

Charity Registration No. 1146560

Company Registration No. 07779153 (England and Wales)

LLENYDDIAETH CYMRU/LITERATURE WALES

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

LLENYDDIAETH CYMRU/LITERATURE WALES

CONTENTS

	Page
Trustees report	1 - 16
Statement of trustees responsibilities	17
Independent auditor's report	18 - 19
Statement of financial activities	20
Balance sheet	21
Statement of cash flows	22
Notes to the accounts	23 - 37

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The trustees present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

Objectives and aims

The organisation's objects, as defined in the Articles of Association, are to:

- Promote literature from Wales in Wales and world-wide.
- Support writing in all of Wales' languages and celebrate Wales' literary heritage.
- Foster a love for literature amongst people of all ages, abilities and backgrounds.
- Develop children and young people's creativity and literacy skills.

In 2016, Literature Wales launched a new Business Plan for 2016-19 which elaborates on these objects and expresses its mission statement as follows:

Literature belongs to everybody and can be found everywhere. Through words we discover new worlds. By working with others in a wide range of communities, Literature Wales can make literature a voice for all.

In order to deliver this mission, Literature Wales concentrates on five strategic areas:

1. **Participation**
2. **Writer Support**
3. **Children & Young People**
4. **International**
5. **Digital Creativity**

The Business Plan for 2016-19 sees an important change in focus for Literature Wales. As the national company for literature in Wales, the organisation sees itself as an enabler; supporting writers, participants and organisations in their engagement with literature. As a national company it is also an exemplar leader for the sector, managing Wales-wide initiatives and coordinating representation of the sector, both inside Wales and beyond.

From 2016, Literature Wales will change its focus from directly delivering large-scale competitions, festivals and magazines, to enabling and supporting activity provided by others. These include other national organisations, local authorities, community groups and individual writers and artists – with the aim of working collaboratively and in partnership to develop literature-related programmes for a wider audience. The change in focus will also present a more coherent writer support strategy that seeks to offer support at each stage, increasing follow-up and links between programmes, and formalising training. This work will include better representation and consultation with the literature sector through consultation on key strategies and the facilitation of international links to increase the exposure of writers from Wales and raise awareness of the vibrant Welsh scene.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Public benefit

Literature Wales demonstrates public benefit through engagement and participation in its activities and initiatives. Through its partnership work and funding schemes, the reach of Literature Wales is considerable: during 2016/17, 147,661 people attended or took part in a Literature Wales supported activity. This included 45,968 children and young people.

Literature Wales places literature at the heart of the well-being, literacy, employment and skills agendas. We strive for literature to be seen as a vital part of a balanced, engaged and healthy life and support the aims of the Well-being of Future Generations Act.

Literature Wales works with partners across different sectors to ensure that arts and culture play a part in addressing the poverty of attainment and opportunity in Wales. Initiatives in each of the five strategic areas aim to impact on literature, engagement and wider social justice issues, including: increasing literacy levels in Wales, increasing the variety of groups actively engaging in literature activities, improving the accessibility and breadth of creative pathways open to aspiring and established writers, increasing employment opportunities for Welsh writers, and increasing the numbers of visitors to Wales engaging with Wales' literary heritage and contemporary scene. Directors are therefore satisfied that Literature Wales' programme delivers significant public benefit for Wales.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Achievements and performance

PROGRAMMES

Below are details of some of the main initiatives that took place during 2016/17:

1. Participation

The aim of this strategic area is to increase opportunities for people of all ages and backgrounds to participate in literature activity. Literature Wales does this by: increasing the breadth of provision of literary activity by working with a broad range of partners; working with more people who are at risk of becoming or remaining socially disengaged; stimulating and supporting locally-led, sustainable activity.

South Wales Literature Development Initiative

This long-running initiative continued until December 2016, tailoring literature-focused projects for specific groups in Torfaen, Caerphilly, Vale of Glamorgan, Newport and Neath Port Talbot, in partnership with the Local Authorities and other partners including Communities First, Abertawe Bro Morgannwg and Cardiff and Vale University Health Boards, Mind Newport, Big Issue, National Trust and Barnardo's. This initiative works with many different groups, and creates activity based on a collaborative model, responding to the specific group's needs and interests. During 2016/17, the initiative engaged with young carers, young people with mental health problems, chronic pain patients and young people accessing education other than at school.

Lolfa Lên at the National Eisteddfod

The Lolfa Lên at the National Eisteddfod is a space to showcase the work of writers and partners from across Wales in a relaxed and welcoming space, in partnership with the Eisteddfod. The diverse programme represents the breadth of literature activity happening throughout the year and gives a platform to new and established writers, as well as publishers and literary organisations. In 2016, the Lolfa Lên hosted over 30 events, and welcomed over 4,000 visitors.

Literature in Health and Wellbeing

Many of Literature Wales' Participation initiatives include a focus on using literature in health and wellbeing settings, particularly the South Wales Literature Development Initiative discussed above. Many projects delivered from Tŷ Newydd also contribute to this work.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Three projects in particular were part of a programme funded by additional investment from Cyngor Gwynedd. Literature Wales organised visits by poet Gwion Hallam to Seiont Newydd Care Home in Caernarfon. Gwion spent time with the residents, who are living with dementia, over a six week period, having conversations and writing poetry using the residents' words and memories.

Literature Wales also organised for Anni Llŷn, Bardd Plant Cymru to visit Ysgol Hafod Lon School in Penrhyndeudraeth over a period of six weeks. Ysgol Hafod Lon is a daily school for pupils with a range of additional needs. Nine young people and three members of staff took part in this project during November and December 2016. The group wrote poetry on "Me, Myself", examining their emotions and feelings in workshops led by Anni. The group also worked with Morfudd Hughes, a practitioner specialising in movement and self-expression. The project culminated in a visit to Tŷ Newydd for the young people, with entertainment from Dewi Pws.

Literature Wales also ran poetry workshops with the residents of Penrhos Polish Care Home and Sheltered Housing, with young poet Siôn Pennar, who is fluent in Polish, English and Welsh. Six workshops were held early in 2017, with a small but dedicated group of residents.

Roald Dahl 100 Wales

Funded by the Welsh Government and supported by the Roald Dahl Literary Estate, Literature Wales coordinated the Roald Dahl 100 celebrations in Wales and delivered Invent your Event, a new funding and outreach scheme offering financial support for organisers to celebrate Roald Dahl 100, running parallel with Literature Wales' Writers on Tour scheme. A complementary outreach programme with a focus on social inclusion was also delivered by Literature Wales and its partners, ensuring that people of all ages and backgrounds were given the opportunity to take part in the celebrations.

The Invent your Event scheme was made up of three strands, or "chapters", each aimed at a specific type of literary event. Chapter 1 offered financial support for larger festivals and events, residencies and extended programmes of activity. Some of Wales' leading arts and cultural organisations received funding from this Chapter, including: Hay Festival; The National Eisteddfod of Wales; Oriel Davies, Newtown; Galeri Caernarfon; Urdd Eisteddfod; North Wales International Music Festival; Beyond the Border – Wales International Storytelling Festival; the Stephens and George Charitable Trust 'Spread the Word' Children's Literature Festival in Merthyr Tydfil; Swansea International Festival; RawFfest – a new national youth arts festival; and Velvet Coalmine in Blackwood. Family-friendly activities inspired by Roald Dahl were also organised by Denbighshire County Council; Gwynedd Council and Palas Print Bookshop, Caernarfon; Caerphilly Arts Development; and Techniquest in Cardiff Bay.

