

INSTITUTE OF WELSH AFFAIRS

England & Wales · Charity number 1078435

Details

Other names	IWA
Status	Registered
Legal form	Charitable company
Company number	02151006
Registered	1999-12-01
Register	View on the Charity Commission register

Contact

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Activities

Objects: 2.1 The Objects of the Charity are to advance the education of the general public of, and to promote research into (and the publication of the results thereof), socio-economics, politics, science and technology, including but not limited to:-(a) the effect of socio-economic, political and scientific factors on public policy; and(b) the effect of socio-economic, financial, political, environmental and international factors on the living standards of all sections of the community.

Activities: The Institute of Welsh Affairs is a membership-based think-tank and policy research institute aimed at promoting new thinking on Welsh issues. Its activities include the publication of research reports and discussion papers, and the organisation of seminars and conferences throughout Wales covering a range of interests, including the economy, education, health, and the environment.

Classification

- **How:** Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** WALES
- Throughout Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£202,561	£216,437	-	-
2024-03-31	£413,606	£402,355	-	-
2023-03-31	£482,653	£398,723	-	-
2022-03-31	£340,935	£422,598	-	-
2021-03-31	£449,722	£369,399	-	-

Trustees

Name	Role	Appointed
Gwendolyn Helena Sterk	Chair	2024-12-11
Alison Copus		2018-05-24
Anthony Pickles		2018-05-24
Ben Gordon Joakim		2023-05-18
Dr Elizabeth Zaidee Haywood		2023-05-18
HELEN FRANCIS MORTLOCK PEARCE		2016-12-16
Kelly Marie Roberts		2023-05-18
Lauren Maeve McEvatt		2024-12-11
Samuel Richard Evans		2023-05-18
Shayoni Sarkar Lynn		2024-12-11

Accounts

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 2025

HSJ Audit Limited
Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

Institute of Welsh Affairs

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Institute of Welsh Affairs

Trustees' Report

Chair's Report

My first report as Chair of the IWA Board of Trustees last year was written at a challenging time for people and organisations across the world. We were still navigating the impacts of the Covid-19 pandemic, the wars in Ukraine and the Middle East, the cost-of-living crisis and the climate emergency - and sadly, this year, not much has changed: many have been faced with even more uncertainty with conflicts still looming large, a turbulent change in leadership across the Atlantic, and ever-increasing extreme climate events.

We also saw a significant General Election in July 2024 with a victory for UK Labour. This outcome was in contrast to a Welsh Labour Government which saw three First Ministers in just five months. Following this unsettled and internally contentious time for the party, Wales now has its first female leader, who vows to run a government which delivers better short-term outcomes for our economy, transport and health services - and leading the party into the next Senedd elections in May 2026, under a new more proportional system.

The year ending March 2025 was our first full year under a new leadership - both at Board and executive level, and we are proud to have successfully continued to bring an independent voice to Wales' most important policy debates. Once again, we were able to convene important conversations and bring together partners and members to shape policy and conceive progressive, actionable ideas to address the long-term issues facing Wales: we conducted in-depth research into how mission-driven government could work in Wales; we worked in partnership with the Future Generations Commissioner for Wales on a number of projects including river health and the wellbeing economy; and we delivered policy events with Oxfam Cymru, Carnegie UK and Wales & West Utilities. We appeared in front of the Welsh Affairs Select Committee to discuss renewable energy, and in the Welsh Parliament to contribute to the Senedd standards and reform discussion.

We continue to be committed to ensuring that the IWA is an inclusive, open and welcoming space for everyone. This year, we are proud to have been able to offer paid commissions to new and emerging Welsh writers and freelancers, expanding the reach and readership of *the welsh agenda*.

Moreover, with invaluable support from our members, we launched our new strategy for 2024-2028. The strategy provides a clear direction and framework for the IWA as we near our fifth decade. We will remain focused on advocating for the development of a successful, green and fair economy, and a healthy, confident and inclusive democracy for Wales by convening open and informed debates, challenging power and creating new and ambitious policy ideas. With just over twelve months, at the time of writing, until the Senedd elections in 2026, we will continue to work on ensuring the reliability and accuracy of public claims, and improving public, media and citizens' understanding of and engagement with our democratic processes.

On a practical note, I would like to express our gratitude to our outgoing trustees Sarah Prescott, Shereen Williams, Leena Farhat and Auriol Miller for their valued contributions to the Board. I also welcome our three new appointments Gwendolyn Sterk, Shayoni Lynn and Lauren McEvatt and I look forward to working with them over the coming years.

On behalf of all our trustees, I would like to thank the IWA staff team for their hard work in what is still a precarious national and global context. I also thank all our members and partners for their continuous support, and we look forward to welcoming many more of you, as we continue to work together and strive for better democratic and economic outcomes for everyone in Wales.

Ben Joakim

Chair, IWA

Institute of Welsh Affairs

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 2025.

OBJECTIVES AND ACTIVITIES

Objects and aims

1. The Objects of the Charity are to advance the education of the general public of, and to promote research into (and the publication of the results thereof), socio-economics, politics, science and technology, including but not limited to:

- the effect of socio-economic, political and scientific factors on public policy; and
- the effect of socio-economic, financial, political, environmental and international factors on the living standards of all sections of the community.

Strategy

The Institute of Welsh Affairs is a registered charity (1078435) and limited company (02151006) with cross-party governance. We are funded by our members, our own income-generating activities, and trusts, foundations and other institutional donors. We are an independent, non-partisan charity, and limited company, and we work with the public, opinion formers, policymakers and politicians of all parties and none.

Our **Vision** is to help create a Wales where everyone can flourish.

Our **Mission** is to inspire Wales' ambition: we work to support better policy making and better economic and democratic outcomes for the people of Wales.

We do this by:

- Providing open, informed and welcoming spaces for people to exchange ideas and contribute to high quality public debate
- Supporting and empowering people to understand how Wales is governed and to challenge and hold governments and decision makers to account
- Creating new progressive and ambitious ideas and securing commitments to implementing them, so that together we can develop a successful, green and fair economy, and a healthy, confident and inclusive democracy.

Principal activities and achievements

Our mission is to inspire Wales' ambition and we work to support better policy making and better economic and democratic outcomes for the people of Wales. As ever, the IWA has consistently produced nuanced and thoughtful reports and events, in line with our mission of hosting accessible and high-quality public debate on key issues that matter to Wales' future. Our commitment remains to identify, articulate and explain why these issues matter, and then convene discussions which lead to concerted action to address them.

In this report we set out our outputs for FY2025 and feedback from key stakeholders.

Institute of Welsh Affairs

Trustees' Report

Priority 1: Providing open, informed and welcoming spaces for people to exchange ideas and contribute to high quality public debate

- This year, we ran a total of 8 events (six in person or hybrid and two virtual) in line with our strategic priorities, including four roundtables, two report launches, our Annual General Meeting and the final event in our three-year partnership with Bangor University. Once again, we were able to build on existing relationships with members and stakeholders, whilst also successfully delivering on a number of new partnerships – testament to our reputation to convene power, networks and conversations.

- Over 500 tickets were issued across our whole events and training programme, and we reached an additional 2,242 people through our videos, recordings and podcasts.

- We successfully sourced partnership support for our events, making them free to delegates, as part of our long-standing commitment to widening access to quality debate on public policy in Wales. Therefore, this year, all our events were free, as they were either part of funded partnerships or policy projects.

In addition to events showcasing our own research and reports, we ran a diverse mix of in-person and virtual events over the course of the year aligned to our key themes of developing Wales' economy and democracy:

- Our partnership with Bangor University culminated at the final, sixth event in the 3-year partnership, which took place in October 2024 in Pontio Arts Centre in Bangor. The event tied in themes from our five preceding events, and looked into how we can ensure the wellbeing of our north-Walian communities, and their economic, environmental and socio-cultural sustainability.

- We hosted a hybrid AGM where we shared our 2024 updates with members and Trustees, and launched our new strategy for 2024-2028.

- In partnership with Oxfam Cymru, we hosted a roundtable discussing 'a Wales that cares for people and planet.' Acknowledging the disproportionate impact of climate change on women and marginalised communities, the event brought together themes around climate and gender justice, and wellbeing economics for a discussion on new economic models available to Wales.

- We held two roundtable discussions with Wales & West Utilities, which sought to convene and engage with a range of stakeholders including policy and decision makers, to hold frank conversations about the profound implications of the energy transition in Wales, enabling Wales & West Utilities to play an active part in the strategic thinking as well as the practical implementation of this transition.

- In November, we supported Carnegie UK to launch their latest 'Life in the UK - Wales' report at a roundtable event in Cardiff. The event aimed to present, disseminate and promote the findings of the report, their implications for the people of Wales, and to identify what should be next on the agenda for the country.

- In December, we launched our Cenhadaeth Cymru | Mission Wales: Governing with purpose, achieving progress report, part of the IWA's wider work on Wales' constitutional future. The event, hosted by award-winning journalist Will Hayward, presented key elements of the report, including what mission-driven government is and why this approach may work for Wales.

- In early March 2025, we launched our latest report, part of our wider constitutional work funded by the Legal Education Foundation. Developed in partnership with Aberystwyth University and the Centre for Welsh Politics and Society, the report looked at democratic innovations and how they can be implemented in Wales to ensure a healthier democracy for everyone. We were joined by report co-author Dr Anwen Elias in conversation with Joe Rossiter at an online launch event, attracting over 75 delegates.

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Trustees' Report

Reach

Over 2,650 people either directly attended, watched or listened back to all our online sessions and podcasts held between April 2024 and March 2025. Recordings of all IWA events can be found on the videos page on our website and on YouTube.

Impact

Over 95% of surveyed delegates rated our events as 'great' or 'excellent', and over 80% would recommend them to others. Over 75% noted that the events changed their understanding of the issues discussed. Below is some of the feedback we received for our FY25 events:

'[The event was] Very intuitive and gave me an opportunity to stand back from the significant challenges that face us currently. Thank you very much for organising the event, much appreciated.'

'It's nice to know that the local community can get involved with shaping Cymru, and that these aren't processes that happen behind closed doors.'

the welsh agenda

Our flagship publication, the welsh agenda, is the longest standing English-language current affairs magazine in Wales. Published twice a year, it is widely respected as a source of intelligent and thought-provoking slow journalism. We are immensely proud to have secured funding from the Books Council of Wales until 2027, whilst continuing to focus on diversifying the range of our contributors and readers. Both editions of the magazine issued in 2024 were digital-only.

Issue 72 of the welsh agenda, published in June 2024, featured, amongst others, a piece from the [then] IWA's Economic Policy and Research Officer Lydia Godden looking at how we can achieve democratic and resilient energy communities, an article from Katie Lloyd on the future of Port Talbot, and a photo-article on the Miners' Strike by Amanda Powell. The edition also included pieces by Joe Rossiter on 25 years of devolution, James Evans on sustainable agricultural future, Rebecca Wilks on the rise of automated facial recognition technology, and a piece from IWA's former intern Gwenno Robinson on deconstructing the drain brain.

Issue 73, published in October 2024, featured 20 articles and reviews. Amongst them were a piece by Zoe Dowsett on how surfing supports young people's mental health, Dr Huw Dylan Owen on a care project in Gwynedd, and Lucy Taylor on decolonising Y Wladfa. Tom Collinson met with newly elected Torsten Bell MP, Iwan Brioc outlined his own reciprocal wellbeing model, Ken Moon took a stroll through Pontypridd to highlight the importance of access to land, and Dr Jack Price wrote about the lessons learnt from the Wales Net Zero 2035 Challenge Group.

We continue to develop the welsh agenda online, our digital platform for debates, alongside the welsh agenda magazine. Over this reporting period, the platform attracted 77,610 readers, a decrease of 8% compared with the previous year (this is due to reduced capacity and therefore less frequent output). Thanks to funding from the Books Council of Wales' New Audiences Fund, we were able to offer a number of paid commissions, further diversifying our pool of writers. As part of the fund, and following an open call for pitches and outreach activities, we successfully commissioned and published 19 articles (on both, the welsh agenda magazine and online).

The grant has helped us significantly in reaching a new and diverse pool of writers, and remunerating them accordingly. We feel strongly about supporting the writing and journalistic freelance community in Wales, and are proud to be offering market-rate fees. We recognise that the IWA continues to act as a platform for Welsh writers, who rely on the opportunities it provides.

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The funding has also helped us build relationships with new contributors to our platforms. We have already seen repeat writers coming back to us with further pitches and ideas, following great feedback on our guidance, processes and our platforms. We are hoping to further utilise these new networks as we develop the magazine and the welsh agenda online in the future.

Priority 2: Supporting and empowering people to understand how Wales is governed and to challenge and hold governments and decision makers to account

- This year we delivered two sessions of our highly-regarded training courses with 33 delegates. Digital delivery continues to help us expand both our numerical and geographical reach.

- Feedback has been consistently positive and of those who responded to our survey, 100% rated the sessions as 'great' or 'excellent', and all would recommend our courses to others:

'I really enjoyed how thorough the course was. It covered a lot of different areas from influencing to campaigning. And being able to have a QnA with an MS was also a great part of the training with some really useful insight. Definitely ended the training with many new actions for myself. I also enjoyed how the training had so many practical tips and pointers on how to utilise tools and different avenues to influence the Senedd.'

'I like how you described how the political scene in Wales has changed for the forthcoming election - I found it very confusing before this course and now I can understand it and where these additional MSs are coming from.'

'The content was comprehensive and the trainer was engaging, [the] course gave a broad picture of the political landscape in Wales framing the devolution journey as well as information relevant to day to day role.'

'The atmosphere was very friendly, it felt easy to ask for any clarification without worrying.'

- Apart from our open sessions, we were delighted to be commissioned to deliver a two-day bespoke training course to our organisational member Mirus Wales. The sessions focused on how devolved government in Wales works, and how Mirus staff members can influence decision makers in their areas of responsibility.

Priority 3: Creating new progressive and ambitious ideas and secure commitments to implementing them

All our policy and project work is aligned to our two main priority areas: supporting the development of a healthy, confident and inclusive democracy, and a successful, green and fair economy for Wales.

- We seek to **support a strong, confident democracy in Wales.**

- We provided in-depth explainers ahead of the UK General Election on key policy areas. We undertook analysis of policy issues and their implications for Wales, as well as providing scrutiny of the parties' manifestos from a Welsh perspective.

- We provided a platform for political parties to respond to our challenges on key policy issues at a UK level which have a significant devolved component.

- We published an inclusive recruitment guide in collaboration with Inclusive Journalism Cymru, which highlighted best practice and tools for increasing diversity in the journalism sector in Wales.

