

Company registration number 00018359 (England and Wales)  
Registered Charity number 218306

**THE ROYAL INSTITUTION OF SOUTH WALES**  
**REPORT OF THE COUNCIL AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2003**



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# THE ROYAL INSTITUTION OF SOUTH WALES

## FINANCIAL STATEMENTS YEAR ENDED 31 JULY 2003

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# **THE ROYAL INSTITUTION OF SOUTH WALES**

## **LEGAL AND ADMINISTRATIVE DETAILS**

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### **Status of Charity and Constitution**

The name of the company is The Royal Institution of South Wales, an 'unlimited association' consisting of an unlimited number of members and not having a share capital.

### **Council Officers**

J B D Simpson  
Dr D P Freeman  
B H Morris  
J Sabine  
G Davies (appointed 18/04/2002)

### **Secretary**

J Sabine

### **Registered office and business address**

Swansea Museum  
Victoria Road  
Swansea  
SA1 1SN

### **Bankers**

Lloyds TSB Bank plc  
PO Box 66  
Swansea  
SA1 3AP

### **Accountants**

Gerald Thomas & Co.  
Furze Bank  
34 Hanover Street  
Swansea SA1 6BA

# **THE ROYAL INSTITUTION OF SOUTH WALES**

## **REPORT OF THE COUNCIL**

### **FOR THE YEAR ENDED 31 JULY 2003**

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The council presents its report and the financial statements for the year ended 31 July 2003, which comply with current statutory requirements and the Institution's governing document being its Memorandum and Articles of Association.

#### **Objectives and principal activities**

The Society is a non-profit making body whose principal activity is to promote the cultivation and advancement of all or any branches of Natural and Applied Science and the encouragement of Literature and Fine Arts.

#### **Legal and Administrative Details**

The legal and administrative details of the Institution are set out on page 1. The Institution is registered as a charity, number 218306 and is therefore not subject to UK taxation.

#### **Review of activities and financial position**

During the year the Institution's membership totalled 349 (2002: 325), along with 2 life members.

Included in direct costs for the year was £4,000 donated by the Institution towards the costs of Swansea Museum Service's new website, Swansea Heritage.net.

This amount contributed to a deficit of £2,050 (2002: £473 surplus) for the year.

The council members consider that the Institution's financial position at the balance sheet date was satisfactory.

#### **Results for the Year**

The Institution's Statement of Financial Activities, including its Income and Expenditure account, is shown on page 6.

#### **Reserves policy and risk management**

The institution maintains sufficient liquid funds in its reserves to cover any anticipated future contingent risks.

#### **Investment and other powers**

The committee members have the power to expend and invest the funds of the Institution in such a manner as they consider to be beneficial for the achievement of the Institution's objectives.

# THE ROYAL INSTITUTION OF SOUTH WALES

## REPORT OF THE COUNCIL

### FOR THE YEAR ENDED 31 JULY 2003

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#### Council Members

The Institution is managed by its council members. The rules regarding the number of council members and their appointment, re-appointment and removal are contained in the Articles of Association to which reference should be made.

The council members who served during the year were as stated below:

President:	Mrs G Davies
Honorary Treasurer:	Dr D P Freeman
Honorary Secretary:	Mrs J Sabine

Other council members who served during the year:

Mrs E Davies	Mrs H Hallesey	P Rogers
Mrs G Davies	Dr R Austin	Dr D Painting
Mrs G G Jones	H R J Davies	D Chatfield (Vice President)
Mrs N Mascetti	G Gabb	Sir Glanmor Williams (Vice President)
Miss B Nelmes	M Gibbs	Miss S Beckley
Mrs S Thomas	D Harper	R Walker
Mrs B Cardy	M Lewis	Mrs V King
Dr M J Issac	B H Morris	
Miss J Wilton	R Gabriel	

Messrs JBD Simpson, D P Freeman, BH Morris and Mrs J Sabine and Mrs G Davies also served as company directors during the year.

