

Registered Company Number: 02449244 (England and Wales)

**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 2020**



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

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for the year ended 31 March 2020**

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**MENTRAU AMGUEDDFEYDD AC ORIELAU
CENEDLAETHOL CYMRU / NATIONAL MUSEUMS &
GALLERIES OF WALES ENTERPRISES LIMITED**
Company Information
for the year ended 31 March 2020

DIRECTORS:

Christopher Jackson – Chairman
David Anderson
Richard Gloster
Richard Nash
Neil Wicks
Jessica Seaton – resigned 31st December 2019

SECRETARY:

Yvonne Ruelle

REGISTERED OFFICE:

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

REGISTERED NUMBER:

02449244 (England and Wales)

AUDITORS:

Azets Audit Services
Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

**MENTRAU AMGUEDDFEYDD AC ORIELAU
CENEDLAETHOL CYMRU / NATIONAL MUSEUMS &
GALLERIES OF WALES ENTERPRISES LIMITED**
Report of the Directors
For the year ended 31 March 2020

The directors present their report with the financial statements of the company for the year ended 31 March 2020.

PRINCIPAL ACTIVITIES

National Museums and Galleries of Wales Enterprises Limited 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 2020 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

This has been another successful year for the company with record retail sales being achieved as a result of three popular exhibitions in Cardiff and a 5% and 6% increase in visitor numbers in our St Fagans and Slate museums respectively for the 11 months to February 2020 compared with a similar period last year. The opening of a virtual reality experience in our Cardiff museum in November 2019 has also provided the company with an exciting new commercial opportunity.

Unfortunately, the business was impacted in March 2020 by the Covid-19 virus when most of our corporate hire business had to be cancelled and our sites were closed.

FUTURE DEVELOPMENTS

The next financial year will be significantly affected by the Covid-19 virus and our focus will be on mitigating our losses during this period while researching and developing new commercial opportunities to grow the business and brand in the years following.

DIRECTORS

The directors shown below have held office during the period from 1 April 2019 to the date of this report or the date shown.

Christopher Jackson - Chairman
David Anderson
Richard Gloster
Richard Nash
Neil Wicks
Jessica Seaton - resigned 31st December 2019

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 2020**

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

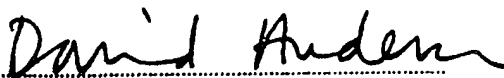
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware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

AUDITORS

Azets Audit Services will be proposed for re-appointment after Annual General Meeting.

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:



David Anderson – Director

Date: 19/10/20

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

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

Opinion

We have audited the financial statements of Mentrau Amgueddfeydd Ac Orielau Cenedlaethol Cymru/National Museums & Galleries of Wales Enterprises Limited (the 'company') for the year ended 31 March 2020 which comprise the Profit And Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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 in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of Our Report

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 an auditor's report 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.



**Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Azets Audit Services**

23-10-2020

**Accountants and
Statutory Auditor**

Ty Derw
Lime Tree Court
Cardiff Gate Business Park
Cardiff
CF23 8AB

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

Profit and Loss Account
for the year ended 31 March 2020

	Notes	2020 £	2019 £
TURNOVER	3	3,656,974	3,721,129
Cost of sales		(2,769,487)	(2,728,080)
GROSS PROFIT		887,488	993,049
Administrative expenses		(404,445)	(406,418)
		483,043	586,631
Other operating income	4	284,411	305,925
OPERATING PROFIT	7	767,454	892,556
Interest received and similar income		15,689	13,311
		783,143	905,867
Interest payable & similar charges	9	(8,107)	(8,019)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		775,036	897,848
Tax on profit on ordinary activities	10	-	-
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		775,036	897,848

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

Other Comprehensive Income
For the year ended 31 March 2020

		2020	2019
	Notes	£	£
PROFIT FOR THE YEAR		775,036	897,848
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>775,036</u>	<u>897,848</u>

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

Balance Sheet

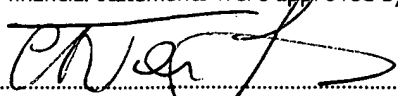
31 March 2020

(Registered Number: 02449244)

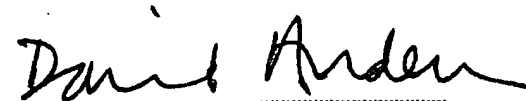
	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	11	93,046	66,273
CURRENT ASSETS			
Stocks	12	265,870	227,050
Trade debtors	13	187,807	226,579
Cash at bank and in hand		873,070	1,693,396
		<u>1,326,747</u>	<u>2,147,024</u>
CREDITORS			
Amounts falling due within one year	14	(1,306,340)	(2,120,130)
NET CURRENT ASSETS		<u>20,407</u>	<u>26,895</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>113,453</u></u>	<u><u>93,168</u></u>
CAPITAL AND RESERVES			
Called up share capital	16	100	100
Share premium account	17	25,628	25,628
Profit and loss account	17	87,725	67,440
SHAREHOLDERS' FUNDS		<u><u>113,453</u></u>	<u><u>93,168</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 and were signed on its behalf by:


Christopher Jackson – Chairman

11/10/2020
Date


David Anderson – Director

19/10/2020
Date

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

Statement of Changes in Equity
For the Year ended 31 March 2020

	Called Up Share Capital	Share premium	Retained earnings	Total
	£	£	£	£
At 1 April 2019	100	25,628	67,440	93,168
Profit for the year			775,036	775,036
Gift aid to parent company			(754,751)	(754,751)
At 31 March 2020	<u>100</u>	<u>25,628</u>	<u>87,725</u>	<u>113,453</u>

**Notes to the Financial Statements
For the year ended 31 March 2020**

1. STATUTORY INFORMATION

Mentrau Amgueddfeydd Ac Oriolau Cenedlaethol Cymru / National Museums and Galleries of Wales Enterprises Limited 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, Events, Commercial initiatives 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.

Taxation

Taxation expense for the period comprise current tax recognised in the reporting period. Tax is recognised in the Profit and Loss account 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.

Going Concern

The Financial Statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. In making their assessment the directors have reviewed the balance sheet, the likely future cash flows of the business and have considered the facilities, cash and ongoing financial support of its parent body, Amgueddfa Cymru, that are in place at this point in time. In light of the situation arising in the UK, and globally, in respect of Covid-19 and the measures taken by the UK and devolved Welsh Governments to contain the virus, the day to day operations of the business have been disrupted, with the extent of this disruption on the museums visitors, customers and the timescale currently uncertain.

Going Concern cont'd

The full impact of Covid-19 on the business and general economy is difficult to quantify at this time however, the company has reviewed its cash flow requirements for the coming months and together with Group support the directors have a reasonable expectation that they can continue in business and feel it appropriate to prepare the Financial Statements on a going concern basis.

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 and intergroup loans.

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

Judgements and Key Sources of Estimation Uncertainty

In the application of the Company's accounting policies, management is required to make judgements, estimates and assumptions about the 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

(i) Useful Economic Lives of Tangible Assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates.

(ii) Impairment of Debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing the impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.

(iii) Stock Provisioning

The company sells stock and is subject to changing consumer demands. As a result it is therefore necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and the condition of the stock, as well as applying assumptions around anticipated saleability.

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

**Notes to the Financial Statements - continued
for the year ended 31 March 2020**

3. TURNOVER

	2020	2019
	£	£
Shop Sales	1,522,321	1,444,113
Car Park	714,773	731,543
In-house Catering	465,302	416,526
Corporate Hire	465,550	618,664
Corporate Lets	36,667	37,165
Facilitated Visitor income	101,991	112,928
Image Licensing	25,605	22,132
Filming Rights	45,203	51,473
Commercial initiatives	130,692	98,331
Commercial Events	126,949	169,377
Other	21,922	18,877
	<u>3,656,974</u>	<u>3,721,129</u>

4. OTHER OPERATING INCOME

	2020	2019
	£	£
Income from Franchised Catering	<u>284,411</u>	<u>305,925</u>

5. EMPLOYEES AND DIRECTORS

The average number of persons employed by the company (including directors) during the year was nil (2019: nil). Amgueddfa Cymru, the parent body, recharge staff costs incurred on behalf of National Museums and Galleries of Wales Enterprises Limited to the Company.

6. DIRECTORS' EMOLUMENTS

	2020	2019
	£	£
Directors' remuneration and other benefits etc.	<u>=</u>	<u>=</u>

The parent body, Amgueddfa Cymru, recharges staff 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.

7. OPERATING PROFIT

The operating profit is stated after charging:

	2020	2019
	£	£
Depreciation - owned assets	31,390	28,643
Operating Lease Rentals	3,793	414
	<u>35,183</u>	<u>29,057</u>

8. AUDITORS' REMUNERATION

	2020	2019
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	4,950	4,350
	<u>4,950</u>	<u>4,350</u>

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Interest payable on loan from parent undertaking	8,107	8,019
	<u>8,107</u>	<u>8,019</u>

10. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 31 March 2020 nor for the year ended 31 March 2019.