- We continued to deliver our work on Wales' constitutional future, supported by the Legal Education Foundation. Against this project, we published two policy papers:

- Cenhadaeth Cymru: Mission Wales, which examined government delivery in a devolved context and explored the prospect of embedding a mission-led approach. The paper focused on a concept of delivering maximum benefit from Wales' current devolution settlement.

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Trustees' Report

- Developed in partnership with Aberystwyth University and the Centre for Welsh Politics and Society, our *Fostering Democratic Innovations in Wales: Lessons From Around the World* report looked at democratic innovations and how they can be implemented in Wales to ensure a healthier democracy for everyone.
- We hosted a number of podcasts with subject matter experts on topics including democratic health, transport, constitutional issues and net zero.
- Through our economic policy work, **we seek a successful, green and fair economy** for Wales. This year:
 - Following the publication of our landmark *Sharing power, spreading wealth* report, we continued to advocate for the suite of energy policy proposals it put forward. We gave evidence to the Welsh Affairs Select Committee as they examined the state of renewable energy in Wales. The report has proven particularly influential in the renewable energy policy discussion in Wales, particularly as we get closer to the Senedd elections in 2026.
 - In partnership with Oxfam Cymru, we published *A Wales that cares for people and planet*, a report which examined the wellbeing economy in a Welsh context.
 - We delivered an internal policy project for the Future Generations Commissioner for Wales on the wellbeing economy, interviewing key stakeholders in economic policy in Wales. The report fed directly into the Wellbeing Economy chapter of the 2025 Future Generations Commissioner report.
 - As part of our UK General Election work, we provided in-depth analysis of key economic policy issues (including health, the economy and net zero) and their potential impact for Wales.
 - We provided in-depth scrutiny of the UK Labour Government's first budget in the Welsh agenda.
- Our Co-Director Joe Rossiter appeared on BBC Radio Wales' coverage of the Wales Election TV debate and on the morning of the General Election result to provide analysis and reaction.
- We published an anthology consisting of a series of articles on imagining Wales in 2100 in collaboration with the National Infrastructure Commission for Wales. The wide-ranging collection of pieces and essays examined key challenges to Wales and its people through a futures lens, including infrastructure, access to nature and prisons, amongst many others.
- Apart from our wellbeing economy report, we produced two more internal policy reports for the Future Generations Commissioner for Wales. The projects, on river health and the adoption of the Act by public bodies, fed directly into the Future Generations Commissioner's 2025 report.

New projects in development

- We will continue to deliver work related to the constitutional future of Wales, part of our policy project funded by the Legal Education Foundation until March 2026. This will include an analysis and scrutiny of manifestos and campaigns in the run up to the 2026 Senedd elections.
- We will develop a policy manifesto in collaboration with Oxfam Cymru looking at the wellbeing economy in Wales, setting out priorities for the next Welsh Government.
- We will continue to seek funding to support our economy, media and democracy policy work.

Membership Events

This year, we held a hybrid AGM with members invited to join us online, and our Board of Trustees met in person. This was a great opportunity for our Board to meet our newly appointed Trustees, and for them to hear an IWA update in preparation for their full onboarding and induction.

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Trustees' Report

The AGM, chaired by our Chair Ben Joakim, also received the report of the Directors and the financial statements of the Company for the year ended 31 March 2024. Our members reappointed MHA, formerly Watts Gregory, as our independent examiners.

Digital reach in FY2025

- We have continued to grow our digital platforms, and have achieved a considerable increase in our Instagram and LinkedIn followers (50% and 25% respectively). We have also joined Bluesky as a response to decreased engagement and less authentic and quality content on Twitter/X. We will focus on growing this network from our 161 current followers.
- We have attracted 98k active users to our website (an increase of 7.7% compared with FY23), who carried out 591k events. We saw over 210,000 page views (an increase of nearly 1%).
- Our podcast channel recorded 2,142 listens. Although this is a slight decrease on the previous reporting period (due to the release of our TLEF-funded podcast series Wales: a Work in Progress in FY24), we have recorded considerably more listens per podcast.

Media coverage of the IWA's work

We recorded 25 mentions of our work in the media in Wales and beyond, including:

- TV (LBC News)
- Radio (BBC Radio Wales)
- Podcasts (Business News Wales)
- National and Local Press (Green Economy Wales, Business News Wales, Current News, BBC News, Cwmbran Life, The Economist, Nation Cymru, Senedd Plenary, Pembrokeshire Herald, Wales 247, The Conversation, Deeside.com)

Plans for future periods

Strategy

Following in-depth conversations with the IWA team, Board of Trustees, external stakeholders and our members, we officially launched our revised strategy for 2024-2028 at our 2024 AGM.

The strategy sets out the themes for our work and operational priorities over the next 4 years, providing a clear direction for the IWA, and a framework within which existing commitments can be delivered and new activities pursued and started.

By 2028, we will aim to become the leading independent and non-partisan thought-leader in public life in Wales, sustainably funded, bilingual and with strong relationships across the public, private, and third sectors, trade unions, academic and community partners, and with an authoritative track record of influence in our priority areas of policy interest: Wales' economy and democracy.

Our core focus will continue to be on our three-fold role: convene across boundaries, challenge power and create new ideas. We will provide open, informed and welcoming spaces for people to exchange ideas and contribute to high quality public debate; support and empower a wider and more diverse group of people to understand how Wales is governed and to challenge and hold governments and decision makers to account; and create new progressive and ambitious ideas, and campaign to secure commitment to implementing them, so that together we can develop a successful, green and fair economy, and a healthy, confident and inclusive democracy.

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Our new strategy will not seek to revolutionise our work, but act as an evolution of our focus, taking into account significant changes, challenges and opportunities in our internal and external contexts, both current and future, at a Wales, UK and global level.

We will continue to play a key role in advocating for more systematic and effective citizen engagement in policy making and delivery, greater awareness of the strengths and weaknesses of the current devolution settlement, and education on the alternatives and their implications. In the lead up to the Senedd 2026 election, we will play an active role in scrutinising and influencing parties' manifestos, and communicating to the public what these commitments mean for the people of Wales.

At an organisational level, we will aim to secure the long-term financial stability and sustainability of the IWA, and cement our position as a progressive, influential voice in Wales' public life.

We will continue our journey towards becoming a net zero organisation and will make further improvements to our ability to reach new audiences, including implementing our ambition to be a bilingual organisation.

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.

FINANCIAL REVIEW

Financial position

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

In FY2025, we:

- Successfully navigated a leadership transition process.
- Launched our 2024-2028 strategy at our 2024 Annual General Meeting.
- Reduced our team due to the completion of a number of fixed-term policy projects and an uncertain funding context.
- Exceeded our events and project income targets, but saw a drop in our membership due to challenging financial circumstances.
- Further strengthened our relationships with stakeholders, and delivered a number of successful income-generating events and partnerships.

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Trustees' Report

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.

In FY2025, membership fees and donations accounted for 47.3% of receipts, with self-generated income from events, training and consultancy totalling 22.0%. Short- to medium-term grant funding totalled 29.2% of our income.

In FY2025, we received funding from the Books Council of Wales and the Legal Education Foundation. We also received short-term project funding from partners including Oxfam Cymru and the Future Generations Commissioner for Wales. We are grateful to our funders for their support.

Policy project funding was £59,124 in FY2025.

While our budget for FY2025 anticipated a year-end deficit of £25,688, we finished the year with a deficit of £13,876.

Reserves policy

The Trustees have examined the charity's requirements for reserves in the light of the main risks to its operation. At the end of FY24 and beginning of FY25, a number of our funded projects came to an end. Our 2-year Media and Democracy project, funded by the Joseph Rowntree Charitable Trust, was completed in January 2024 and our core funding from the Friends Provident Foundation ended in June 2024 after a 2-year term.

The end of the above funding streams led to a fresh review of our reserves policy to acknowledge the reduction in staffing levels and cost base. The Board of Trustees approved a revised reserve policy requirement of £50,000 at the May 2024 Board meeting (previous policy level was £63,000). This new policy became effective 20 July 2024.

As at the balance sheet date, the organisation had free reserves of £162,751 (2024: £99,645).

Like many small charities, 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. Over the coming months, we will focus our work on bidding for future project work, including bids to the Nuffield Foundation, the Friends Provident Foundation and The Joseph Rowntree Reform Trust, as well as diversifying our income streams with an increased offer for delivery of our charitable activities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 original 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 brought our governance arrangements into line with best practice.

The Articles of Association were further amended by a special resolution on 25 November 2020, following a comprehensive review. The Articles were modernised to reflect legislative changes, namely the Companies Act 2006 and the Charities Act 2011.

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Trustees' Report

The charitable company is limited by guarantee and does not have any share capital. Each member of the charitable company undertakes to contribute such an amount as may be required (not exceeding £1). 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 confirmed by the members of the charitable company at the Annual General Meeting and Board membership is regularly reviewed.

Sarah Prescott, who was also our treasurer, and Shereen Williams stepped down as Trustees on 29 July 2024 at the end of their 4-year terms. Leena Farhat resigned from the Board on 17 October 2024. Auriol Miller, who was co-opted in February 2024, resigned on 31 January 2025 at the end of her 12-month term. We are extremely grateful for the invaluable leadership and support that all of them have provided to the IWA during their tenures as Trustees.

Following a skills gap analysis of the IWA Board in line with our strategy and business plan, three new Trustees were successfully recruited in December 2024, through an open recruitment process: Gwendolyn Sterk, Shayoni Lynn and Lauren McEvatt.

Organisational structure

The Board of Trustees meets four times a year and a small Finance and General Purposes Committee precedes it to review the financial and risk management of the IWA. The directors oversee all the activities of the IWA.

Induction and training of new 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 support them in their trustee role.

Institute of Welsh Affairs

Trustees' Report

Risk management

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

The Trustees' Report in our FY24 year-end accounts identified that we would seek to:

What we said

Continue to explore long-term sustainable funding models for the organisation.

Continue to retain and grow our membership by creating a value-driven offer for young members and Fellows.

Drive forward a substantial policy platform ahead of the General Election and Senedd 2026 elections, tackling the key issues impacting people's lives in Wales.

Review our reserves policy.

What we did

During FY25, we had a number of conversations with stakeholders about opportunities for the long-term financial sustainability of the organisation. Although these conversations have not progressed yet, they have led to a number of shorter term funding streams, which have been particularly beneficial for our FY25 cashflow.

Due to a challenging financial context, we have had to focus on membership retention, rather than growth. Despite a drop in our membership income, our retention rate remained relatively high at 84% (compared with 87% in FY24).

We delivered a series of outputs ahead of, and following, the 2024 UK General Election. Our Through a Welsh Lens series scrutinised key Welsh policy issues at a UK level. We provided a platform for major parties to respond to a set of challenges we presented. We also analysed and scrutinised policy proposals put forward by each party.

We reviewed our reserves policy following staffing and funding changes throughout the year. The Trustees agreed a revised reserves policy of £50,000, which came into effect in July 2024.

We continue to develop our full cost recovery approach openly and transparently with potential partners. We continue to seek alignment of our consultancy and events opportunities with our policy project and strategic priorities.

In FY2026 we will:

- Continue to explore long-term sustainable funding models for the organisation, and ways to increase capacity.
- Focus on retaining, and regaining, our membership by creating a value-driven offer for organisations, individuals and Fellows.
- Drive forward a substantial policy platform ahead of the Senedd 2026 elections, tackling the key issues impacting people's lives in Wales.

Objectives and policies

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

Institute of Welsh Affairs

Trustees' Report

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02151006 (England and Wales)

Registered Charity number

1078435

Registered office

Room 6.01

sbarc | spark

Maindy Road

CARDIFF

CF24 4HQ

Trustees

Mr B Joakim Chair

Ms S Prescott Treasurer [resigned 29 July 2024]

Ms A J Copus

Mr S Evans

Ms L Farhat Resigned 17 October 2024

Dr E Haywood

Mrs K Huxley-Roberts

Ms J McQuade

Ms H F Mortlock Pearce

Mr A Pickles

Mrs S Williams Resigned 29 July 2024

Ms Shayoni Lynn Appointed 11 December 2024

Institute of Welsh Affairs

Trustees' Report

Ms Gwendolyn Sterk Appointed 11 December 2024

Ms Lauren McEvatt Appointed 11 December 2024

Ms Auriol Miller Resigned 31 January 2025

Company Secretary

N/A

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 26 September 2025 and signed on its behalf by:



.....
B G Joakim
Chair

Institute of Welsh Affairs

Independent Examiner's Report to the trustees of Institute of Welsh Affairs ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2025.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

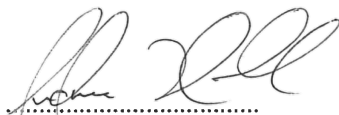
Having satisfied myself that the accounts of Institute of Welsh Affairs are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of Institute of Welsh Affairs as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Mr Andrew Hill
FCCA ACA DChA BFP

Severn House
Hazell Drive
Newport
South Wales
NP10 8FY

29 September 2025

Institute of Welsh Affairs

Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2025 £
Income and Endowments from:				
Donations and legacies	3	95,827	-	95,827
Charitable activities	4	66,843	37,000	103,843
Investment income	5	2,891	-	2,891
Total income		<u>165,561</u>	<u>37,000</u>	<u>202,561</u>
Expenditure on:				
Raising funds	6	(19,135)	(37,829)	(56,964)
Charitable activities	7	<u>(128,820)</u>	<u>(30,653)</u>	<u>(159,473)</u>
Total expenditure		<u>(147,955)</u>	<u>(68,482)</u>	<u>(216,437)</u>
Net income/(expenditure)		17,606	(31,482)	(13,876)
Transfers between funds		<u>41,195</u>	<u>(41,195)</u>	<u>-</u>
Net movement in funds		58,801	(72,677)	(13,876)
Reconciliation of funds				
Total funds brought forward		<u>105,996</u>	<u>73,327</u>	<u>179,323</u>
Total funds carried forward	17	<u>164,797</u>	<u>650</u>	<u>165,447</u>

The notes on pages 18 to 29 form an integral part of these financial statements.

Institute of Welsh Affairs

Statement of Financial Activities for the Year Ended 31 March 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2024 £
Income and Endowments from:				
Donations and legacies	3	172,732	-	172,732
Charitable activities	4	72,735	164,887	237,622
Investment income	5	3,252	-	3,252
Total income		<u>248,719</u>	<u>164,887</u>	<u>413,606</u>
Expenditure on:				
Raising funds	6	(55,163)	(180)	(55,343)
Charitable activities	7	(191,815)	(155,197)	(347,012)
Total expenditure		<u>(246,978)</u>	<u>(155,377)</u>	<u>(402,355)</u>
Net income		<u>1,741</u>	<u>9,510</u>	<u>11,251</u>
Net movement in funds		1,741	9,510	11,251
Reconciliation of funds				
Total funds brought forward		<u>104,255</u>	<u>63,817</u>	<u>168,072</u>
Total funds carried forward	17	<u>105,996</u>	<u>73,327</u>	<u>179,323</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2024 is shown in note 17.

