

**METRAU AMGUEDDFEYDD AC ORIELAU  
CENEDLAETHOL CYMRU / NATIONAL MUSEUMS &  
GALLERIES OF WALES ENTERPRISES LIMITED**

**Report of the Directors and  
Audited Financial Statements  
For the year ended 31 March 2016**

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for the year ended 31 March 2016**

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**Company Information**  
**for the year ended 31 March 2016**

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**DIRECTORS:**

Christopher Jackson – Chairman  
Karen James-Watkins - CEO  
David Anderson  
Christina Macaulay (resigned 3<sup>rd</sup> November 2015)  
Mark Richards (resigned 3<sup>rd</sup> November 2015)  
Richard Gloster  
Richard Nash  
Neil Wicks (appointed 10<sup>th</sup> May 2016)  
Jessica Seaton (appointed 10<sup>th</sup> May 2016)

**SECRETARY:**

Yvonne Ruelle

**REGISTERED OFFICE:**

Amgueddfa Cymru - National Museum Wales  
Cathays Park  
CARDIFF  
CF10 3NP

**REGISTERED NUMBER:**

02449244 (England and Wales)

**AUDITORS:**

KTS OWENS THOMAS LIMITED  
Chartered Accountants and Registered Auditor  
The Counting House  
Celtic Gateway  
Cardiff  
CF11 0SN

**Report of the Directors  
For the year ended 31 March 2016**

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The directors present their report with the financial statements of the company for the year ended 31 March 2016.

**PRINCIPAL ACTIVITIES**

National Museums and Galleries of Wales Enterprises Ltd is a wholly owned subsidiary of Amgueddfa Cymru – National Museum of Wales. Its single purpose is to support the charitable aims of Amgueddfa Cymru.

The company's principal activities for the year ending 31 March 2016 related to all commercial sales made by the Amgueddfa Cymru – National Museum of Wales group.

Commercial sales consist of retail & catering services; corporate hire / letting; income received from car parking with other activities (as detailed in note 3).

Amgueddfa Cymru currently operates seven sites (National Museum Cardiff; St Fagans National History Museum; Big Pit National Coal Mining Museum; National Wool Museum; National Roman Legion Museum; National Slate Museum & National Collections Centre) and one joint venture (National Waterfront Museum Swansea).

**REVIEW OF BUSINESS**

The results for the year and the financial position of the company are as shown in the financial statements.

Key factors that have impacted on the business include:

- Whilst overall economic conditions have proved challenging, the management team, who are supported by the Board, have continued to improve and develop the value and customer service of the Museum's commercial operations.
- During the twelve months attention was given to several initiatives that include: i.) Supporting and development of the franchise catering contract; ii.) Developing the online business; iii.) Developing and expanding the offering of corporate entertaining products; and iv.) The on-going planning of commercial activity alongside the St Fagans Redevelopment Project.
- Operational attention has also been given to the catering and retail offers to fully support Amgueddfa Cymru – National Museum Wales. A catering consultant has been retained to work with the Museum team to develop and promote the scope and scale of our Welsh provenance.

**TRADING PERFORMANCE**

The company's performance during the year is presented in the Profit & Loss account on page 8, with a supporting year end position shown in the Balance Sheet on page 10. These accounts are prepared on a 'Going Concern' basis with the associated accounting policies declared under note 2 of the financial statements.

Trading performance is defined by set measures agreed by the board of Trustees and Directors at the beginning of the year. Governance reviews are conducted during quarterly board meetings.

The results at the end of the financial year include:

- The profit for the year exceeded target by £3K (1%) but demonstrated a decline of £102k (-20%) from the previous financial year.
- Facilitated Visitor Income presented £57k of revenue.