11. TANGIBLE FIXED ASSETS

	Fixtures & Fittings £
COST	
At 1 April 2019	214,685
Additions in year	58,163
At 31 March 2020	<u>272,848</u>
DEPRECIATION	
At 1 April 2019	148,412
Charge for year	31,390
At 31 March 2020	<u>179,802</u>
NET BOOK VALUE	
At 31 March 2019	66,273
At 31 March 2020	<u>93,046</u>

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

**Notes to the Financial Statements - continued
for the year ended 31 March 2020**

12. STOCK

	2020	2019
	£	£
Stock	283,571	248,457
Stock Provision	(17,700)	(21,407)
	<u>265,870</u>	<u>227,050</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade Debtors	55,708	116,265
Provision for Bad Debts	(7,783)	0
VAT	12	-
Prepayments and accrued income	139,870	110,314
	<u>187,807</u>	<u>226,579</u>

Trade Debtors are stated after provisions for impairment of £7,783 (2019: £nil). Included within Debtors is a pre-payment of a long term loan to Elinor accounting for £6,617 (2019: £9,027)

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade Creditors	14,348	25,136
Amounts owed to group undertakings	1,167,520	1,771,843
VAT	-	156,056
Accruals and deferred income	124,473	167,095
	<u>1,306,340</u>	<u>2,120,130</u>

Included within amounts owed to group undertakings is a loan to National Museums & Galleries of Wales Enterprises Limited of £300,727 (2019 – £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.

**Notes to the Financial Statements - continued
for the year ended 31 March 2020**

15. SECURED LIABILITIES

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 14.

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
100	Ordinary	£1	<u>100</u>	<u>100</u>

17. RESERVES

	Profit and loss account £	Share premium £	Totals £
At 1 April 2019	£67,440	£25,628	£93,068
Profit for the year	£775,036		£775,036
Gift aid to parent company	(754,751)		(754,751)
At 31 March 2020	<u>£87,725</u>	<u>£25,628</u>	<u>£113,353</u>

18. OPERATING LEASE COMMITMENTS

Lessee

At the report end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2020 £	2019 £
Within one year	3,793	3,793
Between two and five year	3,296	7,088
In over five years	-	-
	<u>7,088</u>	<u>10,881</u>

**Notes to the Financial Statements - continued
for the year ended 31 March 2020**

19. 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 National Assembly for Wales.

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.

Gift aid of £754,751 (2019 - £906,458) will be paid to Amgueddfa Cymru.

20. SUBSEQUENT EVENTS DISCLOSURE

The company has been largely affected by the spread of Covid-19. The demand for the company's services are expected to be significantly reduced during 2020 and possibly into 2021. The company is working collaboratively with its parent body, Amgueddfa Cymru, taking a variety of actions to reduce costs and minimize the effects of the virus outbreak as well as creating a safe environment for its visitors and other stakeholders

21. GENERAL INFORMATION

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

**MENTRAU AMGUEDDFEYDD AC ORIELAU
CENEDLAETHOL CYMRU / NATIONAL MUSEUMS &
GALLERIES OF WALES ENTERPRISES LIMITED
TRADING PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2020**

	2020		2019	
	£	£	£	£
Turnover		3,656,974		3,721,129
Cost of sales				
Opening stock	227,050		215,712	
Purchases	869,695		830,687	
Recharged wages and salaries	1,559,039		1,460,648	
Cost of services	379,573		448,083	
	<u>3,035,356</u>		<u>2,955,130</u>	
Closing stock	(265,870)		(227,050)	
		<u>2,769,487</u>		<u>2,728,080</u>
GROSS PROFIT		887,488		993,049
Other income				
Other Operating Income	284,411		305,925	
Interest Receivable	<u>15,689</u>		<u>13,311</u>	
		<u>300,101</u>		<u>319,236</u>
		1,187,588		1,312,285
Expenditure				
Rent	135,930		136,597	
Insurance	17,807		17,631	
Licenses	1,449		2,934	
Depreciation of tangible fixed assets	31,390		28,643	
Equipment maintenance	32,233		28,690	
Equipment and fittings	37,255		30,484	
Rates & Utilities on empty property lets	0		0	
Telephones	363		708	
Postage and stationery	9,213		19,458	
Marketing Expenses	32,609		13,429	
Travel & Subsistence	7,742		13,878	
Administration Charges	27,019		26,818	
Cleaning, medical and clothing	4,136		3,903	
Training and Recruitment	565		3,452	
General expenses	4,248		3,100	
Professional Fees	10,123		41,921	
Filming	50		2,320	
Audit and accountancy	4,925		3,350	
Bad debt	<u>9,158</u>		<u>(3,115)</u>	
		<u>366,213</u>		<u>374,201</u>
		821,375		938,084
Finance Costs				
Bank fees	38,232		32,217	
Interest Payable	<u>8,107</u>		<u>8,019</u>	
		<u>46,339</u>		<u>40,236</u>
NET PROFIT		775,036		897,848

This page does not form part of the statutory financial statements