

Charity registration number 1143772 (England and Wales)

Company registration number 07767380

## **ARTS & BUSINESS CYMRU**

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025



**MITCHELL ASSOCIATES**  
CHARTERED ACCOUNTANTS

# ARTS & BUSINESS CYMRU

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# ARTS & BUSINESS CYMRU

## TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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The trustees present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "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

Arts & Business (A&B) Cymru's vision is to create a Wales where business and the arts can connect and thrive. Its mission is to embed business into the arts and creativity into business. The ultimate aim is to aid the success of both sectors for the good of individuals and communities across Wales.

### Objects

The objects of the charity are to promote, for the benefit of the public, within the country of Wales, the advancement of arts, culture and heritage and the promotion of the efficiency of charities. In particular but not limited to the promotion of philanthropy amongst businesses and individuals; the promotion of partnerships between arts organisations and businesses, and the provision of training to and promotion of best practice in the governance of Welsh arts charities.

### Public benefit

We have referred to the guidance contained in the Charity Commissions' general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. A&B Cymru's aim is to assist advancement of the arts and the promotion of the efficiency of charities, in particular but not limited to the promotion of philanthropy amongst businesses and individuals; the promotion of partnerships between arts organisations and businesses, and the provision of training to and promotion of best practice in the governance of Welsh arts charities.

### Strategies for achieving objectives

A&B Cymru knows that when business and the arts work together in true partnership, both become stronger with the results benefiting society in far reaching and tangible ways. The team works with a range of arts professionals, from individual practitioners to flagship organisations and the private sector, from micro businesses through to multi-national corporations. Its work has a positive impact on people and communities across Wales. In its current Business Plan, A&B Cymru sets out four strategic aims to help drive the organisation towards the achievement of its mission.

They are:

- To grow A&B Cymru's income from a range of public and private sector sources
- To develop the income generating and business skills of the arts
- To secure increased investment from the private sector to the arts
- To encourage business success through creativity

### Achievements and performance

A&B Cymru aims to achieve its goals through the delivery of a suite of unique programmes and services. In 2024/25, the team continued to respond to the ongoing challenging climate, striving to assist the sustainability of organisations across Wales.

As a charity which exists to support business and the arts, A&B Cymru's programmes are in high demand as both sectors face extreme, unforeseen and unprecedented difficulties, arising from the ongoing financial crisis and the after-effects of significant inflation.

# ARTS & BUSINESS CYMRU

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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As in previous years, A&B Cymru's activity included charitable work for the arts and commercial work financed by the private sector, with any surplus being transferred back to the charity:

### **Charitable work**

A&B Cymru's work for the arts has two aims - developing income and developing skills. All services are provided free or at highly subsidised rates.

**Arts Membership** - During 2024/25, arts membership remained stable at 170 subscribers, ranging from individual artists to major institutions. Benefits include networking, learning, development and showcasing opportunities, as well as tailored advice and access to services and discounts. Bursaries funded by Hodge Foundation were awarded to 12 small organisations whose primary work benefits under-represented people and communities. The Arts Steering Panel, a group of arts leaders drawn from across Wales which meets bi-monthly on Zoom to discuss the ongoing challenges and priorities of the sector, entered its third year of operation. The Panel focused its discussions on sustainability, the Arts Council of Wales Investment Review, the impact of the current economic climate and Welsh Government strategies.

**Arts Training Courses** - A&B Cymru uses its expertise and network to provide high-quality training courses in diversity, fundraising, governance and specific business expertise. These tailored sessions are delivered by a mixture of A&B Cymru staff and experienced external specialists. The majority of courses were delivered online, removing geographical barriers and time constraints and reducing the carbon footprint for arts managers across Wales. Although the courses were provided at subsidised rates for the first half of the year, the ongoing financial climate meant that many organisations were still unable to afford the cost of attendance. To address this, A&B Cymru secured funding from Arts Council of Wales which enabled the charity to deliver the sessions between December 2024 and March 2025 free of charge. Additional funding was then secured to continue this provision from March – December 2025. During 2024/25, 21 courses were attended by 240 arts managers.

