

Company registration number: 02151006

Charity registration number: 1078435

Institute of Welsh Affairs

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2017

Mitchell Meredith Limited
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Institute of Welsh Affairs

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Chair's Introduction for the Year Ended 31 March 2017

Chairperson's Report

2016-17 was the year of the political earthquake and dramatic changes at national, UK and global levels. With a fairly constant state of external flux throughout the year, including elections for the National Assembly for Wales in May 2016, June's Brexit referendum and the subsequent change in Prime Minister of the UK government, followed by the election of Donald Trump as US president in November, the year closed with the political landscape having undergone a substantial shift and previously accepted norms turned on their head by politicians themselves, or by the results of unexpected popular votes.

The IWA, too, has undergone substantial internal change with Lee Waters, our Director, being elected to the National Assembly for Wales in May as the Labour and Cooperative Member for Llanelli. The Trustees warmly thank Lee for so ably steering the IWA during his 3-year tenure as Director, in particular for helping us conceive and begin to deliver on our new strategy.

The Trustees also wish to thank Jess Blair for acting as Interim Director before we welcomed Auriol Miller in November 2016. We subsequently said farewell to Jess as she moved on to run the Electoral Reform Society Cymru in March 2017.

Auriol is an exciting appointment for the IWA. Having most recently been Cymorth Cymru's Director since 2013 and previously Oxfam's Country Director in Russia and Sudan, and with an extensive international background, Auriol brings a fresh, outward looking and dynamic approach to the role of Director. We are already starting to see the results of her energy and ideas.

From a governance perspective, in November we welcomed Helen Mortlock, Legal Director at Eversheds-Sutherland as a new Trustee, and we are grateful to Roger Lewis, Chairman of Cardiff Airport, for his long service to the IWA after his resignation from the Board in February 2017.

Against this background of external and internal change, we have continued to deliver against our new strategy and steer a steady course, continuing to speak truth to power and support the widening and deepening of constructive public commentary on issues of relevance to Wales. Our independent, collaborative, cross-sector approach remains a hallmark of how we work.

Our new 3-year flagship project, 'Re-Energising Wales', has got off to an excellent start, and will develop a practical blueprint to make Wales a net exporter of renewable energy by 2035 whilst delivering co-benefits in the areas of economic and community resilience, the widening of energy ownership models, and in energy demand management and efficiency.

Our IWA Media Policy Group also goes from strength to strength, contributing to influencing the creation of the National Assembly for Wales' own Culture, Welsh Language and Communications Committee, and providing evidence to inform BBC Charter Renewal resulting in an additional £8m investment in BBC Cymru Wales.

Elsewhere, we have prioritised attracting project funding and delivering on new and innovative projects alongside concerted efforts to streamline and refresh our business processes. These culminated in the launch of a new website in June 2016 and a new database in July 2016. Our new website now integrates the existing platforms of iwa.org.uk and clickonwales.org into one platform, which can be found at www.iwa.wales. These two sites attracted over 100,000 unique visitors over the past twelve months, a 17% increase on the previous year.

Where we have been unsuccessful in attracting project funding for an idea, we have reflected and learned lessons about our niche, including where and how best to direct our resources.

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Chair's Introduction for the Year Ended 31 March 2017

As a membership organisation, we remain grateful for the continued practical and financial support of our members in particular, as well as to our institutional donors and the wider public who use our services. The IWA is also fortunate to benefit from an engaged and committed Board of Trustees and staff team, whom I'd like to thank publicly.

In 2017-18 we look forward to celebrating our 30th anniversary, and to continuing to influence so that - working constructively across sectoral and political interests - we can indeed help Make Wales Better.

Helen Molyneux
Chair, IWA

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Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2017.

Objectives and activities

Objects and aims

Strategy

We remain focussed on being a punchy, forward-thinking, evidence-based and digitally-savvy thinktank, sustainably funded, built on an inclusive and diverse membership, with strong and constructive relationships across the political spectrum, within and beyond Wales.

Stimulating constructive debate

- We will regularly monitor the range and diversity of voices and writers for Click on Wales, and particularly want to encourage a greater proportion of women and people from BAME communities, as well as people from different parts of Wales
- We will expand the Editorial Board of the welsh agenda to ensure that perspectives, voices and opinions from across different parts of Wales and beyond help shape its forward programme. We will concentrate in the first instance on ensuring participation from west and north Wales.
- We plan also to explore ways of marketing the welsh agenda well beyond its current readership, taking into consideration issues affecting magazines globally

Policy and Project work

- We will be relentless in making sure that our scarce resources are focussed effectively, both judiciously and ambitiously, on the right issues, so that our considerable brokering, convening and facilitating power can be used to achieve the greatest impact possible
- We will prioritise fund-seeking for our Media work, and developing renewed priorities for our Governance, Economy and Education work. We will explore how best we might be involved on an ongoing basis in City Region discussions, to ensure positive outcomes for citizens. We will also consider scoping work on social care.
- We will work to link up the Chairs of our Policy Groups, to maximise the connections between the work they oversee

Re-energising Wales Project

- Alongside its ongoing work packages, the project is developing short policy papers which focus on areas agreed by the project's steering group, filling in the missing policy gaps. The first paper focuses on investment vehicles for renewable energy and this paper will be launched in early April 2017.
- Feedback on work package 1 progress (energy demand) will be provided to a July meeting of experts, then we begin sharing findings from September 2017 onwards.
- Work package 2 is due to be published towards the end of 2017 and is a case study of the Swansea Bay City Region. It will use energy demand data from work package 1 and outline likely scenarios for energy supply through different forms of renewable energy. It will also set out what would be required to meet these demands.
- A further 4 work packages will be delivered before April 2019.