Chapter 2 supported smaller one-off events, and many organisers booked one of the specially commissioned 'off-the-shelf' events led by some of our best writers and artists. These events included workshops and talks with experienced practitioners, including popular children's writers Bethan Gwanas, Angharad Tomos, Dan Anthony and Sarah KilBride; as well as spoken word poets such as Mab Jones, Rufus Mufasa and Young People's Laureate for Wales, Sophie McKeand.

In Chapter 3 Literature Wales worked with partners outside the usual arts sector to make sure the centenary celebrations were as inclusive as possible. Projects were held at Parc Prison in Bridgend, Cardiff City Football Club, the Wafer Factory in Merthyr and residential care homes in north Wales and Newport. We worked with young carers, cubs and scouts, Gypsy Roma Travellers, young adults with learning disabilities, and Asylum Seekers and Refugees. Taking some of the themes and characters in Roald Dahl's books as inspiration, many of these workshops combined literature with a range of other disciplines. These included lantern-making, science exploration, comic book creation, biscuit-making, film animation, clowning, and beatboxing. These are examples of how literature can be a spring-board for a number of other creative channels. The project with Parc Prison won the Arts, Business and the Community category at the Arts and Business Awards in June 2017.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Through Invent your Event, over 43,000 people from across Wales engaged directly in literature activities. This major celebration of a globally loved writer born in Wales displays how Literature Wales as a national company can leverage additional investment in order to generate activity across Wales, engaging with people who may not otherwise have the opportunity to work with professional writers and explore their own creative potential.

Land of Legends

Following a successful application to Welsh Government's Tourism Product Innovation Fund, Literature Wales developed the Land of Legends website as part of the Year of Legends.

Literature Wales worked in partnership with National Trust Wales, Amgueddfa Cymru – National Museum Wales and Snowdonia, Pembrokeshire Coast and Brecon Beacons National Park Authorities and consulted with Wales' wider cultural, environmental and tourism sectors to create the website. It is a new story map of Wales for visitors seeking inspiration for places to visit in Wales with a literary or cultural connection. Based on visitors' interests and mapped under 10 searchable themes, visitors can create personal itineraries, including recommendations for places to stay and eat.

In its first six months live, the website received over 10,000 page views from a global audience including the US, Canada, Germany, Spain, Italy, Australia, China and Ireland.

2. Children & Young people

The aim of this area of work is to provide children and young people of all ages, abilities and backgrounds with more chances to create and enjoy the literary world around them. Literature Wales does this by: increasing the number of children and young people in Wales engaging with high quality literature in all its forms; using words to give children and young people the opportunity and confidence to express themselves; addressing issues of cultural poverty, literacy and communication skills through the enjoyment of literature.

Bardd Plant Cymru

Literature Wales coordinates the programme for the Bardd Plant Cymru project alongside our partners the Welsh Books Council, S4C, the Urdd and Welsh Government. 2016/17 was Anni Llŷn's second year in the role and saw her deliver workshops in schools across Wales, prioritising schools that have not previously received a visit from Bardd Plant Cymru and also those in Communities First areas. Over 1,200 pupils took part in workshops during the year, and Anni Llŷn also led a Friends of Dementia project with Ysgol Pentreuchaf and the Dementia unit at Bryn Beryl Hospital.

Anni Llŷn also judged the Welsh-language category of the UK-wide official Roald Dahl 100 competition, Roald Dahl's Revolting Rhymers. The competition was organised by the Roald Dahl Literary Estate in partnership with Literature Wales, National Literacy Trust, Penguin Random House Children's, The Roald Dahl Museum and Story Centre, Sainsbury's, and Magic Light Pictures. Rily Publications also supported the competition in Wales. All of the winning rhymes (in English and Welsh) were published in a bilingual Revolting Rhymers eBook in February 2017.

Young People's Laureate

The Young People's Laureate initiative aims to develop self-expression, creativity and communication skills amongst young people. Drawing on a wide range of disciplines, the project has been developed to engage the next generation in new and innovative ways. The Young People's Laureate specifically works with young people from hard to reach and disadvantaged backgrounds.

In 2016, Sophie McKeand was announced as the new Young People's Laureate for 2016-18. Sophie McKeand is an award-winning poet and educator from north Wales and is a practised and engaging performer.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

During 2016/17 Sophie McKeand worked with a wide variety of groups, including: young offenders at Parc Prison; young mothers in association with Barnardo's; and Communities First. Other highlights include developing a new youth group in Wrexham, Slam Wrexham and a series of socially-engaged workshops with Blackwood Comprehensive School on 'Brexit black out poetry' as part of the Velvet Coalmine festival.

Artworks Fellowship

Literature Wales secured an Artworks Fellowship in 2015, funded via the Barbican Fellowship Programme, for a professional development opportunity for a participatory artist. Rufus Mufasa was selected to develop a new collaborative educational project using Hip Hop and spoken word. The Fellowship included mentoring with author and trainer Joelle Taylor, taking part, alongside other artists from Wales London, in the Barbican Open Lab, which explored experimental ways of working. As part of the Fellowship, Rufus Mufasa delivered over 50 workshops to young people across Wales and Europe.

This is an example of a project which delivers across many of Literature Wales' strategic aims. As well as a professional development opportunity for a writer, the Fellowship also led to innovative new models for participatory practice, while also exploring new methods of engaging young people.

3. Writer Support

The aim of this strategic area is to develop and support writers at every stage of their writing journey to achieve their full potential. Literature Wales does this by: offering support for writers so that they can reach excellence; encouraging writers to be innovative and experimental in their practice; and developing specific practical and developmental opportunities for young writers.

Writer Support Sector Consultation

In order to develop its writer support strategy and explore new areas for development, Literature Wales conducted consultations with various stakeholders during 2016. This included running focus groups with writers at different levels of their career and areas of experience, as well as a public online questionnaire, and looking at models at other UK writer development agencies. The findings from these strands of research were discussed by a sub-committee of Directors, who explored options and presented recommendations to the Board of Directors in January 2017. The recommendations included remodelling the Writers Bursaries and Mentoring schemes so as to be able to offer more support to new and emerging writers, together with more mentoring places, and enhanced development opportunities for those accepted onto the scheme by linking with publishers, agents and courses at Tŷ Newydd Writing Centre. The new model will be implemented in 2017/18.

Services for Writers

Literature Wales received a record number of applications to its Writers Bursary scheme, which continues to be funded via a Lottery Delegation Agreement through Arts Council Wales. The independent panel considered the applications and selected 21 writers to be awarded a total of £70,000 through Writers' Bursaries and four writers to be offered places on the Mentoring scheme.

Writers' Bursaries offer support by allowing writers, at every stage of their careers, time and space to develop work-in-progress. 15 of this year's authors are first-time Bursary recipients and new writing in particular is supported with the inclusion of eight unpublished writers.

A key component of its Services to Writers is an information and enquiry service which takes place throughout the year. This service responds to specific enquiries about Literature Wales schemes and services, as well as tailored information and advice about creative writing and the literature scene in Wales and beyond, signposting writers to various opportunities.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Wales Book of the Year

Literature Wales manages Wales Book of the Year, the annual national book awards in the fields of fiction, poetry and creative non-fiction. The Awards are an important fixture in the literary landscape of Wales, raising the profile of Welsh writing both in Wales and beyond. As the largest bilingual award for literature in Wales and a showcase for the industry, it is an annual highlight for authors, readers, publishers, the media and many literature and arts organisations.