**Report of the Directors - continued  
for the year ended 31 March 2016**

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- Continued growth in many of the income generating activities have enabled an overall positive result. Despite a 5.33% increase in visitor numbers some areas have not generated an increase in income and/or profit however, other key areas have made up for this enabling the overall increase on target.
- Car Parking, Corporate Hire and In-house and Franchise Catering have shown growth throughout the year.
- The Car Park income was £561k. Car Park income continues to generate consistent returns and profit for the trading company year on year.
- An increase in Corporate Hire Income has resulted in a net income (less costs) of £100k, a decrease of £14k on target and missing last year's profit by £16k. Whilst Income has grown additional staffing costs throughout the year have hindered the profit. A strong working partnership with the franchise catering company and new initiatives have enabled this result.
- In house catering has been well managed meeting its target and improving on last year. Whilst this area continues to be a loss making business this significant improvement on the losses is key to maintaining the offer.
- The franchise catering contract (contracted to an outside company) exceeded profit by £17.3k in this trading year and an increase of £4.1k (2.7%) from the previous financial year. This is encouraging as the St Fagans Redevelopment Project has provided a significant impact on the catering profit.
- A reduction in Corporate Letting income occurred as two of the business units at National Waterfront Museum have vacated and new tenants are being sought.
- Retail profit (income less costs) has fallen to £13k in the year (a decline of £93k on the previous year). Challenging trading conditions and other external factors have had a significant impact on the retail trading pattern. A Retail Strategy and the Commercial Income Programme are key drivers for the following trading period to address these shortfalls.
- The impact of the St Fagans Redevelopment Project has continued to reflect in the trading performance with the full impact visible in the trading period. Future actions include the provision of Pop Up Retail Outlets to maximise key sales areas and locations during the peak trading season.

## **FUTURE DEVELOPMENTS**

The recommendations from the Enterprises Review are now being implemented and are being reviewed and monitored against the updated three year business plan. The business plan identifies key areas for focus to enable growth and development and now reflects appropriate timescales and responsibilities. This in turn generates a tighter review and monitoring process to ensure Enterprise is maximising all potential income generation streams.

The following key principles are being developed to deliver sales growth (and hence growth in profit):

- i. Identifying and developing new income streams across all areas of Amgueddfa Cymru – National Museum Wales' activities through the Commercial Income Programme.
  - ii. Developing a consistent offering for quality merchandise and catering with exceptional customer service throughout our sites.
  - iii. Developing a Branded range of retail products for delivery at all 7 museums.
  - iv. Developing and improving media platforms to support online sales through Image Licensing, Print on Demand and the online shop in partnership with the Digital Team and the redevelopment of the main website.
  - v. Developing and improving the franchise catering operation, thus maximising the benefits of the contract terms.
  - vi. Developing new income streams, all-inclusive packages and networking with key business partners to further enhance the Corporate Hire offer.
  - vii. Inspiring an environment of continuous improvement whilst providing exceptional service and quality throughout all of our operations.
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**Report of the Directors - continued  
for the year ended 31 March 2016**

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Key future factors to consider:

- The full impact of the St Fagans redevelopment will present further challenges in the next financial year, for both Enterprises and the St Fagans site team. We will work with the site team to ensure that all income opportunities are maximised whilst maintaining a strong visitor experience.
- The St Fagans Redevelopment Project will provide a significant increase in the Enterprises workload to establish and provide a strong, robust strategy and plan to capture existing and new income streams for the re-opening of the museum.
- Further control and planning will ensure that all efforts are made to mitigate losses from the in-house catering operation.
- The franchise catering operation will be supported and developed in line with the progress of the St Fagans Redevelopment Project. Continued attention will be given to further developing and improving the partnership to grow the business in both visitor and corporate hire catering.
- The corporate hire operation will be supported to engage key partners to develop a strong presence in the industry. The Amgueddfa Cymru – National Museum Wales Corporate Hire offer will be marketed at key exhibitions and supported by the Enterprises team. The Meetings Show and Confex will be key drivers to grow a strong business plan.