#### Council members' responsibilities

Company law requires the council members to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial period. In preparing those financial statements, the members are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

# THE ROYAL INSTITUTION OF SOUTH WALES

## REPORT OF THE COUNCIL

### FOR THE YEAR ENDED 31 JULY 2003

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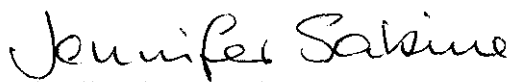
The council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985 and any other legislation with which the company must comply. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### Financial Statements

The council consider that in view of the non profit making status of the company's activities, the terms 'profit' and 'loss' are not appropriate to giving a true and fair view. Accordingly under the provisions of the Companies Act 1985, the term 'profit and loss account' has been replaced by 'income and expenditure' and the words 'profit' and 'loss' by 'surplus' and 'deficit' respectively.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the council on .....16/10/03.....



Mrs J Sabine  
Honorary Secretary

# THE ROYAL INSTITUTION OF SOUTH WALES

## INDEPENDENT EXAMINERS' REPORT TO THE MEMBERS OF THE ROYAL INSTITUTION OF SOUTH WALES

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I report on the accounts of the Institution for the year ended 31 July 2003, which are set out on pages 6-10.

### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under S43 (2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

It is my responsibility to examine the accounts (under S43 (3)(a) of the 1993 Act); to follow the procedures laid down in the General Directions given by the Charity Commissioners (under S43 (7)(b) of the 1993 Act); and to state whether particular matters have come to my attention.

### Basis of independent examiners' report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, I do not express an audit opinion on the view given by the accounts.

### Independent examiners' statement


In connection with my examination, no matter has come to my attention: -


1 which gives me reasonable cause to believe that, in any material respect, the requirements:

- to keep accounting records in accordance with S41 of the 1993 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 1993 Act

have not been met; or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

  
Gwyn Lewis FCA  
Gerald Thomas & Co  
Chartered Accountants  
Registered Auditors

Dated:   
Furze Bank  
34 Hanover Street  
Swansea SA1 6BA

**THE ROYAL INSTITUTION OF SOUTH WALES**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 JULY 2003**

	Note	Unrestricted 2003	Restricted 2003	Total 2003	Total 2002
<b>Incoming resources</b>				£	£
Subscriptions		1,910	-	1,910	1,651
Donations		212	-	212	561
Book sales		1,926	-	1,926	1,081
Sundry income		397	-	397	312
Social functions income		725	-	725	610
Investment income		971	-	971	1,228
<b>Total incoming resources</b>		<b>6,141</b>	<b>-</b>	<b>6,141</b>	<b>5,443</b>
<b>Resources expended</b>					
Direct charitable expenditure	3	6,746	-	6,746	3,730
Management and administration	4	1,445	-	1,445	1,240
<b>Total resources expended</b>		<b>8,191</b>	<b>-</b>	<b>8,191</b>	<b>4,970</b>
<b>Net incoming/(outgoing) resources</b>		<b>(2,050)</b>	<b>-</b>	<b>(2,050)</b>	<b>473</b>
Funds balances brought forward		35,208	1,000	36,208	35,735
<b>Funds balances carried forward</b>	<b>6</b>	<b>£33,158</b>	<b>£1,000</b>	<b>£34,158</b>	<b>£36,208</b>
The (deficit) for the year for Companies Act purposes, comprising the net incoming resources less any capital items, is:		<b>(2,050)</b>	<b>-</b>	<b>(2,050)</b>	<b>473</b>

There are no recognised gains or losses other than those passing through the statement of financial activities.

The statement of financial activities has been prepared on the basis that all operations are continuing.



# THE ROYAL INSTITUTION OF SOUTH WALES

## BALANCE SHEET AS AT

31 JULY 2003

		2003		2002	
	Note	£	£	£	£
<b>Current assets</b>					
Stocks		915		815	
Bank balance		<u>33,623</u>		<u>35,725</u>	
		34,538		36,540	
<b>Creditors: amounts falling due within one year</b>					
	5	<u>(380)</u>		<u>(332)</u>	
<b>Net current assets/(liabilities)</b>			34,158		36,208
<b>Total assets less current liabilities</b>			<u>£34,158</u>		<u>£36,208</u>
<b>Accumulated funds</b>					
Unrestricted funds	6		33,158		35,208
Restricted funds	6		1,000		1,000
			<u>£34,158</u>		<u>£36,208</u>

The company was entitled to exemption under section 249A(1) of the Companies Act 1985 for the year ended 31 July 2003.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 249B(2).