Funded by the Hodge and Moondance Foundations, **CultureStep** invests in innovative partnerships of all kinds between business and the arts, enhancing projects and increasing their long-term effectiveness. Tailored to the specific needs of Wales, the scheme is designed to encourage new sponsorship and develop established corporate engagement. All projects must address at least one of the scheme's priorities: Diversity; Employees, the Environment; Health & Wellbeing; Kids; Older People; Tackling Poverty; the Welsh Language. In 2024/25, the scheme invested £106,625 into 37 projects, leveraging £405,717 from business directly to the arts.

**Future Proof** an initiative, funded by Arts Council of Wales Lottery, combines two innovative programmes - Creative Internships and Creative Apprenticeships. The Creative Internships Programme places recent graduates into arts organisations for 10 months as trainee fundraisers. Since its inception in 2013, the scheme has enabled 38 skilled, professional fundraisers to enter the arts workforce. Between them, they have so far raised over £7 million for the sector in Wales. The 2024/25 programme enabled two interns to undertake paid placements. The Creative Apprenticeships Programme places individuals who face significant barriers as a result of race, disability or socio-economic circumstances into arts organisations on 10-month placements. Through this programme, A&B Cymru is helping to create alternative futures for individuals from all backgrounds. In 2024/25, two apprentices undertook paid placements. Each intern and apprentice received structured support from the host organisations, mentoring from external specialists and free of charge access to A&B Cymru training courses.

The **Professional Development Programmes** bring essential business skills to the arts through Board placements, skills transfer projects and mentoring. In 2024/25, 42 businesses were engaged in 85 placements, valued at £408,094.

A&B Cymru encountered unforeseen challenges in 2024/25, primarily relating to income generation. The charity was unsuccessful in securing Trust Funding to support Future Proof, which resulted in a reduced programme funded solely by Arts Council of Wales lottery. This was due to a reduction in funds available from Trusts & Foundations in the current climate, combined with growing and intense competition for funds. To ensure the sustainability of A&B Cymru, an independent review of the charity's structure and operation was undertaken by The Funding Centre. It concluded that the organisation is both effective and cost-effective and in order to continue delivery of its highly subsidised programmes and services, increased and multi-year funding was essential from Arts Council of Wales. Discussions with Arts Council of Wales began in September 2024 and are ongoing. In the interim, A&B Cymru secured funding through Arts Council of Wales' resilience programmes, which enabled the charity to operate effectively through the year with no break in service to the arts.

# ARTS & BUSINESS CYMRU

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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### Commercial work

A&B Cymru's 60+ business members range from sole traders to multi-national corporations. Companies join to address specific objectives through arts partnership. These encompass creative marketing, community engagement and effective staff motivation, training and development. A&B Cymru's Brokerage Service was accessed by five businesses, which commissioned the team to identify arts partnerships which would achieve focused objectives. The resulting collaborations brought over £50,000 investment from business directly to the arts.

The A&B Cymru Awards exist to encourage, acknowledge and celebrate exemplary business/arts partnerships. The 2024 ceremony was held at ICC Wales, Newport on 4 July. In addition to providing a high-level opportunity to advocate the power of partnerships between the private sector and the arts, the event brought a surplus of £5,000.

### Financial review

The Statement of Financial Activities for the company is shown on page 11. During the year charity made a surplus on unrestricted funds of £10,790 (2024: £18,056. Before the exceptional item, the charity made a deficit on unrestricted funds of £49,059.)

Unrestricted reserves at 31 March 2025 are £221,358 (2024: £210,568). Of these reserves £115,580 (2024: £108,799) have been designated (see notes to the financial statements).

The charity's free reserves were £103,319 (2024: £101,769) (excluding fixed assets, investments and designated funds).

### Pension

A&B Cymru operates a Group Stakeholder Pension Plan for all employees with more than three months service. It meets the current workplace pension requirements.

### Reserves policy

In accordance with good governance, £115,580 (2024: £108,799) is held in reserves, as an unrestricted contingency fund to cover three months operating costs and winding up costs, including redundancy payments. The amount is reviewed annually and increased or decreased as required.

### Investment policy

The charity's investments are made in accordance with the Trustees' investment powers which are set out in the charity's governing document. The policy is to obtain the best return on the funds surplus to the charity's immediate needs whilst minimising the risk of capital depreciation. A review of the policy is undertaken on an annual basis by the Finance and Audit Committee to ensure it remains appropriate. During the period all funds were held on deposit with A&B Cymru's bank (Unity Trust Bank plc) to ensure the charity had sufficient cashflow to undertake its activities.