The Board is aware of the challenges to be faced within the next twelve months. This includes the potential for reduced sales due to challenging economic conditions and also the potential disruption ahead due to the St Fagans Redevelopment Project. The budget for 2016/7 sets stretching but achievable targets which can be consolidated into Amgueddfa Cymru's wider financial planning.

## **DIRECTORS**

The directors shown below have held office during the period from 1 April 2015 to the date of this report or the date shown.

Christopher Jackson - Chairman  
Karen James-Watkins - CEO  
David Anderson  
Christina Macaulay - resigned 3<sup>rd</sup> November 2015  
Mark Richards - resigned 18<sup>th</sup> December 2015  
Richard Gloster  
Richard Nash  
Neil Wicks - appointed 10<sup>th</sup> May 2016  
Jessica Seaton - appointed 10<sup>th</sup> May 2016

The directors have no beneficial interests in the shares of the company or of the parent body.

**Report of the Directors - continued  
for the year ended 31 March 2016**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they are giving a true and fair view of the state of affairs of the company and of the profit and loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

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

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

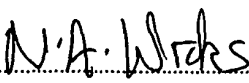
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

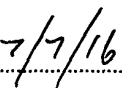
**AUDITORS**

The auditors, KTS OWENS THOMAS LIMITED, will be proposed for re-appointment at the Annual General Meeting scheduled for 7<sup>th</sup> July 2016.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

  
.....  
Neil Wicks – Director

Date:   
.....



**Report of the Independent Auditors to the Shareholders of  
Mentrau Amgueddfeydd Ac Oriolau Cenedlaethol Cymru / National Museums & Galleries of Wales  
Enterprises Ltd**

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We have audited the financial statements of Mentrau Amgueddfeydd Ac Oriolau Cenedlaethol Cymru / National Museums & Galleries of Wales Enterprises Ltd for the year ended 31 March 2016 on pages eight to eighteen. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS102 Section 1A "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland"

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.





**Report of the Independent Auditors to the Shareholders of  
Mentrau Amgueddfeydd Ac Oriolau Cenedlaethol Cymru / National Museums & Galleries of Wales  
Enterprises Ltd – continued**

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**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Directors

Gareth Lynn (Senior Statutory Auditor)  
for and on behalf of KTS OWENS THOMAS LIMITED  
Chartered Accountants and Statutory Auditor  
The Counting House  
Celtic Gateway  
Cardiff  
CF11 0SN

Date: 7<sup>th</sup> July 2016

**MENTRAU AMGUEDDFEYDD AC ORIELAU  
CENEDLAETHOL CYMRU / NATIONAL MUSEUMS &  
GALLERIES OF WALES ENTERPRISES LTD**

**Profit and Loss Account  
for the year ended 31 March 2016**

		<b>2016</b>	<b>2015</b>
	Notes	£	£
<b>TURNOVER</b>	3	<b>2,702,237</b>	<b>2,743,822</b>
Cost of sales		<b>(2,120,594)</b>	<b>(2,069,602)</b>
<b>GROSS PROFIT</b>		<b>581,643</b>	<b>674,220</b>
Administrative expenses		<b>(331,451)</b>	<b>(324,660)</b>
		<b>250,192</b>	<b>349,560</b>
Other operating income	4	<b>169,091</b>	<b>179,185</b>
<b>OPERATING PROFIT</b>	7	<b>419,283</b>	<b>528,745</b>
Interest receivable and similar income		<b>7,493</b>	<b>-</b>
		<b>426,776</b>	<b>528,745</b>
Interest payable and similar expenses	9	<b>(7,518)</b>	<b>(7,518)</b>
<b>PROFIT BEFORE TAXATION</b>		<b>419,258</b>	<b>521,227</b>
Tax on profit	10	<b>-</b>	<b>-</b>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>419,258</b>	<b>521,227</b>

**Other Comprehensive Income**  
**For the year ended 31 March 2016**

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		2016	2015
	Notes	£	£
PROFIT FOR THE YEAR		419,258	521,227
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>419,258</u>	<u>521,227</u>