The 2016 winners were announced to a full house in the Redhouse, Merthyr in July. The two overall winners were Caryl Lewis for *Y Bwthyn* and Thomas Morris for *We don't know what we're doing*. The 2016 awards saw increased success in gaining commercial sponsorship, with category sponsors the Rhys Davies Trust, the Brecknock Society, the Open University in Wales and Aberystwyth University. The main award partners were the Welsh Books Council, Golwg 360, Wales Arts Review and Cwmni Da.

In January 2017, Literature Wales commissioned a review of the Wales Book of the Year Awards, undertaken by creative communications agency Mela. Under increasing funding pressures in recent years, Literature Wales was eager to assess its business and administration models for Wales Book of the Year with the aim of identifying new, sustainable models which would enable the organisation to continue to run and develop the Awards year-on-year.

The review found overwhelming support for Wales Book of the Year amongst the public, partners and stakeholders. Participants were unanimous in their view that Wales Book of the Year is an important fixture in the literary landscape of Wales and a showcase for the industry. The review's recommendations for the future include: simplifying the judging process – including the introduction of a filtering stage; introducing a fee for submitting entries; developing a sponsorship engagement plan; improving partnerships across the sector; and exploring ways of developing the award ceremony. Literature Wales will continue discussions with partners and stakeholders on the future of the Awards.

Tŷ Newydd Writing Courses

During 2016/17, 47 courses were held at Tŷ Newydd Writing Centre in Llanystumdwy, Gwynedd. These included open courses in English and Welsh, schools' courses and retreats, all delivered by professional tutors. Over 700 people participated in creative writing activity in various forms, ranging from poetry, fiction and storytelling, to scriptwriting, illustration and writing and yoga. The programme aims to address the needs of writers at every stage of their development, from beginners to advanced level. In addition to developing participants' skills, the programme also aims to develop the tutoring skills of Welsh writers. Literature Wales developed partnerships on courses with Theatr Genedlaethol Cymru, the Urdd and Gwynedd Council.

As part of the Monitoring and Evaluation Strategy, Literature Wales carried out enhanced evaluation of the course programme. This included questionnaires for participants which found 91% satisfied with their course, with 84% stating that their stay was excellent. Through another questionnaire conducted 6 months after their course, 80% said that the course had helped their progression as a writer or storyteller. Since attending the course 36% went on to publish work (either in print or digitally); 21% went on to win literary awards; 36% went on to enrol in other creative writing courses or classes; and 34% went on to perform their work publicly at a literary event or festival.

Hay Festival Writers at Work

Literature Wales worked in partnership with the Hay Festival on their first Writers at Work programme in the main festival in May/June and also the Winter Weekend 2016. Writers at Work is a long-term professional development strategy to nurture Welsh talent writing in both languages, managed by Hay Festival with support from Arts Council Wales. The programme runs during the whole 11 days of Hay Festival Wales and gives access to the publishing and creative writing expertise, in Wales and internationally, on offer at the Festival. Literature Wales supports the programme with promotion and assistance in selecting writers to participate, as well as delivering sessions on opportunities available to writers in Wales.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

4. International

The aim of this strategic area is to work in partnership to raise the profile of the writers and writing of Wales. Literature Wales does this by: facilitating, advising and collaborating on international projects; maximising opportunities for and increasing the visibility of writers from Wales on the global stage; learning and growing through exchanges of practice and culture.

National Poet of Wales

Ifor ap Glyn was announced as the new National Poet of Wales in March 2016. Since then he has performed and led activities on community, national and international levels. In his first year alone, he took part in the Durja Puja Festival in Penyrheol community centre, Caerphilly; Gŵyl y Cynhaeaf, Cardigan; Jamaica and Wales evening in Neuadd Ogwen; the Velvet Coalmine festival, Blackwood; an event in Galeri Caernarfon as part of Shore to Shore tour with Carol Ann Duffy and independent bookshop week; and Cardiff Book Festival among many others.

In November 2016, Ifor ap Glyn's bilingual poem 'Terasau / Terraces' was projected onto Big Ben in London, alongside poems by the three other national poets of the UK. The poem commemorated the soldiers of the First World War, and was written in response to a visit to the Somme. For Ifor ap Glyn, who was born and bred in London to Welsh parents, seeing a poem in Welsh appear in such a symbolic and prominent landmark of the city was a particularly moving moment.

Ifor ap Glyn has also written a monologue, 'Mamgu's Letter' to mark the 50th anniversary of the Aberfan disaster, which was performed as part of the Aberfan Memorial Concert in the Wales Millennium Centre. He also followed the success of Wales' football team's in the 2016 Euros, getting the most coverage for a video poem following the Wales v Russia game.

Ifor ap Glyn's projects and poems have received significant media attention, with articles in the Guardian, a programme on S4C, 'Blwyddyn y Bardd', following his first year in the role, and interviews on Radio Cymru, Radio Wales and Radio 4.

Dylan Day 2016

Literature Wales oversees the annual International Dylan Thomas Day, held on 14 May - the date Under Milk Wood was first read on stage at 92Y The Poetry Centre, New York in 1953. Coordinated by the award-winning poet Mab Jones, the 2016 day saw over 50 events take place in Wales, Italy, Australia and New York. Activities included a piece of sand art on New Quay beach by Mark Treanor, music and spoken word from the Dylan Thomas Sound Project at the Dylan Thomas Boathouse, Laugharne, the award ceremony for the International Dylan Thomas Prize, and a conference on Dylan Thomas and his stay in Italy, in Turin. It also included online events and Dylan's Great Poem – an epic bilingual poem with lines contributed by young people aged 7-25 and edited by Rufus Mufasa and clare e. potter.

International Literature Showcase

The International Literature Showcase brings together literature professionals from across the UK and the world to debate best practice, form partnerships and create new projects. The Showcase is coordinated by the British Council and Writers' Centre Norwich, and Literature Wales assisted with the nominations process for writers, ensuring that Welsh writers were well represented at this high-profile event. Literature Wales is also represented at the showcase. For 2016, the Showcase was an online programme and included Ifor ap Glyn, Horatio Clare, Jo Mazelis, Rhian Edwards, Patrick McGuinness and Thomas Morris.

International Stakeholder Group

Following the Arad Research report into international working in the literature sector in Wales, it was agreed that Arts Council Wales and Wales Arts International (WAI) would lead on coordinating an International Stakeholder Group to discuss new ways of working together, sharing best practice and expertise, and forging new collaborations. The group includes Literature Wales, the Welsh Books Council, ACW / WAI, British Council Wales, Wales Literature Exchange, Literature Across Frontiers and Wales PEN Cymru.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The group first met in September 2016 where it was agreed to focus on areas of common interest for collaboration, which include increasing Wales' presence at the London Book Fair in 2018.

5. Digital Creativity

The aim of this strategic area is to use digital creativity to promote literature and encourage more people to engage with it. Literature Wales does this by: working with new and hard-to-reach audiences; creating more digital content and resources to enhance the value and legacy of our activities; improving access to creativity through digital platforms and skills.

Her 100 Cerdd

As part of National Poetry Day, Literature Wales runs the highly popular Welsh-language digital project Her 100 Cerdd. Four poets are selected each year to come together to write and publish online 100 poems in 24 hours. The themes of the poems are chosen and sent in by the public and are posted during the challenge on Literature Wales' website and on social media. The resulting collection of poems is a snap-shot of Wales in 24 hours. In 2016, the four poets who took on the task were Anni Llŷn, Aneirin Karadog, Gwyneth Glyn and Twm Morys.

