

COMPANY REGISTRATION NUMBER: 00496469

CHARITY REGISTRATION NUMBER: 219648

**Royal Cambrian Academy of Art
Company Limited by Guarantee
Unaudited Financial Statements
For the year ended
31 December 2018**

Patron; HRH Prince of Wales

**Honorary Members;
Skip Belton, DIPL ARCH, RIBA
Vicky MackDonald
Anne Forrest
Michael Senior
Dr Ivor Davies**

PRITCHETT & CO BUSINESS ADVISERS LIMITED

Chartered Accountants & Chartered Tax Advisers

16 Wynnstay Road

Colwyn Bay

Conwy

LL29 8NB

Royal Cambrian Academy of Art

Company Limited by Guarantee

Financial Statements

Year ended 31 December 2018

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Royal Cambrian Academy of Art
Company Limited by Guarantee
Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 December 2018

President's annual review

The Royal Cambrian Academy has mounted exhibitions of members' work in single artist or group displays, continuing to present Welsh art of quality and status worthy of the Academy. We have added moveable temporary screens in the upstairs gallery in order to be able to show more work/artists.

Workshops and creative sessions, many conducted by our members, have attracted school groups, individual students and practitioners to participate in our educational activities. We thank our education officer, members and others who have assisted in producing the exhibitions or workshops.

I am grateful to all Council members for their time and contribution to the continuing success of the Academy. We must especially thank our office staff and education officer for maintaining our role as a respected academy and exhibiting venue, and for meeting the day-to-day pressures and challenges, often routine and mundane, with enthusiasm and energy.

We are grateful to the volunteers involved in presenting exhibitions, helping with office and shop, adding to our historical online archive, and promoting the RCA via the website and social media. Our promotion through Facebook is now complemented by RCA Pinterest and Instagram sites, created and maintained by RCA members. We are into our second year of film nights with films produced by Exhibition on Screen on artists and current exhibitions: these have attracted good audiences.

Our NOVA Young Artists project transferred to the Aberystwyth Art Centre and then to two separate spaces in Cardiff: in both venues the different spaces and continuous involvement of the artists resulted in radically altered displays and impact. We are most grateful to the teams at these venues for their ambitious and imaginative input: as well as our own staff, special thanks go to Gill Piercy at Aberystwyth, and Richard Higlett in Cardiff. An overall prizewinner was chosen by the panel of artist-selectors: Paul Eastwood was awarded the major prize for his video and performance work; a People's prize for the work attracting the most votes from the visiting public at all three venues was won by painter Alice Roberts. NOVA was a rewarding exercise for the RCA and following our final report to ACW, we have been assessing the nature of a possible successor project.

Once again we were pleased to welcome new members at our last AGM and through the Article 14 process in Council. We showcased a number of eminent non-member artists in a By Invitation exhibition, selected by Stephen West RCA, which featured large works by member Shani Rhys James, alongside a variety of visual art, including ceramicists, sculptors and painters.

This year we were saddened by the news of the death of members Mihangel Jones and Victor Kelly.

Jeremy Yates, President

Royal Cambrian Academy of Art
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Trustees' Annual Report (Incorporating the Director's Report)
Year ended 31 December 2018

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2018.

The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (FRS 102) in preparing the annual report and financial statements of the charity.

This has once more been a challenging year for the Royal Cambrian Academy with a cost saving exercise agreed by Council. The implementation of savings has meant curtailments in some expenditure to do with exhibitions' promotion, invitation mailings and other aspects of the programme. Electronic mail is used to notify members, friends and supporters, this is proving to be a valuable cost saving exercise.

Reference and administrative details

Registered charity name Royal Cambrian Academy of Art

Charity registration number 219648

Company registration number 00496469

Principal office and registered office
Crown Lane
Conwy
LL32 8AN
Wales

The trustees
Jeremy Yates - President
E Tudor Grant
Paul Joyner - Vice President
Peter Holloway
Bev Bell-Hughes
Gilly Thomas
Mick Brown
David Brightmore
Susan Gathercole
J Gardner
Dafydd Lloyd Griffith

Royal Cambrian Academy of Art

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Bankers;	National Westminster Bank Castle Street Conwy LL32 8AN
Independent examiner	Pritchett & Co Business Advisers Limited 16 Wynnstay Road Colwyn Bay Conwy LL29 8NB

Structure, governance and management

The Royal Cambrian Academy of Art is a charitable organisation with limited company status. Its principal activities are the provision of art exhibitions, functions and lectures connected with art and allied subjects. The company is limited by guarantee, not having a share capital, and is a registered charity and is governed by the Memorandum & Articles of the company.