**MENTRAU AMGUEDDFEYDD AC ORIELAU  
CENEDLAETHOL CYMRU / NATIONAL MUSEUMS &  
GALLERIES OF WALES ENTERPRISES LTD**

(Registered Number: 02449244)

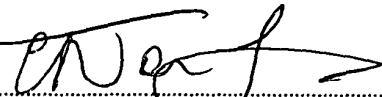
**Balance Sheet**

**31 March 2016**

	Notes	2016 £	2015 £
<b>FIXED ASSETS</b>			
Tangible assets	11	66,143	44,359
<b>CURRENT ASSETS</b>			
Stocks		313,151	375,472
Debtors	12	131,760	161,144
Cash at bank and in hand		884,190	993,793
		<u>1,329,101</u>	<u>1,530,409</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	(1,274,274)	(1,476,379)
<b>NET CURRENT ASSETS</b>		<u>54,827</u>	<u>54,030</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>120,970</u></u>	<u><u>98,389</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	100	100
Share premium account	17	25,628	25,628
Retained Earnings	17	95,242	72,661
<b>SHAREHOLDERS' FUNDS</b>		<u><u>120,970</u></u>	<u><u>98,389</u></u>

The financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the Board of Directors on 7<sup>th</sup> July 2016 and were signed on its behalf by:

  
.....  
Christopher Jackson - Chairman

  
.....  
David Anderson - Director

**MENTRAU AMGUEDDFEYDD AC ORIELAU  
CENEDLAETHOL CYMRU / NATIONAL MUSEUMS &  
GALLERIES OF WALES ENTERPRISES LTD**

**Statement of Changes in Equity  
For the Year ended 31 March 2016**

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	<b>Called Up Share Capital</b>	<b>Share premium</b>	<b>Retained earnings</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2015	100	25,628	72,661	98,389
Profit for the year			419,258	419,258
Gift aid to parent company			(396,677)	(396,677)
At 31 March 2016	<u>100</u>	<u>25,628</u>	<u>95,242</u>	<u>120,970</u>

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**Notes to the Financial Statements  
For the year ended 31 March 2016**

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**1. STATUTORY INFORMATION**

Mentrau Amgueddfeydd Ac Oriolau Cenedlaethol Cymru / National Museums and Galleries of Wales Enterprises Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company information page.

**2. ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention and in accordance with FRS102 Section 1A -The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland and the Companies Act 2006. The company has taken advantage of the option available under United Kingdom Generally Accepted Accounting Practice to adopt this Financial Reporting Standard.

**Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances and is net of VAT. Specifically revenue from:

- Shop Sales – is recognised on the point of sale and legal title has passed
- Car Park – is at a fixed rate per day and is recognised at the point of sale, being the day the parking occurs
- In-house Catering, Corporate Hire, Corporate Lets, Facilitated Visitor Income and Filming Rights - is recognised when it is probable that the economic benefits associated with the transaction will flow to the company i.e. when the associated event takes place. Income received in advance of any event is deferred until the criteria for income recognition are met
- Image Licences and Mail Order – is recognised on the point of sale when goods are delivered and legal titled has passed

**Employee Benefits**

All staff are employed by the parent body, Amgueddfa Cymru, which recharges the element of those costs incurred on behalf of National Museums and Galleries of Wales Enterprises Limited to the company in the period they are incurred

**Taxation**

Taxation expense for the period comprise current tax recognised in the reporting period. Tax is recognised in the Income Statement except to the extent that it relates to items in the other comprehensive income or directly in equity.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years, tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect of situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

The company's policy is to gift aid all of its taxable profits to its parent company. All taxable profits have been gift aided for the current year and therefore no corporation tax is due.