Membership

- Conversations with members have indicated a range of levels of member involvement and we recognise that we need to learn more about which issues members wish to engage on and why. In FY2018 we will therefore begin to run a more regular member engagement questionnaire on an ongoing basis, using feedback from members more systematically to shape our work and communications.

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Trustees' Report

Public benefit

In preparing this report the Trustees have paid due regard to the Charity Commission's guidance on the reporting of public benefit. We intend that the totality of our activity should assist in the strengthening of civil society in Wales by improving the flow of quality information on public policy into the public domain and by bringing together interested parties in research groups, seminars and conferences to advance debate, thereby developing the policy community and extending its reach into the wider public. The way in which this has been achieved over the past year is detailed below.

The trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Highlights at a glance

As part of our ongoing work contributing to an increase in the quantity and quality of public debate on issues that matter to Wales we ran a successful, streamlined events and training programme in FY2017:

- We ran 9 events in line with our strategic themes and 2 networking events purely for members
- Over 900 tickets were issued across our events programme
- 2 of these were paid events
- 9 of them were free
- We ran 4 training courses for over 50 people on Decision-making in Wales, and Influencing Political Outcomes, for which feedback was consistently excellent

Alignment with our strategic themes

1 Economy-focussed event

Doing Business in Wales

In June 2016 we held a half day event, in partnership with Capital Law, looking at the barriers to doing business in Wales, attended by 146 people. The event featured a keynote speech from Welsh Cabinet Secretary for Economy and Infrastructure, Ken Skates. Given its timing a week after the EU referendum, we also added a panel looking at the impact of leaving the EU on Wales.

4 Governance-focussed events

In April 2016 the IWA hosted a hustings in Swansea ahead of May's Assembly elections, attended by 69 people. The hustings saw representatives from each of the six main political parties make their arguments.

In October, we ran a seminar in partnership with Eversheds-Sutherland focussed on what it would mean for Wales to leave the EU. 143 people booked for this event.

Our keynote speaker was Ros Kellaway, Eversheds Head of Competition, EU and Regulatory, and the panel featured:

- Neil Hamilton, Assembly Member for Mid & West Wales
- Gerald Holtham, CEO, Cadwyn Capital
- Dr Jo Hunt, senior fellow at The UK in a Changing Europe and Reader in EU Law at the Cardiff School of Law and Politics.

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Trustees' Report

In February 2017, as part of our ongoing programme of debates in partnership with Cardiff University, the IWA hosted a debate on whether free movement of people between the UK and the EU should be continued post Brexit. 113 people booked for this event.

Professor Roger Scully, Acting Director, Wales Governance Centre, Cardiff University, opened the debate with his analysis of the results of a poll entitled "Where does public opinion on the free movement of people stand?" The debate was chaired by Arwyn Jones, BBC Cymru Wales' Political Correspondent.

The panel featured:

- Vanessa Young, Director, Welsh NHS Confederation
- Marley Morris, Research Fellow, IPPR
- Alp Mehmet, Vice Chair, Migration Watch
- Noreen Blanluet, Public Services Consultant

In March 2017 we held a debate, in partnership with Cardiff University, asking whether elected mayors should be put in place to govern City Regions. 79 people booked tickets.

The event was chaired by Western Mail Business Editor, Sion Barry, and featured:

- Alexandra Jones, CEO, Centre for Cities
- Simon Cook, former Deputy Mayor of Bristol
- Julie Morgan AM, Assembly Member for Cardiff North
- Professor Russell Deacon, University of South Wales | Media-focussed event

The 3rd IWA Cardiff Media Summit was held in March and was attended by 163 stakeholders across the media and creative industries sector. It examined major issues affecting the media in Wales, including the media workforce, Welsh language media provision and news from and for Wales. Staff from the Welsh universities were present to showcase their latest media research.

Speakers included:

- Claire Enders (Founder, Enders Analysis)
- Charlotte Moore (BBC Director of Content)
- Professor Jane McCloskey (Dean of the Faculty of Creative Industries, USW)
- Rhodri Talfan Davies (Director, BBC Cymru Wales)
- Guto Harri (Managing Director of External Communications, Liberty Global)
- Professor Ian Hargreaves (Professor of Digital Economy, Cardiff University)

We also held 2 membership-focussed events: a summer reception in June 2016, and an AGM and Q&A with new Director, Auriol Miller, in December.

Across our events and training programme,

- 1 was held in Swansea
- 11 were held in Cardiff
- 1 was held in Abergavenny

the welsh agenda

Readership of our highly-regarded current affairs magazine, the welsh agenda, remains steady at around 2,500.

The Autumn/Winter 2016 issue led on the question 'Hope for the Future?' with politics students from the Cardiff and Vale College outlining their reactions to Brexit and the election of Donald Trump, and Jonathan Cox of Citizens Cymru offering a thoughtful analysis of how the EU referendum vote broke down across Wales. Meanwhile, Laura McAllister offered an overview 'A New Reality in Welsh Politics' following the Assembly elections earlier in the year. The issue also featured contributions from AMs who had previously been elected to Westminster (Adam Price, Huw Irranca-Davies and Mark Reckless), Geraint Talfan Davies' consideration of the Aberfan disaster fifty years on and a special report on obesity.