TwLetteratura

This is a ground-breaking international digital project. In partnership with Head4Arts, 3GS, POSSIB and Merthyr libraries, Literature Wales worked with Pierluigi Vaccaneo, co-founder of the TwLetteratura and Betwyll model of social reading, initiated in Italy, in order to engage young readers in the Merthyr area. The TwLetteratura model uses Twitter dynamics to encourage and enable shared reading and creative responses to a text. Literature Wales worked with pupils from Pen y Dre Secondary and Goetre Primary, using the Betwyll platform to stimulate interactions with Charlie and the Chocolate Factory. Over 600 'twylls' (similar to tweets) were created in the workshops with poet Francesca Kay and artist Andy O'Rouke, and the work was gathered and published in a printed and online book.

BUSINESS DEVELOPMENT

Tŷ Newydd Redevelopment

During 2016/17 work continued on the redevelopment of Tŷ Newydd, supported by a £30,000 ACW Capital Grant with additional income from the Glyn Jones bequest in partnership with The Welsh Academy (£10,000) and an Ashley Family Foundation Grant (£10,000). The project concentrated on the following areas:

- Improving the hospitality and the flexibility of communal areas in the house
- Reconnecting with the long history and culture associated with Tŷ Newydd
- Diversifying income streams and ensuring economic viability
- Connecting with the local and wider community

During 2016/17, the following works were completed:

- **Installation of a gate leading to the footpath** - blacksmith and artist Joseph Samuel Roberts was commissioned to create a garden gate for the end of the lawn, inspired by both the history, culture and ethos of Tŷ Newydd and featuring an englyn by poet Twm Morys dedicated to a much-missed colleague, the late Olwen Dafydd.
- **Installation of new benches** - artist Angharad Pierce Jones was commissioned to create benches themed on three writers associated with Gwynedd and/or Tŷ Newydd: Kate Roberts, Iwan Llwyd and RS Thomas.
- **Installation of a Poetry Lighting Trail** - artists Miriam Jones and Joseph Samuel Roberts were commissioned to create an art trail and low lighting scheme along the lane leading to and from Tŷ Newydd, together with a poetry installation on site.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

- **Conservation Plan** – Literature Wales tendered for a Tŷ Newydd Conservation Plan, to guide us through necessary maintenance and longer term repairs and upgrading. Local architects Purcell were successful with their bid. After consultation and several site visits, they delivered a plan which provides an outline of issues/vulnerability, a conservation policy and a schedule of work and specification. This has and is being used to guide maintenance works and apply for Conservation grants.

In parallel with the above, Literature Wales was successful in two further funding applications, receiving a £5,000 grant from the John Andrews Charitable Trust and a £2,000 grant from the Sylvia Waddilove Foundation UK. These grants enabled Literature Wales to make a start on the action points from the Conservation Plan, which involved renovating the mobility-impaired bathroom in Hafoty (which needed significant repairs to bring it up to an acceptable standard) and installing an automated sensor mechanism on the wheelchair-friendly external door in the Conservatory. In addition, work began on the priority of addressing the failing guttering. Further conservation grant applications are pending.

Following the completion of the redevelopment works, historic holiday lets agency, Under the Thatch, has added Tŷ Newydd to their portfolio, and Literature Wales now takes regular self-catering weekend and week bookings during periods when no courses are running. This has provided a valuable increasing source of commercial income, for minimum outlay, and has seen Tŷ Newydd venue hire increase from £8,085 in 2015/2016 to £10,384 in 2016/17. This is projected to increase further in 2017/18, with an expected income of £23,097.

Monitoring & Evaluation

In April 2016, Literature Wales implemented a Monitoring and Evaluation Strategy, developed by Directors and the executive. The aim is to improve the depth and quantity of data gathered and increase opportunities for monitoring and evaluating the impact of Literature Wales' work, which will inform future planning and provide evidence to support funding applications. The strategy identifies areas for development and provides a procedural pathway, and includes an action plan for the work required.

During 2016/17 new models of evaluation were trialled for selected Roald Dahl 100 Wales activities, the Tŷ Newydd programme and the South Wales Literature Initiative. These have provided valuable assessments of the impact of these activities, personal stories to draw on as case studies, and suggestions for strategic and practical improvements.

Literature Wales reports on all public activity as part of the Arts Council of Wales' (ACW) biannual survey of Arts Portfolio Wales. The participation statistics for 2016/17 are given above.

Strategic Equality Plan

In 2016/17, Literature Wales implemented a Strategic Equality Plan, to be reviewed annually. For literature to be open to all, regardless of background or circumstances, equality and diversity must be at the heart of everything we do. We work towards social justice and equality of opportunity and believe that different people bring different perspectives, ideas, knowledge and culture, all of which are valued. Literature Wales expects commitment and involvement from all our Directors, staff, partners and stakeholders in ensuring that none of our activities discriminates or excludes people based on individual characteristics or circumstances. The Strategic Equality Plan identifies areas for development and specific action points for the year in order to improve processes such as staff and Board recruitment and training, communications and accessibility of programmes.

National Companies collaboration

Eight organisations are designated as national companies by the Arts Council of Wales, representing a broad range of art forms. The group of eight organisations meet regularly to discuss strategic plans and issues that impact on the whole arts sector, and have also embarked on deeper analysis of business models with the aim of researching ways of working more closely and achieving more impact for the sector. This work will start in earnest during 2017/18.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Review of HR policies

All HR policies are reviewed and approved annually by the Board and in 2016/17 a more thorough review was carried out, in consultation with specialist HR advisors, in order to develop a staff handbook, update employment contracts and develop a Professional Development Review procedure.

Welsh Government Review

The Welsh Government appointed an independent panel to review its support for publishing and literature in Wales and progress was made on this work during 2016/17. The review was tasked with assessing the Welsh Government's current cultural, social and economic aims in supporting the publishing industry and literature in Wales and considering whether these are being achieved. Literature Wales presented evidence to the panel through documentation and a meeting with the full panel.

The panel's report was published in June 2017, with over 50 recommendations for the literature and publishing sector. Public debate over the content and process of the report has led to an inquiry by the Culture, Welsh Language and Communications Committee, expected in September / October 2017.

Literature Wales remains committed to working constructively with all main stakeholders in this work (Welsh Government, Arts Council Wales, Literature Wales and the Welsh Books Council) in order to identify ways to enhance and develop a more closely-connected literature sector in Wales.

Financial review

Overview

Literature Wales is a member of the Arts Council Wales' Arts Portfolio Wales and a Lottery delegate, responsible for allocating funding through the Writers on Tour, Writers' Bursaries and Mentoring schemes. Literature Wales also works directly with Welsh Government, which supports projects such as the Roald Dahl 100 Wales celebrations and International Dylan Thomas Day.

Funding for the Arts Portfolio Wales is confirmed on an annual basis, following the pattern of ACW's own agreement with Welsh Government. For 2016/17, ACW received a reduction in its funding from Welsh Government, which meant that arts organisations saw in turn a reduction in their funding. Literature Wales's APW funding fell to £717,163, a 3.5% reduction from 2015/16. On top of a 2% reduction in 2015/16, this presents significant challenges to Literature Wales, particularly with financial planning owing to annual funding agreements.

However, Literature Wales is committed to increasing its revenue from non-public sources and implemented a new Fundraising Strategy in 2016 to identify pathways towards achieving this. More varied income sources strengthen our financial resilience and enable us to broaden the range and reach of programmes we deliver.

2016/17 saw a considerable increase in commercial income, including income from course and activity participants and venue hire, bringing the total to £175,870 or 15% of total income. In addition, £19,751 was secured from charitable trusts and foundations, with a significant amount of additional funding awarded during the year for 2017/18 activity.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Reserves policy

Literature Wales Aims to maintain sufficient funds within its unrestricted reserves to cover core functions and costs for a period of six months. This is an aspiration and Literature Wales is working towards building up its unrestricted reserves and will review this policy in 2017/18.