Recruitment and Appointment of Trustees

None of the Members of the Council has any beneficial interest in the company. All of the Members of the Council are members of the company and guarantee to contribute £1 in the event of a winding up.

Trustees come from various backgrounds with a variety of skills and newly appointed trustees undergo an induction to the objectives, scope and policies of the charity and a skills analysis to assess their strengths and any weaknesses which may require further training. Basic training is undertaken by existing staff members and any additional training requirements are assessed upon an ad hoc basis.

All new trustees are provided with Charity Commission guidelines in relation to their responsibilities in respect of the operation of the organisation.

Trustees do not receive any benefits.

Organisational Structure

The business of the Charity is managed by trustees, appointments are made at the Annual General Meeting in accordance with the Memorandum & Articles of the Charity. Trustees are responsible for developing the Charity's policy structure, and ensuring that the Charity is managed effectively. The aim is to secure the welfare of the Charity, thus enabling the work to continue in the future.

The board met 7 times during 2018. Additional meetings may be convened should the need arise. The trustees may appoint one or more sub-committees in accordance with the Memorandum & Articles of the Company.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Structure, governance and management *(continued)*

Areas of Risk to the Organisation

The trustees anticipate that the major risk is the lack of sales and funding. In order to mitigate the risk, the Charity ensures that funds are spent in accordance with the guidance given, regular reports are submitted to external funders, detailing developments during the specified period. In addition, the external funders annually inspect the records to ensure the grant conditions are adhered to.

In order to eliminate this risk, several applications for funding will be made to seek stability for the organisation.

Objectives and activities

The aims and objectives of the company are:

- to promote the arts of painting, engraving, sculpture, architecture and other forms of art in Wales
- to promote information on subjects relating to art by lectures, discussions, correspondence with public bodies and individuals or otherwise and by the provision of reference and other libraries
- to provide rooms and other facilities for the holding and conducting of exhibitions, classes, meetings and other like matters
- to encourage the study of art and for that purpose award prizes or other rewards or distinctions.

There has been no change to these during the year.

The members of the Council have paid due regard to guidance issued by the Charity Commission on public benefit when reviewing the charity's aims and objectives and planning future activities.

Staffing

Since the last Annual General Meeting there have been no changes in the staffing of the RCA, the staff are as follows; David Huntington Gallery Technician, Nadine Carter Smith Education Office, Joan Halliday Gallery Administrator, Maggy Owen Assistant Gallery Administrator.

The Academy is greatly indebted to a band of volunteers who give freely of their time and energy in a variety of tasks. Without their unstinting contribution the work of the RCA would be much diminished.

Events 2018

The gallery held 16 exhibitions in 2018 with opportunities for members to show works in group exhibitions. The gallery hosted a successful fund raising exhibition in a Centenary Celebration of our member and benefactor the late Kyffin Williams. Also in conjunction with Denbighshire County Council the Denbighshire Kyffin Williams Art Competition was exhibited at the gallery.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Objectives and activities *(continued)*

Education

The Royal Cambrian Academy has a varied, lively and high quality programme of education classes, workshops and events, seeing education in the broadest sense as one of the most important parts of its portfolio of activities.

The core programme for each year is comprised of Workshops, Master Classes, Life Drawing sessions and Outreach Project sessions, all of which are enthusiastically received and well attended.

The programme aims to attract a wide range of participants of all ages and levels of experience. Sessions are held both in-house and externally and cover an extensive and varied range of concepts and activities. Thanks should go to the large number of Artists contributing to teaching and leading these events and also to the volunteers who assist in their smooth running

Strategic report

The following sections for achievements and performance and financial review form the strategic report for the charity.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Achievements and performance

The Royal Cambrian Academy plays an active part in the local community, and visual arts in Wales and beyond. With a programme of exhibitions the gallery looks to involve and engage people at all levels in the arts, from artists young and old and the viewing public.

During 2018 workshops for schools, colleges and the general public were provided, these included free outreach sessions which were run in conjunction with Venue Cymru and TakepArt, Llawn Festival, Denbighshire County Council and others. A further part of our Outreach Programme proved art clubs for pupils with special needs and young people who are home educated.

The RCA offers life drawing classes, the classes are mixed and include art students, sixth formers, artists and members of the community.

Artist led workshop sessions are held once a month, they offer the opportunity to create artwork with an experienced artist using differing materials and techniques. These all day practical sessions attract a wide group of participants, from amateur and established local artists to students from schools and colleges together with members of the wider community.

The Academy continues to offer Workshops in the Community (Outreach Projects) – workshop sessions placed outside the gallery with small local community groups. A member of staff from the gallery is on the steering group for the increasingly popular Llawn Festival.