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In Spring/Summer 2017, the Welsh agenda again emphasised the future, marking the IWA's thirtieth anniversary by launching 'The Next Thirty': profiles of thirty 'rising stars' likely to make an impact across a range of fields in Wales over the next three decades. The issue also carried a number of interviews with women making a difference: new National Theatre Wales Artistic Director Kully Thiarai, former Special Adviser to the First Minister Jo Kiernan, new Bishop of St Davids Joanna Penberthy, founder of the Henna Foundation Shahien Taj and Cabinet Secretary for Education Kirsty Williams. There were also analyses of Brexit from a Welsh perspective by Dr Jo Hunt and a more global look at the fall of 'liberal elites' by Christopher Gage.

For the IWA 2016 Eisteddfod Lecture in Abergavenny, as part of our partnership with the Coleridge in Wales project, the author Jon Gower discussed the relationship between the poet and dreamer Samuel Taylor Coleridge and Wales, concentrating on his walk around the country and celebrating the 200th anniversary of his classic 'Biographia Literaria'.

Digital reach in FY2017

- We have begun to accept contributors to Click and are pleased that over 200 people have written for the blog since April 2016
- Over 100,000 people have visited Click on Wales and the IWA website over the past 12 months
- Our 34 podcasts over the year were listened to 5,000 times
- Over 13,000 people follow the IWA on Twitter
- 1,000 people like our Facebook page
- Our LinkedIn group numbers over 800 people.

Policy and project work

The policy groups for each of our strategic themes continue to develop a pipeline of ideas and projects.

The Economy

Re-energising Wales

In FY2017 we were successful in attracting funding from the Jane Hodge Foundation, Friends Provident Foundation and Polden Puckham Charitable Foundation for our 3-year 'Re-energising Wales' project. 'Re-energising Wales' will develop a practical blueprint to make Wales a net exporter of renewable energy by 2035 whilst delivering co-benefits in the areas of economic and community resilience, the widening of energy ownership models, and in energy demand management and efficiency. The project has six work packages in total, which academics and practitioners on the project's Steering Group work jointly to develop. The project commenced in April 2016 and will conclude in April 2019, although an influencing plan will still be in place beyond the project completion date.

This project published initial recommendations to inform the Welsh Government's Programme for Government in June 2016. We followed up the launch by writing to the relevant Cabinet Secretaries and have held meetings with Assembly Members (AMs), the media and others to start to build relationships for the project. Much of what was called for in the eight recommendations is in line with the content of Lesley Griffiths', the Cabinet Secretary for Environment and Rural Affairs, December 2016 energy statement.

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We followed this up with a very successful energy data workshop in July 2016 with steering group members and external stakeholders including Welsh Government, the National Grid and others. The workshop set out the data challenges we faced and helped shape the objectives and design of the work packages and identified what data we initially needed.

Following an initial meeting with the Welsh Government civil service after this workshop, quarterly meetings were agreed. We have met with a wide range of Assembly Members, National Assembly Staff and we have regular dialogue with Welsh Government Special Advisers. In October 2016, our Re-Energising Wales Project Coordinator was invited to join the National Assembly Climate Change, Environment and Rural Affairs Committees 'Expert Reference Group on Climate Change'. This Expert Reference Group first met in February 2017 and has met three times altogether so far. In November 2016, our Re-Energising Wales Project Coordinator also accompanied members of the Environment, Rural Affairs Committee to north Wales, visiting renewable hydro sites.

In January 2017 we commissioned our first work package, looking at demand for energy across Wales, with particular focus on the Swansea Bay City Region.

In February, we held a Future Energy Scenarios workshop. The key action agreed at this workshop was the design of the future energy scenarios that will be applied to the project work packages. This was particularly important for work package 2 as the scenarios will outline different renewable energy technology options for meeting Wales' climate change targets.

Oxfam Cymru

In February 2017 we were commissioned by Oxfam Cymru to undertake research exploring low income workers' perspectives on what makes "decent work" across Wales. This work will be done in conjunction with Building Communities Trust and is due to report in July 2017.

Education

In October 2016 we re-established our education group and started to develop a pipeline of potential projects, and fund-seeking. The group is now chaired by Professor Chris Taylor of WISERD.

Over the past twelve months we have published extensive commentary on education in Wales, including commenting on the PISA Results in November 2016. We have also explored the gaps in perspectives from policy makers and practitioners with two articles published in issue 58 of the welsh agenda magazine, which examined the implementation of the new digital curriculum following the Donaldson Review.

In March 2017, however, we were unsuccessful in obtaining funding for a major new education project and this therefore stalled our progress temporarily.

In March 2017, we published The Single Market of the Mind, a paper prepared by Geraint Talfan-Davies on the potential implications of Brexit on the funding of Higher Education and Culture in Wales. This was picked up by Wales Online and the Western Mail (15th March).

Governance

The IWA presented extensive independent commentary of the 2016 Welsh General Elections and the EU referendum in June through both Click on Wales and our podcasts. The podcasts offered reactive and insightful analysis into current events and received nearly 5,000 listens in 2016/17.

