

**Gwasg Gregynog Limited**  
**Directors Report and Accounts**  
**for the Year Ended 31 March 2002**



**Company Number: 01385327 (England and Wales)**  
**Charity Number: 1090060**

# Gwasg Gregynog Limited

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**Gwasg Gregynog Limited**

**Legal and Administrative Information**

<b>Directors and Trustees 2001</b>	Prof. E E Sunderland OBE LL (Chairman) Dr D F Balsam A T Dowd FCA Dr G T Hughes Dr A Kemp D G Lewis Prof. E J G Williams CBE
<b>Secretary</b>	Dr A Kemp
<b>Company Number</b>	01385327
<b>Charity Number</b>	1090060
<b>Registered Office</b>	Gwasg Gregynog Tregynon Newtown Powys SY16 3PW
<b>Bankers</b>	National Westminster Bank plc Broad Street Newtown Powys SY16 2LY
<b>Accountants</b>	Morgan Griffiths Chartered Accountants Cross Chambers Newtown Powys SY16 2NY
<b>Solicitors</b>	Cobbetts Ship Canal House King Street Manchester M2 4WB

## Gwasg Gregynog Limited

### Report of the Directors for the Year Ended 31 March 2002

Gwasg Gregynog Limited is a company limited by guarantee which was incorporated on 28<sup>th</sup> June 1978. It adopted new Memorandum and Articles of Association on 28<sup>th</sup> August 2001 and was granted charitable status by the Charity Commission on 11<sup>th</sup> January 2002. The Charity Trustees are the Directors of the company who present their annual report and financial statements for the year ended 31<sup>st</sup> March 2002. They have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in October 2000 in preparing the annual report and financial statements of the company.

#### Objects

The objects of the company are to promote for the benefit of the public and for the furtherance of education:

1. the preservation and maintenance of the Gwasg Gregynog press.
2. the printing, binding and production of fine private press books of literary, artistic or historical interest by traditional methods including using the press and in addition using materials of high quality.
3. an educational service to the University of Wales, schools, colleges and other interested parties by giving lectures on the history and work of the press and giving guided tours of the press.
4. the promotion of a wider understanding and appreciation of all aspects of the craft and art of book printing and binding by holding permanent and temporary exhibitions of fine books produced by the press and printing techniques used to produce the books.
5. the preservation and encouragement of the knowledge and traditional skills of letterpress, bookbinding and associated skill.

The company is organised so that the directors meet regularly to manage its affairs

#### Directors

All the directors named on page 2 served throughout the year, unless appointed or resigned as shown. Directors are appointed in accordance with the Articles of Association by the University of Wales which has power to remove and appoint additional directors as it considers fit.

#### Review of activities and future developments

The company produced two books for publications during the year; *Eirene, A Tribute* was published in August, a tribute to the life of Baroness White of Rhymney. *Morgan Rhys*, a Welsh language book in the series of Welsh hymn-writers was published in November. Much work has been carried out on the production of *Cutting Images* a book of coloured linocuts with commentary by Sir Kyffin Williams and deposits amounting to £49,572 had been received in advance of publication, which took place on 17<sup>th</sup> August 2002. The whole edition has now been sold.

In addition to sales of these publications, 204 copies of publications from the back-list of the press were sold.

We are grateful to the Arts Council for Wales for a grant towards the replacement of the guillotine of the press, which had become obsolete and failed to meet the latest Health and Safety standards. Our income from donations is expected to rise substantially as a result of the granting of charitable status to the company.

Income from tours increased during the period and Directors and members of the staff attended a number of events exhibiting and lecturing on the work of the press.

The company's funds have all been applied in accordance with its objectives. The company's assets are all being maintained in the furtherance of these objectives.

#### Investment Policy and returns

Under the Memorandum and Articles of Association the company has the power to make any investment which the directors see fit.

## Gwasg Gregynog Limited

### Report of the Directors for the Year Ended 31 March 2002

#### Research Policy

The directors will establish a policy in the near future whereby unrestricted funds not committed or invested in tangible or intangible fixed assets (i.e. free reserves) held by the company should be sufficient to maintain the operation of the company for the foreseeable future. As the company has only recently obtained charitable status, this policy is in development.

#### Risk management

The major risks to which the company is exposed, as identified by the directors, are being considered and systems have been and are being established to mitigate against those risks

#### Tangible fixed assets for use by the company

Details of the movements in fixed assets are set out in note 11 to the accounts.