The notes on pages 18 to 29 form an integral part of these financial statements.

Institute of Welsh Affairs

(Registration number: 02151006)
Balance Sheet as at 31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	13	2,046	6,351
Current assets			
Debtors	14	48,672	96,093
Cash at bank and in hand		172,519	183,391
		221,191	279,484
Creditors: Amounts falling due within one year	15	(57,790)	(106,512)
Net current assets		163,401	172,972
Net assets		165,447	179,323
Funds of the charity:			
Restricted income funds			
Restricted funds		650	73,327
Unrestricted income funds			
Unrestricted funds		164,797	105,996
Total funds	17	165,447	179,323

For the financial year ending 31 March 2025 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.

The financial statements on pages 15 to 29 were approved by the trustees, and authorised for issue on 26 September 2025 and signed on their behalf by:



 B.G. Joakim
 Chair

The notes on pages 18 to 29 form an integral part of these financial statements.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

1 Charity status

The charity is limited by guarantee, incorporated in Wales, 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 address of its registered office is:

Room 6.01
SBARC
Maindy Road
Cardiff
CF24 4HQ

These financial statements were authorised for issue by the trustees on 26 September 2025.

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 of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Basis of preparation

Institute of Welsh Affairs meets the definition of a public benefit entity as demonstrated within the Report of the Trustees.

Going concern

In light of financial budget and cashflow projections prepared, for a period covering 12 months from the approval of these financial statements, the trustees have concluded that no adjustments or additional disclosures are required to the financial statements and are satisfied that it is appropriate for the financial statements to be prepared on a going concern basis.

Departures from the SORP

There have been no material departures from Financial Reporting Standard 102.

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.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

Summary of disclosure exemptions

The charity has taken advantage of the concession available to smaller charities that are not subject to a statutory audit given in the Statement of Recommended Practice. It has not analysed either resources expended or incoming resources by activity categories within the Statement of Financial Activities..

Income and endowments

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

It is not the policy of the charity to show income net of expenditure.

Donations and legacies

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income

Investment income is recognised on a receivable basis.

Charitable activities

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

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

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

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 includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity.

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.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially 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	33% straight line
Website	25% straight line

Trade debtors

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

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.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

Trade creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

Fund structure

Restricted funds can only be used for particular restricted 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.

Hire purchase and finance 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.

Pensions and other post retirement obligations

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

Classification

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

3 Income from donations and legacies

	Total 2025 £	Total 2024 £
Donations and legacies;		
Donations	3,023	1,158
Publications	173	556
Grants	-	50,000
Subscriptions	84,636	98,364
Patrons	2,500	17,299
Gift aid reclaimed	5,495	5,355
	95,827	172,732
Grants received, included in the above, are as follows:	2025	2024
	£	£
Friends Provident Foundation	-	50,000
	-	50,000
	-	50,000

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

4 Income from charitable activities

	Total 2025 £	Total 2024 £
Event income	33,769	46,865
Training income	15,849	22,418
Grants	54,125	164,887
Other income	-	110
Consultancy	100	3,342
	<u>103,843</u>	<u>237,622</u>

Grants received, included in the above, are as follows:

	Unrestricted funds General £	Restricted funds £	Total 2025 £	Total 2024 £
Books Council of Wales: 'the welsh agenda'	-	25,000	25,000	17,500
Joseph Rowntree Charitable Trust: Media in Wales project	-	-	-	55,690
Fostering understanding and participation in Wales' ongoing constitutional discussion	-	-	-	62,000
Books Council of Wales: New Audiences (Journalism) Fund	-	-	-	12,865
Books Council of Wales: New Audiences Fund	-	12,000	12,000	16,832
Future Generations	9,625	-	9,625	-
Oxfam	7,500	-	7,500	-
	<u>17,125</u>	<u>37,000</u>	<u>54,125</u>	<u>164,887</u>

5 Investment income

	Total 2025 £	Total 2024 £
Interest receivable and similar income;		
Interest receivable on bank deposits	<u>2,891</u>	<u>3,252</u>

6 Expenditure on raising funds

	Direct costs £	Allocated support costs £	Total 2025 £	Total 2024 £
Costs of generating donations and legacies	<u>56,783</u>	<u>180</u>	<u>56,963</u>	<u>55,343</u>

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

7 Expenditure on charitable activities

		Unrestricted funds General	Restricted funds	Total 2025	Total 2024
	Note	£	£	£	£
Direct project costs		7,493	21,005	28,498	51,176
Staff costs		80,874	9,648	90,522	236,266
Allocated support costs	8	23,941	-	23,941	28,522
Governance costs	8	16,512	-	16,512	31,048
		<u>128,820</u>	<u>30,653</u>	<u>159,473</u>	<u>347,012</u>

	Activity undertaken directly	2025	2024
	£	£	£
Staff costs	90,522	90,522	236,778
Event costs	737	737	487
Training costs	259	259	1,296
Direct project costs	24,786	24,786	28,474
Staff training	234	234	1,207
Direct recruitment costs	-	-	13,000
Depreciation	2,482	2,482	2,483
	<u>119,020</u>	<u>119,020</u>	<u>283,725</u>

In addition to the expenditure analysed above, there are also governance costs of £16,512 (2024 - £31,048) which relate directly to charitable activities. See note 8 for further details.

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2025 £	Total 2024 £
Staff costs			
Wages and salaries	10,710	10,710	20,382
Social security costs	727	727	1,663
Pension costs	506	506	870
Independent examiner fees			
Examination of the financial statements	2,700	2,700	2,800
Trustees meetings and expenses	882	882	3,218
Professional fees	918	918	-
Other governance costs	69	69	2,115
	<u>16,512</u>	<u>16,512</u>	<u>31,048</u>

9 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

Trustees' expenses of £883 (2024: £534) were paid to trustees in respect of travel and accommodation expenses.

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

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

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

10 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	142,799	271,245
Social security costs	9,697	22,170
Pension costs	6,753	11,595
	<u>159,249</u>	<u>305,010</u>

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

	2025 No	2024 No
Charitable activities	<u>6</u>	<u>8</u>

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

11 Independent examiner's remuneration

	2025 £	2024 £
Examination of the financial statements	<u>2,700</u>	<u>2,800</u>

12 Taxation

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

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

13 Tangible fixed assets

	Website and equipment £	Total £
Cost		
At 1 April 2024		
At 31 March 2025	24,710	24,710
	24,710	24,710
Depreciation		
At 1 April 2024		
Charge for the year	18,359	18,359
At 31 March 2025	4,305	4,305
	22,664	22,664
Net book value		
At 31 March 2025	2,046	2,046
At 31 March 2024	6,351	6,351

14 Debtors

	2025 £	2024 £
Trade debtors	12,240	41,821
Prepayments	34,914	54,272
Other debtors	1,518	-
	48,672	96,093

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	2,115	2,074
Other taxation and social security	3,170	4,772
VAT	4,406	5,798
Other creditors	976	1,253
Accruals	2,820	2,870
Deferred income	44,303	89,745
	<u>57,790</u>	<u>106,512</u>
	2025 £	2024 £
Deferred income at 1 April 2024	39,868	56,545
Resources deferred in the period	11,102	33,200
Amounts released from previous periods	<u>(39,868)</u>	<u>(49,877)</u>
Deferred income at year end	<u>11,102</u>	<u>39,868</u>

16 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 £6,752 (2024 - £11,595).

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

17 Funds

	Balance at 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2025 £
Unrestricted funds					
<i>General</i>					
General funds	105,996	165,561	(147,955)	41,195	164,797
Restricted funds					
Joseph Rowntree Charitable Trust: Media in Wales project	3,521	-	(3,521)	-	-
Fostering understanding and participation in Wales' ongoing constitutional discussion	63,640	-	(41,318)	(22,322)	-
New Audiences (Journalism) Fund	6,166	12,000	(17,516)	-	650
Books Council of Wales	-	25,000	(6,127)	(18,873)	-
	<u>73,327</u>	<u>37,000</u>	<u>(68,482)</u>	<u>(41,195)</u>	<u>650</u>
Total funds	<u>179,323</u>	<u>202,561</u>	<u>(216,437)</u>	<u>-</u>	<u>165,447</u>
	Balance at 1 April 2023 £	Incoming resources £	Resources expended £	Balance at 31 March 2024 £	
Unrestricted funds					
<i>General</i>					
General funds	104,255	248,719	(246,978)	105,996	
Restricted funds					
'the welsh agenda' print and online	-	17,500	(17,500)	-	
Joseph Rowntree Charitable Trust: Media in Wales project	5,798	55,690	(57,967)	3,521	
Fostering understanding and participation in Wales' ongoing constitutional discussion	54,796	62,000	(53,156)	63,640	
New Audiences (Journalism) Fund	3,223	12,865	(9,922)	6,166	
New Audiences Fund	-	16,832	(16,832)	-	
	<u>63,817</u>	<u>164,887</u>	<u>(155,377)</u>	<u>73,327</u>	
Total funds	<u>168,072</u>	<u>413,606</u>	<u>(402,355)</u>	<u>179,323</u>	

Institute of Welsh Affairs

Notes to the Financial Statements for the Year Ended 31 March 2025

18 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2025 £
Tangible fixed assets	2,046	-	2,046
Current assets	220,541	650	221,191
Current liabilities	(57,790)	-	(57,790)
Total net assets	164,797	650	165,447

	Unrestricted funds General £	Restricted funds £	Total funds at 31 March 2024 £
Tangible fixed assets	6,351	-	6,351
Current assets	206,157	73,327	279,484
Current liabilities	(106,512)	-	(106,512)
Total net assets	105,996	73,327	179,323

Accounts

REGISTERED COMPANY NUMBER: 02151006 (England and Wales)
REGISTERED CHARITY NUMBER: 1078435

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
INSTITUTE OF WELSH AFFAIRS**

MHA
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

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This reporting period has seen another challenging year for people and organisations across Wales, the UK and further afield. Still navigating the aftermath of the Covid-19 pandemic, the impact of the war in Ukraine, the cost-of-living crisis and the climate emergency, more and more people are faced with increased levels of poverty and inequality, and a heightened sense of uncertainty and instability.

The charity sector in Wales has been hit particularly strongly by these challenges, with public and donor attention very much still focused on maintaining basic support services for those most in need. A sector which underpins our social infrastructure, and prides itself in providing knowledge, expertise and support, giving voice to those most affected by deep-rooted societal issues. At time of writing, we will soon be heading to the polling stations, and to a Senedd election under a new system in 2026. We, therefore, must ensure political parties and governments are aware of the importance of charity and voluntary organisations, and work collaboratively to ensure vital policies are put into place to guarantee their long-term sustainability.

In this context, the IWA has continued to be an independent convener of power and debate in Wales, bringing stakeholders together across the policy and political spectrums, encouraging a collaborative approach to addressing longer term, complex issues. Having gone through a leadership transition in the last few months of the financial year, we remained focused on advocating for the development of a strong, confident democracy and a successful, green and fair economy for Wales, whilst forging renewed and strengthened relationships with decision-makers. Our work this year has once again helped shape policy in Wales by contributing to the creation of progressive ideas: from increasing borrowing powers to Wales, devolving the Crown Estate and establishing a national wealth fund with the proceeds, to rethinking the relationship between government and trade unions, to name but a few. As we get closer to the Senedd election in 2026, we will continue to put our energy and ambition into a set of policy proposals which speak to improving lives in Wales by tackling the complex and sustained challenges the nation faces. Not only that, but we will continue to respond to calls for evidence from public bodies who value the IWA's role as an informed, independent voice in Wales' civic sphere: this year, we helped shape the Senedd's work on post-EU funding arrangements and the Senedd reform. We will continue to proactively influence the agenda and provide challenge to UK, Welsh and local governments. We will also continue to ensure the IWA is an inclusive, welcoming space for under-represented voices and experiences, and are particularly proud to have supported and nurtured five talented editorial interns over the past 12 months. We intend to build on these firm foundations as we shape our strategy for the next four years and into our fifth decade.

On a practical note, I am honoured to take over the reins from Bethan Darwin, who stepped down after four years as Chair of the IWA Board. We also saw the departure of our long-standing Director Auriol Miller. We would like to express our gratitude to both of them for their steadfast leadership and support over the years, helping transform the organisation into the progressive charity it is now.

As we enter an exciting new chapter with our two new Co-Directors at the helm of the IWA, we look forward to welcoming many more members and partners in the years ahead, as we continue to work together and inspire our ambition to address the challenges for Wales' democratic and economic future.

Ben Joakim
Chair, IWA

INSTITUTE OF WELSH AFFAIRS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2024. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objects and aims

The Objects of the Charity are to advance the education of the general public of, and to promote research into (and the publication of the results thereof), socio-economics, politics, science and technology, including but not limited to:-

- The effect of socio-economic, political and scientific factors on public policy; and
- The effect of socio-economic, financial, political, environmental and international factors on the living standards of all sections of the community.

Strategy

The Institute of Welsh Affairs is a registered charity (1078435) and limited company (02151006) with cross-party governance. We are funded by our members, our own income-generating activities, and trusts, foundations and other institutional donors. We are an independent, non-partisan charity, and limited company, and we work with the public, opinion formers, policymakers and politicians of all parties and none.

Our **Vision** is to help create a Wales where everyone can flourish.

Our **Mission** is to inspire Wales' ambition: we work to support better policy making and better economic and democratic outcomes for the people of Wales.

We do this by:

- Providing open, informed and welcoming spaces for people to exchange ideas and contribute to high quality public debate.
- Supporting and empowering people to understand how Wales is governed and to challenge and hold governments and decision makers to account.
- Creating new progressive and ambitious ideas and secure commitments to implementing them so that together we can develop a successful, green and fair economy, and a healthy, confident and inclusive democracy.

Principal activities and achievements

Our mission is to inspire Wales' ambition and we work to support better policy making and better economic and democratic outcomes for the people of Wales. As ever, the IWA has consistently produced nuanced and thoughtful reports and events, in line with our mission of hosting accessible and high quality public debate on key issues that matter to Wales' future. Our commitment remains to identify, articulate and explain why these issues matter, and then convene discussions which lead to concerted action to address them.

