

# Traddodiadau Cerdd Cymru / Music Traditions Wales (trac) Limited

(A company limited by guarantee)

## Annual Report and Financial Statements for the Year Ended 31 March 2024

Traddodiadau Cerdd Cymru / Music Traditions Wales (trac) Limited

### Reference and Administrative Details

#### Trustees

Dr Keith Floyd (resigned)  
Prof. James Blythe (chair)  
Dr Hugh Jones (treasurer)  
Elisa Morris  
Ywain Myfyr  
Dr Stuart Robb  
Sarah Smith (resigned)  
Gwenno Roberts

Secretary D KilBride

### Registered Office

Gorphwysfa Chapel, New Road, Skewen SA10 6YF

Company Registration Number 4106014

Charity Registration Number 1085422

Independent Examiner Frank S Lachman & Co

31 Fairview Way  
Edgware  
Middlesex  
HA8 8JE

# Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2024.

## Commencement of activities

The charity is a charitable company and was set up on 10th November 2000 when it took over the assets and liabilities of the former "trac". It became a registered charity on 7th March 2002.

## Governing document

The charity is controlled by its governing document, its memorandum and articles of association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. Members of the charitable company guarantee to contribute an amount not exceeding £10 to the assets of the charitable company in the event of winding up.

## Recruitment and appointment of new trustees

Members of the board, who are directors for the purpose of company law and trustees for the purpose of charity law, who serve during the year and up to the date of this report, are set out above.

The minimum number of trustees required is three with no maximum. The trustees are appointed by the members at the Annual General Meeting or otherwise appointed by the Trustees where there is a vacancy.

## Induction and training of new trustees

All new trustees receive information on their obligations and responsibilities as trustees and receive a full induction to the charity's aims and objectives. Training is made available on trustees' roles and responsibilities as required.

## Organisational structure

During 2023 - 2024, the full time Director, appointed by the trustees, managed the day to day operations of the charity together with the part time Company Manager and part time Administrator. We re-budgeted in order to employ a Marketing and Communications Officer and a Community Engagement Officer funded from project income. Both positions are part time. A team of freelance staff provided the delivery of activities.

## Objectives and aims

The charity's principal activity is as a Folk Development Agency for Wales. Its objectives are to increase awareness, understanding and confidence in the music, song and dance tradition within Wales; and to raise awareness outside Wales of traditional music activities taking place, and to create links with other organisations and participants throughout the world.

## Charitable activities

Activities during the year under review are recovering from the Arts Council of Wales' (ACW) decision not to include us in their multi-year funding arrangements, which ceased both funding availability and all options for face-to-face activity apart from one whole organisation planning session in December 2023. Trac Cymru's work to represent and develop the traditional folk arts of Wales carried on, with staff continuing to work from home and [HJ1] [RM2] [RM3] [RM4] meetings of staff and Board moving online.

## Recruitment

Our community engagement officer, Simon Morris left to become CEO of Rubicon dance and part of his work was taken on by Antwn Owen Hicks. We engaged Megan Cox to take on some additional administrative work as a freelancer.

## Arts Council Wales' Investment Review

We approached the start of the financial year preparing for what we thought would be a successful application to ACW's Investment Review for multi-year funding. In September 2023 we were informed that this was unsuccessful. We spent the remainder of the year re-grouping, reprioritising our activities and continuing to deliver our pre-existing funding agreements.

The board worked closely with us over the following three months to examine our structure and options. They concluded that with careful management the organisation would continue as a 'going concern' while we developed alternative income streams to deliver our charitable aims.

## Wales Folk Awards

The awards held in April 2023; its aim, to raise the profile of traditional music from Wales, with recordings broadcast on BBC Radio Wales and BBC Radio Cymru.

## International work

Trac's Cymru Director attended the online versions of the events we regularly attend: English Folk Expo and WOMEX.

Our Director made a successful application to Wales Arts International to attend the International Indigenous Music Summit in T'karonto (Toronto, Canada) in May.

We continued to serve on the board of the European Folk Network, a pan-European network with 163 members. Trac Cymru is a founder member, after considerable planning and negotiations with partners in the UK and Europe. This year's annual Conference was held at Manchester during the English Folk Expo showcase festival.

We also helped co-ordinate the Pan World Indigenous Music Network in partnership with Matariki Cultural Foundation based in Aotearoa : New Zealand.