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In October, we canvassed our members as to their opinions on what we should be focussing on in relation to Brexit, and continued to use this to guide our work.

We continue to maintain effective relationships at a high level across UK Government and Welsh Government departments, being regularly sought out for informed opinion and comment, for example by the Devolution Unit at the FCO, the Cabinet Office and other HMG and Welsh Government officials, and remain committed to playing a constructive role in policy discussions at both ends of the M4.

The Governance Policy Group operated as a virtual group in FY2017, responding on an ad hoc basis to issues as they were raised. Members of the group gave evidence to the House of Lords EU Select Committee and the Assembly's Constitution and Legislative Affairs Committee.

Health & Social Care

Following on from our 'Let's talk cancer' work in 2015 we spent time developing a project looking to test some of the recommendations within particular health settings. 'Helping patients change the NHS' aimed to look at using co-production to overcome the issue of on-the-day delays in hospitals across Wales. However, after the arrival of our new Director in November 2016 and a participatory review of existing project plans, plus a number of discussions with potential donors, we decided not to pursue this project further. We will review our plans with the Chair of the Health and Social Care Policy Group early in FY2018.

Media Policy Group

It has been a significant year for the media landscape of Wales, with a new BBC Charter and a review of S4C planned. Following our extensive work on media and the recommendations of the IWA Media Audit in November 2015, we were delighted to see the National Assembly for Wales establish a Culture, Welsh Language and Communications Committee, which will examine media in Wales over the next five years. We were not surprised to see our previous Director, Lee Waters AM, join this Committee to contribute to its collective robust scrutiny and debate.

The IWA's Media Policy Group responded to the draft BBC Charter outlining concerns over three key issues:

- The appointment of non-executive directors to the unitary board proposed for the BBC at a UK level
- The scope of the proposed service/operating licence for BBC Wales
- The structure of governance for BBC Wales

The IWA Media Policy Group worked collaboratively to shape the 3rd IWA Cardiff Media Summit to cover key themes and specific issues of relevance and importance to the sector and the workforce.

A strategy day is planned for May 2017, to shape the work of the Group for the next 3 years.

Media coverage of the IWA's work

The IWA's work was mentioned over 30 times during 2016/17 across a range of national outlets, including Radio (BBC Radio Wales: Sunday Supplement, Eye on Wales, Good Morning Wales; Radio Cymru: Post Prynhawn), TV (BBC One Breakfast; BBC 2 Wales: Sunday Politics; ITV Wales News; BBC Wales Today), Print (Western Mail, Cardiff Star, South Wales Evening Post) and Online (Wales Online, BBC online, ITV Wales News online; Golwg; Insider Media; South Wales Argus).

We achieved particularly prominent coverage through our Re-energising Wales project and ideas / comments raised through Click on Wales articles, in particular those written by Welsh politicians. We were also sought out as a source of comment on political events throughout the year, including Brexit and the National Assembly for Wales elections.

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Engaging with Members

Our new strategy had already recognised that it is difficult to sustain regional branches across Wales, given our small staff capacity and limited funding. Nonetheless, as a membership organisation with a broad membership base of nearly 1,000, we greatly value our members - Young Professionals, Individuals, Fellows, Life Fellows and Corporate Members alike - wherever they may be based, whether across Wales, the rest of the UK or further afield. We also understand that, as a national organisation, it is imperative that voices, opinions, evidence and perspectives from across the country are reflected in our work on an ongoing basis.

Since November 2016, the new Director has taken a pragmatic approach and engaged with coordinators in Swansea, Aberystwyth and north Wales and begun a process of reviewing and agreeing when and how the IWA engages with our regional networks. Regional events supported will continue to be in line with the IWA's strategic themes and the IWA staff team will continue to involve members when they indicate their desire to be involved in shaping the IWA's work.

At the end of FY2017, our membership included:

- 16 Young Professional members
- 661 Individual members
- 50 Fellows
- 73 Life Fellows
- 13 Honorary Life Fellows
- 92 Corporate members, of whom 20 are charities, 62 are standard businesses and 10 large businesses

Financial review

The Board prepares budgets and cash flow forecasts for the forthcoming financial year and continually monitors the amount of reserves available.

In FY2017 we

- Successfully attracted significant grant funding to underpin our current flagship project, Re-energising Wales, and were able to resource a dedicated Project Coordinator
- Rebranded and successfully launched a new website, bringing our website and Click on Wales blog together, making it possible to convert supporters into members and donors
- Brought in year-end results that have significantly improved on original budgetary projections
- Stabilised membership income and converted many members to direct debit, thereby decreasing transaction and administrative costs and streamlining processes.

Policy on reserves

The Trustees have examined the charity's requirements for reserves in the light of the main risks to its operation. We have reviewed our reserves policy and established that unrestricted funds not committed or invested should be equivalent to £70,000 to allow the charity to continue to operate in the event of an unexpected drop in funding.

We continue to work towards achieving a sustainable financial model that includes a variety of short- and medium-term funding from diverse sources, as well as core funding. We have also reviewed and strengthened our reserves policy, and at year end we continue to hold reserves well in excess of our £70,000 minimum. As at the balance sheet date the organisation had free reserves of £107,850 (2016 - £124,807).