In this report we set out our outputs for FY2024 and feedback from key stakeholders.

Priority 1: Providing an open, inclusive and informed platform for robust debate

- This year, we ran a total of 13 events (nine in-person and four virtual) in line with our strategic priorities, including three roundtables, and the next two events in our three-year partnership with Bangor University. Not only did we build on existing relationships, but we successfully delivered on a number of new partnerships – testament to our excellent work on convening power, networks and conversations.
- Over 1,168 tickets were issued across our whole events and training programme, and we reached an additional 3,706 people through our videos, recordings and podcasts.
- We successfully sourced partnership support for our events, making them free to delegates, as part of our long-standing commitment to widening access to quality debate on public policy in Wales. Therefore, this year, all our events were free, as they were either part of funded partnerships or policy projects.

In addition to events showcasing our own research and reports, we ran a diverse mix of in-person and virtual events over the course of the year aligned to our key themes of developing Wales' economy and democracy:

- We held our first summer members' reception post-Covid-19. The event, chaired by BBC journalist James Williams, was oversubscribed and included a panel discussing Wales' constitutional future.
- We held a series of virtual events as part of our TLEF-funded project on the constitutional future of Wales. These included events on devolution across the UK and social security.
- Our partnership with Bangor University continued to deliver well-attended and provocative events and discussions. The two events this year focused on themes around the energy future of North Wales, and how we can deliver wellbeing and resilience through community ownership.
- We hosted an oversubscribed panel discussion at the Hay Festival bringing together experts from the Independent Commission on the Constitutional Future of Wales.
- Supported by the Open University in Wales, we held a roundtable discussion with over 20 stakeholders looking at how we can do democracy differently.
- In partnership with Creative Wales, we hosted an all-day event at the Wales Millennium Centre exploring issues around wellbeing and sustainability in the creative sector in Wales.
- We hosted our winter members' reception and AGM with Dame Elan Clos Stephens, fellow of the IWA, delivering a very well-received keynote speech.
- We hosted a virtual conversation with the then CEO of the UK Climate Change Committee Chris Stark and the Future Generations Commissioner for Wales Derek Walkes discussing Wales' pathway to net zero.
- Supported by Arup, we held two roundtable discussions focused on Wales' transition to net zero, as well as the role of infrastructure investment and achieving a sustainable transport system.
- At the end of March, we launched a report looking at an equitable energy transition in Wales ensuring community benefits from large energy projects are retained within our local communities.

Reach

A total of 3,706 people either directly attended, watched or listened back to all our online sessions and podcasts held between April 2023 and March 2024. Recordings of all IWA events can be found on the videos page on our website and on YouTube.

Impact

72% of surveyed delegates rated our events as 'great' or 'excellent', and over 80% would recommend our events to others. On average, nearly 60% noted that the events changed their understanding of the issues discussed. We have also received excellent feedback from our partners, who helped us deliver our FY24 events:

'Thank you as ever for your help, support and cooperation. Really pleased with how [the event] went... some really useful and interesting discussions. Good interaction between panel members, conversation flowed naturally and some excellent comments and questions from the audience.'
Bangor University partner on our Delivering Wellbeing and Resilience through Community Ownership event

the welsh agenda

Our flagship publication, *the welsh agenda*, is the longest standing English-language current affairs magazine in Wales. Published twice a year, it is widely respected as a source of intelligent and thought-provoking slow journalism. We are immensely proud to have secured funding from the Books Council of Wales for the next 4 years, whilst continuing to focus on diversifying the range of our contributors and readers.

Issue 70 of *the welsh agenda*, published in May 2023 featured an interview with Jeremy Miles conducted by then-editor and IWA Media and Democracy Policy Lead Dylan Moore. Titled 'Education: The Golden Thread', it also included pieces from Jessica Dunrod on Wales' links to colonisation and the Caribbeans, and Faisal Ali on Tiger Bay. This issue also featured an impact assessment of the IWA's recommendations carried out by Joe Rossiter, a profile of new Welsh Language Commissioner Efa Gruffudd Jones and two pieces by our editorial interns: Maisie Allen reporting on the plight of Afghan interpreters, and Kaja Brown exploring the use of storytelling to combat climate change.

Issue 71, published in October 2023, featured a piece from IWA's Economic Policy and Research Officer Lydia Godden on the impact of opencast mining on the residents of Ffos-y-Fran. It also included analysis from Joe Rossiter on the relationship between Welsh and UK Labour, an op-ed from the new Plaid Cymru leader Rhun ap Iorwerth, and articles by Martin Gallagher on anti-Gypsy and Traveller racism in Wales, Marion Löffler on the Eisteddfod's Welsh language rule, and *welsh agenda* intern Gwenno Robinson on the erosion of Welsh language communities in rural Wales.

We continue to develop *the welsh agenda online*, our digital platform for debates, alongside the *welsh agenda* magazine. Over the reporting period, the platform attracted 84,267 readers, an increase of 11.08% over the previous year. Working alongside our interns, we have diversified the ways we promote our articles on social media, creating new visual assets and using designed pitch callouts to attract new submissions. We successfully fundraised to recruit five interns, but also to pay freelance and underemployed contributors. This year also saw the launch of our first *welsh agenda* podcast: an exploration of bilingual Welsh/English experience in Wales, seen through the eyes of our intern Matthäus Bridge, who discussed his experience of being his family's first Welsh speaker and the institutions that have shaped it.

Priority 2: Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard

- We ran our highly-regarded training courses for 65 people, with our digital delivery expanding both our numerical and geographical reach considerably
- Feedback has been consistently positive and of those who responded to our survey, 100% would recommend our courses to others:

'I really appreciated the chance to talk through situations I've encountered in my role but perhaps haven't fully understood how to navigate. I feel charities can work in a way that's quite reactive and ad hoc, so it was great to be able to slow down and think about the most effective and meaningful ways of engaging with the political process in Wales. Also, the chance to hear from people in other third sector [organisations]. It was refreshing to hear their perspectives and that they faced similar issues in their roles.'

'The MS gave us a lived insight, the trainees were excellent and the group exercises helped with thinking about implementing what we learned.'

'I think the course covered a range of different useful topics and areas, all of which were interesting (even if not directly as relevant to each person's organisation). Joe and Lydia were engaging, very knowledgeable and it was so clear they 'knew their stuff', instead of just reading off a script. My favourite/most useful part of the course was all about the Senedd reforms, and potential impact of changes to the WG, Senedd and UK Gov.'

'There was so much effort put into creating the content module for the course. There was an in-depth and holistic approach in delivering the course.'

'[I] particularly enjoyed] the discursive nature - lots of background info. [The] Presenters felt very knowledgeable. It reminded me of talking to a friend who knows a lot about a subject! Rather than watching a presentation.'

- Following a bespoke training session to academics at Cardiff Metropolitan University, we also delivered a bespoke course for members of the University's Senior Leadership Team.

Priority 3: Developing and securing commitment to implementing ideas that can transform Wales in our priority areas

All our policy and project work is aligned to our two main priority areas: supporting the development of a strong, confident democracy and a successful, green and fair economy for Wales.

- We seek to **support a strong, confident democracy in Wales**. This year, we delivered the second year of our Media and Democracy project, funded by the Joseph Rowntree Charitable Trust:
 - We published a report commissioned from leading academics in Wales examining broadcasting regulation in Wales. The three-part report examined international case studies of broadcasting devolution, and made recommendations on how Wales could seek to devolve further elements of broadcasting regulation effectively. The report was particularly impactful, informing the work of Welsh Government, the Senedd Culture, Communication, Welsh Language, Sport and International Relations Committee as well as the UK Welsh Affairs Select Committee. It also formed part of the evidence the IWA submitted to the Independent Commission on the Constitutional Future of Wales, making a significant contribution to the final report's considerations on Wales' media ecosystem.
 - We brought together key partners in the democracy space in Wales, including the (then) Counsel General and Minister for the Constitution for a roundtable conversation to discuss steps to strengthen Wales' democracy. The roundtable led to our *Building Bridges* report, which made a number of recommendations to reinvigorate Welsh democracy.
 - In November 2023, the IWA hosted an event, supported by Creative Wales, on the future of the creative sector. The event featured a keynote speech from the (then) Deputy Minister for Arts, Sports and Tourism, alongside other key stakeholders from across the creative economy. The event's conversations and recommendations shaped our *Creative Crossroads* report, which highlighted key policy areas of focus to strengthen and provide stability across the creative sector.
 - We provided input to the Media Reform Coalition and Public Interest News Foundation's guide to participatory grantmaking examining support to the media ecosystem.
 - We continued to scrutinise the progress of Senedd reform proposals, working alongside key partners. We submitted evidence to the Senedd on the amended reforms and our Co-Director gave evidence to the Senedd's Standards Committee on recall mechanisms.
- We continued to deliver our work on Wales' constitutional future, supported by the Legal Education Foundation. Auriol Miller sat as an Expert Panel Member of the Independent Commission on the Constitutional Future of Wales. The IWA submitted two high level evidence papers to the Commission on energy and broadcasting. Additionally, we:
 - Launched *Wales: A Work in Progress*, a podcast series which delves into the detail of the discussion around Wales' constitutional future. Over seven episodes, the podcast discussed deliberative democratic methods, UK constitutional reform, federalism and transport, amongst others.
 - Hosted two well-attended online events with leading thinkers on the UK's constitution. One focussed on the intergovernmental relations across the UK and the second focussed on learnings from social security policy divergence in Scotland.
 - Hosted a summer event with an expert panel on Wales' constitution.
 - Hosted a winter event with the (then) Acting Chair of the BBC Board, Dame Elan Clos Stephens, discussing her career and the vital role the BBC plays in life in Wales and beyond.
 - Brought together the (then) Chair of the UK Climate Change Committee and Wales' Future Generations Commissioner for a discussion on managing Wales' pathway to net zero.
- As part of our commitment to democratising data and giving people in Wales accessible evidence and tools to inform their decision making, we continue to advocate for Understanding Welsh Places (UWP). We recorded 18,000 sessions over the reporting period.
- Through our economic policy work, **we seek a successful, green and fair economy** for Wales. This year:
 - We published *Sharing power, spreading wealth*, a new in-depth report which examined how communities in Wales can benefit from the transition to net zero. The report made a series of ambitious policy recommendations for UK and Welsh policymakers, urging governments to do more to ensure that Wales' energy transition provides a socio-economic boost to the whole nation. The report builds on the IWA's established position in this space that net zero transition is the economic opportunity for the nation over the decades ahead. The report was launched to a high-level online audience, and further presented at the *Festival of Debate*. The project was also submitted as evidence to the Net Zero 2035 Challenge Group.
 - The IWA published two reports in partnership with Arup, which were informed by two roundtable events with industry experts. The first focused on accelerating net zero infrastructure in Wales, and the second examined decarbonising transport sector emissions in Wales.
 - We continued to provide scrutiny of Welsh and UK Government budgets and their impact on Wales, particularly looking at the latest Welsh Government budget, which included significant cuts.
- We provided significant scrutiny during the campaign to elect the next First Minister. Co-Director Joe Rossiter wrote an analysis ahead of, and during the campaign, providing an insight into how the next First Minister of Wales could tackle the key challenges facing the country in the years ahead.

New projects in development

- We will continue to deliver work related to the constitutional future of Wales, part of our policy project funded by the Legal Education Foundation. This will include a project examining deliberative democratic methods in Wales
- We will develop a policy paper looking at climate change and inequalities, informed by a successful roundtable hosted jointly with Oxfam Cymru.
- We will be launching a series of articles produced in partnership with the National Infrastructure Commission for Wales imagining Wales in 2100.
- We will produce a paper on setting up government in Wales to tackle the major, systemic challenges the nation faces, with the aim of informing the debate ahead of the 2026 Senedd elections.
- We will continue to seek funding to support our economy, media and democracy policy work.

Membership Events

We were delighted to hold our first in-person members-only summer reception since the Covid-19 pandemic. The event provided an opportunity for our members to meet, network and get to know our team, as well as listen to a panel discussion, chaired by BBC journalist James Williams. The discussion focused on exploring the work of the Independent Commission on the Constitutional Future of Wales.

We also held our AGM in person again this year. We were joined by Dame Elan Clos Stephens, then Acting Chair of the BBC Board, who gave a keynote speech looking at her time at the BBC and its impact on the wider public sphere in Wales.

The AGM, chaired by our newly elected interim Chair Ben Joakim, also received the report of the Directors and the financial statements of the Company for the year ended 31 March 2023. We reappointed MHA, formerly Watts Gregory, as our independent examiners.

Digital reach in FY2024

- We have continued to grow our digital platforms, with a rising number of visitors across our social media, a 7.81% increase in followers and over 200,000 page views on our website (an increase of 17%).
- Our podcast channel recorded 3,706 listens, an increase on the previous reporting period due to the release of our TLEF-funded podcast series Wales: a Work in Progress.

Media coverage of the IWA's work

We recorded 47 mentions of our work in the media in Wales and beyond, including:

- TV (BBC Politics Wales)
- Radio (BBC Radio Wales' Breakfast show, BBC Radio Cymru and Sunday Supplement Programme)
- Podcasts (Walescast and Business News Wales)
- National and Local Press (BBC News, Politico, Labour List, Nation Cymru, Morning Star, Business News Wales, Green Economy Wales, Tenby Today, Common Weal)

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.

FINANCIAL REVIEW

Financial position

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

In FY2024 we:

- Completed a technical migration of over 200 of our members, streamlining our systems and processes, and freeing up operational capacity
- Achieved our membership, events and training income targets
- Developed a number of successful income-generating events and partnerships

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.

In FY2024, membership fees and donations accounted for 30% of receipts, with self-generated income from events, training and consultancy totalling 18%. Short- to medium-term grant funding totalled 52% of our income.

In FY2024, we received funding from the Books Council of Wales, the Friends Provident Foundation, the Joseph Rowntree Charitable Trust and the Legal Education Foundation. We are grateful to our funders for their support.

While our revised budget for FY2024 anticipated a year-end deficit of £61,068, we finished the year with a surplus of £11,251.

Reserves policy

The Trustees have examined the charity's requirements for reserves in the light of the main risks to its operation. During this financial year, a number of our funded projects came to an end. Our 2-year Media and Democracy project, funded by the Joseph Rowntree Charitable Trust, was completed in January 2024 and our core funding from the Friends Provident Foundation ended in June 2024 after a 2-year term.

The end of the above funding streams has led to a fresh review of our reserves policy to acknowledge the reduction in staffing levels and cost base. The Board of Trustees approved a revised reserve policy requirement of £50,000 at the May 2024 trustee board meeting (previous policy level was £63,000). This new policy became effective 20 July 2024.

