

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 2018

Charity - Registration number	232672
Company Number	00774093

The London Welsh Centre Trust

Company Information

For the Year Ended 31st August 2018

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 2017-18 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
Hannah Roberts	Hon Treasurer
Alex Meredith	Retired 27th June 2018
Richard Hopkin	Retired 2nd July 2018
Gillian Phillips	
Stephen Aldridge	
David Daniel	
Jacqueline Thomas	
Richard Furze	
Tomos Davies	
Jonathan Poyner	(appointed 5th February 2018)
Peter Allen	(appointed 2nd July 2018)

Company Secretary	Rhys Pullen	Hon Secretary
Chief Executive Officer	Ceri Wyn Griffith	(appointed 18th December 2017)
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 2018

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 2018 which are also prepared to meet the requirements for the directors report and accounts for Companies. 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 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 London Welsh Centre Trust is a registered charity which operates as the London Welsh Centre.

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 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.

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 and Premises Committees 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.

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.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2018

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 2017-18, 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, ITN, Theatre Royal, National Theatre, The English Theatre Frankfurt, Theatr Clwyd, National Theatre Wales, Eastman Dental Hospital, EIL UK, Royal Shakespeare Company, Balloon Ventures, Cameron Mackintosh, Deloitte, Department for Education, Royal Academy of Music, City & Islington, London City Singers, Arts Council England, The Salvation Christian Church, Salsa Rosada, Teach First, National Philatelic Society, Terrence Higgins Trust, National Union of Journalists, Mind, and Hospice UK.

The focus of our cultural programme in 2017-18 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 gig by Colorama in September 2017. One of the key events in our calendar was the Gwalia's 50th Anniversary concert in October 2017, and then on to a second concert in the month with a choir from France.

We particularly enjoyed welcoming *Band Pres Llareggub* to the Centre, as part of our 80th Anniversary in November 2017. It was great to see the Main Hall emulate the golden age Saturday dances.

The Centre again hosted the annual Nine Lessons and Carols Christmas service in December 2017, bringing together the congregations from the Welsh Chapels in London and the Centre local community. We held regular acoustic music nights in the Bar, including the Open Mic nights, Dai Bando, and various album launches.

The Main Hall was packed on St David's Day, as 200 people joined us for an evening of song and a 'twmpath', hosted by the Spring Heeled Jacks, joined by Aelwyd Llundain in rousing song.

This year saw us hold no less than two scholarships for rising Welsh performers, the coveted *Young Welsh Singer of the Year* for classical singers in the autumn, and the *Meirion & Aldwyn Davies Arts Bursary*, open to all mediums of performance artists in the spring.

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 'Murmur' by Menna Elfyn, as part of Bloomsbury Festival 2017; Martin Shipton in conversation with Guto Harri talking about the release of 'Political Chameleon - In Search of George Thomas'; and 'Brian Flynn: Little Wonder' by Leon Barton. The latter's launch was hosted by comedian and football fan, Elis James.

Theatre / Drama / Dance

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2018

Comedian Elis James returned in the autumn to tour his new bi-lingual stand-up show for both Welsh speakers and non-Welsh speakers in the Bar.

Other comedy evenings held over the course of the year included the return of Paul Harry-Allen's slot, and a night as part of *Wales Week in London*, including BBC Wales' 'Tourist Trap' comedian, Leroy Brito

Film

To celebrate Dylan Thomas Day, we hosted a screening of short film 'The Outing' in May 2018, which has won an NYC Indie Film Award, amongst others internationally.

Arts & Crafts

In March 2018, we were scheduled to hold our second Welsh Emporium, when over 50 Welsh companies were meant to visit and showcase a colourful mix of stalls selling all kind of produce and products, including food and drink. However, the beast from the East had different ideas and the event had to be cancelled.

March 2018 saw the inaugural Exhibition of Contemporary Welsh Art established. 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.