At the end of the financial year the balance of unrestricted reserves was £221,963 and restricted reserves was £2,279,297. Unrestricted reserves includes designated funds of £62,016.

The total free reserves as at 31 March 2017 were £124,725.

Over the next three years, Literature Wales also aims to build up a building reserve for Tŷ Newydd, a Grade II* listed building - believed to have been originally built in the 16th Century. Literature Wales has a responsibility to ensure that the building is maintained, repaired and restored as required. The maintenance works required will be assessed annually and an annual plan for improvements put in place.

Investment policy and objectives

Literature Wales' policy is to invest prudently in order to ensure that the best use is made of surplus working capital. This is achieved by regularly monitoring cash flow and current liabilities.

Due care and diligence are given to the level of investment with no additional associated risks being taken. The objective is to use additional funds accumulated through investment to further the aims of the charity by generating the best financial return available.

Risk management

The trustees have examined the major strategic business and operational risks the charity faces and can confirm that systems have been established to mitigate those risks. A risk register is updated annually; this is reviewed by Directors and the Senior Management Team and forms part of the annual Business Plan. The 2016 Risk Register lists the principal risks facing the organisation and control measures in place to manage these risks.

The main risks identified are:

1. **Public Funding:** there is additional pressure on grant aid sources and annual funding settlements restrict long-term planning. To mitigate this risk, Literature Wales will: manage and maintain its relationship with ACW; ensure activity is consistent with funders' priorities; implement a Fundraising Strategy; prepare annual budgets on various funding scenarios.
2. **Reputation:** increased public profile may lead to negative attention and criticism of strategic direction. To mitigate this risk, Literature Wales will: increase its engagement and dialogue with the sector; continue to deliver some direct activity; communicate regularly with the writing community and participants; ensure that the Writer Support strategy is more coherent and that it meets the requirements of the writing community; implement an annual Marketing and Communications Strategy to communicate messages effectively.
3. **Responsibility of working with children and vulnerable adults:** to mitigate this risk, Literature Wales updates its Children and Vulnerable Adults Policy annually; provides regular professional training for relevant staff working with children and vulnerable adults; carries out DBS checks for staff and practitioners where appropriate; follows best practice guidelines issued by accredited agencies such as Children in Wales.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

Plans for future periods

Overview

Literature Wales' Arts Portfolio Wales funding from ACW for 2017/18 has been reinstated to 2015/16 levels - by reversing the 3.5% reduction seen in 2016/17. This has been applied to the whole portfolio of organisations, which eases the pressure on the sector's finances for this year. Writers Bursaries, Mentoring and Writers on Tour continue to be supported through a Lottery Delegation Agreement.

Nevertheless, Literature Wales will continue to focus on its Fundraising Strategy, looking to increase commercial income to £197,300, income from corporate sponsorship to £22,000 and income from charitable trusts and foundations to £148,430 by 2018/19.

Tŷ Newydd Business Development Plan

The business development plan looks ahead to the next three years and puts forward a plan for creating a stabilised business with the flexibility to respond to changing environments and unexpected costs as Tŷ Newydd continues to deliver its core creative function. In particular, over the next two years, Literature Wales will explore funding options for the renovation of the Nant cottage, which will increase site capacity and flexibility significantly, leading to additional income.

Programme

Below is a selection of developments within Literature Wales' programme for 2017/18:

Reading Friends

Reading Friends is a new befriending project, funded by The Big Lottery and managed in Wales by Literature Wales in collaboration with the lead partner The Reading Agency. Delivered also in partnership with public libraries, local communities and voluntary organisations, the project aims to empower, engage and connect older people, people with dementia and carers by starting conversations through reading. Reading Friends is co-produced with older people and delivered through volunteers, called Reading Partners.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

From June 2017 to June 2018, Literature Wales is working in partnership with Conwy Library Service and Age Connect to test different approaches to delivering the Reading Friends programme. Working with libraries, care homes and in rural community settings - in particular communities where Welsh is spoken as a first language - a range of social reading models will be adopted, including one-to-one befriending and reading groups to connect older people who may be at risk of isolation and loneliness.

Llên Pawb / Lit Reach

Lit Reach/ Llên Pawb is a new literature participation project, which builds on two previous Literature Wales initiatives (the Gwynedd Literature Promotion Scheme and the South Wales Literature Development Initiative). The purpose of Llên Pawb / Lit Reach is to deliver projects specifically targeting vulnerable groups and individuals. These include people who are at risk of becoming socially disengaged, as well as those who may not have engaged with mainstream arts and culture before. By working with a range of partners the aim is to stimulate and support sustainable literary activity in the community. These activities will encourage self-expression; improve personal skills; lifelong learning; youth social engagement; and health and wellbeing.

Llên Pawb / Lit Reach is funded by Arts Council of Wales, with financial contributions from eight Local Authorities – Conwy, Gwynedd, Denbighshire, Caerphilly, Newport, Vale of Glamorgan, Neath Port Talbot and Torfaen, as well as Snowdonia National Park Authority. Literature Wales will work with these partners to deliver the project.

Refocused Writers Bursaries & Mentoring

Literature Wales' established Writer Development schemes is relaunched in July 2017, with an increased focus on new and emerging writers, improved mentoring opportunities, as well as better links to industry professionals. Changes to the Bursaries and Mentoring schemes were made following a series of consultations with writers, stakeholders and members of the public throughout 2016.

Literature Wales has taken on board the results of this consultation and some of the new developments include:

- Ring-fencing 5 Bursaries Awards for new/emerging writers (unpublished) and 1 for a writer under 25
- Each Bursary recipient to receive fixed sum of £3,000 per writer
- Two networking events with industry professionals are included as part of Bursary awards
- Increasing mentoring places from 4 to 10
- Mentoring scheme to start with week-long residential course at Tŷ Newydd Writing Centre

Poetry of Loss

In March 2017, Literature Wales announced Barddoniaeth Colled / Poetry of Loss, a new international programme commemorating the First World War and Welsh poet Hedd Wyn, killed on the battlefields of Flanders in 1917 just a few weeks before he was awarded the Bardic Chair at the National Eisteddfod.

Barddoniaeth Colled / Poetry of Loss is delivered by Literature Wales, funded by the Welsh Government's Cymru'n Cofio - Wales Remembers 1914-1918 First World War Centenary Programme, and in partnership with the Government of Flanders and Snowdonia National Park Authority. The year-long Poetry of Loss project includes:

- an evening of poetry, prose, music and discussion on Hedd Wyn and the poets of the First World War at Passa Porta, the International House of Literature in Brussels;
- commemorative events in Ireland;
- a writers' residency exchange between Passa Porta in Brussels and Tŷ Newydd Writing Centre;
- the production of a new multi-media poetry performance by National Poet of Wales, Ifor ap Glyn, entitled Y Gadair Wag – to be toured in September 2017;

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

The Valley, The City, The Village

Literature Wales will be working with Parthian Books, Wales Arts Review and Bee Books in Kolkata, India for a new collaborative literature project between Welsh and Indian writers, entitled The Valley, The City, The Village, supported by Wales Arts International and the British Council's India Wales Fund. Taking the title from Glyn Jones's classic novel of the same name, the project involves a Wales-India exchange of three writers from each country. The project will result in an anthology to be published by Parthian in 2018.