As at the balance sheet date, the organisation had free reserves of £99,645 (2023: £93,598).

Like many small charities, 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. Over the coming months we will focus our work on bidding for future project work, including the next iteration of the New Audiences Fund, as well as diversifying our income streams with an increased offer for delivery of our charitable activities.

PLANS FOR FUTURE PERIODS

Strategy

Following the Covid-19 pandemic, the IWA Board agreed to extend the period covered by our strategy to early 2024. In readiness for our new strategy, over the course of the year, we held a number of focus groups with our team and the Board, as well as sought external stakeholder input, to help us shape our strategy for the next 4 years.

In the coming year, and beyond, we will continue to undertake research and deliver impact on our existing priority areas of Wales' democracy and economy as set out in our current strategy. Our core focus will continue to be on our three-fold role of hosting high-quality debate, supporting and enabling a wider and more diverse group of people to participate in public policy influencing, and convening to create new ideas tackling economic and democratic challenges. Our new strategy, covering the period between 2024 and 2028, will not seek to revolutionise our work, but act as an evolution of our focus, taking into account significant changes, challenges and opportunities in our internal and external context, both current and future, at a UK and Wales level.

We will continue to play a key role in advocating for more systematic and effective citizen engagement in policy making and delivery, greater awareness of the strengths and weaknesses of the current devolution settlement, and education on the alternatives and their implications. In the lead up to the general election, we will play an active role in influencing parties' manifestos.

At an organisational level, following our leadership transition, we will aim to secure the financial stability of the IWA over the mid to long term, and cement our position as a progressive, influential voice in Wales' public life.

We will continue our journey towards becoming a net zero organisation and will make further improvements in our ability to reach new audiences, including implementing our ambition to be a bilingual organisation by 2025.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

INSTITUTE OF WELSH AFFAIRS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

The Institute of Welsh Affairs (IWA) was incorporated as a company on 22 July 1987. The original 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 brought our governance arrangements into line with best practice.

The Articles of Association were further amended by a special resolution on 25 November 2020, following a comprehensive review. The Articles were modernised to reflect legislative changes, namely the Companies Act 2006 and the Charities Act 2011.

The charitable company is limited by guarantee and does not have any share capital. Each member of the charitable company undertakes to contribute such amount as may be required (not exceeding £1). 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 confirmed by the members of the charitable company at the Annual General Meeting and Board membership is regularly reviewed.

Frances Beecher stepped down as a Trustee on 6 May 2023 after 8 years on the Board. Professor Alison Wride and Marc Thomas stepped down as Trustees in October and November respectively. After nearly 15 years on the Board, Dr Eurfyl ap Gwilym also stepped down at the end of his term in December, along with Professor Kevin Morgan, Helen Molyneux and Chair Bethan Darwin. We are extremely grateful for the invaluable leadership and support that all of them have provided to the IWA during their tenures as Trustees.

Following a skills audit of the IWA Board in FY2023 in line with our strategy and business plan, five new Trustees were successfully recruited in May 2023, through an open recruitment process: Dr Elizabeth Haywood, Ben Joakim, Jessica McQuade, Sam Evans and Kelly Huxley-Roberts. Following her departure as IWA's Director in January 2023, Auriol Miller was co-opted as a Trustee in February 2024 for a 12-month period.

Organisational structure

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

Induction and training of new 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 support them in their trustee role.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

Risk management

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

The Trustees' Report in our FY2023 year end accounts previously identified that we would seek to:

What we said	What we did
Induct new board members and ensure a smooth succession as some long-standing trustees step down	We welcomed five new Trustees in May 2023, who were fully onboarded and inducted, ensuring a smooth transition and succession.
Review our reserves policy	We reviewed our reserves policy following staffing and funding changes throughout the year. The reserves needed to wind up the organisation in FY24 were estimated at £65k. We will review this in FY25, too.
Review the risk appetite of the Board	This year, we undertook a risk appetite exercise with our Board and have since incorporated a risk appetite approach in all our decision-making discussions.
Resource a new role to support our marketing function	We were successful in recruiting a Marketing and Events Assistant as part of a Cardiff University student placement. The support with events and membership contributed to our income targets and improved membership engagement.
Complete the migration of some long standing pre-digital membership direct debits.	After a complex technical process, we successfully migrated over 200 historic direct debits to our new platform, bringing them up to current membership fees and significantly reducing our processing times. We achieved less than a 10% drop-out rate.

We continue to develop our full cost recovery approach openly and transparently with potential partners. Our consultancy work continued in FY2024 as part of our income diversification strategy and contributes to our core costs. We continue to seek alignment of our consultancy and events opportunities with our policy project and strategic priorities.

In FY2025 we will:

- Continue to explore long-term sustainable funding models for the organisation
- Continue to retain and grow our membership by creating a value-driven offer for young members and Fellows
- Drive forward a substantial policy platform ahead of the General Election and Senedd 2026 elections, tackling the key issues impacting people's lives in Wales

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02151006 (England and Wales)

Registered Charity number

1078435

INSTITUTE OF WELSH AFFAIRS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

Registered office

Room 6.01
SBARC
Maindy Road
CARDIFF
County of Cardiff
CF24 4HQ

Trustee Board

B Joakim	Chair	Appointed 18.05.23
A J Copus		
S Evans		Appointed 18.05.23
L Farhat		
Dr E Haywood		Appointed 18.05.23
K Huxley-Roberts		Appointed 18.05.23
J McQuade		Appointed 18.05.23
H F Mortlock Pearce		
A Pickles		
A Miller		Appointed 01.02.24

Resignations from the Board

B Darwin	Chair until resignation	Resigned 20.11.23
S Prescott	Treasurer until resignation	Resigned 29.07.24
Dr E Ap Gwilym		Resigned 08.12.23
F Beecher		Resigned 18.05.23
H C Molyneux		Resigned 08.12.23
Professor K J Morgan		Resigned 08.12.23
M Thomas		Resigned 02.11.23
S Williams		Resigned 29.07.24
Professor A Wride		Resigned 31.10.23

Independent Examiner

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
CARDIFF
CF23 8RS

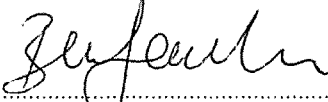
Senior Management Team

M Drave - Co-Director (from February 2024)
J Rossiter - Co-Director (from February 2024)
A J V Miller (Director until resignation January 2024)

Bankers

Lloyds Bank PLC

Approved by order of the Board of Trustees on 19/09/24 and signed on its behalf by:


.....

B Joakim - Chair

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF WELSH AFFAIRS

Independent examiner's report to the trustees of Institute of Welsh Affairs ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2024.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

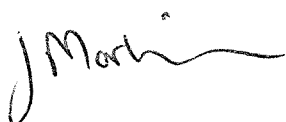
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Julia Mortimer FCCA
MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
CARDIFF
CF23 8RS

Date: 20 September 2024

INSTITUTE OF WELSH AFFAIRS

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	172,732	-	172,732	219,561
Charitable activities	5				
General		72,735	164,887	237,622	261,897
Investment income	4	<u>3,252</u>	<u>-</u>	<u>3,252</u>	<u>1,195</u>
Total		<u>248,719</u>	<u>164,887</u>	<u>413,606</u>	<u>482,653</u>
EXPENDITURE ON					
Raising funds	6	55,343	-	55,343	53,519
Charitable activities	7				
General		<u>191,635</u>	<u>155,377</u>	<u>347,012</u>	<u>345,204</u>
Total		<u>246,978</u>	<u>155,377</u>	<u>402,355</u>	<u>398,723</u>
NET INCOME		1,741	9,510	11,251	83,930
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>104,255</u>	<u>63,817</u>	<u>168,072</u>	<u>84,142</u>
TOTAL FUNDS CARRIED FORWARD		<u>105,996</u>	<u>73,327</u>	<u>179,323</u>	<u>168,072</u>

The notes form part of these financial statements

INSTITUTE OF WELSH AFFAIRS

BALANCE SHEET
31 MARCH 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	14	6,351	-	6,351	10,657
CURRENT ASSETS					
Debtors	15	46,216	-	46,216	21,106
Cash at bank and in hand		<u>110,064</u>	<u>73,327</u>	<u>183,391</u>	<u>211,410</u>
		156,280	73,327	229,607	232,516
CREDITORS					
Amounts falling due within one year	16	(56,635)	-	(56,635)	(75,101)
NET CURRENT ASSETS		<u>99,645</u>	<u>73,327</u>	<u>172,972</u>	<u>157,415</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>105,996</u>	<u>73,327</u>	<u>179,323</u>	<u>168,072</u>
NET ASSETS		<u>105,996</u>	<u>73,327</u>	<u>179,323</u>	<u>168,072</u>
FUNDS	17				
Unrestricted funds				105,996	104,255
Restricted funds				<u>73,327</u>	<u>63,817</u>
TOTAL FUNDS				<u>179,323</u>	<u>168,072</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2024.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2024 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 19/09/24 and were signed on its behalf by:


B Joakim - Chair

The notes form part of these financial statements

1. STATUTORY INFORMATION

Institute of Welsh Affairs is a registered charity and private company limited by guarantee. It has no share capital and is incorporated in Wales in the United Kingdom. The registered office is shown within the reference and administrative details. The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

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 financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Institute of Welsh Affairs meets the definition of a public benefit entity as demonstrated within the Report of the Trustees.

There have been no material departures from Financial Reporting Standard 102.

Small charity concession

The charity has taken advantage of the concession available to smaller charities that are not subject to a statutory audit given in the Statement of Recommended Practice. It has not analysed either resources expended or incoming resources by activity categories within the Statement of Financial Activities.

Going concern

In light of financial budget and cashflow projections prepared, for a period covering 12 months from the approval of these financial statements, the trustees have concluded that no adjustments or additional disclosures are required to the financial statements and are satisfied that it is appropriate for the financial statements to be prepared on a going concern basis.

Income

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

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income is recognised on a receivable basis.

It is not the policy of the charity to show income net of expenditure.

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

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 include central functions and includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity.

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.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Office equipment	- 33% straight line
Website	- 25% straight line

Fixed assets are initially recorded at cost.

Financial instruments

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

Debtors

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

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

Taxation

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

Fund accounting

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

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued

Fund accounting

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

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Donations	1,158	2,850
Gift aid	5,355	5,649
Publications	556	328
Grants	50,000	107,952
Subscriptions	98,364	96,574
Patrons	17,299	6,208
	<u>172,732</u>	<u>219,561</u>

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Friends Provident Foundation	50,000	50,000
The Waterloo Foundation	-	45,000
Joseph Rowntree Charitable Trust - cost of living support	-	12,952
	<u>50,000</u>	<u>107,952</u>

4. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	<u>3,252</u>	<u>1,195</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Event income	46,865	38,547
Training income	22,418	23,581
Carnegie UK Trust	-	5,869
Grants	164,887	166,153
Other income	110	1,700
Collaboration income	-	12,125
Consultancy	3,342	13,922
	<u>237,622</u>	<u>261,897</u>

Included within the prior year charitable activities income was:

- an amount of £5,869 from the Carnegie Trust UK towards the Understanding Welsh Places project.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

5. INCOME FROM CHARITABLE ACTIVITIES - continued

- an amount of £12,125 under a collaboration agreement between Cardiff University and University of South Wales and Institute of Welsh Affairs. The Lead, Cardiff University, was awarded a grant from the Wales Innovation Network via Universities Wales. The collaboration project is titled 'Wales Innovation Network: Understanding Welsh Places - Analysis of public transport (bus and train) provision in Wales based on open data'.

Grants received, included in the above, are as follows:

	2024	2023
	£	£
Books Council of Wales: 'the welsh agenda'	17,500	17,500
Joseph Rowntree Charitable Trust: Media in Wales project	55,690	68,018
Friends Provident Foundation - Re-energising Wales	-	1,500
The Legal Education Foundation: Fostering understanding and participation in Wales' ongoing constitutional discussion	62,000	63,000
Books Council of Wales: New Audiences (Journalism) Fund	12,865	14,135
Books Council of Wales: Magazine Diversity Fund	-	2,000
Books Council of Wales: New Audiences Fund	16,832	-
	<u>164,887</u>	<u>166,153</u>

6. RAISING FUNDS

Raising donations and legacies

	2024	2023
	£	£
Staff costs	45,829	46,784
Staff training	-	228
Consultancy fees	5,285	-
Support costs	4,229	6,507
	<u>55,343</u>	<u>53,519</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
General	<u>283,725</u>	<u>63,287</u>	<u>347,012</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2024	2023
	£	£
Staff costs	236,778	241,714
Event costs	487	2,731
Training costs	1,296	823
Direct project costs	28,474	37,040
Staff training	1,207	1,039
Direct recruitment costs	13,000	-
Depreciation	2,483	2,483
	<u>283,725</u>	<u>285,830</u>

INSTITUTE OF WELSH AFFAIRS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

9. SUPPORT COSTS

	Raising funds £	Charitable Activities £	Governance costs £	Totals £
Raising donations and legacies	4,229	-	-	4,229
General	-	32,239	31,048	63,287
	<u>4,229</u>	<u>32,239</u>	<u>31,048</u>	<u>67,516</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Depreciation - owned assets	4,306	3,295
Independent examination fee	2,800	2,700
Other fees paid to independent examiners	<u>1,414</u>	<u>791</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 or for the year ended 31 March 2023.

Trustees' expenses

Trustees' expenses of £534 were paid to two trustees in respect of travel and accommodation expenses (31 March 2023: £Nil).