### Trading subsidiary

A&B Cymru carries out all its non-charitable trading activities through a wholly owned subsidiary company, Arts & Business Cymru Trading Limited. The directors who served during the year were:

David Landen\*

Rachel Jones

Trevor David Morpeth\* (resigned 11/02/25)

Anthony Sean Wedlake\* (appointed 20/11/24)

*\*indicates a non-executive director.*

All the activities of the subsidiary are managed by the staff of A&B Cymru and all surplus is distributed back to the parent charity through gift aid.

# ARTS & BUSINESS CYMRU

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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### Risk Management

The Trustees are responsible for the management of the risks faced by the charity, with particular reference to internal control systems and the mitigation of risk. The Board reviews a risk evaluation statement prepared by the Chief Executive on an annual basis.

The trustees have assessed the key risks to which the charity is exposed and consider them to be:

- The inability to replace lost core funding
- The loss of the key management personnel
- The loss of reputation

The key controls used include:

- Formal agenda and minutes for all meetings of the Trustees and Board sub-committees
- Detailed terms of reference for the Board and its sub-committees
- Comprehensive strategic planning, budgeting and management accounting
- Established organisational and governance structure and reporting lines
- Formal written policies
- A risk evaluation statement which is reviewed on a regular basis by the Trustees and the Chief Executive
- Hierarchical authorisation and approval levels

Through the established risk management processes, the Board is satisfied that the major risks identified have been adequately guarded against where necessary. It recognises that systems can provide only reasonable, but not absolute, assurance that major Funding s are being adequately managed.

### Grants payable

Grants payable are payments made to third parties in the furtherance of the charitable objectives of the charity. The grants are recognised where the trustees have agreed to pay the grant and the recipient has a reasonable expectation that they will receive a grant, provided they comply with the terms of the agreement. Grants offered subject to terms and conditions which have not been met at the year-end date are noted as a commitment but not accrued as expenditure.

### Funding Position and Plans for the Future

In 2024/25, A&B Cymru received core funding of £50K from Arts Council of Wales and £40K from Welsh Government. In addition to this, the charity received project funding from Arts Council of Wales totaling £112K. Total Trust funding for the year secured was £150K.

A&B Cymru continues to strive to diversify its funding. The charity has secured £130K core funding from Arts Council of Wales for 2025/26, as well as a grant spanning three financial years from The National Lottery Heritage Fund of £235K. In addition to this, Trust funding has been secured once again in 2025/26 from the Foyle, Hodge and Moondance Foundations.

### Structure, governance and management

#### Governance

Arts & Business Cymru (A&B Cymru) was incorporated as a company, limited by guarantee and not having any share capital on 8 September 2011. It is registered as a charity with the Charity Commission and regarded as such by HM Revenue and Customs. Its governing document is its Memorandum and Articles of Association.

#### Staffing structure

The team includes eight staff, five of which are full-time. The roles in 2024/25 included Chief Executive, Director of Business Development & Operations, Business Development Manager, Arts Development Manager, Arts Development Officer, Administrator, Finance Manager and North Wales Partnerships Director.

# ARTS & BUSINESS CYMRU

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2025

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### Directors and Trustees

The directors of the charitable company are its Trustees for the purposes of charity law and are collectively referred to as the Trustees throughout this report.

### Recruitment, appointment, induction and training of Trustees

Trustees are appointed by the Board. All new Trustees receive an induction pack containing the following:

- A&B Cymru's handbook.
- The current business plan.
- The most recent accounts.
- A general information pack on all A&B Cymru's programmes and services.
- The role of Trustees sheet.
- The minutes of the last Trustees meeting.

Trustees are invited to attend governance and other training courses run by A&B Cymru. One new Trustee was appointed during 2024/25 and three Trustees resigned as they had reached the end of their terms.

### Key Management Personnel

The key management personnel for the current financial year is considered to be the Chief Executive. The remuneration of the key management personnel is benchmarked to market rates.