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Principal funding sources

The IWA receives its income from three main sources of funding: membership fees and donations; self-generated income; and external trusts, foundations and other institutions for project work.

1. In FY2017, membership fees and donations accounted for 33.5% of receipts, with self-generated income from conferences, training and debates totalling 19.4%. We therefore relied on 53% of short- to medium-term, relatively unrestricted funding.

2. Project funding was 47% in FY2017, a significant improvement. We successfully attracted funding from the Jane Hodge Foundation, Friends Provident Foundation and the Polden Puckham Charitable Foundation.

While our budget for FY2017 prudently anticipated a year-end deficit of £51k, we finished the year end with a substantially-reduced deficit of £26,960, including restricted project funds of £10k.

Plans for future periods

Strategy

We remain focussed on being a punchy, forward-thinking, evidence-based and digitally-savvy thinktank, sustainably funded, built on an inclusive and diverse membership, with strong and constructive relationships across the political spectrum, within and beyond Wales.

Stimulating constructive debate

- We will regularly monitor the range and diversity of voices and writers for Click on Wales, and particularly want to encourage a greater proportion of women and people from BAME communities, as well as people from different parts of Wales
- We will expand the Editorial Board of the welsh agenda to ensure that perspectives, voices and opinions from across different parts of Wales and beyond help shape its forward programme. We will concentrate in the first instance on ensuring participation from west and north Wales.
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Re-energising Wales Project

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- A further 4 work packages will be delivered before April 2019.

Membership

- Conversations with members have indicated a range of levels of member involvement and we recognise that we need to learn more about which issues members wish to engage on and why. In FY2018 we will therefore begin to run a more regular member engagement questionnaire on an ongoing basis, using feedback from members more systematically to shape our work and communications.
- We are aware that we can sometimes be perceived as a south Wales-centric organisation and are working to shift this, using new technologies such as Doopoll to engage people who - for reasons of time, money or geography - are unable to attend our events. We will continue to learn from such efforts.
- We also wish to encourage a more diverse membership, to grow the next generation of thinkers, movers and shakers about issues that matter to Wales. To do this we warmly welcome younger people, different geographic communities as well as people from BAME communities to join the IWA.

Resources

- Recognising that the IWA has a small team with limited opportunity for career progression, as Trustees we want to ensure that it remains an attractive place to work for our staff, offering high levels of autonomy, flexibility and the opportunity to learn new skills. We will seek certification as a Living Wage employer.
- We also want to foster an open-door attitude for young, emerging talent who wish to become involved in any of our strategic themes.

Governance

- The Board of the IWA will be advertising for prospective additional Board members in FY2018 following the outcome of the proposed strategy day in May 2017 and the identification of any skills gaps to support the organisation to deliver against its strategy.
- To manage our ongoing risks in FY2018, we will:

- o Invest in some fundraising resource
- o Use interim resources that can be cut at short notice
- o Test projects with best donors first
- o Continue to use volunteers/interns

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Trustees' Report

Structure, governance and management

Nature of governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Institute of Welsh Affairs (IWA) was incorporated as a company on 22 July 1987. The present Articles of Association were adopted by Special Resolution passed on 21 January 1989. The Memorandum of Association was amended by Special Resolution on 20 June 1999 and the IWA was registered as a charity on 1 December 1999.

The Articles of Association were further amended by a special resolution on 6 December 2006, following a review of corporate governance. The changes were designed to bring our governance arrangements into line with best practice, to reflect the recent introduction of new categories of membership and to limit length of service to ensure regular refreshment of the Executive Board.

The charitable company is limited by guarantee and does not have a share capital. Each member of the charitable company undertakes to contribute such amount as may be required (not exceeding £1.00). The company is registered as a charity under the Charities Act 1960 and in the opinion of the directors is not liable to taxation.

Recruitment and appointment of trustees

The directors of the company are also charity trustees for the purposes of charity law.

The work of the charity is supervised by a board of directors elected by the members of the charitable company at the Annual General Meeting. Board membership is regularly reviewed and a full review of skills and competences of current Board members was undertaken in FY2017 in preparation for a Board strategy day in May 2017.

Induction and training of trustees

New Trustees are inducted and trained by the continuing Trustees of the charity and senior staff. This induction covers their legal obligations under charity and company law, the Charity Commission guidance on public benefit, and informs them of the content of the Memorandum and Articles of Association, the Board and decision-making processes, the business plan and recent financial performance of the IWA. Trustees are encouraged to attend IWA events and other appropriate external events where these will facilitate the undertaking of their role. All directors are also Trustees of the charity.

Organisational structure

The Board of Trustees meets 4 times a year and a small Finance and General Purposes Committee precedes it. The directors oversee all the activities of the IWA.

There have been substantial staff changes at the IWA over the course of 2016-17. IWA Director, Lee Waters, left the IWA following his election to the National Assembly for Wales in May 2016. Jess Blair held the position of Acting Director before Auriol Miller, formerly Director of Cymorth Cymru, joined as Director in November 2016.

Shea Jones joined the IWA in April 2016 as the Re-energising Wales Project Coordinator. Angharad Dalton left the IWA for a new role at Y Lab / Nesta in February 2017. Jess Blair left the IWA to become Director of the Electoral Reform Society in Wales in March 2017, and Rhea Stevens was recruited to a revised role of Policy, Projects and External Affairs Manager, due to start in April 2017.