**Notes to the Financial Statements - continued  
for the year ended 31 March 2016**

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**Tangible Fixed Assets**

Tangible fixed assets, held for the company's own use, are stated at cost less accumulated depreciation and accumulated impairment losses and less any amounts eliminated in respect of disposals of tangible fixed assets. Individual fixed assets costing £1,500 or more are capitalised at cost. Tangible fixed assets consist of fixtures and fittings.

Depreciation on fixtures and fittings is provided at rates calculated to write off the cost of fixed assets over their expected useful lives of between 3 and 10 years using the straight-line method.

At each balance sheet date, the company reviews the carrying amount of its fixtures and fittings to determine whether there is any indication that any items have suffered an impairment loss. If any sure indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. If the recoverable amount of the asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to the recoverable amount. Impairment loss is recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in previous years. A reversal of an impairment loss is recognised as income immediately.

**Leasing commitments**

Assets that are held by the company under leases which transfer to the company substantially all the risks and rewards of ownership are classified as being held under finance leases. Leases which do not transfer substantially all the risks and rewards of ownership to the company are classified as operating leases. The company does not have any finance leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

**Stocks**

Stocks are stated at the lower of cost and estimated selling price.

When stocks are sold, the carrying amount of this stock is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of stock to net realisable value and all losses of stock are recognised as an expense in the period in which the write-down or loss occurs. The amount of any reversal of any write-down of stock is recognised as a reduction in the amount of stock recognised as an expense in the period in which the reversal occurs.

**Basic Financial Instruments**

Basic financial instruments are accounted for in accordance with section 11 of FRS 102 and comprise cash and cash equivalents and basic debt instruments including trading balances, intergroup loans and overdrafts

Basic debt instruments are measured at amortised cost using the effective interest rate method.

**Critical Accounting Judgments and key sources of estimation**

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

**Notes to the Financial Statements - continued  
for the year ended 31 March 2016**

**3. TURNOVER**

	2016	2015
	£	£
Shop Sales	1,192,987	1,260,564
Car Park	561,450	537,893
In-house Catering	374,898	372,522
Corporate Hire	439,985	433,376
Corporate Lets	31,744	39,023
Facilitated Visitor income	57,406	35,194
Image Licensing	26,144	20,256
Filming Rights	13,790	39,936
Mail Order	3,833	5,058
	<u>2,702,237</u>	<u>2,743,822</u>

The percentage of turnover arising outside of the U.K. is 0% (2015 – 0%).

**4. OTHER OPERATING INCOME**

	2016	2015
	£	£
Income from Franchised Catering	169,091	178,395
Sale of Equipment	-	790
	<u>169,091</u>	<u>179,185</u>

**5. EMPLOYEES AND DIRECTORS**

The average number of persons employed by the company (including directors) during the year was nil (2015: nil). All staff are employed by the parent body, Amgueddfa Cymru, which recharge the element of those costs incurred on behalf of National Museums and Galleries of Wales Enterprises Ltd to the company.

**6. DIRECTORS' EMOLUMENTS**

	2016	2015
	£	£
Directors' remuneration and other benefits etc.	<u>62,948</u>	<u>61,274</u>

All staff are employed by the parent body, Amgueddfa Cymru, which recharges the element of those costs incurred on behalf of National Museums and Galleries of Wales Enterprises Limited to the company. Therefore the above figures for directors' employments represent the consideration paid to Amgueddfa Cymru for making available the services of the directors.



**Notes to the Financial Statements - continued  
for the year ended 31 March 2016**

**7. OPERATING PROFIT**

The operating profit is stated after charging:

	2016	2015
	£	£
Depreciation - owned assets	16,999	7,298
Operating Lease Rentals	<u>1,196</u>	<u>1,196</u>

**8. AUDITORS' REMUNERATION**

	2016	2015
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	<u>5,360</u>	<u>4,925</u>

**9. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2016	2015
	£	£
Interest payable on loan from parent undertaking	<u>7,518</u>	<u>7,518</u>

**10. TAXATION**

**Analysis of the tax charge**

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2016 nor for the year ended 31 March 2015.