Tandem Europe

Literature Wales has been selected to represent Wales at the Tandem Europe Partner Forum which takes place in Sofia, Bulgaria in October 2017. Tandem Europe is a cross-border learning and action programme which is built on cross-cultural and cross-border partnerships. Up to 40 creatives and arts professionals from 28 European Union member states, the Western Balkans, Switzerland, Norway and Iceland will meet with the aim of seeking partners to develop a year-long creative project exploring social innovation.

Structure, governance and management

Literature Wales is a registered charity and a company limited by guarantee.

Governing document

The organisation is a charitable company limited by guarantee, incorporated on 19 September 2011 and registered as a charity on 23 March 2012. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Recruitment and appointment of new trustees

All new trustees are appointed as directors of the organisation following an open and transparent recruitment process as defined by the Articles of Association. Trustees are appointed to represent specific portfolios or to strengthen the skills and expertise represented by the Board of Directors. All new trustees receive an induction pack and receive information regarding the roles and responsibilities of being a trustee.

The Articles of Association state that a minimum of a third of Directors will step down from the Literature Wales Board every three years, with accompanying recruitment processes in place to appoint new Directors. During 2016/17, three Directors stepped down and an open recruitment process was conducted in June/July 2016 which sought new Directors with experience in areas including Equality and Diversity and Tackling Poverty. Follow on recruitment will take place during 2017/18.

Organisational structure

The organisation is led by the Board of Directors, who are also trustees of the organisation. The Board of Directors meets four times a year and is responsible for the strategic direction of the organisation and overall financial planning. The Board delegates day-to-day running of the organisations to the executive team, led by the Chief Executive, who is supported by a Senior Management Team that meets regularly to discuss progress towards strategic aims and other targets.

Key Management Personnel

The Key Management Personnel of the organisation are Chief Executive, Lleucu Siencyn; Deputy Chief Executive, Elinor Robson; Head of Programmes, Elena Schmitz; Finance Manager, Mary Wakeham (until December 2016) and Finance Officer, Emma Richards (from February 2017). Remuneration for the Key Management Personnel is set and approved annually by the Chair of the Board and follows the organisation's banded salary structure.

LLENYDDIAETH CYMRU/LITERATURE WALES

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2017

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name	Llenyddiaeth Cymru / Literature Wales
Charity registration number	1146560
Company registration number	07779153
Registered office	Glyn Jones Centre Wales Millenium Centre CARDIFF CF10 5AL
Trustees	A Wynne Evans S Williams (resigned 19/10/16) W Ayott C Gerallt Daniel D Walford Davies S Hughes (resigned 18/4/16) H Ellis K North L Maddocks J Dunn E George T Boyce (appointed 19/10/16) E Charles (appointed 19/10/16) J Albert (appointed 19/10/16)
Chief executive officer	Lleucu Siencyn
Company secretary	Ifan Brychan
Principal bankers	CAF Bank 25 Kings Hill Avenue, Kings Hill, Kent ME19 4JQ
Auditors	Broomfield & Alexander Limited Chartered Accountants & Statutory Auditors Waters Lane Chambers 1-3 Waters Lane Newport NP20 1LA

The trustees report was approved by the Board of Trustees.

Ifan Brychan
Company Secretary

Dated:  28-11-17

LLENYDDIAETH CYMRU/LITERATURE WALES

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2017

The trustees, who are also the directors of Llenyddiaeth Cymru/Literature Wales for the purpose of company law, are responsible for preparing the Trustees Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

LLENYDDIAETH CYMRU/LITERATURE WALES

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF LLENYDDIAETH CYMRU/LITERATURE WALES

We have audited the accounts of Llenyddiaeth Cymru/Literature Wales for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102.

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of Llenyddiaeth Cymru/Literature Wales for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

The trustees have elected for the accounts to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the accounts 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 accounts

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

Opinion on accounts.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, 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.

LLENYDDIAETH CYMRU/LITERATURE WALES

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF LLENYDDIAETH CYMRU/LITERATURE WALES

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- 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 accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.



28-11-17

**Sarah Case FCA DChA (Senior Statutory Auditor)
for and on behalf of Broomfield & Alexander**

**Chartered Accountants
Statutory Auditor**

Waters Lane Chambers
1-3 Waters Lane
Newport
NP20 1LA

Broomfield & Alexander is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

LLENYDDIAETH CYMRU/LITERATURE WALES

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<u>Income and endowments from:</u>					
Donations and legacies	3	2,234	-	2,234	1,000
Charitable activities	4	1,073,556	103,435	1,176,991	1,166,354
Other trading activities	5	13,107	-	13,107	9,366
Investments	6	929	-	929	1,238
Other income	7	11,021	-	11,021	31,518
Total income		1,100,847	103,435	1,204,282	1,209,476
<u>Expenditure on:</u>					
Raising funds	8	30,331	-	30,331	97,428
Charitable activities	9	1,065,429	113,429	1,178,858	1,155,471
Total resources expended		1,095,760	113,429	1,209,189	1,252,899
Net incoming/(outgoing) resources before transfers		5,087	(9,994)	(4,907)	(43,423)
Gross transfers between funds		(30,793)	30,793	-	-
Net (expenditure)/income for the year/ Net movement in funds		(25,706)	20,799	(4,907)	(43,423)
Fund balances at 1 April 2016		247,669	2,258,498	2,506,167	2,549,590
Fund balances at 31 March 2017		221,963	2,279,297	2,501,260	2,506,167

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

LLENYDDIAETH CYMRU/LITERATURE WALES

BALANCE SHEET

AS AT 31 MARCH 2017

	Notes	2017		2016	
		£	£	£	£
Fixed assets					
Tangible assets	14		2,254,662		2,258,575
Current assets					
Stocks	16	753		510	
Debtors	17	186,265		158,950	
Cash at bank and in hand		370,382		379,064	
		557,400		538,524	
Creditors: amounts falling due within one year	18	(310,802)		(290,932)	
Net current assets			246,598		247,592
Total assets less current liabilities			2,501,260		2,506,167
Income funds					
<u>Restricted funds</u>	21				
Fixed Assets – Restricted Property		2,219,446		2,219,446	
Restricted unspent funds		59,851		39,052	
	24		2,279,297		2,258,498
<u>Unrestricted funds</u>					
<u>Designated funds</u>	23				
Fixed assets – General Funds		62,016		64,642	
General unrestricted funds		35,216		39,129	
		124,731		143,898	
	24		221,963		247,669
			2,501,260		2,506,167

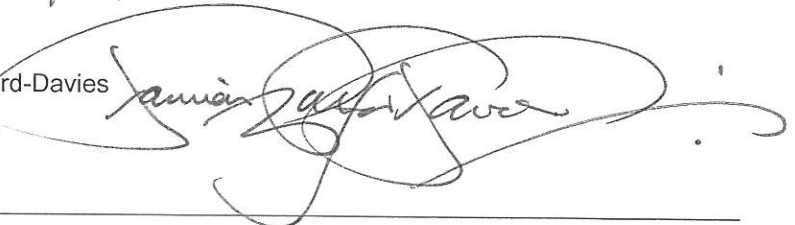
The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2017, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

The trustees responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Trustees on 28/11/17

K North
Trustee 

D Walford-Davies
Trustee 

LLENYDDIAETH CYMRU/LITERATURE WALES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

	Notes	2017 £	£	2016 £	£
Cash flows from operating activities					
Cash absorbed by operations	28		(9,611)		(1,185)
Investing activities					
Purchase of tangible fixed assets		-		(4,974)	
Interest received		929		1,238	
Net cash generated from/(used in) investing activities			929		(3,736)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(8,682)		(4,921)
Cash and cash equivalents at beginning of year			379,064		383,985
Cash and cash equivalents at end of year			370,382		379,064

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies

Charity information

Llenyddiaeth Cymru/Literature Wales is a private company limited by guarantee incorporated in England and Wales. The registered office is Glyn Jones Centre Wales Millenium Centre, Bute Place, Cardiff, Wales. CF10 5AL.

