Approximately £7,000 of this increase resulted from fee increases and higher attendance. The rest is due to an incorrect allocation of income between Welsh Classes and Functions in 2016.

In the subsidiary, the Bar and catering gross profit of £43,783 was significantly less than the previous year 2015-16 of £69,054. Income in 2015-16 was significantly boosted by screenings during the Rugby World Cup (which saw more matches involving the Wales team and significantly higher attendance than the normal autumn International programme) and European championship in the summer of 2016. In 2016-17 Room hire income increased by £3,089 to £206,760, but after allowing for bad debts reduced to £193,841. This is however still a significant improvement on the 2014-15 year of £142,445. Greater focus is now put on hirer checks and debt chasing, in order to reduce bad debt and continue improving room hire income. The resultant surplus in the London Welsh Centre Limited allowed a donation of £39,591 to be made from the trading company to the charity in addition to the £17,000 rent paid.

3.3 Future Plans

In the coming period the Trustees intend to oversee the continued development 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, in order to make it as attractive a venue as possible for events and for hirers, while retaining its unique character. The Trustees also intend to consolidate the governance policies and procedures that have been put in place over the recent period and 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.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2017

4 Reserves policy

- Unrestricted funds

The Group has combined funds of £424,059, (Unrestricted funds of £402,992 and Restricted funds of £21,064) including £17,258 of fixed assets.

The Trustees review the level of reserves each year. This year they have decided to set aside £150,000 as designated reserves to meet costs of major building work to the centre which is expected to be spent over the next 18-24 months. Excluding this sum unrestricted reserves at the end of the year represented 8.4 months unrestricted expenditure. This has risen considerably in the year due to the receipt of legacies of £114,310. The appropriate use of these legacies will be considered, but in the meantime the Trustees are satisfied that reserves level are appropriate given the volatility of some income streams.

- Restricted funds

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.

5 Public Benefits 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's 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.

6 Risk Management

The Trustees consider the maintenance of a safe environment for staff, members 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 Trustee meeting;
 - financial policies and procedures reviewed annually;
 - a standing finance committee of Trustees to review financial management and authorise items of expenditure;
 - restricted double signatory arrangements for cheque payments and dual electronic authorisation for electronic payments
- policies and procedures covering health and safety, safeguarding and related matters monitored and enforced by the CEO;
- 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.

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 London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2017

7 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).

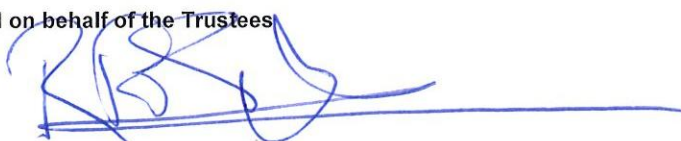
Company law and the law applicable to charities in England and Wales require charity Trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the Group and of the Incoming resources and application of resources including the income and expenditure 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: 30/5/18

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 2017 which comprise the statement of financial activities, the balance sheet and related notes 1 to 16

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

Dated: 25th May 2018

The London Welsh Centre Trust

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

for year ending 31 August 2017

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	* Total Funds 2016 Restated £
Income:					
Incoming resources from charitable generated funds	2	163,163	-	163,163	54,357
Income from charitable activities	3	59,651	-	59,651	48,175
Investment income		156	-	156	253
Income from trading activities	4	298,178	-	298,178	334,016
Total Income		521,148	-	521,148	436,801
Expenditure:					
Costs of raising funds	5	243,336	-	243,336	315,155
Charitable activities	6.1	62,665	-	62,665	67,112
Governance & Administration	6.2	35,258	-	35,258	34,683
Total expenditure		341,259	-	341,259	416,950
Net Income/expenditure		179,889	-	179,889	19,851
Reconciliation of Funds					
Total funds brought forward		223,106	21,064	244,170	224,319
Total funds carried forward		402,995	21,064	424,059	244,170

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

All income and expenditure derive from continuing activities.