### Organisational structure and decision-making process

The Board of Trustees must have at least three and not more than 10 members to administer the charity. There is an agreed statement of the role and responsibilities of the Board and its members. At no time during the year did any Trustee have a beneficial interest in the charity.

There is one sub-committee of the Board - Finance & Audit. This committee meets immediately before each Board meeting. The membership of the committee is set out on page 7. Their terms of reference are as follows:

### Finance & Audit Committee

To have, on behalf of the Trustees, an overall watching brief over all financial aspects of the charity's activities, to advise the Trustees in regard to the charity's financial statements, to ensure the maintenance of proper financial records and controls and to set and monitor the charity's annual delivery plan and financial performance.

The Board has appointed a Chief Executive to manage the day-to-day operations of the charity and she has delegated authority for a wide range of operational matters.

There is a statement of matters reserved to the Board. They include:

- Setting overall strategy and policy.
- Approving the budget and business plan.
- The appointment and removal of Trustees (including the chair).
- The appointment and removal of the Chief Executive and setting their terms and conditions.
- Consideration of fundamental issues concerning A&B Cymru's relationship with its principal.
- Consideration of fundamental issues concerning A&B Cymru's relationship with the Charity.
- Approval of major capital expenditure and the acquisition of freehold property or leases.
- Setting the charity's reserves, diversity and investment policies.

### Other groups

In addition to the Board, two groups of individuals are associated both formally and informally with A&B Cymru - the Investment Panel and the Arts Steering Panel.

The Investment Panel's role is to determine which business/arts partnerships are awarded cash investment through A&B Cymru's CultureStep (see page 2 for a brief description of this programme). Chaired by A&B Cymru's Chief Executive, the panel consists of 7 voting members and meets five times per year on Zoom. Each member receives an induction prior to joining. The Panel operates on the principle of collective responsibility and all members have an equal voice. The Arts Steering Panel exists to ensure a regular and productive dialogue between A&B Cymru and the arts and provide an opportunity to share and discuss priorities and challenges. The membership of the 2024/25 panels is listed on page 8.

# ARTS & BUSINESS CYMRU

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2025*

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### Reference and administrative details

**Charity number 1143772**

(Registered September 2011)

**Company number 7767380**

(Registered September 2011)

**Registered address**

16 Museum Place  
Cardiff, CF10 38H

**Administrative office**

16 Museum Place  
Cardiff, CF10 38H

**Independent examiner**

Mitchell Associates Ltd  
First Floor  
Office Suite 3  
13 Cathedral Road  
Cardif  
CF11 9HA

**Bank and branch address**

Unity Trust Bank Plc  
4 Brindleyplace  
Birmingham  
B1 2JB

**Solicitors**

Geldards LLP  
4 Capital Quarter  
Tyndall St  
Cardiff  
CF10 4BZ

**Trustees**

Ruth Vivienne Fabby - appointed 19 July 2024  
Shone Hughes – resigned 11 February 2025  
Trevor David Morpeth\* - resigned 11 February 2025  
Tania Jane Rawlinson - resigned 11 February 2025  
Louisa Scadden  
David John Landen\*  
Nkechi Allen-Dawson  
Claire Charlton  
Anthony Sean Wedlake\*

**Key management personnel**

Rachel Jones\* - Chief Executive

\*Indicates a member of the Finance & Audit Committee



# ARTS & BUSINESS CYMRU

## TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2025*

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### **Culture Step Panel**

Kathy Brown  
Rachel Jones  
Robert Lloyd Griffiths  
Denise Lord  
Samantha Maskrey  
Lynne Sheehy  
Richard Tynen

### **Arts Steering Panel**

Jên Angharad  
Meinir Llwyd Roberts  
Rhiannon White  
Sarah Ecob  
Sara Beer  
Richard Mylan  
Claire Furlong  
Leusa Llewelyn  
Evan Dawson  
Robert Guy  
Sharon Casey  
Krystal Lowe  
Carys Wynne-Morgan  
Liam Evans-Ford  
Barry John  
Angela Rogers

# ARTS & BUSINESS CYMRU

## STATEMENT OF TRUSTEES RESPONSIBILITIES

### *FOR THE YEAR ENDED 31 MARCH 2025*

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The trustees, who are also the directors of Arts & Business Cymru for the purpose of company law, are responsible for preparing the Trustees 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board of Trustees

Anthony Sean Wedlake - Trustee  
**Trustee**

Date: 20 November 2025

# ARTS & BUSINESS CYMRU

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF ARTS & BUSINESS CYMRU

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I report to the trustees on my examination of the financial statements of Arts & Business Cymru (the charity) for the year ended 31 March 2025.