## Gwerin Gwahanol

GG is our first approach to deploying Wales' arts of tradition for social benefit. It's a small project that uses songs for young mothers and for young people who do not necessarily consider that these are 'their' songs. The first half was centred on a Rhondda Cynon Taff charity, Mothers Matter. The second half was developed in partnership with Tân Cerdd and delivered in Grange Pavilion, Cardiff.

## Cân y Cymoedd

CC is a Heritage Fund supported project examining the relationship between communities in Rhondda Cynon Taf and Neath Port Talbot with their built and intangible heritage, modelled on When Lancashire Sings developed by DeBrocas Education and Lancashire Libraries. Following a three-year award of £206,000 we are delivering in both counties. This work is being delivered by Jordan Price Williams our Communities and Education Officer and freelancer Antwn Owen Hicks.

## Gwerin Ifainc

This strand brings together youth engagement. We delivered two residential events (Gwerin Gwallgo and Gwerin Iau at Canolfan yr Urdd Glan Llyn, a peripatetic series of one day events with a number of Local authority Music Services and a presence in partnership with Menter Caerdydd's Tafwyl over 2023-2024 and continuing onwards into winter of 2024.

## Online Resources

Trac Cymru continued to offer an information service to the public and to the traditional music sector, including a directory of performers, tutors and instrument makers, and online resources for learning traditional songs and music. The new website launched in April 2021, in preparation for which the content and Directory were comprehensively updated. To accompany the new site, a new logo was introduced together with a revised short name of Trac Cymru rather than trac. Newsletters were sent out at least monthly and other online resources were developed by a dedicated Online Administrator, including Spotify playlists, the Flickr photographic archive and the Instagram account.

## Partnerships

Notable partnerships in 2023-included, BBC Radio Wales and BBC Radio Cymru, English Folk Expo, Music Wales partnership, Tŷ Cerdd, Wales Arts International, Feiseann nan Gadhael, TRACS, Creative Wales, Musicians Union, Upbeat Music and Arts, DeBrocas Arts, Focus Wales.

## 3. Reserve policy

The results of the charity are shown in the statement for financial activities. The trustees have a policy whereby the unrestricted funds not committed or invested in fixed assets (the free reserves) held by the charity should be between 3 and 6 months of expenditure. The present level of reserves available to the charity is minimal as we rebuild a solid financial footing for our future.

## 4. Principal funding sources

In 2023-24 Trac Cymru continued to benefit from Arts Council for Wales Revenue funding up to the end of the financial year, plus a limited amount of Project Funding. Additional funding was gained from grants from Anthem, Tŷ Cerdd and CCSkills. The organisation was awarded £30,000 Transition Support from ACW for future development. This was augmented by a small amount generated by Mari Lwyd kit and book sales.

## 5. Assessment of our trading position

The loss of ACW core funding, which has been approximately £80,000 per year, from April 2024 is of serious concern. We have received a 3-year Heritage Lottery award of £206,000 which is mainly project funding, but includes some elements of core funding. We continue to apply to ACW and other funds for project grants, and these applications will include appropriate core funding support.

The essential difference to our funding position is that project awards are reclaimed retrospectively, but the loss of ongoing core funding may leave us with a reduced cashflow buffer. We are currently mapping cashflow requirements over the coming months.

**The annual report was approved by the trustees of the charity on 16 December 2024 and signed on its behalf by:**

James Blythe, signed digitally

Dr J W D Blythe

Chair

**INDEPENDENT EXAMINER'S REPORT ON THE ACCOUNTS OF Traddodiadau Cerdd Cymru/Music Traditions Wales (trac) Limited** (COMPANY REGISTRATION NUMBER: 04106014)

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2024 which are set out in pages 7 to 13.