#### Directors' responsibilities in relation to the financial statements

The directors are required by company law to prepare financial statements that give a true and fair view of the financial activities and of its financial position at the end of that year. In preparing those 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation

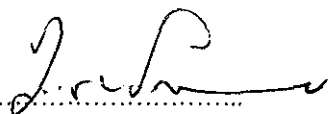
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and enables them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets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

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

#### Approval

This report was approved by the directors on 22<sup>nd</sup> October 2002 and signed on its behalf by the Chairman:

Chairman of Directors.



## Accountants' Report to the Members on the Unaudited Accounts of Gwasg Gregynog Limited

We report on the accounts for the year ended 31 March 2002 set out on pages 6 to 13.

### Respective responsibilities of directors and reporting accountants

As described on page 4 the company's directors (who also act as trustees for the charitable activities of Gwasg Gregynog Limited) are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

### Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

### Opinion

In our opinion:

- The accounts are in agreement with the accounting records kept by the company under s221 of the Companies Act 1985;
- Having regard to only, and on the basis of, the information contained in those accounting records:
  1. the accounts have been drawn up in a manner consistent with the accounting requirements specified in s249C(6) of the Act; and
  2. the company satisfied the conditions for exemption from an audit of the accounts for the year specified in s249A(4) of the Act as modified by s249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in s249B(1).



Morgan Griffiths  
Chartered Accountants  
Cross Chambers  
Newtown  
Powys SY16 2NY

Date 22<sup>nd</sup> October 2002

Gwasg Gregynog Limited

Statement of Financial Activities  
(incorporating an Income and Expenditure Account)

for the Year Ended 31 March 2002

	Notes	Restricted £	Unrestricted £	Total 2002 £	Total 2001 £
<b>Incoming resources</b>					
Donations, legacies and similar incoming resources	2	3,915	10,978	14,893	24,000
Activities in furtherance of the charities objects	3	-	43,044	43,044	55,465
Investment income	4	-	40	40	125
Other incoming resources	5	-	1,325	1,325	252
<b>Total incoming resources</b>		<u>3,915</u>	<u>55,387</u>	<u>59,302</u>	<u>79,842</u>
<b>Resources expended</b>					
<i>Charitable expenditure</i>					
Cost of activities in the furtherance of the charity's objects:					
Direct costs		979	63,407	64,386	69,251
Management and administration		-	6,233	6,233	1,208
<b>Total resources expended</b>	6	<u>979</u>	<u>69,640</u>	<u>70,619</u>	<u>70,459</u>
<b>Net incoming resources/ (resources expended)</b>		2,936	(14,253)	(11,317)	9,383
Net gains on investment assets		-	-	-	-
<b>Net movement in funds</b>		2,936	(14,253)	(11,317)	9,383
Funds brought forward		-	16,759	16,759	7,376
Funds carried forward	16	<u>2,936</u>	<u>2,506</u>	<u>5,442</u>	<u>16,759</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All incoming resources and resources expended derive from continuing activities.

The notes on pages 8 to 13 form part of these financials statements.

**Gwasg Gregynog Limited**

**Balance Sheet as at 31 March 2002**

	Notes	2002 £	2002 £	2001 £	2001 £
<b>Fixed assets</b>					
Tangible assets	11		7,575		1,916
<b>Current assets</b>					
Stocks and WIP	12	34,154		17,440	
Debtors	13	3,246		2,718	
Cash at bank and in hand	14	18,677		8,564	
		-----		-----	
				28,722	
<b>Creditors: amounts falling due within one year</b>					
	15	58,210		13,879	
		-----		-----	
<b>Net current assets</b>			(2,133)		14,843
			-----		-----
<b>Total assets less current liabilities</b>			5,442		16,759
			-----		-----
<b>Net assets</b>			5,442		16,759
			=====		=====
<b>Funds:</b>					
	17				
Restricted funds			2,936		-
Unrestricted funds			2,506		16,759
			-----		-----
			5,442		16,759
			=====		=====

For the year ended 31 March 2002 the company was entitled to exemption under section 249A(1) of the Companies Act 1985. 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 directors acknowledge their responsibility for:

1. ensuring the company keeps accounting records which comply with section 221; and
2. preparing accounts which give a true and fair view of the state of affairs of the company as at the end of its financial year, and 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.

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 directors and signed on their behalf by the Chairman:



Dated 22<sup>nd</sup> October 2002



## Gwasg Gregynog Limited

### Notes to the Financial Statements for the Year Ended 31 March 2002

#### 1. Accounting policies

##### a. Basis of preparation

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985.