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

Food & Drink

To celebrate our 80th Anniversary, we held a dinner in the Main Hall in November 2017, where we enjoyed a three-course meal, and entertainment from the Gwalia, Aelwyd Llundain and harpists from the Royal Academy of Music. We were grateful to our president, Huw Edwards, as guest speaker, and to all our supporters, board members – past and present – for attending and celebrating with us.

In the summer of 2018, we introduced the highly popular G&T Tasting Masterclasses that take place in the Bar. These events match well with other bar events, such as our regular quiz nights.

Welsh Language

We delivered another full academic year of Welsh language teaching as over 120 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.

Children

In October 2017, we hosted the sixth annual Gŵyl Halibálŵ, a festival for children from all the Welsh language playgroups in London and the London Welsh School.

In April 2018, 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 2018, children from the London Welsh School and members of the PTA, held a collection, to go toward the school's funds.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2018

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; as was the walk arranged as part of our 80th Anniversary in November 2017.

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.

Sport

The usual run of screenings of Wales' Autumn International rugby matches were in November 2017. In February and March 2018, we screened Wales' Six Nations matches and over the course of the year, we were lucky to be able to screen the football World Cup Qualifiers, as well as the China Cup. 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 Group showed a small deficit of £20,770 for the year. This was after planned major premises work of £60,338, comprising major repairs to the flat roof costing £40,500 and repair & replacement of flooring throughout the centre costing approximately £20,000. This later spend was taken largely from a £20,000 bequest previously received in the name of Doreen Batten Williams. Excluding this property spend, the group made a surplus of £39,568, which is considered a healthy result.

The surplus for the year arose despite the major reduction in donations and legacies in the year since no legacies were received in 2017-18. Apart from this reduction, income increased both in charitable and trading activities with the major increase coming in bar and catering income which rose by £19,343 and showed a regular operating profit of £64,773, an increase of £17,053 on the previous year. Room hire income remained steady which was an excellent result given some limited room availability due to repairs and redecoration. Subscription income was maintained at previous levels.

Under Charitable activities, income on functions increased by £6,360 though the surplus on the activities decreased in the year. The standard and number of functions meeting the objectives of the centre continued to improve despite some cancellations due to bad weather. Income from Welsh classes also increased slightly.

Other than property costs, the main increase in expenditure related to staff costs which increased by £23,471 due to the increased activities in the Centre. The methods used to spread support costs have changed in the year to fit more closely with FRS 102 and the previous year's expenditure has been restated accordingly.

The trading surplus in LWCL allowed a donation to be made to LWCT of £62,528 (2017: £39,591).

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 2018

5 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 to make it as attractive a venue as possible for events and for hirers, while retaining its unique character. A new premises committee has been established which is overseeing a review of the fabric of the building and health and safety aspects of the premises. 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.

5 Reserves policy

The Group has combined funds of £403,288 (2017: £424,058), of which £20,064 (2017: £21,064) were restricted.

The Trustees review the level of reserves each year. This year they have decided to continue to hold £90,000 as designated reserves to meet future costs of major building work to the centre. This is expected to be spent over the period to August 2020. Excluding this sum unrestricted reserves at the end of the year represented 7.2 months unrestricted expenditure. The smaller of the legacies received in 16-17 has been used in 17-18 for necessary flooring replacement. The appropriate use of the other legacy is still being considered. 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'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.

The London Welsh Centre Trust

Directors and Trustees Annual Report (continued)

For the Year Ended 31st August 2018

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 Trustess 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 policies, procedures and
- 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.

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: 16th April 2019

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 2018 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 Act have 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
Wimbledon Park
London SW19 8AQ

Dated: 13 May 2019

The London Welsh Centre Trust

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

for year ending 31 August 2018

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £	Total Funds 2017 £
Income:					
Incoming resources from donations and legacies	2	47,160	-	47,160	163,162
Income from charitable activities	3	69,064	-	69,064	59,651
Investment income		218	-	218	156
Income from trading activities	4	323,837	-	323,837	298,178
Total income		440,279	-	440,279	521,147
Expenditure:					
					* Expenditure 2017 Restated
Cost of trading activities	5	254,902		254,902	245,358
Cost of raising funds	6	31,739		31,739	12,455
Cost of Charitable activities	7	160,849	1,000	161,849	69,283
Governance	8	12,559		12,559	14,163
Total expenditure		460,049	1,000	461,049	341,259
Net income/expenditure		(19,770)	(1,000)	(20,770)	179,888
Reconciliation of Funds					
Total funds brought forward		402,994	21,064	424,058	244,170
Total funds carried forward		383,224	20,064	403,288	424,058

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derived from continuing activities.