12. STAFF COSTS

	2024 £	2023 £
Wages and salaries	271,757	274,730
Social security costs	22,170	24,108
Other pension costs	<u>11,595</u>	<u>13,052</u>
	<u>305,522</u>	<u>311,890</u>

The average monthly number of employees during the year was as follows:

2024	2023
<u>8</u>	<u>8</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2024	2023
£80,001 - £90,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £101,095 (2023: £94,718).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	219,561	-	219,561
Charitable activities			
General	95,744	166,153	261,897
Investment income	<u>1,195</u>	<u>-</u>	<u>1,195</u>
Total	<u>316,500</u>	<u>166,153</u>	<u>482,653</u>
EXPENDITURE ON			
Raising funds	53,519	-	53,519
Charitable activities			
General	<u>234,618</u>	<u>110,586</u>	<u>345,204</u>
Total	<u>288,137</u>	<u>110,586</u>	<u>398,723</u>
NET INCOME	28,363	55,567	83,930
Transfers between funds	<u>(200)</u>	<u>200</u>	<u>-</u>
Net movement in funds	28,163	55,767	83,930
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>76,092</u>	<u>8,050</u>	<u>84,142</u>
TOTAL FUNDS CARRIED FORWARD	<u>104,255</u>	<u>63,817</u>	<u>168,072</u>

14. TANGIBLE FIXED ASSETS

	Website £	Office equipment £	Totals £
COST			
At 1 April 2023 and 31 March 2024	<u>19,240</u>	<u>5,470</u>	<u>24,710</u>
DEPRECIATION			
At 1 April 2023	13,241	812	14,053
Charge for year	<u>2,483</u>	<u>1,823</u>	<u>4,306</u>
At 31 March 2024	<u>15,724</u>	<u>2,635</u>	<u>18,359</u>
NET BOOK VALUE			
At 31 March 2024	<u>3,516</u>	<u>2,835</u>	<u>6,351</u>
At 31 March 2023	<u>5,999</u>	<u>4,658</u>	<u>10,657</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade debtors	41,821	16,029
Prepayments and accrued income	<u>4,395</u>	<u>5,077</u>
	<u>46,216</u>	<u>21,106</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024	2023
	£	£
Trade creditors	2,074	3,005
Social security and other taxes	4,772	7,034
VAT	5,798	4,294
Other creditors	1,253	1,523
Accruals and deferred income	<u>42,738</u>	<u>59,245</u>
	<u>56,635</u>	<u>75,101</u>

Included within accruals and deferred income is the following deferred income:

	31.3.24	31.3.23
	£	£
Deferred income brought forward	56,545	45,387
Released to Statement of Financial Activities	(49,877)	(25,387)
Additional income deferred	<u>33,200</u>	<u>36,545</u>
	<u>39,868</u>	<u>56,545</u>

The deferred income relates to income in advance that the charity did not have entitlement to recognise at 31 March each year.

17. MOVEMENT IN FUNDS

	At 1/4/23	Net movement in funds	At 31/3/24
	£	£	£
Unrestricted funds			
General fund	104,255	1,741	105,996
Restricted funds			
Media in Wales	5,798	(2,277)	3,521
Fostering understanding and participation in Wales' ongoing constitutional discussion	54,796	8,844	63,640
New Audiences (Journalism) Fund	<u>3,223</u>	<u>2,943</u>	<u>6,166</u>
	<u>63,817</u>	<u>9,510</u>	<u>73,327</u>
TOTAL FUNDS	<u>168,072</u>	<u>11,251</u>	<u>179,323</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

17. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	248,719	(246,978)	1,741
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Media in Wales	55,690	(57,967)	(2,277)
Fostering understanding and participation in Wales' ongoing constitutional discussion	62,000	(53,156)	8,844
New Audiences (Journalism) Fund	12,865	(9,922)	2,943
New Audiences Fund	<u>16,832</u>	<u>(16,832)</u>	<u>-</u>
	<u>164,887</u>	<u>(155,377)</u>	<u>9,510</u>
TOTAL FUNDS	<u>413,606</u>	<u>(402,355)</u>	<u>11,251</u>

Comparatives for movement in funds

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	76,092	28,363	(200)	104,255
Restricted funds				
Re-energising Wales project	(1,700)	1,500	200	-
Media in Wales	9,750	(3,952)	-	5,798
Fostering understanding and participation in Wales' ongoing constitutional discussion	-	54,796	-	54,796
New Audiences (Journalism) Fund	<u>-</u>	<u>3,223</u>	<u>-</u>	<u>3,223</u>
	<u>8,050</u>	<u>55,567</u>	<u>200</u>	<u>63,817</u>
TOTAL FUNDS	<u>84,142</u>	<u>83,930</u>	<u>-</u>	<u>168,072</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

17. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	316,500	(288,137)	28,363
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Re-energising Wales project	1,500	-	1,500
Media in Wales	68,018	(71,970)	(3,952)
Fostering understanding and participation in Wales' ongoing constitutional discussion	63,000	(8,204)	54,796
New Audiences (Journalism) Fund	14,135	(10,912)	3,223
Magazine Diversity fund	<u>2,000</u>	<u>(2,000)</u>	<u>-</u>
	<u>166,153</u>	<u>(110,586)</u>	<u>55,567</u>
TOTAL FUNDS	<u>482,653</u>	<u>(398,723)</u>	<u>83,930</u>

'the welsh agenda' print and online

Grant funding has been received during the year from the Books Council of Wales towards the commissioning, design and production of English language current affairs magazine, 'the welsh agenda' in both print and online editions.

Media in Wales

Grant funding has been received from The Joseph Rowntree Charitable Trust for the Media in Wales project. a project examining the relationship between Wales' democracy, media, and wider creative industries.

Fostering understanding and participation in Wales' ongoing constitutional discussion

Grant funding has been received from The Legal Education Foundation, for a project for the new stage of our work on the constitutional future of Wales.

New Audiences (Journalism) Fund

Our 'Voices' innovation to platform young, marginalised and/or freelance journalists and writers has been rolled out across the sector by the Books Council of Wales through its New Audiences Fund and we successfully applied to employ four interns on six-week placements.

New Audiences Fund

Funded by Books Council of Wales for two x 8 week internships support and mentoring.

Comparative year only**Re-energising Wales project**

Grant funding was provided from The Friends Provident Foundation in the year to support the Re-energising Wales project; 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.

Magazine Diversity Fund

Grant funding of £2,000 was received from the Books Council of Wales towards new voices, magazine diversity

18. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the charity to the scheme and amounted to £11,595 (2023: £13,052).

Contributions totalling £1,253 (2023: £1,523) were payable to the scheme at the year end and are included in creditors.

19. RELATED PARTY DISCLOSURES

There were no related party transactions requiring disclosure for the year ended 31 March 2024 or the year ended 31 March 2023.

Accounts

REGISTERED COMPANY NUMBER: 02151006 (England and Wales)
REGISTERED CHARITY NUMBER: 1078435

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023
FOR
INSTITUTE OF WELSH AFFAIRS**

MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

INSTITUTE OF WELSH AFFAIRS

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FOR THE YEAR ENDED 31 MARCH 2023**

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INSTITUTE OF WELSH AFFAIRS

CHAIR'S REPORT FOR THE YEAR ENDED 31 MARCH 2023

This reporting period has been a particularly turbulent one politically given the significant turnover in Prime Ministers and Chancellors of the Exchequer at a UK level and the accompanying turbulence in relations between the UK Government and the Welsh Government. The invasion of Ukraine, and the energy and cost of living crises all contributed to considerable instability and a heightened sense of insecurity for people across the UK. The cost of living crisis has bitten especially hard for the people of Wales, given Wales' demographics, housing stock and stubborn levels of poverty.

In this context, the IWA's work to continually champion a collaborative approach to addressing longer term, complex problems remains both one of our hallmarks and an ongoing challenge when public and donor attention is very much on the here and now. We have remained focused, as ever, on supporting the development of a strong, confident democracy and a successful, green and fair economy for Wales. Our work has highlighted potential enablers of increased engagement in democratic processes and decision making as well as potential blockers to effective investment in Wales' sustainable economic future. We have called out poor practice in the implementation of economic policy and offered better alternatives, championed integrity in public life, and explained in simple terms what can seem like impenetrable economic policy-speak so that people across Wales can more easily understand who decides what, where and how and, crucially, get their own voices heard. We have continued to contribute to the Independent Commission on the Constitutional Future of Wales to imagine and lay out a future of different possibilities in terms of how Wales is governed, and what the myriad practical implications of the various choices ahead might be. We have consistently worked to ensure the IWA is a more inclusive, welcoming space for under-represented voices and experiences, and while there remains work to do on this front we are proud of our progress so far, and grateful for the generous feedback of our interns, contributors and partners which informs our next steps.

Our strength is in our independent convening power, bringing stakeholders and partners together across policy and political divides, encouraging ambitious and collaborative partnerships on policy issues that are not being addressed as fully as we think is necessary, and seeking consensus and movement on actions to be taken. Our role as a cross-pollinator in terms of policy influencing is a rare one in Wales and we intend to build on these firm foundations as we shape our strategy for the next four years and into our fifth decade.

On a practical note, this year we have enjoyed the first full year in our new home in sbarc|spark, Cardiff University's innovation hub, co-located with a number of our regular partners. This has enabled us to offer our team an inviting and flexible working environment as we shifted to a permanently hybrid way of working, while maintaining a small hub in the building as a base. It also means that, as a small charity, we can offer an even warmer welcome to our many members and partners as we are able to host fully accessible in-person events on our home patch as well as increase our reach through our ongoing digital events programme.

We look forward to welcoming many more members and partners in the years ahead and to continuing to work together to inspire and galvanise ambition to address the challenges inherent in Wales' democratic and economic future.

Bethan Darwin
Chair, IWA

INSTITUTE OF WELSH AFFAIRS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objects and aims

The Objects of the Charity are to advance the education of the general public of, and to promote research into (and the publication of the results thereof), socio-economics, politics, science and technology, including but not limited to:-

- The effect of socio-economic, political and scientific factors on public policy; and
- The effect of socio-economic, financial, political, environmental and international factors on the living standards of all sections of the community.

Strategy

We are the Institute of Welsh Affairs; Wales' leading think tank. We challenge, inspire and drive change, and make Wales a better place to live and work for everyone.

We are independent of government and political parties.

We bring together experience and expertise from all backgrounds to collaborate on the most important issues facing Wales.

By bringing together experts from all backgrounds, we conceive ambitious and informed ideas which secure political commitments to improve our democracy, public services and economy.

Our vision is to create a Wales where everyone can thrive.

Achievements and Performance

To deliver on our mission of 'Making Wales Better', our strategy seeks to contribute to achieving three key outcomes:

- People who care about Wales have access to informed and independent spaces for debate, discussion and the exploration of ideas
- People in Wales are supported to be active, engaged citizens who have a shared stake in Wales' bright future
- People in Wales see and feel real life benefits from new ideas which will help Wales to thrive.

To achieve this, we focus our resources on our three strategic priorities:

1. Providing an open, inclusive and informed platform for robust debate
2. Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard
3. Developing and securing commitments to implementing ideas that can transform Wales in two priority areas, contributing to:
 - A strong, confident democracy
 - A successful, clean, green and fair economy for Wales.

Principal activities and achievements

As ever, the IWA has consistently produced nuanced and thoughtful reports and events, in line with our mission of hosting accessible and high quality public debate on key issues that matter to Wales' future. Our commitment remains to identifying, articulating and explaining why these issues matter, and then convening discussions which lead to concerted action to address them.

In this report we set out our outputs for FY2023 and feedback from key stakeholders.

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Priority 1: Providing an open, inclusive and informed platform for robust debate

- This year, we ran a total of 12 events (eight in-person and four digital) in line with our strategic priorities, including two roundtables, and the next two events in our three-year partnership with Bangor University. Although we successfully formed a number of new partnerships, we were delighted to build on existing relationships – testament to our excellent work on convening power, networks and conversations.
- Over 850 tickets were issued across our whole events and training programme, and we reached an additional 2,200 people through our videos, recordings and podcasts.
- We successfully sourced sponsorship for our events, making them free to delegates, as part of our long-standing commitment to widening access to quality debate on public policy in Wales. This year, all our events were free, as they were either part of funded partnership or policy projects.

In addition to events showcasing our own research reports, we ran a diverse mix of in-person and digital events over the course of the year aligned to our key themes of developing Wales' economy and democracy:

- We partnered with the Swiss Embassy and Capital Law to discuss the Swiss decentralisation experience and draw comparisons with perspectives on Wales' constitutional options.
- Our partnership with Bangor University discussed the pros and cons of the tourism levy in *The Power of Tourism*
- *Qualified for the Future: Made for Wales* GCSEs explored the options ahead for Qualifications Wales in their refresh of qualifications aligning with the Curriculum for Wales, now being delivered.
- In partnership with Chambers Wales, the Federation of Small Businesses, and the CBI in Wales, we held a roundtable attended by senior UK, Welsh and local Government officials to scrutinise the implementation of the levelling up agenda in Wales. This resulted in the publication of a White Paper that was widely circulated to key stakeholders.
- In partnership with the Open University in Wales and Aberystwyth University, we held a major event titled *Citizens' Voices, People's News: Making the Media work for Wales* which was also supported by the University of Wales Press and Newport Live.
- We showcased our work as part of Wales Week in London for the first time at an event jointly with Arup. In *Mighty Strong: how smaller nations make it big in the global green economy*, we heard from colleagues in Denmark and Quebec as well as the National Infrastructure Commission in Wales.
- *Mind the (economic) Gap? The Future of Ireland - Wales relations post-Brexit* was the second event in this year's Bangor University collaboration, with the participation of the Irish Consul General in Wales.

Reach

A total of 3,050 people either directly attended, watched or listened back to all our online sessions and podcasts held between 1 April 2022 and 31 March 2023, including our report launches on Welsh fiscal firepower and the role of trade unions in Wales. Recordings of all IWA events can be found on the IWA videos page on our website and on YouTube.

Impact

Nearly 80% of surveyed delegates rated our events as 'great' or 'excellent', and over 85% would recommend our events to others. On average, 70% noted that the events changed their understanding of the issues discussed. We have also received excellent feedback from our partners, who helped us deliver our FY23 events:

'A huge thank you for all of your hard work and the collaborative approach to working with us on our citizens' panel activities. We have been so pleased with not only the number of people who engaged with the work but also the opportunities that we have developed to ensure it can have real impact.'

'It has been fantastic working together with you all on this and I am proud of not only what we have done but also how we did it. We are excited to continue working with you on this important work and see how it develops.' **OU in Wales partner on our Citizens' Voices, People's News event**

'Just wanted to thank you for your help with all the arrangements and logistics with last night's event. Really pleased with how it went, some excellent discussions, plenty of ground covered, and good opportunities for networking.' **Bangor University partner on our Mind the (economic) gap? The Future of Ireland-Wales relations post-Brexit event**

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the welsh agenda

Our flagship publication, *the welsh agenda*, is the longest standing English-language current affairs magazine in Wales. Published twice yearly, it is widely respected as a source of intelligent and thought-provoking slow journalism. We are immensely proud of having focussed on diversifying the range of our contributors in recent years.

Issue 68 of the *welsh agenda* in Spring 2022 led with the question 'Ukraine: what can we do?' and focused on Wales' response to Russia's invasion with articles by Jenny Mathers on women and war, Adam Johannes on opposing imperialism, Susie Ventris-Field on global citizenship and Caroline Gregory on volunteering. This edition also featured an exclusive longform article by Gareth R Jones in the wake of the death of writer Jan Morris and a number of articles on the themes of 'Land' and 'Work' related to our experimentation with adopting a broad thematic approach to commissioning.