* Note 16 explains the restatement of 2016 accounts

The London Welsh Centre Trust
Consolidated Balance Sheet
as at 31 August 2017

	Notes	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Fixed assets					
Tangible assets	7	17,258	11,105	5,281	6,985
		<u>17,258</u>	<u>11,105</u>	<u>5,281</u>	<u>6,985</u>
Current assets					
Stock for Bar in Trading subsidiary		3,934	6,350	-	-
Debtors	8	36,938	31,281	79,669	95,101
Coif Charities Deposit fund		55,083	54,932	55,083	54,932
Cash at bank and in hand	9	373,416	202,891	259,921	69,166
Total current assets		<u>469,371</u>	<u>295,454</u>	<u>394,673</u>	<u>219,199</u>
Liabilities					
Creditors: falling due within one year	10	60,294	61,605	29,683	29,153
Net current assets		<u>409,077</u>	<u>233,849</u>	<u>364,990</u>	<u>190,046</u>
Total assets less current liabilities		<u>426,335</u>	<u>244,954</u>	<u>370,271</u>	<u>197,031</u>
Provision for liabilities		2,276	784	-	-
Net assets		<u>424,059</u>	<u>244,170</u>	<u>370,271</u>	<u>197,031</u>
Funds of the charity:	11				
Unrestricted income funds		402,995	223,106	349,207	175,967
Restricted income funds		21,064	21,064	21,064	21,064
Total charity funds		<u>424,059</u>	<u>244,170</u>	<u>370,271</u>	<u>197,031</u>

For the financial year ended 31 August 2017 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.

These financial statements have been prepared under 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 1 January 2015) - (Charities SORP (FRS 102)).

Approved by the Trustees on ...



Richard Saunders, Chairman



Hannah Roberts, Hon Treasurer

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 2017

1 Accounting Policies

Accounting Convention

The financial statements are prepared under the historical cost convention and include the results of the charity's 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 (FRS102) (effective January 2015) - Charities SORP (FRS 102)).

Income

Recognition of Incoming resources 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 accrual basis.

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

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% per annum 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. In previous years the financial statements have presented information about the company as an individual undertaking and not about its group, taking advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

As the trustees in recent years have considered and managed the planning and budgeting of the group as a whole, rather than separate entities they consider group reporting to reflect the nature of the organisation.

Stock

Stock valuation 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 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

2 Incoming resources from Charitable generated funds	2017	2016	2017	2016
Voluntary Income	Group	Group	Charity	Charity
	£	£	£	£
General Donations	3,165	9,583	3,165	9,583
Legacies	114,311	0	114,311	0
Donation from LWCL to LWCT			39,591	0
Subscription income	38,155	37,434	38,155	37,434
Gift Aid	7,532	7,340	7,532	7,340
Rent from LWCL to LWCT			17,000	17,000
	<u>163,163</u>	<u>54,357</u>	<u>219,754</u>	<u>71,357</u>

Two significant unrestricted legacies were received in the Year and are included in the donations figure. They were from:

- Thora Richmond	94,311
- Doreen Batten (Williams)	20,000

3 Income from charitable activities	2017	2016	2017	2016
	Group	Group	Charity	Charity
	£	£	£	£
Functions	28,980	26,849	28,980	26,849
Welsh classes	29,291	20,576	29,291	20,576
Other income - e.g. Welsh cards	40		40	
Publications	1,340	750	1,340	750
	<u>59,651</u>	<u>48,175</u>	<u>59,651</u>	<u>48,175</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

	2017	2016
	£	£
Turnover		
Hall and Room hire	206,760	203,671
Bar & Food Sales	91,087	129,567
Sundry Income	331	778
Total Turnover	<u>298,178</u>	<u>334,016</u>
Cost of sales	<u>-47,304</u> *	<u>-60,513</u>
Gross Profit	<u>250,874</u>	<u>273,503</u>
Administrative Expenses (detailed in Note 6 Subsidiary column)	<u>-203,154</u> *	<u>-252,086</u>
Operating Profit before gift to LWT	<u>47,720</u>	<u>21,417</u>
Amount gift aided to charity from LWCL to LWCT)	<u>-39,591</u>	<u>0</u>
Operating Profit	<u>8,129</u>	<u>21,417</u>
Deposit Account Income	3	-
Tax on profit	<u>-1,483</u> *	<u>-169</u>
Retained in subsidiary	<u>6,649</u>	<u>21,248</u>

Expenditure on trading activities shown in the consolidated SOFA comprised:

Costs of sales and administrative expenses	251,941 *	312,599
Less: intercompany rental payments	<u>-17,000</u>	<u>-17,000</u>
	<u>234,941</u>	<u>295,599</u>