* Note 17 gives explanation of the restatement of 2017 expenditure

The London Welsh Centre Trust
Consolidated Balance Sheet
as at 31 August 2018

	Notes	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Fixed assets					
Tangible assets	10	18,103	17,258	3,881	5,281
		18,103	17,258	3,881	5,281
Current assets					
Stock for Bar in Trading subsidiary		4,348	3,934	-	-
Debtors	11	56,184	36,938	107,859	79,669
Cash at bank and in hand	12	445,703	428,499	307,120	315,004
Total current assets		506,235	469,371	414,979	394,673
Liabilities					
Creditors: falling due within one year	13	118,348	60,295	71,200	29,683
Net current assets		387,887	409,076	343,779	364,990
Provision for liabilities		2,702	2,276	-	-
Total assets less current liabilities		403,288	424,058	347,660	370,271
Funds of the charity:	14				
Unrestricted income funds		383,224	402,994	327,596	349,206
Restricted income funds		20,064	21,064	20,064	21,064
Total charity funds		403,288	424,058	347,660	370,270

For the financial year ended 31 August 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies

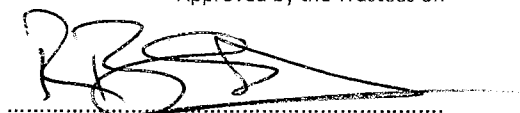
Directors' responsibilities

- 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.

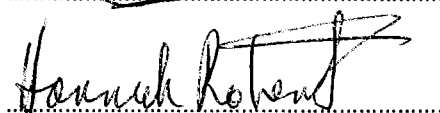
These financial statements have been prepared under Charities Act 2011 and in accordance with the Statement of Recommended Practice applicable to Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

Approved by the Trustees on

15th April 2019



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 2018

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 2018

2 Incoming resources from donations and legacies	2018 Group £	2017 Group £	2018 Charity £	2017 Charity £
General Donations	1,385	3,165	1,385	3,165
Legacies	-	114,310	-	114,310
Donation from LWCL to LWCT	-	-	62,528	39,591
Subscription income	38,192	38,155	38,192	38,155
Gift Aid	7,583	7,532	7,583	7,532
Rent from LWCL to LWCT			17,000	17,000
	<u>47,160</u>	<u>163,162</u>	<u>126,688</u>	<u>219,753</u>

3 Income from charitable activities	2018 Group £	2017 Group £	2018 Charity £	2017 Charity £
Functions	35,340	28,980	35,340	28,980
Welsh classes	30,669	29,291	30,669	29,291
Merchandising, e.g. Jewelry, Mugs, Cards	1,326	-	1,326	-
Other income	1,729	40	1,729	40
Publications	-	1,340		1,340
	<u>69,064</u>	<u>59,651</u>	<u>69,064</u>	<u>59,651</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

	2018 £	2017 £
Turnover	£	£
Hall and Room hire	208,975	206,760
Bar & Food Sales	110,430	91,087
Sundry Income	4,432	331
Total Turnover	<u>323,837</u>	<u>298,178</u>
Cost of sales	<u>(47,512)</u>	<u>(47,304)</u>
Gross Profit	276,325	250,874
Administrative Expenses	<u>(211,552)</u>	<u>(203,154)</u>
Operating Profit before gift to LWT	64,773	47,720
Amount gift aided to charity from LWCL to LWCT)	<u>(62,528)</u>	<u>(39,591)</u>
Operating Profit	2,245	8,129
Deposit Account Income	25	3
Tax on profit	<u>(431)</u>	<u>(1,483)</u>
Retained in subsidiary	<u>1,839</u>	<u>6,649</u>