Issue 69 led with a pair of interviews with Economy Minister Vaughan Gething, conducted by the IWA's then Economic Policy Lead Harry Thompson and *the welsh agenda*'s editor Dylan Moore. This issue also highlighted our renewed approach to ensuring that the magazine served as a platform for the IWA's current policy priorities through articles by David Melding on the constitution, Yvonne Murphy and Shirish Kulkarni on democratic innovations and a series of pieces on journalism, including by Dylan Iorwerth on papurau bro and Richard Gurner on English-language hyperlocals.

We have continued to analyse contributors to *the welsh agenda* online and have published 134 articles from 117 contributors over the reporting period, with the vast majority of these being first-time contributors to *the welsh agenda*. In line with the purpose of the New Voices Fund and New Audiences Fund, we have commissioned more stories representing the lives of marginalised communities in Wales. We trialled a new Equality and Diversity Monitoring system for paid contributors to *the welsh agenda* in our reporting to the Books Council of Wales, with an aim to roll it out to all contributors in the long term.

Priority 2: Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard

- We ran our highly regarded training courses for over 50 people, with our digital delivery expanding both our numerical and geographical reach considerably
- Feedback has been consistently positive:

'I have been in my role for a few years and I have never felt like I know what I am doing or if I am actually coming across right in Welsh Government meetings. I just wanted to say that you both have flipped the switch for me. I am passionate about making change happen and since your training I feel like a big burden has been lifted. Your training has given me further knowledge and helped me so much with a meeting I had yesterday.'

'I was expecting to obtain a useful general overview of the inner working[s] of the Welsh Government and Parliament, but didn't expect to come away from the training with a genuine idea of how I can become a better employee in my role. The training has facilitated a crucial understanding of where to look and what to look for in regard to Members of the Senedd, and I've gathered a brilliant insight into how to make my individual work more efficient and effective in the future.'

'I had high expectations because of it being delivered by the IWA and their reputation - the course exceeded my hopes and I learned so much.'

- We also delivered a bespoke course for a number of UK Government civil servants, as well as for the new intake of academics at Cardiff Metropolitan University:

'I wanted to write to you both to express how grateful I am to have spent the day learning from you both on 15 November. The day was incredibly stimulating learning from your expertise and wide breadth of knowledge across the Welsh and wider UK political and policy landscape.'

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I walked away being disheartened that my role only involves a small remit of engagement with devolved governments; now, I have been seeking to amplify the role of devolved governments involvement in any UK wide policy decisions in my team.

I will be keeping a lookout for any exciting events or teach-ins you may be hosting in the future!' [participant from the then BEIS]

- IWA Director Auriol Miller continued to mentor on the Equal Power Equal Voice mentoring scheme, run as a partnership with EYST Cymru, Stonewall Cymru and Disability Wales, as part of our ongoing commitment to actively supporting a wider cross section of people to make their own contribution to public life in Wales.

Priority 3: Developing and securing commitment to implementing ideas that can transform Wales in our priority areas

All our policy and project work is aligned to our two main priority areas: supporting the development of a strong, confident democracy and a successful, green and fair economy for Wales. However, we continue to work with partners to shape public events discussing key issues in relation to public services by prioritising education and skills as the building blocks to strengthen Wales' democracy and economy.

- We seek to **support a strong, confident democracy in Wales**. This year, through our Media and Democracy project, funded by the Joseph Rowntree Charitable Trust,
 - We worked in partnership with The Open University in Wales to convene a citizens' panel which considered the question: 'How well does the news help you understand politics?' The recommendations made by the resultant report, *Citizens' Voices, People's News*, centred around media regulation, democratic education and recognising Welshness; these have informed much of the following conversations and further research.
 - In November 2022 and February 2023, we published a series of short reports on broadcasting regulation in Wales in order to feed into the Expert Panel set up by the Cooperation Agreement between Welsh Government and Plaid Cymru looking at issues around the potential devolution of some broadcasting powers. This included an overview of the current UK broadcasting regulatory and policy landscape as it pertains to Wales, a series of relevant international case studies and two broad recommendations which were well received by the Expert Panel and other stakeholders.
 - Our 'Voices' innovation to platform young, marginalised and/or freelance journalists and writers has been rolled out across the sector by the Books Council of Wales through its New Audiences Fund and we successfully applied to employ four interns on six-week placements.
 - In pursuit of our objective around a contestable fund for journalism in Wales, we participated in the Wales Public Interest Journalism Working Group, and became increasingly influential in determining the policy agenda in this space, championing systemic funding interventions in the sector.
 - We began the next stage of our work on the constitutional future of Wales, a project supported by The Legal Education Foundation.
- As part of our commitment to democratising data and giving people in Wales accessible evidence and tools to inform their decision making, we continue to advocate for and develop the next stage of Understanding Welsh Places (UWP) in order to include updated Census data. Over 29,000 people have now used UWP since its launch and usage continues to grow.
 - This year we co-ran two workshops with WISERD examining barriers to access to public transport for people with mobility issues and disabled people, gathering data intended to gauge the potential of the UWP digital tool to address barriers to access in public transport.

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- Through our economic policy work, **we seek a successful, green and fair economy** for Wales. This year:
 - We explored Wales' fiscal firepower through a substantial new piece of research, shining a light on the lack of fiscal headroom that Welsh Government has to fund and deliver economically transformative policy projects. We call for more prudential borrowing powers to be given to Wales, to enable Welsh Government to invest in, for example, renewable energy generation). The paper gained much media interest, covered by BBC Politics Wales, BBC's Walescast and BBC News Wales, [Nation Cymru](#) and [Wales Online](#). The report gained widespread political support in Wales, with both the Welsh Labour Government and Plaid Cymru in support of the prudential borrowing powers policy.
 - We published a [report on Trade Unions](#) and their ability to rebalance Wales' economy in the interests of low-to-middle-income workers. Coming on the back of the Social Partnerships (Wales) Bill, the report was timed to influence Welsh Government's labour policy over the next decade. The report gained significant media interest, with an article breaking down the report featured on [BBC Wales](#), the National, with BBC Politics Wales dedicating a section to the report, with responses from all political parties in Wales. Additionally, the report formed the basis for an opinion piece in [the Guardian](#), which unpicked Wales' approach to social partnership.
 - We have also contributed to shaping Wales' green economy and journey to net zero. We have remained clear and consistent messengers of the need to rapidly detransition from fossil fuels and act now to realise the green growth opportunities offered by renewable energy generation. At the beginning of 2023, we were pleased that the Welsh Government took on the IWA's long recommended *Re-energising Wales* target of achieving 100% of its electricity generation from renewable sources by 2035.
 - We have focussed on investigating and explaining the impact of the transition from EU funding to post-EU funding arrangements for Wales. Our voice in informing this transition follows our initial report on [engaging business in Wales on levelling up](#), shaped by a roundtable with partners. The IWA submitted [written evidence](#) and gave [oral evidence](#) to the Senedd Economy, Trade and Rural Affairs Committee consultation into post-EU regional development funding. This evidence was broken down into an [article](#) for *the welsh agenda* online in a more digestible format. We have spelled out the shortcomings of post-EU funding arrangements in a Welsh context, highlighting key steps to make sure that future funding results in better outcomes for communities in Wales.
 - As part of *the welsh agenda* print magazine, we undertook a wide-ranging interview with Economy Minister Vaughan Gething. As one of the figures expected to put themselves forward to succeed Mark Drakeford as First Minister, the magazine was the opportunity for him to expand on his economic agenda and set out his platform. We also interviewed another key player and future potential leadership candidate, Education Minister Jeremy Miles, in the spring edition.
 - Throughout the reporting period, we have sought to bring a Welsh context to UK economic events, such as through [providing breakdowns of the UK government budgets](#), [Welsh government budgets](#), explaining what they mean for the people of Wales, as well analysis of [local elections](#) and the [Cooperation Agreement](#) between Welsh Labour and Plaid Cymru. Importantly, this is the type of independent analysis which is in short supply in a Welsh context, with the IWA filling a substantial gap, critiquing Welsh and UK Government's economic activities, and also articulating clearly and accessibly how they can both do better.

New projects in development

- We anticipate considerable further project work that will feed into the Independent Commission on the Constitutional Future of Wales which was set up in November 2021 and runs until December 2023.
- Our core economic policy work, supported by the Friends Provident Foundation, will also continue to include a focus on the green economy, with a research paper on community benefit mechanisms for renewable energy projects anticipated in the next reporting period.

Membership Events

We were delighted to hold our AGM in person again this year, the first time since before the pandemic and would like to thank iungo Solutions for sponsoring the event. We were joined by Secretary of State for Wales, David TC Davies MP, who gave a keynote speech before taking questions from our very engaged audience.

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We were also pleased to award three honorary life fellowships of the IWA: first to Angela Graham for her invaluable leadership and support of our media policy work over many years; second to Dr Anwen Elias, reader in Politics at the University of Aberystwyth, the co-director of renowned research centre and IWA partner WISERD, a longstanding member of the editorial group for *the welsh agenda*, and a Commissioner of the Independent Commission on the Constitutional Future of Wales. And third to former MS for South Wales West, Suzy Davies, who has been a staunch supporter of our shared objective of a strong and confident democracy in Wales, including through supporting a greater diversity of people taking up public office and contributing to our in-house training sessions on devolution.

The AGM also received the report of the Directors and the financial statements of the Company for the year ended 31 March 2022. We reappointed Watts Gregory as our independent examiners.

Digital reach in FY2023

- We have continued to expand the reach of our platforms. Followers and visitors are only one aspect of digital growth but our figures indicate we are on the right track. One notable transformation since the last report has been the creation of a new homepage for our website which has made the distinction between IWA content and *the welsh agenda* online clearer.
- From January 2023 onwards, we have also been able to run a series of editorial placements which have increased our capacity and resulted in a higher frequency of publications in the online magazine, thanks to funding from the Books Council of Wales. Our interns have enabled us to commission more and better quality articles from up and coming writers around Wales about the various facets of Welsh politics, culture and identity (including: freeports in Wales, Welsh music, queer activism and trans rights, disability, climate refugees, ethnic minorities in Wales). The higher number of readers (from 50,874 to 74,498 for the reporting period) and visits to the website (93,888 users on our website, an increase of 15% over the previous year which led to 182,913 page views (up 8%)) is, in part, a reflection of this work, which we have been proud to showcase as part of our commitment to accessible and inclusive high quality debate.
- We have also been growing our presence and output on LinkedIn and Instagram, resulting in a very high growth rate for both platforms compared to a slower level of growth on Twitter, our most established platform.
- The lower number of podcasts and videos is mainly due to staff turnover at the end of several projects. With a new podcast series under production and some successful experiments in the past year, we remain confident in this format to convey our work and plan to carry on developing it in the future.

What we said	What we did
Continuing to seek out a more diverse group of contributors to our online and print publications, seeking financial support to achieve this, trialling different approaches and learning from them.	We have had considerable success in widening the pool of contributors to our publications, our work has been cited by funders as sector-leading, and we are pleased to have secured additional funding to support this work.
Shaping our events programme around key medium to longer-term issues in relation to Wales' democracy and economy, convening panels with a mix of experiences and viewpoints	We have worked closely with partners to shape our events programme in line with our funded projects and other policy-influencing opportunities so that we maximise our impact.
Exploring how best we can engage more 'lay' audiences in our discussions, outside the existing public policy community	We have played a leading role in this area through our citizens' panel on the media in Wales, as well as contributing to the Natur a Ni advisory board for Natural Resources Wales and the engagement subgroup of the Expert Panel supporting the Independent Commission on the Constitutional Future of Wales.
Maintaining and further developing our highly regarded training programme	Our bespoke and open training courses remain highly regarded and we consistently learn from any feedback shared.

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What we said	What we did
Working with our members and partners to reach and offer training bursaries to under-represented groups.	We have not made as much progress as we would have liked in this area, in part due to budgetary constraints, and will retain this as an objective.
Continuing to mentor on the Equal Power Equal Voice scheme, actively supporting people to contribute to public life in Wales in a wide variety of ways.	Our director has continued to mentor on the Equal Power Equal Voice scheme and we have been regularly sought out as a media commentator on integrity and ethics in public life.
Delivering effectively on our current funded commitments.	Despite staff turnover which can affect a small team disproportionately we have maintained the quality of our output.
Resourcing two new multi-year projects focussed on our policy priorities in relation to Wales' democracy and economy.	Our new JRCT-funded Media and Democracy project began in April 2022. However, we have not yet been successful in resourcing the next stage of our work on community assets in Wales and continue to focus on this.
Implementing our new Business Plan.	We have made significant progress in implementing our new Business Plan
Updating our membership offer.	Following a significant upgrade to our systems in FY2022, we continue to monitor and adapt our membership offer. We have updated the user journey on our website, as well as improved and personalised our membership communications (including welcome emails and newsletters). We have also started the process of increasing legacy fees (individual and organisational) and streamlining our direct debit platforms.
Setting out a plan for becoming a Net Zero organisation.	We have made a start on this by undertaking Carbon Literacy training and will be presenting our plans to the Board in the next reporting period.
Supporting the wellbeing and professional development of our small staff team.	We have subscribed to a wellbeing package and prioritised training and support for our team, including Welsh lessons

Media coverage of the IWA's work

Media coverage of our work remains consistent, with 52 mentions from 1 April 2022 to 31 March 2023 across a range of outlets in Wales and beyond including:

- TV (BBC, with regular invitations on Politics Wales and Wales Live and an invitation on Channel 4's News programme)
- Radio (BBC Radio Wales' Breakfast show and Drive Time, BBC Radio Ulster's Good Morning Ulster Programme, Radio 5's Chiles on Friday, Radio 4's More or Less)
- Podcasts (Walescast)
- Print (Western Mail, South Wales Argus)
- Online (The Guardian, BBC, Wales Online, Nation.Cymru, The National, The Leader, Caerphilly Observer, Business News Wales, Deeside.com, Leader Live, India Education Diary, Business Live, The Big Issue, Morning Star)

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Plans for future periods

Strategy

Due to the upheaval of the Covid19 pandemic, the Board agreed to extend the period covered by our strategy to early 2024.

In the coming year, we will continue to deliver research and seek to deliver impact on the priority areas of Wales' democracy and economy as set out in our 2019-2023 strategy agreed by the Board and our business plan. We will also refresh this strategy for the period 2024 onwards, mindful of the significant changes in the external landscape, both current and future, at a UK and Wales level.