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

4.2 Subsidiary Balance sheet

	2017		2016	
	£	£	£	£
Tangible fixed assets		11,977		4,120
Current assets				
- Bar Stock	3,934		6,350	
- Debtors	28,301		15,667	
- cash at bank	113,496		133,726	
		145,731		155,743
Current liabilities				
- Trade creditors	2,503		237	
- Other Creditors	1,888		4,173	
- London Welsh Centre Trust	71,032		79,487	
- accruals and deferred income	26,220		28,042	
		101,643		111,939
Total net assets		56,065		47,924
Provisions for Liabilities		2,276		784
		53,789		47,140
Balance at start of year - 1 Sept 2016		47,140		25,892
Profit for the year		6,649		21,248
Aggregate and reserves at end of year		53,789		47,140

5 Costs of Raising Funds

	2017	2016	2017	2016
	Group	Group	Charity	Charity
	£	£	£	£
Direct costs				
Trading Activities - Cost of Sales (4.1)	47,304	60,513	-	-
Trading Activity Costs - staff (6.1 - Subsidiary)	112,596	149,867	-	-
	159,900	210,380	0	0
Support costs (6.3)				
Trading Support costs (plus tax on Profit)	50,293	61,981	0	0
Building Running Costs *	33,143	42,794	33,143	42,794
	83,436	104,775	33,143	42,794
Total Cost of Raising funds	243,336	315,155	33,143	42,794

* The principal asset of the London Welsh Centre Trust is the use of the property at 157-163 Grays Inn Road, London WC1X 8UE. The building is used for charitable activity and also to raise funds to contribute towards the cost of the the charitable activity. The cost of running the building in order that it can be used to raise funds for the charity are set out in section in 6.3 below.

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

6 Analysis of Activity Support & Governance Costs

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £	Subsidiary 2017 £	Subsidiary 2016 £
6.1 Activity Costs			Charitable Activity		Trading Activity	
- Staff Costs	151,869	175,396	39,273	37,342	112,596	138,054
- Directors remuneration for consultancy	0	15,751	-	3,938	-	11,813
- Functions & fund raising expenses	7,281	4,938	7,281	4,938		
- Welsh language classes	6,748	10,890	6,748	10,890		
- London Welsh Magazine	9,363	10,004	9,363	10,004		
	175,261	216,979	62,665	67,112	112,596	149,867
6.2 Governance / Administrative Costs	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £	Subsidiary 2017 £	Subsidiary 2016 £
- Printing, stationery, telephone, etc.	6,375	5,993	1,763	1,219	4,612	4,774
- Bank Charges	1,637	2,129	154	418	1,483	1,711
- Computer Maintenance	1,771	620	0	214	1,771	406
- Reporting accountants' fee	5,978	4,490	3,653	2,640	2,325	1,850
- Legal and Professional fees	4,258	6,272	0	2,417	4,258	3,855
- Bookkeeping fees	12,022	7,766	4,815	3,190	7,207	4,576
- Sundries (incl training, advertising, travel, etc)	3,217	7,413	125	563	3,092	6,850
	35,258	34,683	10,510	10,661	24,748	24,022
- Rent paid by LWL to LWT					17,000	17,000
	35,258	34,683	10,510	10,661	41,748	41,022
6.3 Other Support Costs for Raising Funds	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £	Subsidiary 2017 £	Subsidiary 2016 £
			Building Running Costs		Trading Support Costs	
- Rates	12,078	10,807	12,078	10,807		
- Lighting & heating	14,842	16,991	14,842	16,991		
- insurance	9,532	9,472	3,852	3,789	5,680	5,683
- depreciation	6,338	12,120	1,704	10,312	4,634	1,808
- performing rights	667	895	667	895		
- Cleaning & Waste Disposal	16,674	18,989			16,674	18,989
- Repairs & Maintenance	8,904	24,569			8,904	24,569
- Bad & Doubtful Debt	12,918	10,148			12,918	10,148
	81,953	103,991	33,143	42,794	48,810	61,197
Total expenditure	309,472	372,653	106,318	120,567	203,154	252,086
Tax adjustment						
Tax on profit for the year	1,483	169			1,483	169
Restatement of 2016 b/f deferred tax adj						615
	1,483	784			1,483	784
Total expenditure	310,955	373,437	106,318	120,567	204,637	252,870

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

Note

7 Tangible Fixed Assets

Group	Plant & Machinery	Property Improvement	Furniture & Equipment	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 September 2016	34,264	150,533	68,071	46,540	299,408
Additions	£12,491	-	-	-	£12,491
At 31 August 2017	46,755	150,533	68,071	46,540	311,899
Depreciation					
At 1 September 2016	30,144	144,065	67,606	46,488	288,303
Charge for the year	4,634	1,294	358	52	6,338
At 31 August 2017	34,778	145,359	67,964	46,540	294,641
Net Book Value					
At 31 August 2017	11,977	5,174	107	0	17,258
At 1 September 2016	4,120	6,468	465	52	11,105