#### **Responsibilities and basis of report**

As the trustees of the charity (and also its 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 myself that the financial statements of the charity are not required to be audited under Part 16 of the Companies Act 2006 and are eligible for independent examination, I report in respect of my examination of the charity's financial statements carried out under section 145 of the Charities Act 2011. In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the Charities Act 2011.

#### **Independent examiner's statement**

Since the charity's gross income exceeded £250,000, the independent examiner must be a member of a body listed in section 145 of the Charities Act 2011. I confirm that I am qualified to undertake the examination because I am a member of ICAEW, 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the Companies Act 2006.
- 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 Companies Act 2006 other than any requirement that the financial statements 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 financial statements 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 financial statements to be reached.

#### **Mitchell Associates Ltd**

J P Mitchell ACA BFP  
First Floor  
Office Suite 3  
13 Cathedral Road  
Cardiff  
CF11 9HA  
20 November 2025

# ARTS & BUSINESS CYMRU

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £
<b>Income from:</b>					
Donations and legacies	2	398,678	5,000	403,678	391,468
Charitable activities	3	30,653	-	30,653	39,340
Investments	4	2,942	-	2,942	4,387
<b>Total income</b>		<u>432,273</u>	<u>5,000</u>	<u>437,273</u>	<u>435,195</u>
<b>Expenditure on:</b>					
Charitable activities	5	421,483	5,000	426,483	484,254
Exceptional item	10	-	-	-	(67,115)
<b>Total expenditure</b>		<u>421,483</u>	<u>5,000</u>	<u>426,483</u>	<u>417,139</u>
<b>Net income and movement in funds</b>		10,790	-	10,790	18,056
<b>Reconciliation of funds:</b>					
Fund balances at 1 April 2024		210,568	-	210,568	192,512
<b>Fund balances at 31 March 2025</b>		<u>221,358</u>	<u>-</u>	<u>221,358</u>	<u>210,568</u>

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

# ARTS & BUSINESS CYMRU

## BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
<b>Fixed assets</b>					
Tangible assets	12		2,458		4,335
Investments	13		1		1
			<u>2,459</u>		<u>4,336</u>
<b>Current assets</b>					
Debtors	14	99,854		83,477	
Cash at bank and in hand		260,691		288,496	
		<u>360,545</u>		<u>371,973</u>	
<b>Creditors: amounts falling due within one year</b>	15	(141,646)		(165,741)	
<b>Net current assets</b>			<u>218,899</u>		<u>206,232</u>
<b>Total assets less current liabilities</b>			<u>221,358</u>		<u>210,568</u>
<b>The funds of the charity</b>					
Unrestricted funds	19		221,358		210,568
			<u>221,358</u>		<u>210,568</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the trustees on 20 November 2025

Mr A S Wedlake  
**Trustee**

Company registration number 07767380 (England and Wales)

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

#### Charity information

Arts & Business Cymru is a private company limited by guarantee incorporated in England and Wales. The registered office is 16 Museum Place, Cardiff, CF10 3BH.

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a statement of cash flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Office equipment	25% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

#### 1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Investments relate to 100% of the share capital of the Charity's wholly owned trading subsidiary and is recognised at cost.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

#### 1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 1 Accounting policies

#### 1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### ***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

##### ***Basic financial liabilities***

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### ***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.



# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 2 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	195,928	-	195,928	250,718	-	250,718
Grants	202,750	5,000	207,750	140,750	-	140,750
	<u>398,678</u>	<u>5,000</u>	<u>403,678</u>	<u>391,468</u>	<u>-</u>	<u>391,468</u>
<b>Donations and gifts</b>						
Arts & Business Trading Limited	55,870	-	55,870	77,879	-	77,879
Creative Internships	-	-	-	50,000	-	50,000
Impact circle	58	-	58	1,049	-	1,049
Raffle and Sundry	-	-	-	1,790	-	1,790
The Hodge Foundation	70,000	-	70,000	65,000	-	65,000
The Moondance Foundation	70,000	-	70,000	55,000	-	55,000
	<u>195,928</u>	<u>-</u>	<u>195,928</u>	<u>250,718</u>	<u>-</u>	<u>250,718</u>
<b>Grants</b>						
The Arts Council of Wales	157,750	-	157,750	140,750	-	140,750
The Foyle Foundation	-	5,000	5,000	-	-	-
The Hodge Foundation	5,000	-	5,000	-	-	-
Welsh Government	40,000	-	40,000	-	-	-
	<u>202,750</u>	<u>5,000</u>	<u>207,750</u>	<u>140,750</u>	<u>-</u>	<u>140,750</u>

### 3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
<b>Charitable activities</b>		
Arts membership	27,668	30,050
Arts Consultancy fees	2,789	9,190
Sundry Income	196	100
	<u>30,653</u>	<u>39,340</u>

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 4 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	2,942	4,387

### 5 Expenditure on charitable activities

	Charitable Governance activities 2025 £			Total 2025 £	Charitable Governance activities 2024 £			Total 2024 £
<b>Direct costs</b>								
Staff costs	254,561	-		254,561	289,362	-		289,362
Charitable expenses	48,758	-		48,758	88,311	-		88,311
	303,319	-		303,319	377,673	-		377,673
Grant funding of activities (see note 6)	85,545	-		85,545	75,243	-		75,243
<b>Share of support and governance costs (see note 7)</b>								
Support	25,012	-		25,012	28,007	-		28,007
Governance	-	12,607		12,607	-	3,331		3,331
	413,876	12,607		426,483	480,923	3,331		484,254
<b>Analysis by fund</b>								
Unrestricted funds	408,876	12,607		421,483	480,923	3,331		484,254
Restricted funds	5,000	-		5,000	-	-		-
	413,876	12,607		426,483	480,923	3,331		484,254

### 6 Grants payable

	Charitable activities 2025 £	Charitable activities 2024 £
Grants to institutions:		
Grants to Charities	54,420	44,796
Grants to Non-Charities	17,250	30,447
Grants to individuals	13,875	-
	85,545	75,243

-

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 7 Support costs allocated to activities

	2025 £	2024 £
Premises expenses	17,546	17,257
Office expenses	6,296	6,708
Recruitment costs	-	2,240
Repairs	101	689
Bank charges	172	155
Sundry	78	69
Depreciation	819	889
Professional fees	9,667	706
Accountancy	2,940	2,625
	<u>37,619</u>	<u>31,338</u>
<b>Analysed between:</b>		
Charitable activities	25,012	28,007
Governance	12,607	3,331
	<u>37,619</u>	<u>31,338</u>

Governance costs includes payments to the independent examiner of £2,940 (2024: £2,500) for the independent examination of the financial statements.

### 8 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

### 9 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Permanent staff	<u>8</u>	<u>7</u>
<b>Employment costs</b>	<b>2025 £</b>	<b>2024 £</b>
Wages and salaries	225,395	258,340
Social security costs	17,537	19,382
Other pension costs	11,629	11,640
	<u>254,561</u>	<u>289,362</u>

No trustee were reimbursed for expenses or received remuneration during the current or prior year.

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 9 Employees

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2025 Number	2024 Number
£60,000-£69,999	1	1

#### Remuneration of key management personnel

The remuneration of key management personnel was as follows:

The total amount of employee benefits (including salary, employers national insurance and pension contributions) received by the key management personnel for their services to the charity during the year totalled £82,605 (2024 £81,368)

### 10 Other expenditure

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Exceptional item	-	(67,115)

The charity has reviewed certain historic liabilities retained and concluded that there is no likelihood of those liabilities being settled, consequently those liabilities have been released to the income and expenditure account.