1.1 Accounting convention

The accounts have been prepared in accordance with the charity's [governing document], the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

The charity reported a net outflow of £4,907 for the year. Of this outflow £9,994 was restricted. The charity has sufficient free reserves and is monitoring results on a frequent basis. The trustees are of the view that on this basis the charity is a going concern and there are no material uncertainties about the charity's ability to continue as a going concern.

1.3 Charitable funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Designated funds

Designated funds are unrestricted funds of the charity which have been set aside to fund particular future activities of the charity.

Restricted funds

Restricted funds can only be used for particular purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

1.4 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Grants

Grants receivable are treated in different ways dependent upon their purposes and the terms of the grant.

Grants receivable for specific purposes are treated as restricted funds so that any unused funds can be separately identified.

Grants receivable to facilitate the general running of the project i.e. where the directors/trustees can choose how the funds are expended, are treated as unrestricted funds.

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

1.5 Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

Offsetting

There has been no offsetting of assets or liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	
Plant and equipment	10% reducing balance
Fixtures and fittings	10% reducing balance

The trustees believe that due to the listed status of the property, combined with a policy of continuous ongoing maintenance, the net realisable value of the property will always be greater than its cost. Therefore, the property is not depreciated.

Fixed assets are stated at cost less accumulated depreciation. Additions costing less than £500 are not capitalised.

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

1 Accounting policies (Continued)

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Basic financial assets

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Basic financial liabilities

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Liabilities policy

Liabilities are recognised in the Statement of Financial Activities as they become payable.

1.10 Leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

1.11 Taxation

As a charity, Llenyddiaeth Cymru / Literature Wales is entitled to the exemption from taxation in respect of income and capital gains received with sections 478-489 of the Corporation Tax Act 2010 and section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects purposes only.

1.12 Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

1.13 Pensions

The charity operates a defined contribution scheme for the benefit of its employees. The assets of the scheme are held separately from those of the charity. Contributions payable are charged to the profit and loss account in the year they are payable and are charged against unrestricted funds

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated 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.

3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	2,234	1,000
	<u>2,234</u>	<u>1,000</u>
Donations and gifts		
Book of the Year awards	-	1,000
Other	2,234	-
	<u>2,234</u>	<u>1,000</u>

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

4 Charitable activities

	2017 £	2016 £
Grants	996,921	1,022,059
Income from activities	180,070	144,295
	<u>1,176,991</u>	<u>1,166,354</u>
Analysis by fund		
Unrestricted funds	1,073,556	
Restricted funds	103,435	
	<u>1,176,991</u>	
For the year ended 31 March 2016		
Unrestricted funds		1,115,798
Restricted funds		50,556
		<u>1,166,354</u>
Performance related grants		
Arts Council of Wales	846,663	885,881
Welsh Assembly Government	118,927	47,500
Creative skillset and other sources - Y Labordy	-	19,000
Laura Ashley Foundation	-	10,000
Literature and health	6,580	7,368
Bardd Plant Cymru	5,000	11,535
Welsh Books Council	-	34,500
Other	19,751	6,275
	<u>996,921</u>	<u>1,022,059</u>

5 Other trading activities

	2017 £	2016 £
Sale of books	2,722	1,281
Hire of Ty Newydd	10,385	8,085
	<u>13,107</u>	<u>9,366</u>

LLENYDDIAETH CYMRU/LITERATURE WALES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

6 Investments

2017 2016

£ £

Interest receivable

929 1,238

7 Other income

2017 2016

£ £

Other income

11,021 31,518

8 Raising funds

2017 2016

£ £

Trading activities

Ty Newydd

15,202 53,123

Administrative costs

15,129 44,305

Trading activities

30,331 97,428

30,331 97,428

For the year ended 31 March 2016

Trading activities

97,428

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

9 Charitable activities

	2017 £	2016 £
Participation	370,054	289,952
Writer development	419,661	467,702
International representation & promotion	82,003	70,013
Ty Newydd Redevelopment	-	51,500
Children & Young People	142,496	142,463
Digital	17,125	-
	<u>1,031,339</u>	<u>1,021,630</u>
Grant funding of activities (see note 10)	134,365	111,587
Share of support costs (see note 11)	3,913	4,348
Share of governance costs (see note 11)	9,241	17,906
	<u>1,178,858</u>	<u>1,155,471</u>
Analysis by fund		
Unrestricted funds	1,065,429	
Restricted funds	113,429	
	<u>1,178,858</u>	
For the year ended 31 March 2016		
Unrestricted funds		1,026,290
Restricted funds		129,181
		<u>1,155,471</u>

10 Grants payable

Grants to organisations	27,950	16,250
Grants to individuals via organisations	33,020	25,062
Grants to individuals (Bursaries)	73,395	70,275
	<u>134,365</u>	<u>111,587</u>

LLENYDDIAETH CYMRU/LITERATURE WALES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

11 Support costs	Support costs £	Governance costs £	2017 £	2016 £	Basis of allocation
Depreciation	3,913	-	3,913	4,348	
Audit fees	-	7,230	7,230	7,320	Governance
Direct costs	-	599	599	3,163	Governance
Administrative costs	-	1,412	1,412	7,423	Governance
	<u>3,913</u>	<u>9,241</u>	<u>13,154</u>	<u>22,254</u>	
Analysed between Charitable activities	<u>3,913</u>	<u>9,241</u>	<u>13,154</u>	<u>22,254</u>	

Governance costs includes payments to the auditors of £7,230 for audit fees.

12 Net movement in funds	2017 £	2016 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	7,230	4,770
Depreciation of owned tangible fixed assets	<u>3,913</u>	<u>4,348</u>

13 Employees

Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Average number of employees	<u>22</u>	<u>23</u>

The number of employees whose annual remuneration was £60,000 or more were:

	2017 Number	2016 Number
£60,000 - £70,000	<u>1</u>	<u>1</u>

Key management personnel

The total benefits paid to key management personnel during the year was £149,986 (2016: £159,344).

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

14 Tangible fixed assets	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 April 2016	2,219,446	3,020	53,134	2,275,600
At 31 March 2017	2,219,446	3,020	53,134	2,275,600
Depreciation and impairment				
At 1 April 2016	-	1,630	15,395	17,025
Depreciation charged in the year	-	139	3,774	3,913
At 31 March 2017	-	1,769	19,169	20,938
Carrying amount				
At 31 March 2017	2,219,446	1,251	33,965	2,254,662
At 31 March 2016	2,219,446	1,390	37,739	2,258,575
15 Financial instruments			2017	2016
			£	£
Carrying amount of financial assets				
Debt instruments measured at amortised cost			539,287	523,434
Carrying amount of financial liabilities				
Measured at amortised cost			192,756	205,222
16 Stocks			2017	2016
			£	£
Finished goods and goods for resale			753	510
17 Debtors			2017	2016
Amounts falling due within one year:			£	£
Trade debtors			168,807	144,098
Other debtors			98	272
Prepayments and accrued income			17,360	14,580
			186,265	158,950

LLENYDDIAETH CYMRU/LITERATURE WALES
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2017

18 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Other taxation and social security		9,690	11,470
Deferred income	19	108,356	74,240
Trade creditors		96,392	109,576
Other creditors		96,364	95,646
		<u>310,802</u>	<u>290,932</u>

19 Deferred income

	2017 £	2016 £
Other deferred income	<u>108,356</u>	<u>74,240</u>

Deferred income is included in the financial statements as follows:

	2017 £	2016 £
Balance brought forward	74,240	64,404
Income received	158,741	120,377
Income released	<u>(124,625)</u>	<u>(110,541)</u>
	<u>108,356</u>	<u>74,240</u>

Contained within deferred income is £75,670 that relates to courses and trading, and £32,686 relates to performance related grants received in advance.