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Trustees' Report

Risk Management

Our risk management approach is reviewed on a regular basis throughout the year.

The Trustees' report in our FY2016 year end accounts previously identified that we would seek to:

- Launch a membership push to increase unrestricted income
- Seek funding from a variety of further Trusts whose objectives align with the strategic themes to fund the IWA's project work
- Continue to exercise strict control of overhead costs.

In FY2017 we have spent a significant amount of time developing a new website www.iwa.wales and membership system. This has enabled us to attract new members to the IWA and process membership fees more efficiently, through online payment systems. This is an ongoing process, and more remains to be done to deepen the information on our website and to link up our back office and digital systems. While we steadily gain new members every month, we are conscious of the substantial potential of being forward-thinking in terms of our digital engagement, and this will be a focus for our new Digital Advisory Group on Marketing, Membership and Communications in FY2018, which will contribute towards the shaping and delivery of our new Business Strategy for FY2018 and beyond.

While the capacity of the team has been restricted given a number of key staffing changes in FY2017 (detailed below), we have been successfully building project staff costs into funding bids and plan to continue to grow our team through additional project-related resources. We have also relied on volunteers contributing through our policy working groups to add capacity, and an ongoing internship scheme.

There remain ongoing challenges and risks for the IWA including;

- Depletion of reserves
- Staff capacity with a reduction in FY2017 to 6 people in 4.8 FTE roles
- Pressure on membership to cover core costs.

In FY2018 we will therefore:

- Produce a new Business Strategy for FY2018-2020, ensuring clear targets for income generation
- Convene a new Digital Advisory Group to support the delivery of a new Membership, Marketing and Communications Strategy and Plan
- Continue to seek funding from a variety of trusts, corporate partners and others against clearly identified project priorities in line with our strategic themes
- Create a page on our website offering a rolling programme of internships against identified policy and back office priorities
- Continue to exercise strict control of overhead costs.

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Trustees' Report

Reference and Administrative Details

Trustees

Helen Molyneux continues as Chair of the Board following her appointment in March 2014. She is supported by the following Board Members:

N G Griffiths, Treasurer - Director, Certus Technology Group

F Beecher, CEO, Llamau

Dr E Ap Gwilym, Chief Economic Adviser, Plaid Cymru

G H Holtham, Cadwyn Capital Ltd and Visiting Professor of Regional Economy, Cardiff Metropolitan University

R C Lewis, Cardiff Airport (resigned 28 February 2017)

Professor L J McAllister, Professor of Governance, Wales Governance Centre

Professor K J Morgan, Dean of Engagement, Cardiff University

H Mortlock, Partner, Eversheds-Sutherland (appointed 1 November 2016)

D G Stevens, CEO, Admiral Insurance plc

Secretary	L S Knight
Senior Management Team	A Miller, Director
Registered Office	56 James Street Cardiff Bay Cardiff CF10 5EZ
Company Registration Number	02151006
Charity Registration Number	1078435
Bankers	Bank of Scotland
Independent Examiner	Mitchell Meredith Limited Chartered Accountants The Hawthorns 6 North Road Cardiff CF10 3DU

Institute of Welsh Affairs

Trustees' Report

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Credit risk

The charity's principal financial assets are bank balances and cash, trade and other receivables.

The charity's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Statement of Trustees Responsibilities

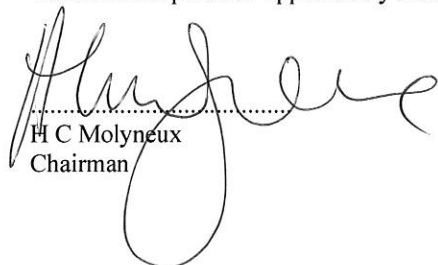
The trustees (who are also the directors of Institute of Welsh Affairs for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The annual report was approved by the trustees of the charity on 6 October 2017 and signed on its behalf by:



H C Molyneux
Chairman



L S Knight
Company Secretary

Institute of Welsh Affairs

Independent Examiner's Report to the trustees of Institute of Welsh Affairs

I report on the accounts of the charity for the year ended 31 March 2017 which are set out on pages 17 to 30 .

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of Mitchell Meredith Limited.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mrs M L Barnes FCCA FCA
Chartered Accountants
Mitchell Meredith Limited
The Hawthorns
6 North Road
Cardiff
CF10 3DU

6 October 2017

Institute of Welsh Affairs

Statement of Financial Activities for the Year Ended 31 March 2017 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Income and Endowments from:					
Donations and legacies	3	80,990	95,403	176,393	209,924
Charitable activities	5	49,986	25,000	74,986	83,948
Investment income	6	1,143	-	1,143	1,336
Total Income		<u>132,119</u>	<u>120,403</u>	<u>252,522</u>	<u>295,208</u>
Expenditure on:					
Raising funds	7	(34,076)	-	(34,076)	(32,095)
Charitable activities	8	(125,003)	(110,403)	(235,406)	(265,312)
Total Expenditure		<u>(159,079)</u>	<u>(110,403)</u>	<u>(269,482)</u>	<u>(297,407)</u>
Net (expenditure)/income		<u>(26,960)</u>	<u>10,000</u>	<u>(16,960)</u>	<u>(2,199)</u>
Net movement in funds		(26,960)	10,000	(16,960)	(2,199)
Reconciliation of funds					
Total funds brought forward		<u>124,810</u>	<u>-</u>	<u>124,810</u>	<u>127,006</u>
Total funds carried forward	20	<u>97,850</u>	<u>10,000</u>	<u>107,850</u>	<u>124,807</u>

The statement of financial activities includes all gains and losses recognised in the year. All of the charity's activities derive from continuing operations during the above two periods.