During the year several Educational talks/lectures have taken place at the gallery and many educational groups including schools have booked gallery tours given by the Education Officer.

A large number of participants who take part in our education workshops/sessions are Welsh speaking, we ensure that our workshop facilitators are where possible bilingual.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Financial review

The charity adopted a reserves policy. The Company will aim to maintain an unrestricted fund cash reserve equivalent to the current two months running costs, and endeavour to increase this amount to the equivalent of the four months running costs.

The trustees are confident of the charity's ability to continue as a going concern.

Asset cover for funds

Note 22 sets out the analysis of the assets attributable to the various funds and a description of the trusts. These assets are sufficient to meet the Charity's obligations on a fund by fund basis.

Exemptions from Disclosure

There are no Exemptions from Disclosure of the names of the trustees or of the charity's principal address or the disclosure of the name(s) of any chief executive office or other senior staff member(s).

Funds held as custodian trustee on behalf of others

There are no Funds held as custodian trustee on behalf of others to be reported.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Trustees responsibilities

The trustees, who are also directors of Royal Cambrian Academy of Art for the purposes of company law, are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities (2015 (FRS 102));
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board of Members of the Council

The trustees' annual report was approved on and signed on behalf of the board of trustees by:

Jeremy Yates
President

Royal Cambrian Academy of Art

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Academicians 2018

Keith Andrews
Peter Archer
Gerry Ball
Lesley Barker
David Barron
John Baum
Sonja Benskin Mesher
Bev Bell Hughes
David Bower
David Brightmore
Ann Bridges
Mick Brown
Malcom Brookes
Lynne Cartilidge
Carl Chapple
David Chapman
Howard Coles
Graham Cox
Gerald Dewsbury
George Drought
Heather Eastes
Malcom Edwards
Peter Edwards
Ann Catrin Evans
Jan Gardner
Keith Gardner
Susan Gathercole
Eluned Tudor Grant
Maurice Greenwood
Gareth Griffith
Mary Griffiths
David Lloyd Griffiths
David Griffiths
Daisy Wyn Griffith
John Hedley
Peter Holloway
Chloe Holt
David Humphreys
Maggie Humphry
Harry Holland
Audrey Hind
Philippa Jacobs
Ben Johnson
Clive Hicks Jenkins
David Jones
Mary Lloyd Jones
Elfyn Jones
Julia Jones
Paul Joyner
Victor Kelly
Prof Mike Knowles
Ann Lewis
Elfyn Lewis

Royal Cambrian Academy of Art

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2018

Academicians 2018 (continued)

Christine Kowal Post
Diane Lawrenson
Karel Lek
Wendy Lawrence
Sally Matthews
Wendy Mayer
Patricia McParlin
Eleri Mills
Dave Merrills
John Meirion Morris
Barry Morris
David Mortimer Jones
Ann Mumford
Robert Newell
Gareth Nash
Ondre Nowakowski
Alan Palmer
Louise Payne
Gareth Parry
Ian Phillips
Rob Piercey
Tim Pugh
Joy Ravenscroft
Pea Restall
Malcom Ryan
Shani Rhys James
Harry Robertson
Alan Salisbury
Colin See-Paynton
Rorik Smith
Andrew Smith
John Smout
Iola Spafford
Elaine Preece Stanley
Ceri Thomas
Gilly Thomas
Ruth Thomas
Nicole Wakefield
Meri Wells
Stephen West
Bronwyn Williams
Catrin Williams
Vivienne Williams
Ian Williams
Douglas Wilson
David Williams Ellis
David Woodford
Jeremy Yates

Royal Cambrian Academy of Art

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of Royal Cambrian Academy of Art

Year ended 31 December 2018

We report to the trustees on our examination of the financial statements of Royal Cambrian Academy of Art ('the charity') for the year ended 31 December 2018 which are set out on pages 10 to 13.

Responsibilities and basis of report

As the charity trustees of the company (and also directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006.