### 11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 12 Tangible fixed assets

	Office equipment £
<b>Cost</b>	
At 1 April 2024	7,500
Disposals	(2,415)
	<hr/>
At 31 March 2025	5,085
	<hr/>
<b>Depreciation and impairment</b>	
At 1 April 2024	2,899
Depreciation charged in the year	1,084
Eliminated in respect of disposals	(1,356)
	<hr/>
At 31 March 2025	2,627
	<hr/>
<b>Carrying amount</b>	
At 31 March 2025	2,458
	<hr/>
At 31 March 2024	4,335
	<hr/>

### 13 Fixed asset investments

	Other investments £
<b>Cost or valuation</b>	
At 1 April 2024 & 31 March 2025	1
	<hr/>
<b>Carrying amount</b>	
At 31 March 2025	1
	<hr/>
At 31 March 2024	1
	<hr/>

	Notes	2025 £	2024 £
Other investments comprise:			
Investments in subsidiaries	23	1	1
		<hr/>	<hr/>

### 14 Debtors

	2025 £	2024 £
<b>Amounts falling due within one year:</b>		
Trade debtors	30,619	11,371
Amounts owed by subsidiary undertakings	69,235	72,106
	<hr/>	<hr/>
	99,854	83,477
	<hr/>	<hr/>

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 15 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Other taxation and social security		8,366	7,641
Deferred income	16	13,000	107,015
Trade creditors		2,731	2,350
Other creditors		1,637	1,980
Accruals		115,912	46,755
		<u>141,646</u>	<u>165,741</u>

### 16 Deferred income

	2025 £	2024 £
Other deferred income	<u>13,000</u>	<u>107,015</u>

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	<u>13,000</u>	<u>107,015</u>
Movements in the year:		
Deferred income at 1 April 2024	107,015	62,000
Released from previous periods	(107,015)	(62,000)
Resources deferred in the year	<u>13,000</u>	<u>107,015</u>
Deferred income at 31 March 2025	<u>13,000</u>	<u>107,015</u>

### 17 Retirement benefit schemes

	2025 £	2024 £
<b>Defined contribution schemes</b>		
Charge to profit or loss in respect of defined contribution schemes	<u>11,629</u>	<u>11,640</u>

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. Contributions outstanding at the year end amounted to £1,608 (2024 £1,980).

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
The Foyle Foundation	-	5,000	(5,000)	-

The Foyle Foundation represents a contribution towards the delivery of free of charge arts training courses and professional development placements, providing crucial support to the arts.

### 19 Unrestricted funds

The income funds of the charity include the following designated funds which have been set aside out of the unrestricted funds by the trustees for specific purposes:

	At 1 April 2024 £	Incoming resources £	Resources expended £	At 31 March 2025 £
Designated	108,799	6,781	-	115,580
Unrestricted	101,769	425,492	(421,483)	105,778
	210,568	432,273	(421,483)	221,358

  

Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	At 31 March 2024 £
Designated	115,676	3,030	(9,907)	108,799
General funds	76,836	432,165	(407,232)	101,769
	192,512	435,195	(417,139)	210,568

The designated fund as detailed in the trustee report represents 3 months worth of operating cost reserves.

# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

### 20 Analysis of net assets between funds

	Unrestricted funds 2025 £
<b>At 31 March 2025:</b>	
Tangible assets	2,458
Investments	1
Current assets/(liabilities)	218,899
	<u>221,358</u>
	<u><u>221,358</u></u>
	Unrestricted funds 2024 £
<b>At 31 March 2024:</b>	
Tangible assets	4,335
Investments	1
Current assets/(liabilities)	206,232
	<u>210,568</u>
	<u><u>210,568</u></u>

### 21 Operating lease commitments

#### Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	11,675	11,449
Between two and five years	7,720	19,388
	<u>19,395</u>	<u>30,837</u>
	<u><u>19,395</u></u>	<u><u>30,837</u></u>

The leases are made up of a rental agreement which is due to end in November 2026 and a small equipment lease which is due to end in January 2026.



# ARTS & BUSINESS CYMRU

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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### 22 Related party transactions

#### Transactions with related parties

During the year the charity's wholly owned subsidiary Art & Business Cymru Trading Limited gifted £55,870 to the charity (2024 £77,879). At the year end Arts & Business Cymru Trading Limited owed the charity £69,235 (2024 £72,106).

During the year the charity also received £70,000 (2024 £70,000) from Moondance Foundation. There were no amounts outstanding at the current or prior year end. The charities are related by way of common trustees.

### 23 Subsidiaries

Details of the charity's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Arts & Business Cymru Trading Limited	England and Wales	Trading arm of charity	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Arts & Business Cymru Trading Limited	55,870	1