Institute of Welsh Affairs
(Registration number: 02151006)
Balance Sheet as at 31 March 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	15	5,041	9,198
Current assets			
Debtors	16	47,256	4,325
Cash at bank and in hand		104,418	128,446
		<u>151,674</u>	<u>132,771</u>
Creditors: Amounts falling due within one year	17	<u>(48,865)</u>	<u>(17,162)</u>
Net current assets		<u>102,809</u>	<u>115,609</u>
Net assets		<u>107,850</u>	<u>124,807</u>
Funds of the charity:			
Restricted funds		10,000	-
Unrestricted income funds			
Unrestricted funds		<u>97,850</u>	<u>124,810</u>
Total funds	20	<u>107,850</u>	<u>124,810</u>

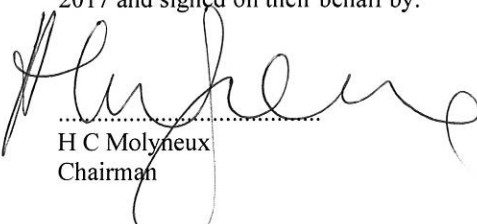
For the financial year ending 31 March 2017 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 17 to 30 were approved by the trustees, and authorised for issue on 6 October 2017 and signed on their behalf by:



 H C Molyneux
 Chairman

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The charity is incorporated in England and Wales.

The address of its registered office is: 56 James Street
Cardiff Bay
Cardiff
CF10 5EZ

These financial statements were authorised for issue by the Board on 6 October 2017.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Institute of Welsh Affairs meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets are recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Office equipment	25% reducing balance
Computer equipment	25% straight line
Fixtures and fittings	10% reducing balance
Website	7 years straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

Hire purchase and finance leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Rentals payable under operating leases are charged in the Statement of Financial Activities on a straight line basis over the lease term.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Donations and legacies;				
Appeals and donations	1,464	1,403	2,867	46,653
Gift aid reclaimed	2,989	-	2,989	10,126
Grants receivable (note 4)	-	94,000	94,000	76,000
Subscriptions	76,537	-	76,537	77,145
	<u>80,990</u>	<u>95,403</u>	<u>176,393</u>	<u>209,924</u>

4 Grants Receivable

	Unrestricted Funds £	Restricted Funds £	Total Funds 2017 £	Total Funds 2016 £
Joseph Rowntree Charitable Trust	-	-	-	19,500
Waterloo Foundation	-	-	-	56,500
Welsh Books Council	-	25,000	25,000	25,000
Jane Hodge Foundation	-	75,000	75,000	-
Polden-Puckham Charitable Foundation	-	10,000	10,000	-
Friends Provident Foundation	-	9,000	9,000	-
	<u>-</u>	<u>119,000</u>	<u>119,000</u>	<u>101,000</u>

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

5 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Charitable activity	49,986	-	49,986	58,948
Grants receivable (note 4)	-	25,000	25,000	25,000
	<u>49,986</u>	<u>25,000</u>	<u>74,986</u>	<u>83,948</u>

6 Investment income

	Unrestricted funds £	Total 2017 £	Total 2016 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,143	1,143	1,336
	<u>1,143</u>	<u>1,143</u>	<u>1,336</u>

7 Expenditure on raising funds

	Note	Unrestricted funds £	Total 2017 £	Total 2016 £
Staff costs		27,175	27,175	25,023
Allocated support costs	9	6,901	6,901	7,072
		<u>34,076</u>	<u>34,076</u>	<u>32,095</u>

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

8 Expenditure on charitable activities

	Note	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Direct costs		12,619	27,137	39,756	80,312
Staff costs		57,131	83,266	140,397	129,285
Allocated support costs	9	35,646	-	35,646	36,551
Governance costs	9	19,607	-	19,607	19,164
		<u>125,003</u>	<u>110,403</u>	<u>235,406</u>	<u>265,312</u>

£125,003 (2016 - £199,554) of the above expenditure was attributable to unrestricted funds and £110,403 (2016 - £97,851) to restricted funds.

9 Analysis of governance and support costs

Governance costs

	Unrestricted funds £	Total 2017 £	Total 2016 £
Independent examiner fees			
Examination of the financial statements	2,025	2,025	2,750
Other fees paid to examiners	542	542	366
Staff costs	13,587	13,587	12,511
Allocated support costs	3,453	3,453	3,537
	<u>19,607</u>	<u>19,607</u>	<u>19,164</u>

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

Analysis of support costs

	Members	Charitable activity	Governance Function	Total 2017	Total 2016
	£	£	£	£	£
Establishment costs	1,425	7,362	712	9,499	10,903
Office expenses	1,890	9,765	945	12,601	11,217
Travel and Subsistence	187	968	94	1,249	2,761
Marketing	270	1,393	135	1,797	1,862
Legal and professional costs	2,283	11,796	1,142	15,220	13,215
Bank charges	221	1,144	111	1,476	1,988
Depreciation	625	3,218	315	4,158	5,214
	<u>6,901</u>	<u>35,646</u>	<u>3,453</u>	<u>46,000</u>	<u>47,160</u>