Expenditure on trading activities shown in the consolidated SOFA comprised:

Costs of sales and administrative expenses	259,495	251,941
Less: intercompany payments (Contribution to shared support costs)	<u>(17,000)</u>	<u>(17,000)</u>
	<u>242,495</u>	<u>234,941</u>

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2018

4.2 Subsidiary Balance sheet

	2018		2017	
	£	£	£	£
Tangible fixed assets		14,223		11,977
Current assets				
- Bar stock	4,348		3,934	
- Debtors	38,122		28,301	
- cash at bank	138,583		113,495	
		181,053		145,730
Current liabilities				
- Trade creditors	5,451		2,503	
- Other Creditors	787		1,889	
- Donation from LW Centre Ltd to LWC Trust	62,528			
- Owed to London Welsh Centre Trust	27,269		71,032	
- accruals and deferred income	40,910		26,220	
		(136,945)		(101,644)
Total net assets		58,331		56,063
Provisions for Liabilities		(2,702)		(2,276)
		55,629		53,787
Balance at start of year		53,789		47,140
Profit/ loss for the year		1,839		6,649
Aggregate share capital and reserves at end of year		55,628		53,789

	2018	2017	2018	2017 Restated
	Group	Group	Charity	Charity
	£	£	£	£
Direct costs - cost of sales (4.1)	47,512	47,304	-	-
Staff costs	127,391	112,596	-	-
Support costs	79,999	85,458	-	-
Total cost of trading activities	254,902	245,358	-	-

	2018	2017 Restated	2018	2017 Restated
	Group	Group	Charity	Charity
	£	£	£	£
Staff costs	9,590	7,855	9,590	7,855
Support costs (7.2)	22,150	4,600	22,150	4,600
Total cost of raising funds	31,739	12,455	31,739	12,455

	2018	2017 Restated	2018	2017 Restated
	Group	Group	Charity	Charity
	£	£	£	£
- Staff Costs (9.2)	33,564	27,491	33,564	27,491
- Functions & fund raising expenses	17,963	7,281	17,963	7,281
- Welsh language classes	10,358	6,748	10,358	6,748
- Merchandising Costs	2,300	-	2,300	-
- London Welsh Magazine	9,065	9,363	9,065	9,363
- Support Costs (9.1)	88,598	18,400	88,598	18,400
Total cost of charitable activities	161,849	69,283	161,849	69,283

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2018

	2018 Group	2017 Restated Group	2018 Charity	2017 Restated Charity
	£	£	£	£
8 Governance Costs				
- Staff costs on Charitable Governance	4,795	3,927	4,795	3,927
- Reporting accountants' fee	5,321	5,978	3,171	3,653
- Legal and Professional fees: e.g. Peninsula, Stock taker	2,443	4,258	-	-
	<u>12,559</u>	<u>14,163</u>	<u>7,966</u>	<u>7,580</u>
9 Support and Staff costs				
9.1 Support costs				
- Rates, lighting & heating	25,674	26,920	8,674	9,920
- insurance	9,853	9,532	3,902	3,852
- depreciation	6,196	6,338	1,400	1,704
- Printing, stationery, telephone, etc.	7,567	6,375	530	1,763
- Bookkeeping fees	26,167	12,022	12,361	4,815
- Bank Charges	1,623	1,637	93	154
- Computer Maintenance	793	1,771	306	-
- Sundries (incl training, advertising, travel, etc.)	2,279	3,217	612	125
- performing rights	1,066	667	-	667
- Cleaning & Waste Disposal	21,254	16,674	3,095	-
- Repairs & Maintenance	27,506	8,904	19,437	-
- Major premise works	60,338	-	60,338	-
- tax on profit for the year	431	1,483	-	-
- Bad & Doubtful Debt	-	12,918	-	-
	<u>190,747</u>	<u>108,458</u>	<u>110,748</u>	<u>23,000</u>
Support Costs Allocation				
Allocation to Trading Activities	79,999	85,458		
Allocation to Charitable Activities	88,598	18,400	88,598	18,400
Allocation to Cost of Raising Funds	22,150	4,600	22,150	4,600
	<u>190,747</u>	<u>108,458</u>	<u>110,748</u>	<u>23,000</u>

The support cost relating to the trading activities is 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.

