

UN LLAIS CYMRU - ONE VOICE WALES
REPORT AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019

Bevan Buckland LLP
Langdon House
Langdon Road
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Swansea
SA1 8QY

UN LLAIS CYMRU - ONE VOICE WALES

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FOR THE YEAR ENDED 31 MARCH 2019**

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UN LLAIS CYMRU - ONE VOICE WALES

**OFFICER AND PROFESIONAL ADVISERS
FOR THE YEAR ENDED 31 MARCH 2019**

EXECUTIVE COMMITTEE

The executive committee is made up of 34 members, 2 from each of the 16 regional committees plus 2 from the larger council committee.

REGISTERED OFFICE: 24 College Street
Ammanford
Carmarthenshire
SA18 3AF

SENIOR STATUTORY AUDITOR: Henry Lloyd Davies

AUDITORS: Bevan Buckland LLP
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

SOLICITORS: Edward Geldard
Dumfries House
Dumfries Place
Cardiff
CF10 3ZF

BANKERS: Lloyds
12 Terrace Road
Aberystwyth
Ceredigion
SY23 1NS

UN LLAIS CYMRU - ONE VOICE WALES

REPORT OF THE CHIEF OFFICER FOR THE YEAR ENDED 31 MARCH 2019

THE ASSOCIATION

One Voice Wales was established on 24 April 2004 to replace the Wales Association of Community and Town Councils and the National Association of Local Councils Wales. One Voice Wales aims to provide a strong voice, a source of high quality advice and good practice for local councils in Wales. One Voice Wales also aims to provide a single point of contact with the Assembly, Welsh Local Government Association and the Assembly's sponsored public bodies and in doing so increase the profile and influence of local councils. One Voice Wales also aims to identify and disseminate good practice, facilitate training, provide advice and guidance and contribute to improving the quality of life for the people of Wales.

REVIEW OF BUSINESS

The Association reported a surplus of £44,248 (2018: £43,031) for the period. This surplus, along with an actuarial surplus on the pension scheme for the year of £15,000 (2018: £23,000) has left the Association with deficit reserves of £9,037 (2018: deficit £68,285).

GOING CONCERN

The financial statements currently show that the organisation has negative reserves of £9,037. The primary reason for the organisation having negative reserves is the pension deficit of £201,000. This deficit is an estimate of the expected shortfall of assets over liabilities in the organisation pension scheme and as such the liability is not expected to crystallise in the short term. Excluding the pension deficit the organisation has reserves of £191,963 and has net current assets of £191,902. This gives the Executive Committee confidence that the organisation can continue as a going concern for the foreseeable future.

STATEMENT OF OFFICER'S RESPONSIBILITIES

The officer is responsible for preparing the financial statements in accordance with applicable law and regulations.

The Association requires the officer to prepare financial statements for each financial year. The officer must not approve the financial statements unless is satisfied that they give a true and fair view of the state of affairs of the association and of the profit or loss of the association for that period. In preparing these financial statements, the officer is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

The officer is responsible for keeping adequate accounting records that are sufficient to show and explain the association's transactions and disclose with reasonable accuracy at any time the financial position of the association is also responsible for safeguarding the assets of the association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the officer is aware, there is no relevant audit information of which the association's auditors are unaware, and each officer has taken all the steps that ought to have taken as a officer in order to make aware of any relevant audit information and to establish that the association's auditors are aware of that information.

AUDITORS

The auditors, Bevan Buckland LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE MEMBERS:

.....
Mr Lyn Cadwallader

Date:

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UN LLAIS CYMRU - ONE VOICE WALES

Opinion

We have audited the financial statements of Un Llais Cymru - One Voice Wales for the year ended 31 March 2019 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet 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 Financial Reporting Standard 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 2019 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 Association

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 Auditors' 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 officer's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the officer has 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 officer is responsible for the other information. The other information comprises the information in the Report of the Officer, but does not include the financial statements and our Report of the Auditors 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.