Charity

	Property Improvement	Furniture & Equipment	Fixtures & Fittings	Total
Cost	£	£	£	£
At 1 September 2016	150,533	68,071	46,540	265,144
Additions	-	-	-	-
At 31 August 2017	150,533	68,071	46,540	265,144
Depreciation				
At 1 September 2016	144,065	67,606	46,488	258,159
Charge for the year	1,294	358	52	1,704
At 31 August 2017	145,359	67,964	46,540	259,863
Net Book Value				
At 31 August 2017	5,174	107	0	5,281
At 1 September 2016	6,468	465	52	6,985

8 Debtors

	Group 2017	Group 2016	Charity 2017	Charity 2016
- Trade debtors	24,373	11,225	455	-
- Amount due from LWCL to LWCT	-	-	71,032	79,487
- Gift Aid Recoverable	-	7,000	-	7,000
- Prepayments and other debtors	12,565	13,056	8,182	8,614
	36,938	31,281	79,669	95,101

* £ 71,032 Includes donation of £39,591 from LWCL. See Note 12.

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

9	Cash at Bank & in hand	Group 2017	Group 2016	Charity 2017	Charity 2016
	Current Account - CAF bank	192,302	50,858	192,302	50,858
	Current Account - General	88,093	94,963	63,924	9,615
	Deposit Account	24,859	9,849	3,695	8,693
	Current Account - Bar & Catering	68,045	47,218	-	-
	Cash In Hand	117	3	-	-
		<u>373,416</u>	<u>202,891</u>	<u>259,921</u>	<u>69,166</u>

10	Creditors	Group 2017	Group 2016	Charity 2017	Charity 2016
	- Trade creditors	10,271	5,439	7,768	5,202
	- Other Creditors	1,888	5,528	-	1,355
	- Reporting Accountant's Fee	4,725	4,250	2,400	2,400
	- Accruals and deferred Income	43,410	46,388	19,515	20,196
		<u>60,294</u>	<u>61,605</u>	<u>29,683</u>	<u>29,153</u>

11	Movements in Funds	Restated Start of Year	Incoming Resources	Outgoing Resources	As at End of Year
	<u>Group</u>				
	Restricted Funds				
	- Fund Raiser for refurbishment	15,064	-	-	15,064
	- Main Hall Floor	6,000	-	-	6,000
		<u>21,064</u>	<u>-</u>	<u>-</u>	<u>21,064</u>
	Unrestricted Funds - undesignated	223,106	380,435	- 350,546	252,995
	Unrestricted Funds - designated		150,000	- 244,228	150,000
	Total Funds of Group	<u>244,170</u>	<u>530,435</u>	<u>- 594,774</u>	<u>424,059</u>

	<u>Charity - London Welsh Centre Trust</u>	Start of Year	Resources	Resources	End of Year
	Restricted Funds				
	- Fund Raiser for refurbishment	15,064	-	-	15,064
	- Main Hall Floor	6,000	-	-	6,000
		<u>21,064</u>	<u>-</u>	<u>-</u>	<u>21,064</u>
	Unrestricted Funds - undesignated	175,967	129,558	- 106,318	199,207
	Unrestricted Funds - designated		150,000	-	150,000
	Total Funds of Charity	<u>197,031</u>	<u>279,558</u>	<u>- 106,318</u>	<u>370,271</u>

	<u>London Welsh Centre Ltd - Subsidiary of London Welsh Centre Trust</u>	Start of Year	Resources	Resources	End of Year
	Unrestricted Funds	47,139	250,877	- 244,228	53,788
	Group Total funds	<u>244,170</u>	<u>530,435</u>	<u>- 350,546</u>	<u>424,059</u>

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

12 Related Party Relationships and transactions

Rent of £17,000 (2016 - £17,000) was paid by the London Welsh Centre Ltd to the London Welsh Centre Trust

In the year ended 31 August 2017, the London Welsh Centre Ltd (a subsidiary of the London Welsh Centre Trust) made a donation of £39,591 (2016 - £nil) to the London Welsh Centre Trust.

At the 31 August 2017, the London Welsh Centre Ltd owed the London Welsh Centre Trust £71,032 (2016 - £79,487). This is inclusive of the donation of £39,591 mentioned above.