	Group 2018	Group 2017	Charity 2018	Charity 2017
	£	£	£	£
9.2 Staff Costs				
The Staff costs were:				
Salaries	163,221	149,462	43,464	36,866
Social Security Costs	10,635	2,340	3,001	2,340
Pension	1,484	67	1,484	67
	<u>175,340</u>	<u>151,869</u>	<u>47,949</u>	<u>39,273</u>

The average number of Staff in the year is 9 8 1 1
No individual staff member was paid more than £60,000 in the year.

Analysis of staff costs

- Trading Activity (subsidiary)	127,391	112,596		
- Staff Cost on Donations, Subscriptions & Legacies	9,590	7,855	9,590	7,855
- Staff Costs on Governance	4,795	3,927	4,795	3,927
- Staff Costs Charitable Activity	33,564	27,491	33,564	27,491
Total staff costs	<u>175,340</u>	<u>151,869</u>	<u>47,949</u>	<u>39,273</u>

The London Welsh Centre Trust
Notes on accounts for the year ended 31st August 2018

Note

10 Tangible Fixed Assets

Group

	Plant & Machinery	Property Improvement	Furniture & Equipment	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 September 2017	46,755	150,533	68,071	46,540	311,899
Additions	1,042	-	5,999	-	7,041
At 31 August 2018	47,797	150,533	74,070	46,540	318,940
Depreciation					
At 1 September 2017	34,778	145,359	67,964	46,540	294,641
Charge for the year	1,238	1,293	3,665	0	6,196
At 31 August 2018	36,016	146,652	71,629	46,540	300,837
Net Book Value					
At 31 August 2018	11,781	3,881	2,441	0	18,103
At 1 September 2017	11,977	5,174	107	0	17,258

Charity

	Plant & Machinery	Property Improvement	Furniture & Equipment	Fixtures & Fittings	Total
Cost	£	£	£	£	£
At 1 September 2017		150,533	68,071	46,540	265,144
Additions	-	-	-	-	-
At 31 August 2018	0	150,533	68,071	46,540	265,144
Depreciation					
At 1 September 2017		145,359	67,964	46,540	259,863
Charge for the year		1,293	107	-	1,400
At 31 August 2018	0	146,652	68,071	46,540	261,263
Net Book Value					
At 31 August 2018	0	3,881	0	0	3,881
At 1 September 2017	0	5,174	107	0	5,281

11 Debtors

	Group 2018	Group 2017	Charity 2018	Charity 2017
- Trade debtors	32,654	24,373	550	455
- Amount due from LWCL to LWCT	-	-	89,797	71,032
- Other accrued Income	938		938	
- Gift Aid Recoverable	7,583	-	7,583	-
- VAT	1,337	-	-	-
- Prepayments and other debtors	13,672	12,565	8,991	8,182
	56,184	36,938	107,859	79,669

The London Welsh Centre Trust

Notes on accounts for the year ended 31st August 2018

12	Cash at Bank & in hand	Group 2018	Group 2017	Charity 2018	Charity 2017
	Current Account - CAF bank	159,460	192,302	159,460	192,302
	Coif Deposit Account	55,271	55,083	55,271	55,083
	Current Account - General	129,965	88,094	68,690	63,925
	Deposit Account	44,893	24,858	23,699	3,694
	Current Account - Bar & Catering	56,003	68,045	-	-
	Cash In Hand	111	117	-	-
		<u>445,703</u>	<u>428,499</u>	<u>307,120</u>	<u>315,004</u>

13	Creditors	Group 2018	Group 2017	Charity 2018	Charity 2017
	- Trade creditors	13,761	10,271	8,310	7,768
	- Other Creditors (e.g. VAT & Credit card, Tax)	1,203	1,889	416	-
	- Reporting Accountant's Fee	4,400	4,725	2,400	2,400
	- Accruals and deferred income	98,984	43,410	60,074	19,515
		<u>118,348</u>	<u>60,295</u>	<u>71,200</u>	<u>29,683</u>