##### b. Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

##### c. Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. This includes donations and grant income received during the year. Donations, legacies and similar incoming resources show resources of a voluntary nature and include grants which provide core funding or are of a general nature. Incoming resources from activities in the furtherance of the charity's objects include grants which carry a service requirement.

##### d. Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of the resources.

Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

##### e. Tangible fixed assets and depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a reducing balance basis over their expected useful economic lives as follows:

Plant and machinery	25%
---------------------	-----

##### f. Stocks and WIP

Stocks and WIP are valued at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

##### g. Pension costs

The charity operates a defined contribution pension scheme. Contributions payable for the year are charged to the Statement of Financial Activities.

##### h. Deferred incoming resources

Deferred incoming resources within the financial statements are represented by deposits on publications taken in advance.

##### i. Grants receivable

Grants, including grants for the purchase of fixed assets, are recognised in full in the Statement of Financial Activities in the year in which they are receivable.

**Gwasg Gregynog Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2002**

**j. Taxation**

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

**2. Donations, legacies and similar incoming resources**

	Restricted	Unrestricted	Total 2002	Total 2001
	£	£	£	£
Grant:				
Arts Council of Wales	3,915	-	3,915	-
Donations:				
Howard Moore	-	1,000	1,000	-
Gwendoline & Margaret Davies Charities	-	-	5,000	-
Anonymous	-	2,700	2,700	-
Anonymous donation of a computer	-	2,228	2,228	-
Other donations	-	50	50	24,000
	----- 3,915	----- 10,978	----- 14,893	----- 24,000

**3. Incoming resources from activities in furtherance of the charity's objects**

	Restricted	Unrestricted	Total 2002	Total 2001
	£	£	£	£
Sale of books	-	41,412	41,412	50,463
Sale of prints	-	1,409	1,409	2,460
Miscellaneous sales	-	193	193	32
Commission	-	30	30	2,510
	----- -	----- 43,044	----- 43,044	----- 55,465

**4. Investment income**

	Restricted	Unrestricted	Total 2002	Total 2001
	£	£	£	£
Deposit account interest	-	40	40	125

**5. Other incoming resources**

	Restricted	Unrestricted	Total 2002	Total 2001
	£	£	£	£
Income from tours	-	295	295	230
Miscellaneous income	-	1,030	1,030	22
	----- -	----- 1,325	----- 1,325	----- 252

**Gwasg Gregynog Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2002**

**6. Resources expended**

	<b>Direct Costs</b>	<b>Management and Admin</b>	<b>Total 2002</b>	<b>Total 2001</b>
	£	£	£	£
Purchase of materials	9,445	-	9,445	26,907
Packaging	179	-	179	183
Carriage	215	-	215	1,107
Wages	35,085	2,322	37,407	29,281
Social security costs	2,494	162	2,656	1,902
Pension costs	1,548	81	1,629	1,562
Phone	439	-	439	391
Postage and stationery	3,267	-	3,267	1,173
Travel and accommodation	2,298	-	2,298	1,495
Sundries	1,981	-	1,981	13
Accountancy	-	875	875	500
Subscriptions	87	-	87	44
Repairs and renewals	-	-	-	489
Legal fees	-	2,022	2,022	-
Advertising and promotion	1,955	-	1,955	1,726
Training and recruitment	-	-	-	299
Conferences and meetings	-	771	771	708
Insurance	1,456	-	1,456	1,199
Bank charges	1,412	-	1,412	842
Depreciation	2,525	-	2,525	638
	<u>64,386</u>	<u>6,233</u>	<u>70,619</u>	<u>70,459</u>

**7. Net incoming resources/(resources expended)**

This is stated after charging:

	<b>2002</b>	<b>2001</b>
	£	£
Depreciation	2,525	638
Directors' expenses	940	626
Accountants' fees	875	500
	<u>        </u>	<u>        </u>

**8. Directors remuneration**

The directors neither received nor waived any emoluments during the year (2001 £nil).

Out of pocket expenses were reimbursed to directors in accordance with established policy within the charity.

**Gwasg Gregynog Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2002**

**9. Staff costs**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Wages and salaries	37,407	29,281
Social security costs	2,656	1,902
Pension costs	1,629	1,562
	41,692	32,745
	41,692	32,745

The number of employees whose emoluments as defined for taxation purposes amounted to over £50,000 in the year was nil.