The Treasurer received remuneration of £nil (2016 - £15,750) for her role as interim Chief Executive Officer during the year, of which £nil (2016 - £3,938) was allocated to the London Welsh Centre Trust and £nil (2016 - £11,813) to London Welsh Centre Limited. No remuneration or expenses were paid to the trustees in the year.

13 Constitution and Ultimate Parent Company

London Welsh Centre Trust is a company limited by Guarantee, having no share Capital. Members are liable for the company's 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 company's 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.

14 Staff Costs

	Group 2017	Group 2016	Charity 2017	Charity 2016
The Staff costs were				
Salaries	143,553	162,200	36,866	35,070
Social Security Costs	8,249	13,196	2,340	2,272
Pension	67		67	0
	<u>151,869</u>	<u>175,396</u>	<u>39,273</u>	<u>37,342</u>

Average Number of employees	11	11	2	2
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15 Operating Surplus/ (deficit)

	Group 2017	Group 2016	Charity 2017	Charity 2016
This is stated after charging:	£	£	£	£
Depreciation of owned fixed Assets	6,338	12,121	1,704	10,312
Reporting accountants' fees	4,965	4,490	2,640	2,640

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

Note

16 Restatement of accounts for year ending 31 August 2016 - Consolidating Subsidiary

16.1 Restated 2016 Consolidated Statement of financial Activities

Notes	16-17 Separate Accounts as Previously Published				Restated
	LWCT Unrestricted Funds £	LWCT Restricted Funds £	LWCT Total Funds	LWCL Total Funds £	Group Total Funds £
Income:					
Incoming resources from charitable generated funds					
- Voluntary income total	48,357	6,000	54,357		54,357
- Activities for generating funds - rent LWL to LWT	17,000		17,000		
Income from charitable activities	48,175		48,175		48,175
Income from other trading activities				334,016	334,016
Investment income	253	0	253	0	253
			0		0
Total income	113,785	6,000	119,785	334,016	436,801
Expenditure:					
Cost of raising funds	42,794	0	42,794		315,155 *
- Expenditure on Cost of Sales			0	60,513	
- Expenditure on Trading Operation & Administration			0	235,086	
Rent LWL to LWT				17,000	
Expenditure on charitable activities	55,728	11,384	67,112		67,112
Governance / Administrative Costs	10,661	0	10,661		34,683
Total expenditure	109,183	11,384	120,567	312,599	416,950
Net income/expenditure before taxation	4,602	-5,384	-782	21,417	19,851
Reconciliation of Funds					
Total funds brought forward	171,365	26,448	197,813	26,506	224,319
			0		
Total funds carried forward	175,967	21,064	197,031	47,923	244,170
				244,954	244,170
The difference in total carried forward is a deferred tax adjustment to the closing balance.					784 *
Tax adjustment					
Tax on profit for the year 2016					169
Restatement of 2016 b/f deferred tax adj					615
					784

This is required following the change in the accounting standards from the old FRSSE to FRS 102.

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2017

(LWCT = London Welsh Centre Trust, LWCL = London Welsh Centre Ltd)

Note

16.2 Restated 2016 Consolidated Balance Sheet

as at 31 August 2016

	Previously reported			As Restated		
	Group	LWCT	LWCL	Group	LWCT	LWCL
	2016	2016	2016	2016	2016	2016
	£	£	£	£	£	£
Fixed assets						
Tangible assets	11,106	6,985	4,121	11,106	6,985	4,121
Current assets						
Stocks	6,350		6,350	6,350		6,350
Debtors	31,281	15,614	15,667	31,281	15,614	15,667
Inter-company Debtors		79,487			79,487	
Cash at bank and in hand	202,891	69,166	133,725	202,891	69,166	133,725
COIF Charities Deposit Fund	54,932	54,932		54,932	54,932	
Total current assets	295,454	219,199	155,742	295,454	219,199	155,742
Liabilities						
Creditors: falling due within one year	-61,605	-29,153	-32,452	-61,605	-29,153	-32,452
Inter-company Creditors			-79,487			-79,487
	-141,092	-29,153	-111,939	-141,092	-29,153	-111,939
Net current liabilities	154,362	190,046	43,803	154,362	190,046	43,803
Total assets less current liabilities	165,468	197,031	47,924	165,468	197,031	47,924
Provision for liabilities				-784		-784
Net Assets	165,468	197,031	47,924	164,684	197,031	47,140
Funds of the charity:						
Unrestricted income funds	223,891	175,967	47,924	223,107	175,967	47,140
Restricted income funds	21,064	21,064		21,064	21,064	
Total charity funds	244,955	197,031	47,924	244,171	197,031	47,140