**RESPONSIBILITIES AND BASIS OF REPORT**

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

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**INDEPENDENT EXAMINER'S REPORT**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts 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 accounts 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)

I 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

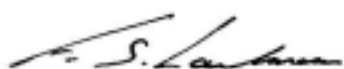
Frank S Lachman

Chartered Accountant Independent Examiner

31 Fairview Way,

Edgware,

Middlesex HA8 8JE



6th December 2024

# Traddodiadau Cerdd Cymru/Music Traditions Wales (trac) Limited

## Statement of Financial Activities (incorporating an Income and Expenditure Account) For the Year Ended 31st March 2024

	<u>Notes</u>	Restricted Funds	2024 Unrestricted Funds		Total Funds 2024	Restricted Funds	2023 Unrestricted Funds		Total Funds 2023
			Designated	General			Designated	General	
<b>Income</b>									
Grants and donations	2	56,068	-	83,836	<b>139,904</b>	28,016	-	86,999	<b>115,015</b>
Investment income		-	-	468	<b>468</b>	-	-	540	<b>540</b>
Charitable activities	3	-	-	2,631	<b>2,631</b>	-	-	13,985	<b>13,985</b>
Total income		<u>56,068</u>	<u>-</u>	<u>86,935</u>	<b><u>143,003</u></b>	<u>28,016</u>	<u>-</u>	<u>101,524</u>	<b><u>129,540</u></b>
<b>Expenditure</b>									
Charitable Activity Costs	5	<u>41,641</u>	<u>-</u>	<u>117,900</u>	<b><u>159,541</u></b>	<u>73,774</u>	<u>-</u>	<u>115,274</u>	<b><u>189,048</u></b>
Total expenditure		<u>41,641</u>	<u>-</u>	<u>117,900</u>	<b><u>159,541</u></b>	<u>73,774</u>	<u>-</u>	<u>115,274</u>	<b><u>189,048</u></b>
<b>Net Income</b>		14,427	-	(30,965)	<b>(16,538)</b>	(45,758)	-	(13,750)	<b>(59,508)</b>
<b>Reconciliation of Funds</b>									
Funds brought forward		3,203	-	42,423	<b>45,626</b>	48,961	-	56,173	<b>105,134</b>
Transfer between Funds			-	-	-	-	-	-	-
<b>Funds carried forward</b>	11	<u>17,630</u>	<u>-</u>	<u>11,458</u>	<b><u>29,088</u></b>	<u>3,203</u>	<u>-</u>	<u>42,423</u>	<b><u>45,626</u></b>

The Statement of Financial Activities includes all gains and losses recognised in the year

All income and expenditure derive from continuing activities.

**Traddodiadau Cerdd Cymru/Music Traditions Wales (trac) Limited****Balance Sheet at 31st March 2024**

	Notes	2024	2023
<b>Fixed assets</b>			
Tangible assets	7	<u>951</u>	<u>2,091</u>
<b>Current assets</b>			
Debtors	8	7,059	2,330
Cash at bank and in hand		<u>28,457</u>	<u>47,223</u>
<b>Total current assets</b>		35,516	49,553
Creditors - amounts falling due within one year	9	<u>7,379</u>	<u>6,018</u>
<b>Net current assets</b>		<u>28,137</u>	<u>43,535</u>
<b>Net assets</b>		<u><u>29,088</u></u>	<u><u>45,626</u></u>

**The Funds of the Charity**

Restricted		17,630	3,203
General		11,458	42,423
<b>Total Charity Funds</b>	10	<u><u>29,088</u></u>	<u><u>45,626</u></u>

For the year ended 31 March 2024 the company was entitled to exemption under section 477(2) of the Companies Act 2006.

No members have required the company to obtain an audit of its accounts for the year in question accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for:

- ensuring the company keeps accounting records which comply with section 386; and
- preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit and loss for the financial year in accordance with the section 393, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

The accounts have been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime under Companies Act 2006.

Approved by the directors on 6th December 2024, and signed on their behalf by Dr J W D Blythe - Chair of Trustees

James Blythe, signed digitally  
**Dr J W D Blythe**  
**Chair**



**Notes to the Financial Statements  
For the Year Ended 31st March 2024**

**1 Accounting Policies**

**(a) General**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: 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 2022) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Company meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

**(b) Tangible Fixed Assets**

Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, as follows:

Fixtures, fittings and equipment	straight line over three years
----------------------------------	--------------------------------

**(c) Income**

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met, it is probable that the income will be received and the amount can be measured reliably. Income from grants, whether capital or revenue grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants has been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

**(d) Expenditure**

All expenditure is accounted for on an accruals basis. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. It is probable that settlement will be required and the amount of the obligation can be measured reliably.

Costs are allocated to a category either because such costs are directly incurred in relation to such category, or because they are support costs in respect of which an apportionment has been made between the categories.