**11. TANGIBLE FIXED ASSETS**

	Fixtures & Fittings £
<b>COST</b>	
At 1 April 2015	90,938
Additions in year	<u>38,783</u>
At 31 March 2016	<u>129,721</u>
<b>DEPRECIATION</b>	
At 1 April 2015	46,579
Charge for year	<u>16,999</u>
At 31 March 2016	<u>63,578</u>
<b>NET BOOK VALUE</b>	
At 31 March 2015	<u>44,359</u>
At 31 March 2016	<u>66,143</u>

**Notes to the Financial Statements - continued  
for the year ended 31 March 2016**

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Trade Debtors	90,653	124,210
Prepayments and accrued income	41,107	36,934
	<u>131,760</u>	<u>161,144</u>

Trade Debtors are stated after provisions for impairment of £6,566 (2015: £26,264). Included within Debtors is a pre-payment of a long term loan to Elinor accounting for £16,238 (2015: £18,646)

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Trade Creditors	41,679	71,534
Amounts owed to group undertakings	1,014,379	1,294,108
VAT	80,407	5
Accruals and deferred income	137,809	110,732
	<u>1,274,274</u>	<u>1,476,379</u>

Included within amounts owed to group undertakings is a loan to NMGW Enterprises Limited of £300,727 (2015 – £300,727) from the parent body, Amgueddfa Cymru. This loan has been made on normal commercial terms with interest payable at 2% above the BOE base rate. The loan is repayable on demand.

**14. OPERATING LEASE COMMITMENTS**

Non-Cancellable operating Leases

	2016	2015
	£	£
Due within one year	598	1,196
Between one and five years	-	598
	<u>598</u>	<u>1,794</u>

**15. GUARANTEES AND OTHER FINANCIAL COMMITMENTS**

Amgueddfa Cymru hold a fixed and floating charge over the company and all property and assets present and future in relation to monies owed to them in note 13.

**Notes to the Financial Statements - continued  
for the year ended 31 March 2016**

**16. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016 £	2015 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

**17. RESERVES**

	Retained Earnings £	Share premium £	Totals £
At 1 April 2015	72,661	25,628	98,289
Profit for the year	419,258		419,258
Gift aid to parent company	<u>(396,677)</u>		<u>(396,677)</u>
At 31 March 2016	<u>95,242</u>	<u>25,628</u>	<u>120,870</u>

**18. RELATED PARTY DISCLOSURES**

Amgueddfa Cymru –National Museum of Wales, established by Royal Charter in 1907, is the parent of the smallest and only group for which consolidated financial statements are drawn up of which the company is a member. Their address is Cathays Park, Cardiff. It is a registered charity and a Welsh Government Sponsored Body, funded predominately by grant payments made by the Welsh Government.

Copies of the group financial statements of Amgueddfa Cymru are available from the Director of Finance, Amgueddfa Cymru, Cathays Park, Cardiff. Amgueddfa Cymru's accounts are audited by the Auditor General for Wales in accordance with Section 9 (4) of the Museums and Galleries Act 1992 and are laid before the Welsh Government.

The company is a wholly owned subsidiary of Amgueddfa Cymru and, in accordance with Financial Reporting Standard 102, transactions with the parent company are not reported as consolidated financial statements of the parent company are publicly available.

During the year, the company did not purchase goods or services from any other related party.

Gift aid of £396,677 (2015 - £485,719) will be paid to Amgueddfa Cymru.

**19. GENERAL INFORMATION**

The financial statements are presented in Sterling which is the functional currency of the company.

## **20. FIRST YEAR ADOPTION**

The company has adopted FRS 102 Section 1A for the year ended 2016. The last financial statements were prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

There are no material changes to the basis of preparation of the accounts arising on transition to FRS 102 Section 1A therefore although the comparative figures were prepared in accordance with the Financial Reporting Standard for Smaller Entities they show no material differences when prepared under FRS 102 Section 1A and have therefore not been adjusted.