

Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2024
for
Iaith Cyfyngedig

Ashmole & Co.
Chartered Certified Accountants
The Old School
The Quay
Carmarthen
Carmarthenshire
SA31 3LN

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for the Year Ended 31 March 2024

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Charity's principal aim is to promote, direct and research into matters relevant to the Welsh language in Wales, in addition to regional and minority languages, to promote and extend educational activities, training and development projects within Welsh society and beyond, in connection with the Welsh language and regional and minority languages, to promote and extend public education in language schemes, bilingualism and multilingualism.

Public benefit

The Charity provides a benefit to the public by giving advice, assistance and services on every subject relevant to the promotion and use of regional and minority languages. The trustees have considered the guidelines given by the Charity Commission on public benefit.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

A review of success and performances of the charity was given by the chairman and managing director at the annual meeting. In brief the charity has been able to fulfil its role fully this year and has taken on a number of new full time members of staff to deliver its projects and have moved all the staff over to the local authorities pension scheme.

FINANCIAL REVIEW

Investment policy and objectives

The trustees' investment powers are governed by the Memorandum and Articles of Association. The trustees have a policy of keeping any monies by way of liquid assets in short-term, high interest, easily accessible deposit accounts. The trustees are of the opinion that the Charity does not have enough reserves to consider investing in any other ways at present.

Reserves policy

The trustees have established a policy whereby general funds which are not invested or committed to fixed assets should represent between 3 and 6 months of general expenditure, averaging between £30,000 and £60,000 in reserve funds. At this level, the trustees felt the charity would be able to operate in the event of a substantial shortage of income. At the year end the Company had reserves of £90,017. The year ended 31 March 2024 is the seventh full of year of trading after a substantial restructuring programme, which is to keep a tight hold on overheads, keep a low number of full time staff and using freelance consultants to complete projects. The Company generated a surplus of £25,039 in the year after taking out the defined benefit pension costs. The financial statements are prepared on the assumption that the charity will carry on as a going concern.

Funds in deficit

The charity's results are reported in the Statement of Financial Activities on page 8. The net deficit or surplus from ordinary activities, before losses according to insurance statistics on the pension scheme, shows a surplus of £37,039. This is after a loss on the pension scheme of £5,000 (2023 loss of £18,000).

The trustees take the view that the pension scheme liabilities have been appropriately allowed for and are confident that the deficit will be wiped out over the long term.

FUTURE PLANS

In briefly, restructuring the staffing plan by reducing the number of employed staff and establish a core team of consultants. The new structure will allow the company to continue to maintain and grow its capacity to carry out projects while keeping control of its costs. The company will prioritize growth, through winning new projects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee without shares as defined by the Companies Act 2006. It was incorporated on 25th March 1993 and became a registered Charity on the 9th June 2009.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Recruitment and appointment of new trustees

Members of the board of trustees (who are also directors of the charity for the purpose of company's legislation) who served during the year and on the date of the report and noted above. A trustee is appointed by the members in an annual meeting or by the trustees when a post becomes vacant. There must be at least three trustees but there is no maximum.

Organisational structure

A meeting of the board is held every quarter. The trustees have appointed an administrative director to manage the charity's day-to-day activities. The board members guarantee to contribute a maximum of £1 to company's assets should the company be wound up.

Induction and training of new trustees

When new trustees are appointed, they are provided with information on their duties and responsibilities. This includes training in company procedures and policies including an assessment of their training needs. The charity has a policy of offering specific training to every trustee on his or her role and responsibilities.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02803324 (England and Wales)

Registered Charity number

1130052

Registered office

Uned 3
Parc Busnes Aberarad
Castell Newydd Emlyn
Sir Gar
SA38 9DB

Trustees

G Ioan
D R Davies
S Williams
A L Jones
E Lewis
S Eaves
CM Tomos
S M Tomos (appointed 26.4.23)

Company Secretary

K E Jones

Independent Examiner

Ashmole & Co.
Chartered Certified Accountants
The Old School
The Quay
Carmarthen
Carmarthenshire
SA31 3LN

Bankers

Natwest
4 Heol Fawr
Aberteifi
Ceredigion
SA43 1NW

Approved by order of the board of trustees on and signed on its behalf by:

.....
G Ioan - Trustee

Independent examiner's report to the trustees of Iaith Cyfyngedig ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

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 statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

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 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.