Opinion on other matters prescribed by the Companies Act 2006

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

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

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF UN LLAIS CYMRU - ONE VOICE WALES

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 Report of the Officer.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Responsibilities of officer

As explained more fully in the Statement of Officer's Responsibilities set out on page two, the officer is 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 officer determines 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 director is responsible for assessing the association'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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 a Report of the Auditors 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 www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
UN LLAIS CYMRU - ONE VOICE WALES**

Use of our report

This report is made solely to the association's members, as a body. Our audit work has been undertaken so that we might state to the association'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 Association and the association's members as a body, for our audit work, for this report, or for the opinions we have formed.

Henry Lloyd Davies (Senior Statutory Auditor)
for and on behalf of Bevan Buckland LLP
Langdon House
Langdon Road
SA1 Swansea Waterfront
Swansea
SA1 8QY

Date:

UN LLAIS CYMRU - ONE VOICE WALES

**INCOME STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
TURNOVER		423,461	417,793
Administrative expenses		<u>(374,544)</u>	<u>(368,876)</u>
OPERATING PROFIT		48,917	48,917
Interest receivable and similar income		<u>331</u>	<u>114</u>
		49,248	49,031
Other finance costs	7	<u>(5,000)</u>	<u>(6,000)</u>
PROFIT BEFORE TAXATION		44,248	43,031
Tax on profit		<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		<u><u>44,248</u></u>	<u><u>43,031</u></u>

The notes form part of these financial statements

UN LLAIS CYMRU - ONE VOICE WALES

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2019**

Notes	2019 £	2018 £
PROFIT FOR THE YEAR	44,248	43,031
OTHER COMPREHENSIVE INCOME		
Asset gains arising during the period	24,000	5,000
Liability losses during the period	(9,000)	18,000
Income tax relating to components of other comprehensive income	<u>-</u>	<u>-</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF INCOME TAX	<u>15,000</u>	<u>23,000</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u><u>59,248</u></u>	<u><u>66,031</u></u>

The notes form part of these financial statements

UN LLAIS CYMRU - ONE VOICE WALES

BALANCE SHEET 31 MARCH 2019

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	4	61	61
CURRENT ASSETS			
Debtors	5	13,478	20,911
Cash at bank		<u>316,108</u>	<u>239,738</u>
		329,586	260,649
CREDITORS			
Amounts falling due within one year	6	<u>137,684</u>	<u>119,995</u>
NET CURRENT ASSETS		<u>191,902</u>	<u>140,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		191,963	140,715
PENSION LIABILITY	7	<u>(201,000)</u>	<u>(209,000)</u>
NET LIABILITIES		<u>(9,037)</u>	<u>(68,285)</u>
RESERVES			
Retained earnings		<u>(9,037)</u>	<u>(68,285)</u>
		<u>(9,037)</u>	<u>(68,285)</u>

The financial statements were approved by the Association on and were signed by:

.....
Cllr Mike Cuddy - Chair

.....

UN LLAIS CYMRU - ONE VOICE WALES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

1. STATUTORY INFORMATION

The Association's office address can be found on the Officer and Professional Advisers page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with applicable Accounting Standards as appropriate for the Association which is not a limited company. The financial statements have been prepared under the historical cost convention.

Turnover

Income is included in the amounts on an accruals basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Office Equipment	-	20% on cost
Chain of Office	-	No depreciation

Pension costs and other post-retirement benefits

For defined benefit schemes, the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the Association, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

Membership fees received in advance

Income received in relation to membership fees received prior to the year end which relate to the following year are shown in creditors as membership fees in advance.