Support costs consist of infrastructure costs for salaries, premises, office administration. Such costs are apportioned on a reasonable and consistent basis to the various categories with a view to determining, as accurately as possible, the total resources expended for each category. The basis of apportionment used is either a function of staff time applied to a given activity, or an estimate of the proportion of costs associated with the same, or a combination of both.

Direct and Support costs are separately shown by natural classification in Note 5 to these accounts for each

**(e) Taxation**

The company as a registered charity (number 1085422) is exempt from taxation on most investment income insofar as it is applied for charitable purposes. The company is also exempt from taxation on capital gains.

**(f) Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**Notes to the Financial Statements**  
**For the Year Ended 31st March 2024**

**(g) Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**2 Grants and donations**

	2024			2023		
	Restricted Funds	Unrestricted Funds	Total Funds	Restricted Funds	Unrestricted Funds	Total Funds
<b>Grants</b>						
Arts Council Wales	-	81,445	<b>81,445</b>	-	82,351	<b>82,351</b>
Arts Council Wales Project funding	26,065	-	<b>26,065</b>	4,872	2,922	<b>7,794</b>
Arts Council Wales Cost of Living Grant	-	906	<b>906</b>	-	-	<b>-</b>
Arts Council Wales International Indigenous Music	2,860	-	<b>2,860</b>	-	-	<b>-</b>
National Lottery Heritage Grant	27,143	-	<b>27,143</b>	-	-	<b>-</b>
Rhondda Cynon Taf County Borough Council	-	-	<b>-</b>	960	-	<b>960</b>
Welsh Government	-	-	<b>-</b>	-	1,393	<b>1,393</b>
WCVA TSRF Grant	-	-	<b>-</b>	10,650	-	<b>10,650</b>
Ty Cerdd	-	-	<b>-</b>	1,500	-	<b>1,500</b>
Anthem Music Fund Wales	-	-	<b>-</b>	6,034	-	<b>6,034</b>
PRS Foundation	-	-	<b>-</b>	4,000	-	<b>4,000</b>
<b>Donations</b>						
General Donations	-	1,485	<b>1,485</b>	-	333	<b>333</b>
	<u>56,068</u>	<u>83,836</u>	<u>139,904</u>	<u>28,016</u>	<u>86,999</u>	<u>115,015</u>

**3 Charitable activity**

	2024		2023	
	Unrestricted Funds	Total Funds	Unrestricted Funds	Total Funds
<b>Fees, commissions, reimbursements and sundry</b>				
Sundries, recharges and other income	2,631	<b>2,631</b>	13,985	<b>13,985</b>
	<u>2,631</u>	<u>2,631</u>	<u>13,985</u>	<u>13,985</u>

**4 Net outgoing resources**

	2024	2023
Net outgoing resources are stated after charging:		
Examiner's fee	1,700	1,900
Depreciation	1,140	1,140

**Traddodiadau Cerdd Cymru/Music Traditions Wales (trac) Limited**

**Statement of Financial Activities**

**(incorporating an Income and Expenditure Account) For the Year Ended 31st March 2024**

**Notes to the Financial Statements**  
**For the Year Ended 31st March 2024**

**5 Charitable Activity Costs**

	Support costs Unrestricted	Support costs Restricted	Charitable Costs Unrestricted	Charitable Costs Restricted	Total 2024
Creative team salaries	16,248	-	66,372	25,381	108,001
Employer NI	-	-	4,084	1,876	5,960
Employers Pension contributions	-	-	1,799	317	2,116
Production costs	-	-	2,445	8,738	11,183
Marketing and publicity	354	-	32	1,800	2,186
<b>Support costs</b>					
Insurance	677	-	-	-	677
Recruitment	-	-	-	-	-
Fundraising	-	-	-	-	-
Office costs	1,577	116	-	-	1,693
Bank charges	195	-	-	-	195
Website development	383	-	-	-	383
Communications	116	-	-	-	116
Conferences and events	3,455	211	-	-	3,666
Training	342	270	-	-	612
Subscriptions	879	-	-	-	879
Accountancy and Statutory costs	1,712	-	-	-	1,712
Bookkeeping	4,500	-	-	-	4,500
Travel, accommodation and subsistence	6,831	2,932	-	-	9,763
Depreciation	1,140	-	-	-	1,140
Work at home expenses	4,759	-	-	-	4,759
<b>Total 2024</b>	<b>43,168</b>	<b>3,529</b>	<b>74,732</b>	<b>38,112</b>	<b>159,541</b>