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	2017 £	2016 £
Depreciation of fixed assets	<u>4,158</u>	<u>5,214</u>

11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

12 Staff costs

The aggregate payroll costs were as follows:

	2017 £	2016 £
Staff costs during the year were:		
Wages and salaries	161,211	144,389
Social security costs	12,594	12,479
Pension costs	6,804	9,255
Other staff costs	550	696
	<u>181,159</u>	<u>166,819</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2017 No	2016 No
Charitable activities	<u>6</u>	<u>6</u>

Contributions to the employee pension schemes for the year totalled £6,804 (2016 - £9,255).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £78,884 (2016 - £89,531).

13 Independent examiner's remuneration

	2017 £	2016 £
Examination of the financial statements	<u>2,025</u>	<u>2,750</u>
Other fees to examiners		
All other services	<u>542</u>	<u>366</u>

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

15 Tangible fixed assets

	Fixtures & Fittings £	Computer equipment £	Office equipment £	Website £	Total £
Cost					
At 1 April 2016	5,520	20,268	16,681	25,789	68,258
At 31 March 2017	<u>5,520</u>	<u>20,268</u>	<u>16,681</u>	<u>25,789</u>	<u>68,258</u>
Depreciation					
At 1 April 2016	1,496	19,572	15,521	22,471	59,060
Charge for the year	<u>402</u>	<u>696</u>	<u>290</u>	<u>2,769</u>	<u>4,157</u>
At 31 March 2017	<u>1,898</u>	<u>20,268</u>	<u>15,811</u>	<u>25,240</u>	<u>63,217</u>
Net book value					
At 31 March 2017	<u>3,622</u>	<u>-</u>	<u>870</u>	<u>549</u>	<u>5,041</u>
At 31 March 2016	<u>4,024</u>	<u>696</u>	<u>1,160</u>	<u>3,318</u>	<u>9,198</u>

16 Debtors

	2017 £	2016 £
Trade debtors	44,017	768
Prepayments	3,239	3,515
Other debtors	<u>-</u>	<u>42</u>
	<u>47,256</u>	<u>4,325</u>

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

17 Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	5,827	8,111
Other taxation and social security	4,807	4,427
VAT	6,556	-
Other creditors	553	831
Accruals	31,122	3,793
	<u>48,865</u>	<u>17,162</u>

18 Obligations under leases and hire purchase contracts

The total value of future minimum lease payments was as follows:

	2017 £	2016 £
Within one year	(6,856)	(3,364)
In two to five years	(7,356)	-
In over five years	(4,597)	-
	<u>(18,809)</u>	<u>(3,364)</u>

19 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £6,804 (2016 - £9,255).

Contributions totalling £553 (2016 - £831) were payable to the scheme at the end of the period and are included in creditors.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

20 Funds

	Balance at 1 April 2016 £	Incoming resources £	Resources expended £	Balance at 31 March 2017 £
Unrestricted funds				
<i>General</i>				
General fund	124,810	132,119	(159,079)	97,850
Restricted funds				
the welsh agenda	-	25,000	(25,000)	-
Re-energising Wales	-	94,000	(84,000)	10,000
Health project	-	1,403	(1,403)	-
Total restricted funds	-	120,403	(110,403)	10,000
Total funds	124,810	252,522	(269,482)	107,850

	Balance at 1 April 2015 £	Incoming resources £	Resources expended £	Balance at 31 March 2016 £
Unrestricted funds				
<i>General</i>				
General fund	89,155	235,208	(199,553)	124,810
Restricted funds				
the welsh agenda	-	25,000	(25,000)	-
Key staff member	11,600	-	(11,600)	-
Cancer research project	22,000	-	(22,000)	-
Constitutional convention research project	4,251	-	(4,251)	-
Coleridge project	-	35,000	(35,000)	-
Total restricted funds	37,851	60,000	(97,851)	-
Total funds	127,006	295,208	(297,404)	124,810

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2017

The specific purposes for which the funds are to be applied are as follows:

the welsh agenda

A grant from the Welsh Books Council towards the the commissioning, design and production of English language current affairs magazine, the welsh agenda.

Health project

Funding from the Jane Hodge Foundation towards the crowd-sourced Let's talk cancer report and recommendations.

Key staff member

Funding from the Esmee Fairbairn Foundation towards key staff core costs.

Constitutional convention research project

A grant towards the Constitutional Convention research project and to the costs of the launch event.

Coleridge project

A specific donation was received with regards to the costs of the Coleridge project.

Cancer research project

Grant provided by Jane Hodge Foundation within the 2014-15 financial year towards the Tenovus Cancer research paper. Project completed in 2015-16 financial year.

Re-energising Wales

Grants provided by Jane Hodge Foundation, Polden-Puckham Foundation and Friends Provident Foundation to the project Re-Energising Wales, a project which aims to provide a fully worked out plan to enable Wales to meet its projected energy demands entirely from renewable sources by 2035.

21 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	5,041	-	5,041
Current assets	141,674	10,000	151,674
Current liabilities	(48,865)	-	(48,865)
Total net assets	<u>97,850</u>	<u>10,000</u>	<u>107,850</u>