UN LLAIS CYMRU - ONE VOICE WALES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2019

3. STAFF COSTS

At the year end, the Association was staffed with 10 employees. (2018: 12 employees)

Total staff costs were as follows

	31/3/19 £	31/3/18 £
Salaries	206,880	203,626
Salaries - Training	14,988	15,279
Salaries - Consulting	9,461	9,004
Pension Adjustment	2,000	3,000
Employers NI	18,118	18,426
Travel, subsistence and conferences	13,106	13,575
Consultancy fees and expenses	6,595	5,789
Recruitment and training	259	673
	<u>271,407</u>	<u>269,372</u>

The remuneration of the Chief Officer of the Association, together with employer's pension contributions amounted to £87,886 (2017: £88,957) which can be analysed as follows:-

	31/3/19 £	31/3/18 £
Gross Salary	65,679	66,238
Employers NI	7,901	8,014
Employers Pension	14,306	14,705
	<u>87,886</u>	<u>88,957</u>

4. TANGIBLE FIXED ASSETS

	Plant and machinery etc £
COST	
At 1 April 2018 and 31 March 2019	<u>30,267</u>
DEPRECIATION	
At 1 April 2018 and 31 March 2019	<u>30,206</u>
NET BOOK VALUE	
At 31 March 2019	<u>61</u>
At 31 March 2018	<u>61</u>

UN LLAIS CYMRU - ONE VOICE WALES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2019	2018
	£	£
Trade debtors	10,307	18,402
Other debtors	<u>3,171</u>	<u>2,509</u>
	<u>13,478</u>	<u>20,911</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	2019	2018
	£	£
Trade creditors	18,941	19,589
Other creditors	<u>118,743</u>	<u>100,406</u>
	<u>137,684</u>	<u>119,995</u>

7. EMPLOYEE BENEFIT OBLIGATIONS

Introduction

The disclosures below relate to the funded liabilities within the Cardiff and Vale of Glamorgan Pension Fund (the "fund") which is part of the Local Government Pension Scheme (the "LGPS"). The funded nature of the LGPS requires One Voice Wales and its employees to pay contributions into the Fund, calculated at a level intended to balance the pensions liabilities with investment assets.

In accordance with Financial Reporting Standards, disclosure of certain information concerning assets, liabilities, income and expenditure relating to pension schemes is required.

Contributions for the accounting period ending 31 March 2020

The Employer's regular contributions to the Fund for the accounting period 31 March 2020 are estimated to be approximately £36,000. In addition, Strain on Fund Contributions may be required.

The amounts recognised in profit or loss are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Current service cost	29,000	29,000
Net interest from net defined benefit asset/liability	5,000	6,000
Past service cost	<u>-</u>	<u>-</u>
	<u>34,000</u>	<u>35,000</u>
 Actual return on plan assets	 <u>14,000</u>	 <u>12,000</u>

UN LLAIS CYMRU - ONE VOICE WALES

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2019**

7. EMPLOYEE BENEFIT OBLIGATIONS - continued

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Opening defined benefit obligation	740,000	704,000
Current service cost	29,000	29,000
Contributions by scheme participants	8,000	8,000
Interest cost	19,000	18,000
Actuarial losses/(gains)	9,000	(18,000)
Benefits paid	<u>(1,000)</u>	<u>(1,000)</u>
	<u>804,000</u>	<u>740,000</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Opening fair value of scheme assets	531,000	481,000
Contributions by employer	27,000	26,000
Contributions by scheme participants	8,000	8,000
Expected return	14,000	12,000
Benefits paid	(1,000)	(1,000)
Assets other remeasurement	<u>24,000</u>	<u>5,000</u>
	<u>603,000</u>	<u>531,000</u>

The amounts recognised in other comprehensive income are as follows:

	Defined benefit pension plans	
	2019	2018
	£	£
Assets other remeasurement	<u>24,000</u>	<u>5,000</u>
	<u>24,000</u>	<u>5,000</u>

UN LLAIS CYMRU - ONE VOICE WALES

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2019

7. EMPLOYEE BENEFIT OBLIGATIONS - continued

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	2019	2018
Equities	63.70%	66.50%
Government Bonds	10.70%	15.40%
Corporate Bonds	11.00%	10.40%
Property	7.70%	6.30%
Cash	1.50%	1.40%
Other	5.40%	-
	100.00%	
	<u>100.00%</u>	<u></u>

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2019	2018
Discount rate	2.50%	2.60%
Future salary increases	3.10%	3.00%
Future pension increases	2.10%	2.00%
RPI inflation	3.20%	3.10%
CPI inflation	2.10%	2.00%
Pension accounts revaluation rate	2.10%	2.00%

8. RELATED PARTY DISCLOSURES

Due to the nature of the organisation and its membership being drawn from a wide range of local councils, it is inevitable that transactions will take place with local councils in which a member of the organisation may have an interest.