Comparatives 2023	Support costs Unrestricted	Support costs Restricted	Charitable Costs Unrestricted	Charitable Costs Restricted	Total 2023
Creative team salaries	14,731	-	58,056	34,537	107,324
Employer NI	-	-	2,931	1,260	4,191
Employers Pension contributions	-	-	1,543	190	1,733
Production costs	-	-	10,292	30,806	41,098
Marketing and publicity	2,228	-	3,520	1,394	7,142
<b>Support costs</b>					
Insurance	627	-	-	-	627
Recruitment	838	-	-	-	838
Fundraising	1,052	-	-	3,521	4,573
Office costs	2,171	635	-	-	2,806
Bank charges	83	-	-	-	83
Website development	545	-	-	-	545
Communications	1,157	-	-	120	1,277
Conferences and events	834	-	-	60	894
Training	519	-	-	20	539
Subscriptions	929	-	-	-	929
Accountancy and Statutory costs	1,913	-	-	-	1,913
Bookkeeping	3,037	-	-	-	3,037
Travel, accommodation and subsistence	6,045	-	-	-	6,045
Depreciation	1,140	-	-	-	1,140
Work at home expenses	1,083	-	-	1,231	2,314
<b>Total 2023</b>	<b>38,932</b>	<b>635</b>	<b>76,342</b>	<b>73,139</b>	<b>189,048</b>

**Notes to the Financial Statements  
For the Year Ended 31st March 2024**

**6 Staff costs**

	2024	2023		Number of Employees 2024	2023
Salaries	112,760	109,638	Charitable activities	5	4
Social security costs	5,960	4,191	Support	1	1
Pension costs	2,116	1,733			
	<u>120,836</u>	<u>115,562</u>		<u>6</u>	<u>5</u>

No trustees, nor any persons connected to them, have received any remuneration or benefits from the charity during the year

Trustees received £xxx in total for the year in connection with reimbursed expenses. (2023: £445)

No employee had salary or benefits in excess of £60,000 (2023 none)

**7 Tangible fixed assets**

	Fixtures fittings & equipment	Total
<b>Cost</b>		
At 1st April 2023	3,421	3,421
Additions	-	-
At 31st March 2024	<u>3,421</u>	<u>3,421</u>
<b>Depreciation</b>		
At 1st April 2023	1,330	1,330
Charge for the year	1,140	1,140
At 31st March 2024	<u>2,470</u>	<u>2,470</u>
<b>Net book value</b>		
At 31st March 2024	<u>951</u>	<u>951</u>
At 31st March 2023	<u>2,091</u>	<u>2,091</u>

**8 Debtors**

	2024	2023
Trade debtors	352	390
Prepayments and accrued income	6,707	1,940
	<u>7,059</u>	<u>2,330</u>

**9 Creditors - amounts falling due within one year**

	2024	2023
Trade creditors	2,274	1,171
Other taxation and social security	2,234	2,875
Accruals and other creditors	2,871	1,972
	<u>7,379</u>	<u>6,018</u>

## Traddodiadau Cerdd Cymru/Music Traditions Wales (trac) Limited

### Notes to the Financial Statements For the Year Ended 31st March 2024

#### 10 Reconciliation of movements in funds

	Balance at 1 April 2023	Income	Expenditure	Movement	Balance at 31 March 2024
<b>Unrestricted Funds</b>					
- General	42,423	86,935	(117,900)	-	<b>11,458</b>
<b>Restricted Funds</b>	3,203	56,068	(41,641)	-	<b>17,630</b>
	<u>45,626</u>	<u>143,003</u>	<u>(159,541)</u>	<u>-</u>	<u>29,088</u>

The above funds comprise:

**General Fund:** are monies which can be used by the Trustees at their discretion for any purpose and which have not been designated by them previously

**Restricted Fund:** can only be used for the purpose specified by the donor when making the donation.

#### 11 Analysis of net assets between funds

	Tangible Fixed Assets	Net Current Assets	Total 2024	Total 2023
Restricted Funds	-	17,630	<b>17,630</b>	<b>3,203</b>
Unrestricted Funds:				
General	951	10,507	<b>11,458</b>	<b>42,423</b>
	<u>951</u>	<u>28,137</u>	<u>29,088</u>	<u>45,626</u>