The average number of employees, calculated on a full-time equivalent basis, analysed by function was:

	<b>2002</b>	<b>2001</b>
	<b>Number</b>	<b>Number</b>
Direct charitable	1.85	1.85
Management and administration	0.15	0.15
	2.00	2.00
	2.00	2.00

**10. Pension costs**

Contributions payable to the defined contribution scheme in the year were £1,629 (2001 £1,562).

**11. Tangible fixed assets**

	<b>Plant and Machinery etc</b>	<b>Total</b>
	<b>£</b>	<b>2002</b>
		<b>£</b>
<b>Cost</b>		
At 1.4.01	21,994	21,994
Additions	8,184	8,184
Disposals	-	-
	30,178	30,178
<b>At 31.3.02</b>	30,178	30,178
<b>Depreciation</b>		
At 1.4.01	20,078	20,078
Charge for year	2,525	2,525
	22,603	22,603
<b>At 31.3.02</b>	22,603	22,603
<b>Net book value at 31.3.02</b>	7,575	7,575
<b>Net book value at 31.3.01</b>	1,916	1,916

**12. Stock**

	<b>2002</b>	<b>2001</b>
	<b>£</b>	<b>£</b>
Stock	17,130	12,632
Work in progress	17,024	4,808
	34,154	17,440
	34,154	17,440

**Gwasg Gregynog Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2002**

**13. Debtors**

	<b>2002</b>	<b>2001</b>
	£	£
Trade debtors	2,446	2,028
Other debtors	800	690
	3,246	2,718
	3,246	2,718

**14. Cash at bank and in hand**

	<b>2002</b>	<b>2001</b>
	£	£
Business reserve account	113	2,873
Cash in hand	50	15
Current account	18,514	5,676
	18,677	8,564
	18,677	8,564

**15. Creditors: amounts falling due within one year**

	<b>2002</b>	<b>2001</b>
	£	£
Trade creditors	3,838	2,439
Deposits received in advance	49,572	7,065
Accruals and deferred income	4,800	4,375
	58,210	13,879
	58,210	13,879

**16. Statement of funds**

	<b>At 1.4.01</b>	<b>Income</b>	<b>Expenditure</b>	<b>Investment Gains</b>	<b>At 31.3.02</b>
	£	£	£	£	£
<b>General funds</b>					
Capital fund	1,916	4,269	(1,546)	-	4,639
General funds	14,843	51,118	(68,094)	-	(2,133)
	16,759	55,387	(69,640)	-	2,506
<b>Total unrestricted funds</b>	16,759	55,387	(69,640)	-	2,506
<b>Restricted funds</b>					
ACW grant for guillotine	-	3,915	(979)	-	2,936
	-	3,915	(979)	-	2,936
<b>Total restricted funds</b>	-	3,915	(979)	-	2,936
<b>Total funds</b>	16,759	59,302	(70,619)	-	5,442

The general reserve represents the free funds of the charity which are not designated for particular purposes.

The restricted grant was received from the Arts Council for Wales towards the purchase of a new guillotine. The balance at 31 March 2002 represents that proportion of the asset purchased with the grant less depreciation.

**Gwasg Gregynog Limited**

**Notes to the Financial Statements for the Year Ended 31 March 2002**

**17. Analysis of net assets between funds**

	<b>Restricted Funds £</b>	<b>General Funds £</b>	<b>Total £</b>
<b>Fund balances as at 31.03.02 are represented by:</b>			
Tangible fixed assets	2,936	4,639	7,575
Net current assets	-	(2,133)	(2,133)
	<u>2,936</u>	<u>2,506</u>	<u>5,442</u>
<b>Total net assets</b>	<u>2,936</u>	<u>2,506</u>	<u>5,442</u>

**18. Share capital**

The company is limited by guarantee and therefore has no share capital.

**19. Comparatives**

The organisation obtained charitable status on 11 January 2002. The comparatives have therefore been restated to accurately reflect the format of the financial statements as required by SORP 2000.

**20. Expenditure on functional fixed assets**

	<b>Restricted £</b>	<b>Unrestricted £</b>	<b>Total 2002 £</b>	<b>Total 2001 £</b>
Net movement in funds	2,936	(14,253)	(11,317)	9,383
(Increase)/decrease in NBV of fixed assets	(2,936)	(2,723)	(5,659)	313
	<u>-</u>	<u>(16,976)</u>	<u>(16,976)</u>	<u>9,696</u>
Net movement in funds available for future activities	-	14,843	14,843	5,147
Available funds brought forward	-	(2,133)	(2,133)	14,843
	<u>-</u>	<u>(2,133)</u>	<u>(2,133)</u>	<u>14,843</u>