During the period the Association received grants from the Welsh Government totalling £93,000 (2018: £93,000). The Association also received the following income, a Bursary Claim of £1,240 and £4,875 to produce 7 online training modules.

Un Llais Cymru - One Voice Wales paid the NALC fees totalling £20,000 (2018: £20,000) for various services including representation in Westminster on issues not devolved to the Welsh Government, legal advice and support.

9. GOING CONCERN

The financial statements currently show that the organisation has negative reserves of £9,037. The primary reason for the organisation having negative reserves is the pension deficit of £201,000. This deficit is an estimate of the expected shortfall of assets over liabilities in the organisation pension scheme and as such the liability is not expected to crystallise in the short term. Excluding the pension deficit the organisation has reserves of £191,963 and has net current assets of £191,902. This gives the Executive Committee confidence that the organisation can continue as a going concern for the foreseeable future.

UN LLAIS CYMRU - ONE VOICE WALES

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019**

	2019		2018	
	£	£	£	£
Turnover				
Membership fees	216,771		196,597	
Welsh Government Grant -				
Core funding	93,000		93,000	
AGM Fees	16,890		18,390	
Training income	50,292		67,852	
Sponsorship	3,790		4,340	
Consulting	25,517		25,069	
Other	9,341		7,245	
Awards	<u>7,860</u>		<u>5,300</u>	
		423,461		417,793
Other income				
Deposit account interest		<u>331</u>		<u>114</u>
		423,792		417,907
Employees				
Salaries and pensions	231,329		227,909	
Social security	18,118		18,426	
Pensions adjustment	2,000		3,000	
Staff expenses	13,106		13,575	
Recruitment expenses	92		322	
Staff training	167		351	
Consultancy fees and expenses	<u>6,595</u>		<u>5,789</u>	
		271,407		269,372
Office Expenses				
Rent	3,487		3,300	
Water	670		614	
Insurance	863		851	
Light and heat	1,095		874	
Telephone	3,185		3,663	
Postage	5,066		4,776	
Printing and stationery	1,172		1,441	
Photocopying	4,958		4,964	
Furniture and equipment	41		342	
Cleaning	509		820	
Computer and ICT Equipment	3,226		3,141	
Sundry expenses	<u>3,117</u>		<u>1,703</u>	
		27,389		26,489
Professional and Other Services				
NALC - Service level agreement	20,000		20,000	
Translation	11,574		11,907	
Auditors' remuneration	<u>3,996</u>		<u>3,708</u>	
		35,570		35,615
 Carried forward		 89,426		 86,431

This page does not form part of the statutory financial statements

UN LLAIS CYMRU - ONE VOICE WALES

DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2019

	2019		2018	
	£	£	£	£
Brought forward		89,426		86,431
Committee Expenses				
Area committees	1,177		862	
Executive committee	8,375		6,845	
Conference and AGM	7,272		7,692	
Larger Local Councils and other	<u>1,372</u>		<u>4,880</u>	
		18,196		20,279
Training Provision				
Training provisions	<u>13,452</u>		<u>12,801</u>	
		13,452		12,801
Awards Expenditure				
Awards expenditure	<u>4,310</u>		<u>3,927</u>	
		4,310		3,927
Other Expenditure				
Bad debts	<u>3,808</u>		<u>-</u>	
		3,808		-
		<u>49,660</u>		<u>49,424</u>
Finance costs				
Bank charges		<u>412</u>		<u>393</u>
		49,248		49,031
Other finance income/costs				
Interest income on pension scheme assets	(14,000)		(12,000)	
Interest on pension scheme liabilities	<u>19,000</u>		<u>18,000</u>	
		<u>5,000</u>		<u>6,000</u>
NET PROFIT		<u><u>44,248</u></u>		<u><u>43,031</u></u>