14	Movements in Funds	2017 As at Start of Year	Incoming Resources	Outgoing Resources	Transferred Resources	2018 As at End of Year
	<u>Charity - London Welsh Centre Trust</u>					
	Restricted Funds					
	- Fund Raiser for refurbishment	15,064	0	0	0	15,064
	- Main Hall Floor & Other Areas	6,000	0	(1,000)	0	5,000
		<u>21,064</u>	<u>0</u>	<u>(1,000)</u>	<u>0</u>	<u>20,064</u>
	Unrestricted Funds - undesignated	274,207	163,954	(124,538)	(75,000)	238,623
	Unrestricted Funds - designated	75,000		(60,000)	75,000	90,000
	Total Funds of Charity	<u>370,271</u>	<u>163,954</u>	<u>(185,538)</u>	<u>0</u>	<u>348,687</u>
	<u>London Welsh Centre Ltd</u>					
	Unrestricted Funds	53,785	276,325	(274,511)	0	55,599
	Group Total funds	<u>424,056</u>	<u>440,279</u>	<u>(460,049)</u>	<u>0</u>	<u>404,286</u>

15 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 2018, the London Welsh Centre Ltd (a subsidiary of the London Welsh Centre Trust) made the following Donation to the London Welsh Centre trust.

2018	£62,528	(2017	£39,591)
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At the 31 August 2018, the London Welsh Centre Ltd owed the London Welsh Centre Trust the following amount.
This is inclusive of the donation mentioned above.

2018	89,797	(2017	71,032)
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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 2018

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 2018	Group 2017	Charity 2018	Charity 2017
	This is stated after charging:	£	£	£	£
	Depreciation of owned fixed Assets	6,196	6,338	1,400	1,704
	Reporting accountants' fees	5,321	5,978	3,171	3,653

The London Welsh Centre Trust

Restatement of expenditure in consolidated SOFA for year ending 31st August 2017

Note

18 Expenditure 2017 Restated	Group	Charity	Restated Group	Restated Charity
	£	£		£
Cost of Trading Activity				
- Trading Activities - cost of Sales	47,304	0	47,304	
- Trading Activity - staff costs	112,596	0	112,596	
- Trading Activity Support costs (incl tax on profit)	50,293	0	85,458	
Cost of Trading Activity as restated 5			245,358	0
- Other Charity Support Costs * previously included in cost of raising funds - now shared between Charitable Activities and Cost of Raising funds	33,143	33,143		
Cost of Raising Funds as previously stated (included trading Activity)	243,336	33,143		
Allocation of support cost for charity fund raising			4,600	4,600
Charity fundraising - staff costs **			7,855	7,855
Cost of raising funds as restated 6			12,455	12,455
Staff Costs on raising funds	7,855	7,855		
Staff Costs on governance	3,927	3,927		
Staff Costs on Charitable Activities	27,491	27,491	27,491	27,491
Functions & Fund raising expenses	7,281	7,281	7,281	7,281
Welsh classes	6,748	6,748	6,748	6,748
London Welsh Magazine	9,363	9,363	9,363	9,363
Allocation of support cost for charitable activity			18,400	18,400
Charitable activities ** 7	62,665	62,665	69,283	69,283
Charity Governance & Administration **	10,510	10,510		
Trading Support costs	24,748			
Governance, Administration & Support costs	35,258	10,510		
Governance,				
- Staff costs on Charitable Governance			3,927	3,927
- Reporting accountants' fee			3,653	3,653
- Trading Governance			6,583	
8			14,163	7,580
Establishment Support Cost Recharged to LWCL				17,000
Total expenditure	341,259	106,318	341,259	106,318

* 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. In previous years this cost has been included in cost of raising funds - now in order to better align with Charity reporting guidelines, it is included in Support costs.

** Improved analysis of staff time has allowed Charitable staffing costs to be analysed and more accurately reported.