The council members acknowledge their responsibility for:

i) Ensuring the company keeps accounting records which comply with section 221

ii) Preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its profit and loss for the financial year in accordance with section 226, and which otherwise comply with the requirements of the Companies Act relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

The financial statements were approved by the Board on 16/10/03

*Gwyneth M. Davies*

Mrs G Davies

President

*Dr D P Freeman*

Dr D P Freeman

Treasurer

# THE ROYAL INSTITUTION OF SOUTH WALES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2003

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### 1 Accounting policies

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and the Statement of Recommended Practice applicable to Charities.

*The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cashflow statement on the grounds that it is a small company.*

#### **Income**

Subscriptions, legacies and donations are accounted for on a receipts basis.

Investment income consists of interest earned on bank and building society accounts and is included on an accruals basis.

#### **Expenditure**

Expenditure is allocated to direct costs and administrative expenses as shown at notes 3 and 4.

#### **Stock**

Stock is valued at the lower of cost and net realisable value. At the year end stock consists of books and badges for resale.

### 2 Operating deficit

No council members received remuneration during the year (2002: £nil).

# THE ROYAL INSTITUTION OF SOUTH WALES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2003

### 3 Direct costs

	2003 £	2002 £
<b>For the Benefit of the Museum</b>		
Museum education service	550	550
Subscriptions (including journals)	107	140
Swansea Heritage website project contribution	4,000	-
Lower Swansea Valley photographic history project	-	500
Studia Celtica	40	40
Books donated to museum library	95	108
Swansea pottery	-	300
Card tables	-	150
<b>Unrestricted</b>	<b>£ 4,792</b>	<b>£ 1,788</b>

### Expenses re Programme of Lectures

Printing	78	78
Postages	48	53
Stationery	37	-
Speakers fees	75	-
	<b>£ 238</b>	<b>£ 131</b>

### Publications re Minerva

<b>£ 1,526</b>	<b>£ 1,811</b>
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### Social function expenses

<b>£ 190</b>	<b>-</b>
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### Total direct costs

<b>£ 6,746</b>	<b>£ 3,730</b>
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### 4 Management and administration

	2003 £	2002 £
Postages	309	277
Stationery	207	85
Photocopying	340	196
Printing	-	55
Sundries	141	96
Accountancy	448	531
	<b>£ 1,445</b>	<b>£ 1,240</b>

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

	2003 £	2002 £
Other creditors	<b>£ 380</b>	<b>£ 332</b>

# THE ROYAL INSTITUTION OF SOUTH WALES

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2003

6 Reconciliation of movements in Accumulated Funds	2003 £	2002 £
<b>Restricted Funds</b>		
Surplus/(deficit) for the financial year	-	-
Opening accumulated funds	1,000	1,000
	<u>£ 1,000</u>	<u>£ 1,000</u>
Closing accumulated funds		
<b>Unrestricted Funds</b>		
Surplus/(deficit) for the financial year	(2,050)	473
Opening accumulated funds:		
General funds	32,598	32,125
Bequest & gifts reserve	2,610	2,610
	<u>£33,158</u>	<u>£35,208</u>
Closing accumulated funds		

Restricted funds: This represents a permanent endowment, the income from which can be used for unrestricted purposes.

### 7 Control

The company is controlled by the council members.

### 8 Capital commitments

There are no contracts for capital expenditure at the year end.

### 9 Contingent liabilities

At the year end the Institution had a contingent liability in respect of the costs of publishing conference papers entitled 'Welsh Ceramics in Context'. The future liability is dependent on amounts realised on the sale of the volumes and is therefore not yet known, however, the liability to the Institution will not exceed £5,000.