Carwyn Morgan BSc FCCA

Ashmole & Co.
Chartered Certified Accountants
The Old School
The Quay
Carmarthen
Carmarthenshire
SA31 3LN

Date:

Statement of Financial Activities
for the Year Ended 31 March 2024

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Projects		407,454	-	407,454	270,154
Investment income	2	54	-	54	95
Total		407,508	-	407,508	270,249
EXPENDITURE ON					
Raising funds		1,629	-	1,629	-
Charitable activities					
Projects		368,840	-	368,840	334,266
Total		370,469	-	370,469	334,266
NET INCOME/(EXPENDITURE)		37,039	-	37,039	(64,017)
Other recognised gains/(losses)					
Actuarial gains on defined benefit schemes		215,000	-	215,000	875,000
Net movement in funds		252,039	-	252,039	810,983
RECONCILIATION OF FUNDS					
Total funds brought forward		416,978	-	416,978	(394,005)
TOTAL FUNDS CARRIED FORWARD		669,017	-	669,017	416,978

	Notes	Unrestricted fund £	Restricted fund £	31.3.24 Total funds £	31.3.23 Total funds £
FIXED ASSETS					
Tangible assets	6	1,601	-	1,601	2,972
CURRENT ASSETS					
Debtors	7	109,482	-	109,482	152,480
Cash at bank and in hand		87,257	-	87,257	5,032
		196,739	-	196,739	157,512
CREDITORS					
Amounts falling due within one year	8	(108,323)	-	(108,323)	(94,506)
NET CURRENT ASSETS		88,416	-	88,416	63,006
TOTAL ASSETS LESS CURRENT LIABILITIES		90,017	-	90,017	65,978
PENSION ASSET	11	579,000	-	579,000	351,000
NET ASSETS		669,017	-	669,017	416,978
FUNDS	10				
Unrestricted funds				669,017	416,978
TOTAL FUNDS				669,017	416,978

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
G Ioan - Trustee

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of paragraph 33.7.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
Computer equipment	- 33% on cost

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

1. ACCOUNTING POLICIES - continued

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Financial Activities in the period to which they relate.

2. INVESTMENT INCOME

	31.3.24	31.3.23
	£	£
Deposit account interest	54	95
	<u> </u>	<u> </u>

3. NET INCOME/(EXPENDITURE)

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

	31.3.24	31.3.23
	£	£
Auditors' remuneration	1,000	1,000
Other assurance services	1,965	1,865
Depreciation - owned assets	2,119	2,097
Travelling	5,692	5,636
	<u> </u>	<u> </u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

5. STAFF COSTS

The average monthly number of employees during the year was as follows:

	31.3.24	31.3.23
Project	6	6
Support	1	1
	<u> </u>	<u> </u>
	7	7
	<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2023	51,191	53,845	105,036
Additions	-	748	748
At 31 March 2024	51,191	54,593	105,784
DEPRECIATION			
At 1 April 2023	51,191	50,873	102,064
Charge for year	-	2,119	2,119
At 31 March 2024	51,191	52,992	104,183
NET BOOK VALUE			
At 31 March 2024	-	1,601	1,601
At 31 March 2023	-	2,972	2,972

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Trade debtors	109,482	152,480

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.24 £	31.3.23 £
Bank loans and overdrafts (see note 9)	-	6,810
Other loans (see note 9)	30,730	40,479
Trade creditors	23,687	22,254
Social security and other taxes	5,447	5,532
VAT	41,817	13,012
Other creditors	4,642	4,419
Accrued expenses	2,000	2,000
	108,323	94,506

9. LOANS

An analysis of the maturity of loans is given below:

	31.3.24 £	31.3.23 £
Amounts falling due within one year on demand:		
Bank overdrafts	-	6,810
Other loans	9,749	9,521
Loans due within 2-5 years	20,981	30,958
	30,730	47,289

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

10. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	416,978	252,039	669,017
TOTAL FUNDS	416,978	252,039	669,017

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	407,508	(370,469)	215,000	252,039
TOTAL FUNDS	407,508	(370,469)	215,000	252,039

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	(394,005)	810,983	416,978
TOTAL FUNDS	(394,005)	810,983	416,978

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	270,249	(334,266)	875,000	810,983
TOTAL FUNDS	270,249	(334,266)	875,000	810,983

Notes to the Financial Statements - continued
for the Year Ended 31 March 2024

10. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.22 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	(394,005)	1,063,022	669,017
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>(394,005)</u>	<u>1,063,022</u>	<u>669,017</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	677,757	(704,735)	1,090,000	1,063,022
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>677,757</u>	<u>(704,735)</u>	<u>1,090,000</u>	<u>1,063,022</u>

11. EMPLOYEE BENEFIT OBLIGATIONS

	31.3.24	31.3.23
	£	£
Market value of the assets	(2,405,000)	(3,289,000)
Present value of the liabilities	2,948,000	3,640,000
Surplus in the pension scheme	579,000	351,000

12. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2024.

This page does not form part of the statutory financial statements

Detailed Statement of Financial Activities
for the Year Ended 31 March 2024

	31.3.24 £	31.3.23 £
Management		
Brought forward	42,794	40,759
Computer maintenance	9,154	11,102
Computer equipment	2,118	2,098
Expected return on pension scheme assets	(129,000)	(78,000)
Interest on pension scheme liabilities	111,000	93,000
	<u>36,066</u>	<u>68,959</u>
Finance		
Bank charges	1,090	660
Governance costs		
Auditors' remuneration	1,000	1,000
Auditors' remuneration for non audit work	1,965	1,865
Bank loan interest	889	1,128
	<u>3,854</u>	<u>3,993</u>
Total resources expended	<u>370,469</u>	<u>334,266</u>
Net income/(expenditure)	<u><u>37,039</u></u>	<u><u>(64,017)</u></u>