Having satisfied ourselves that the financial statements of Royal Cambrian Academy of Art are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, we report in respect of our examination of Royal Cambrian Academy of Art financial statements as carried out under section 145 of the Charities Act 2011. In carrying out our examination we have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

We have completed our examination. We confirm that no matters have come to our attention in connection with the examination giving us cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

We have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Pritchett & Co Business Advisors Limited
Independent Examiner
16 Wynnstay Road
Colwyn Bay
Conwy
LL29 8NB

Royal Cambrian Academy of Art
Company Limited by Guarantee
Statement of Financial Activities
(including income and expenditure account)
Year ended 31 December 2018

		2018		2017
		Unrestricted		Total funds
	Note	funds	Total funds	Total funds
		£	£	£
Income and endowments				
Donations and legacies	5	11,579	11,579	36,391
Charitable activities	6	23,767	23,767	22,255
Other trading activities	7	36,229	36,229	28,274
Investment income	8	36	36	159
Total income		<u>71,611</u>	<u>71,611</u>	<u>87,079</u>
Expenditure				
Expenditure on raising funds:				
Costs of other trading activities	9	3,937	3,937	3,557
Expenditure on charitable activities	10,11	64,881	64,881	105,239
Total expenditure		<u>68,818</u>	<u>68,818</u>	<u>108,796</u>
Net income/(expenditure) and net movement in funds				
		<u>2,793</u>	<u>2,793</u>	<u>(21,717)</u>
Reconciliation of funds				
Total funds brought forward		62,614	62,614	84,331
Total funds carried forward		<u>65,407</u>	<u>65,407</u>	<u>62,614</u>

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

The notes on pages 15 to 22 form part of these financial statements.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Statement of Financial Position

31 December 2018

	Note	2018 £	£	2017 £
Fixed assets				
Tangible fixed assets	17		2,863	3,354
Current assets				
Stocks	18	500		500
Debtors	19	3,902		1,675
Cash at bank and in hand		64,248		68,710
		68,650		70,885
Creditors: amounts falling due within one year	20	6,106		11,625
Net current assets			62,544	59,260
Total assets less current liabilities			65,407	62,614
Net assets			65,407	62,614
Funds of the charity				
Unrestricted funds			65,407	62,614
Total charity funds	22		65,407	62,614

For the year ending 31 December 2018 the charity 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 in accordance with the provisions applicable to companies subject to the small companies' regime.

These financial statements were approved by the board of trustees and authorised for issue on, and are signed on behalf of the board by:

Jeremy Yates

President

Company number: 00496469

The notes on pages 15 to 22 form part of these financial statements.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 December 2018

	2018	2017
	£	£
Cash flows from operating activities		
Net income/(expenditure)	2,793	(21,717)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	491	14,238
Other interest receivable and similar income	(36)	(159)
Interest payable and similar charges	1,204	1,601
Accrued income	(840)	(14,026)
<i>Changes in:</i>		
Stocks	–	500
Trade and other debtors	(2,227)	570
Trade and other creditors	(4,679)	(2,599)
Cash generated from operations	(3,294)	(21,592)
Interest paid	(1,204)	(1,601)
Interest received	36	159
Net cash used in operating activities	(4,462)	(23,034)
Net decrease in cash and cash equivalents	(4,462)	(23,034)
Cash and cash equivalents at beginning of year	68,710	91,745
Cash and cash equivalents at end of year	64,248	68,711

The notes on pages 15 to 22 form part of these financial statements.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements

Year ended 31 December 2018

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Crown Lane, Conwy, LL32 8AN, Wales.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Incoming resources with related expenditure; Where incoming resources have related expenditure (as with fundraising or contract income) the incoming resources and related expenditure are reported gross in the SoFA.

- Grants and donations; Grants and donations are only included in the SoFA when the charity has unconditional entitlement to the resources.

- Tax reclaims on donations and gifts; Incoming resources from tax reclaims are included in the SoFA at the same time as the gift to which they relate.

- Contractual income and performance related grants; This is only included in the SoFA once the related goods or service have been delivered.

- Gifts in kind; Gifts in kind are accounted for at a reasonable estimate of their value to the charity or the amount actually realised. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the charity. Gifts in kind for use by the charity are included in the SoFA as incoming resources when receivable.

- Donated services and facilities; These are only included in the incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

- Volunteer help; The value of any volunteer help received is not included in the accounts but is described in the trustees' annual report.

- Investment income; This is included in the accounts when receivable.

- Investment gains and losses; This includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

3. Accounting policies *(continued)*

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Improvements to buildings	-	10% straight line
Fixtures & Fittings	-	10% straight line
Furniture & Equipment	-	10% straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

3. Accounting policies *(continued)*

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The company is limited by guarantee, not having a share capital, and is a registered charity governed by the Memorandum & Articles of the company.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Donations				
Donations and gifts	2,675	2,675	3,559	3,559
Grants				
Grants receivable for core activities; Arts Council of Wales	3,904	3,904	27,832	27,832
Grants receivable; CCBC, Town Council	5,000	5,000	5,000	5,000
	<u>11,579</u>	<u>11,579</u>	<u>36,391</u>	<u>36,391</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Education/art classes	11,359	11,359	8,172	8,172
Non-members' fees	1,380	1,380	2,870	2,870
Members' fees & Members applications	11,028	11,028	11,213	11,213
	<u>23,767</u>	<u>23,767</u>	<u>22,255</u>	<u>22,255</u>