20 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £30,331 (2016 - £19,933).

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016 £	Movement in funds			Balance at 31 March 2017 £
		Incoming resources £	Resources expended £	Transfers £	
Y Neuadd	5,244	-	(4,240)	-	1,004
Literature for Health and Wellbeing	17,233	6,580	(6,265)	-	17,548
Cardiff Childrens Festival	1,247	-	(200)	(1,047)	-
Young People's Laureate	1,566	-	(216)	-	1,350
Rhys Davies Trust	3,684	-	-	-	3,684
Bardd Plant Cymru	3,708	12,280	(10,090)	-	5,898
Capital Development Reserve	2,219,446	-	-	-	2,219,446
Jan Mark Bursary	5,870	-	-	-	5,870
Judi Thwaite Bursary	500	-	-	-	500
Reading Friends	-	2,475	(1,629)	-	846
Roald Dahl 100	-	70,100	(73,980)	22,516	18,636
Dylan Day	-	12,000	(16,809)	9,324	4,515
	<u>2,258,498</u>	<u>103,435</u>	<u>(113,429)</u>	<u>30,793</u>	<u>2,279,297</u>

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

21 Restricted funds (Continued)

Y Neuadd is an online Welsh language literary journal which publishes new and experimental work. Its main source of income is a grant from the Welsh Books Council.

Literature and Health received a grant from the Esmee Fairbairn Foundation to promote health and wellbeing through literature, and to broaden access to Tŷ Newydd.

Cardiff Children's Festival funding allowed Literature Wales to work in partnership with Cardiff Council to bring best selling authors from Wales and beyond to Cardiff for the third Cardiff Children's Literature Festival.

Young People's Laureate received funds from the British Council to fund international activities with the laureate.

Rhys Davies Trust - Literature Wales was successful in securing a grant from the Rhys Davies Trust to cover the costs incurred in organising a conference, a short story competition, and a number of outreach workshops in South Wales.

Bardd Plant Cymru received funds from Welsh Government and S4C to allow the project to continue. The Bardd Plant Cymru is the Welsh-language Children's Poet Laureate.

Capital Development Reserve funded the purchase and substantial work done on the freehold property.

Jan Mark Bursary offers bursaries towards the costs of attending a course at Ty Newydd to applicants meeting the specified criteria.

Judi Thwaite Bursary offers bursaries towards the costs of attending a course at Ty Newydd to applicants meeting the specified criteria.

Reading Friends funding has been awarded for the delivery of Reading Friends co-ordination activities in Wales.

Roald Dahl 100 funding was provided for specific projects with balances relating to 2017/18.

Dylan Day funding was provided for specific projects with balances relating to 2017/18.

Transfers of £30,793 were made to restricted funds for specific projects.

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

22 Restricted Funds - Prior year

	Movement in funds				
	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Transfer £	Balance at 31 March 2016 £
Y Neuadd	524	6,000	(1,280)	-	5,244
Literature for Health and Wellbeing	14,875	7,368	(5,010)	-	17,233
Cardiff Children's Festival	-	3,000	(1,753)	-	1,247
Book of the Year	17,707	4,500	(26,889)	4,682	-
Wales Literature Exchange	13,750	-	(18,750)	5,000	-
Young People's Laureate	6,737	10,500	(15,671)	-	1,566
Rhys Davies Trust	4,962	-	(1,278)	-	3,684
Bardd Plant Cymru	10,296	11,535	(18,123)	-	3,708
South Wales Literature Development	32,774	7,653	(40,427)	-	-
Capital Development Reserve	2,219,446	-	-	-	2,219,446
Jan Mark Bursary	5,870	-	-	-	5,870
Judi Thwaite Bursary	500	-	-	-	500
	<u>2,327,441</u>	<u>50,556</u>	<u>(129,181)</u>	<u>9,682</u>	<u>2,258,498</u>

23 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Movement in funds				
	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2017 £
Glyn Jones Bequest	60,130	-	(2,850)	-	57,280
Pension reserve	4,512	-	(4,512)	-	-
Ty Newydd Bursaries	-	-	-	4,736	4,736
	<u>64,642</u>	<u>-</u>	<u>(7,362)</u>	<u>4,736</u>	<u>62,016</u>

Glyn Jones Bequest - A legacy was bequeathed to Literature Wales with the purpose of supporting new writers and creating a meeting place for writers. This fund is allocated to developments at the Glyn Jones Centre in the Wales Millennium Centre.

Pension reserve - A reserve that was set aside for potential future payments to a pension fund on behalf of an employee. The pension reserve is no longer required as the liability was paid to the employee during the year.

Ty Newydd Bursaries - A reserve set aside to assist writer development.

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

23 Designated funds (Continued)

Designated funds - Prior Year

	Movement in funds				Balance at 31 March 2016 £
	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Transfers £	
Glyn Jones Bequest	82,861	-	(22,731)	-	60,130
Pension reserve	4,512	-	-	-	4,512
	<u>87,373</u>	<u>-</u>	<u>(22,731)</u>	<u>-</u>	<u>64,642</u>

24 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Tangible assets	35,216	2,219,446	2,254,662
Current assets/(liabilities)	186,747	59,851	246,598
	<u>221,963</u>	<u>2,279,297</u>	<u>2,501,260</u>

Analysis of net assets between funds - Prior Year

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2016 are represented by:			
Tangible assets	39,129	2,219,446	2,258,575
Current assets/(liabilities)	208,540	39,052	247,592
	<u>247,669</u>	<u>2,258,498</u>	<u>2,506,167</u>

25 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	14,053	28,105
Between two and five years	-	14,053
	<u>14,053</u>	<u>42,158</u>

LLENYDDIAETH CYMRU/LITERATURE WALES

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

26 Related party transactions

Travel expenses were reimbursed to 3 board members (2016: 3) to the value of £734 (2016: £1,155) during the financial year.

Trustees remuneration and benefits

No trustees received remuneration for the year ended 31 March 2017 (2016: £nil). However, payments were made to board and committee members by Literature Wales for activities organised directly by Literature Wales or for activities supported by Literature Wales through Writers on Tour.

There were 4 board and committee members (2016: 4) who received fees totalling £2,512 (2016: £1,804).

27 Company Status

The organisation is a company limited by guarantee. The guarantors are the trustees as set out on page 1.

The liability is limited to an amount of £1 per member in accordance with the organisation's Memorandum of Association.

28 Cash generated from operations

	2017	2016
	£	£
Deficit for the year	(4,907)	(43,423)
Adjustments for:		
Investment income recognised in statement of financial activities	(929)	(1,238)
Depreciation and impairment of tangible fixed assets	3,913	4,348
Movements in working capital:		
(Increase) in stocks	(243)	(360)
(Increase) in debtors	(27,315)	(26,296)
(Decrease)/increase in creditors	(14,246)	55,948
Increase in deferred income	34,116	9,836
Cash absorbed by operations	<u>(9,611)</u>	<u>(1,185)</u>