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

7. Other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Commission on art sales	23,738	23,738	17,474	17,474
Books, catalogues, cards, posters, prints & craft	6,301	6,301	8,624	8,624
Sundry shop sales and room hire	5,675	5,675	1,500	1,500
Postcard Auction	–	–	130	130
Digital exhibition fees	15	15	–	–
NAW- New Art Wales	–	–	546	546
Fundraising Income	500	500	–	–
	<u>36,229</u>	<u>36,229</u>	<u>28,274</u>	<u>28,274</u>

8. Investment income

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Bank interest receivable	<u>36</u>	<u>36</u>	<u>159</u>	<u>159</u>

9. Costs of other trading activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Fundraising trading costs - purchases	<u>3,937</u>	<u>3,937</u>	<u>3,557</u>	<u>3,557</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Charitable Activities	8,627	–	8,627
Support costs	56,254	–	56,254
	<u>64,881</u>	<u>–</u>	<u>64,881</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £
Charitable Activities	32,236	–	32,236
Support costs	66,332	6,671	73,003
	<u>98,568</u>	<u>6,671</u>	<u>105,239</u>

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

11. Expenditure on charitable activities by activity type

	Activities undertaken		Total funds 2018	Total fund 2017
	directly	Support costs		
	£	£	£	£
Support Costs	–	56,254	56,254	73,003
Charitable Activities	8,627	–	8,627	32,236
	<u>8,627</u>	<u>56,254</u>	<u>64,881</u>	<u>105,239</u>

12. Analysis of support costs

	Analysis of support costs		Total 2018	Total 2017
	£	£		
Staff costs	39,886		39,886	41,504
Rent & Rates	739		739	647
Light & Heat	3,835		3,835	3,624
Insurance	1,872		1,872	2,801
Repairs & Maintenance	1,581		1,581	2,458
Travel & Transport	591		591	195
Telephone & Fax	859		859	799
Stationary, printing & Postage	937		937	1,102
Sundry	397		397	785
Advertising & PR	497		497	907
Professional Fees	1,565		1,565	1,083
Accountancy Fees	1,800		1,800	1,260
Depreciation	491		491	14,237
Bank charges & Other Charges	1,204		1,204	1,601
	<u>56,254</u>		<u>56,254</u>	<u>73,003</u>

13. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	491	14,238
	<u>491</u>	<u>14,238</u>

14. Independent examination fees

	2018	2017
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	1,200	1,200
	<u>1,200</u>	<u>1,200</u>

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

15. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018	2017
	£	£
Wages and salaries	39,595	41,362
Employer contributions to pension plans	291	142
	<u>39,886</u>	<u>41,504</u>

	2018	2017
	No.	No.
Number of other staff - Governance & Education	<u>4</u>	<u>5</u>

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

16. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

17. Tangible fixed assets

	Land and buildings £	Fixtures and fittings £	Equipment £	Total £
Cost				
At 1 January 2018 and 31 December 2018	<u>490,566</u>	<u>20,785</u>	<u>18,354</u>	<u>529,705</u>
Depreciation				
At 1 January 2018	490,566	17,431	18,354	526,351
Charge for the year	–	491	–	491
At 31 December 2018	<u>490,566</u>	<u>17,922</u>	<u>18,354</u>	<u>526,842</u>
Carrying amount				
At 31 December 2018	<u>–</u>	<u>2,863</u>	<u>–</u>	<u>2,863</u>
At 31 December 2017	<u>–</u>	<u>3,354</u>	<u>–</u>	<u>3,354</u>

18. Stocks

	2018	2017
	£	£
Raw materials and consumables	<u>500</u>	<u>500</u>

Royal Cambrian Academy of Art

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 December 2018

19. Debtors

	2018	2017
	£	£
Trade debtors	2,904	705
Prepayments and accrued income	998	952
Other debtors	–	18
	<u>3,902</u>	<u>1,675</u>

20. Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	4,285	9,642
Accruals and deferred income	–	840
Social security and other taxes	21	1,143
Other creditors	1,800	–
	<u>6,106</u>	<u>11,625</u>

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £291 (2017: £142).

22. Analysis of charitable funds

Unrestricted funds

	At 1 January 2018 £	Income £	Expenditure £	At 31 December 2018 £
Unrestricted Funds	(3,663)	71,611	(68,818)	(870)
Designated Funds (Education)	66,278	–	–	66,278
	<u>62,615</u>	<u>71,611</u>	<u>(68,818)</u>	<u>65,407</u>