Our core focus will be on our three-fold role of hosting high-quality debate, supporting and enabling a wider and more diverse group of people to participate in public policy influencing, and convening to create new ideas to address complex challenges.

We will continue to play a key role in advocating for more systematic and effective citizen engagement in policy making and delivery, greater awareness of the strengths and weaknesses of the current devolution settlement, and education on the alternatives and their implications.

At an organisational level, we will continue our journey towards becoming a net zero organisation and will explore the value of additional quality marks to inspire even greater trust in our outputs and ways of working. We will make further improvements in our ability to reach new audiences, including in implementing our ambition to be a bilingual organisation by 2025.

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.

FINANCIAL REVIEW

Financial position

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

In FY2023 we:

- Developed our membership offer further
- Achieved our events and training income target
- Grew our capacity to deliver high quality consultancy input to partners

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.

In FY2023, membership fees and donations accounted for 23% of receipts, with self-generated income from conferences, training and debates totalling 16%. Short- to medium-term contract funding/ grant funding totalled 61% of our income.

In FY2023 we received funding from the Books Council of Wales, the Carnegie UK Trust, the Friends Provident Foundation, the Joseph Rowntree Charitable Trust, the Legal Education Foundation, The Waterloo Foundation and WISERD. We are grateful to our funders for their support. Policy project funding was 4% in FY2023.

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While our revised budget for FY2023 anticipated a year-end deficit of £20,946, we finished the year with a surplus of £83,930, mainly due to timing issues in relation to grant funding. The surplus comprises a surplus on restricted funds of £55,767 and a surplus on unrestricted funds of £28,163.

Reserves policy

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. Our reserves policy will continue to be kept under close review in 2023 - 2024. Subsequent to the year end, the trustees have reviewed our reserves policy and an increase to £81,000 was approved by the Board at its meeting in May 2023.

Like many small charities, 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. As at the balance sheet date the organisation had free reserves of £93,598 (2022: £67,610).

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 original 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 brought our governance arrangements into line with best practice.

The Articles of Association were further amended by a special resolution on 25 November 2020, following a comprehensive review. The Articles were modernised to reflect legislative changes, namely the Companies Act 2006 and the Charities Act 2011.

The charitable company is limited by guarantee and does not have any share capital. Each member of the charitable company undertakes to contribute such amount as may be required (not exceeding £1). 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 confirmed by the members of the charitable company at the Annual General Meeting and the Board membership is regularly reviewed.

Professor Laura McAllister stepped down as a trustee on 8 December 2022 after 14 years on the Board. Frances Beecher stepped down as a trustee in May 2023 after 8 years on the board. We are very grateful for the invaluable leadership and support that they have both provided to the IWA during their tenure as trustees.

As planned, the IWA undertook a skills audit of its Board in FY2023 in line with our strategy and Business Plan and sought five new members accordingly, through an open recruitment process, who joined subsequent to the period covered by this report.

Organisational structure

The Board of Trustees meets four times a year and a small Finance and General Purposes Committee precedes it to review the financial management of the IWA and all risk management. The directors oversee all the activities of the IWA.

Induction and training of new 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 support them in their trustee role.

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Risk management

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

The Trustees' Report in our FY2022 year end accounts previously identified that we would seek to:

What we said	What we did
Carry out a skills audit of our Board to ensure it is able to support the staff team to deliver against our strategy and new Business Plan	We completed the skills audit against our Business Plan, advertised for specific skills, competences and experience accordingly, and successfully recruited and inducted five new trustees who took up their role in May 2023.
Complete the NCVO Trusted Charity kitemark process, to evidence that we are a responsible and well-run organisation	We are pleased that we were awarded the Trusted Charity Level 1 standard in June 2022.
Review our membership offer	Following a significant upgrade to our systems in FY22, we continue to monitor and adapt our membership offer. We have updated the user journey on our website, as well as improved and personalised our membership communications (including welcome emails and newsletters). We have also started the process of increasing legacy fees (individual and organisational) and streamlining our direct debit platforms.
Focus on resourcing additional core funding.	This remains a key priority for the organisation. Core costs are included in all funding bids as we seek to future-proof the organisation.

We continue to develop our full cost recovery approach openly and transparently with potential partners. Our consultancy work continued in FY2023 as part of our income diversification strategy and contributes to our core costs. We continue to seek alignment of consultancy opportunities with our policy project priorities.

In FY2024 we will:

- Induct new board members and ensure a smooth succession between trustees as some long-standing trustees step down.
- Review our reserves policy.
- Review the risk appetite of the Board.
- Resource a new role to support our marketing function.
- Complete the migration of some longstanding pre-digital membership direct debits.

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.

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FOR THE YEAR ENDED 31 MARCH 2023**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02151006 (England and Wales)

Registered Charity number
1078435

Registered office
Room 6.01
sbarc | spark
Maindy Road
CARDIFF
CF24 4HQ

Trustees

Ms B Darwin
Ms S Prescott
Dr E Ap Gwilym
Mrs F Beecher
Ms A J Copus
Mr S Evans
Ms L Farhat
Dr E Haywood
Mrs K Huxley-Roberts
Mr B Joakim
Professor L J McAllister
Ms J McQuade
Ms H C Molyneux
Professor K J Morgan
Ms H F Mortlock Pearce
Mr A Pickles
Mr M Thomas
Mrs S Williams
Professor A Wride

Chair
Treasurer

resigned 18 May 2023

appointed 18 May 2023

appointed 18 May 2023
appointed 18 May 2023
appointed 18 May 2023
resigned 8 December 2022
appointed 18 May 2023

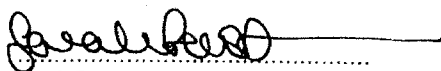
Company secretary
Ms S Prescott

Independent Examiner
MHA
Elfed House
Oak Tree Court, Cardiff Gate Business Park
CARDIFF CF23 8RS

Senior Management Team
Ms A J V Miller

Bankers
Lloyds Bank PLC

Approved by order of the Board of Trustees on 20/09/23 and signed on its behalf by:


Ms S Prescott – Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF WELSH AFFAIRS

Independent examiner's report to the trustees of Institute of Welsh Affairs ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2023.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under Section 145(5) (b) of the 2011 Act.

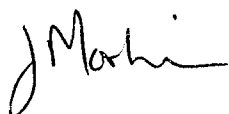
Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by Section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of Section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Julia Mortimer FCCA
MHA (trading name of MacIntyre Hudson LLP)
Limited liability partnership in England & Wales
Registered number OC312313
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
CF23 8RS

Date: 12 October 2023

INSTITUTE OF WELSH AFFAIRS

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	219,561	-	219,561	191,062
Charitable activities	5				
General		95,744	166,153	261,897	146,278
Investment income	4	1,195	-	1,195	595
Other income		-	-	-	3,000
Total		<u>316,500</u>	<u>166,153</u>	<u>482,653</u>	<u>340,935</u>
EXPENDITURE ON					
Raising funds	6	53,519	-	53,519	55,594
Charitable activities	7				
General		<u>234,618</u>	<u>110,586</u>	<u>345,204</u>	<u>367,004</u>
Total		<u>288,137</u>	<u>110,586</u>	<u>398,723</u>	<u>422,598</u>
NET INCOME/(EXPENDITURE)					
Transfers between funds	19	28,363 (200)	55,567 200	83,930 -	(81,663) -
Net movement in funds		28,163	55,767	83,930	(81,663)
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>76,092</u>	<u>8,050</u>	<u>84,142</u>	<u>165,805</u>
TOTAL FUNDS CARRIED FORWARD		<u>104,255</u>	<u>63,817</u>	<u>168,072</u>	<u>84,142</u>

The notes form part of these financial statements

INSTITUTE OF WELSH AFFAIRS

**BALANCE SHEET
31 MARCH 2023**

	Notes	Unrestricted fund £	Restricted funds £	2023 Total funds £	2022 Total funds £
FIXED ASSETS					
Tangible assets	14	10,657	-	10,657	8,482
CURRENT ASSETS					
Debtors	15	21,106	-	21,106	64,062
Cash at bank and in hand		<u>147,593</u>	<u>63,817</u>	<u>211,410</u>	<u>91,222</u>
		168,699	63,817	232,516	155,284
CREDITORS					
Amounts falling due within one year	16	(75,101)	-	(75,101)	(79,624)
NET CURRENT ASSETS		<u>93,598</u>	<u>63,817</u>	<u>157,415</u>	<u>75,660</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>104,255</u>	<u>63,817</u>	<u>168,072</u>	<u>84,142</u>
NET ASSETS		<u>104,255</u>	<u>63,817</u>	<u>168,072</u>	<u>84,142</u>
FUNDS	19				
Unrestricted funds				104,255	76,092
Restricted funds				<u>63,817</u>	<u>8,050</u>
TOTAL FUNDS				<u>168,072</u>	<u>84,142</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2023.

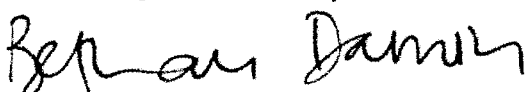
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2023 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 September 2023 and were signed on its behalf by:



Ms B S Darwin - Chair

The notes form part of these financial statements

INSTITUTE OF WELSH AFFAIRS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

1. STATUTORY INFORMATION

Institute of Welsh Affairs is a registered charity and private company limited by guarantee. It has no share capital and is incorporated in Wales in the United Kingdom. The registered office is shown within the reference and administrative details. The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

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 financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from Financial Reporting Standard 102.

Small charity concession

The charity has taken advantage of the concession available to smaller charities that are not subject to a statutory audit given in the Statement of Recommended Practice. It has not analysed either resources expended or incoming resources by activity categories within the Statement of Financial Activities.

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.

Income

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

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income is recognised on a receivable basis.

INSTITUTE OF WELSH AFFAIRS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2023

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

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

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 include central functions and includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity.

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.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Office equipment	- 33% straight line
Website	- 25% straight line

Fixed assets are initially recorded at cost.

Financial instruments

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

Debtors

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

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

Taxation

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

Fund accounting

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

INSTITUTE OF WELSH AFFAIRS**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023****2. ACCOUNTING POLICIES - continued****Fund accounting**

Restricted funds can only be used for particular restricted 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.

Hire purchase and leasing commitments

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	2023	2022
	£	£
Donations	2,850	2,505
Gift aid	5,649	6,410
Publications	328	491
Grants	107,952	69,424
Subscriptions	96,574	102,324
Patrons	6,208	9,908
	<u>219,561</u>	<u>191,062</u>

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Friends Provident Foundation	50,000	50,000
The Waterloo Foundation	45,000	-
WCVA Third Sector Resilience Fund for Wales Scheme	-	19,424
Joseph Rowntree Charitable Trust - cost of living support	12,952	-
	<u>107,952</u>	<u>69,424</u>

4. INVESTMENT INCOME

	2023	2022
	£	£
Deposit account interest	<u>1,195</u>	<u>595</u>

INSTITUTE OF WELSH AFFAIRS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

5. INCOME FROM CHARITABLE ACTIVITIES

	2023	2022
	£	£
Event income	38,547	24,479
Training income	23,581	16,502
Carnegie UK Trust	5,869	17,729
CREW: Centre for Regeneration Excellence in Wales	-	41,192
Grants	166,153	41,376
Other income	1,700	5,000
Collaboration - Wales Innovation Network	12,125	-
Consultancy	13,922	-
	<u>261,897</u>	<u>146,278</u>

Included in income from charitable activities is the following:

- an amount of £5,869 (2022: £17,729) from the Carnegie Trust UK towards the Understanding Welsh Places project.
- an amount of £NIL (2022: £41,192) from CREW: Centre for Regeneration Excellence in Wales towards the Foundational Economy project.
- an amount of £12,125 (2022 - £NIL) under a collaboration agreement between Cardiff University and University of South Wales and Institute of Welsh Affairs. The Lead, Cardiff University, was awarded a grant from the Wales Innovation Network via Universities Wales. The collaboration project is titled 'Wales Innovation Network: Understanding Welsh Places - Analysis of public transport (bus and train) provision in Wales based on open data'.

Grants received, included in the above, are as follows:

	2023	2022
	£	£
Books Council of Wales: 'the welsh agenda'	17,500	17,500
Friends Provident Foundation	-	5,000
Joseph Rowntree Charitable Trust: Media in Wales project	68,018	11,376
Friends Provident Foundation - Re-energising Wales	1,500	7,500
The Legal Education Foundation: Fostering understanding and participation in Wales' ongoing constitutional discussion	63,000	-
Books Council of Wales: New Audiences (Journalism) Fund	14,135	-
Books Council of Wales: Magazine Diversity Fund	2,000	-
	<u>166,153</u>	<u>41,376</u>

INSTITUTE OF WELSH AFFAIRS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

6. RAISING FUNDS

Raising donations and legacies

	2023	2022
	£	£
Staff costs	46,784	47,035
Staff training	228	53
Direct recruitment costs	-	856
Support costs	<u>6,507</u>	<u>7,647</u>
	<u>53,519</u>	<u>55,591</u>

Investment management costs

	2023	2022
	£	£
Interest payable and similar charges	<u>-</u>	<u>3</u>

Aggregate amounts	<u>53,519</u>	<u>55,594</u>
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7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
General	<u>285,830</u>	<u>59,374</u>	<u>345,204</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2023	2022
	£	£
Staff costs	241,714	243,013
Event costs	2,731	153
Training costs	823	1,142
Direct project costs	37,040	37,553
Staff training	1,039	272
Direct recruitment costs	-	4,421
Depreciation	<u>2,483</u>	<u>1,448</u>
	<u>285,830</u>	<u>288,002</u>

INSTITUTE OF WELSH AFFAIRS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

9. SUPPORT COSTS

	Raising funds £	Charitable Activities £	Governance costs £	Totals £
Raising donations and legacies	6,507	-	-	6,507
General	-	29,864	29,510	59,374
	<u>6,507</u>	<u>29,864</u>	<u>29,510</u>	<u>65,881</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2023 £	2022 £
Depreciation - owned assets	3,295	4,099
Independent examination fee	2,700	2,600
Other fees paid to independent examiners	<u>791</u>	<u>1,067</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2023 or for the year ended 31 March 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2023 or for the year ended 31 March 2022. We anticipate covering trustee travel expenses in the next financial year.

12. STAFF COSTS

	2023 £	2022 £
Wages and salaries	274,730	276,173
Social security costs	24,108	23,585
Other pension costs	<u>13,052</u>	<u>13,808</u>
	<u>311,890</u>	<u>313,566</u>

The average monthly number of employees during the year was as follows:

	2023	2022
Charitable activities	<u>8</u>	<u>9</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2023	2022
£70,001 - £80,000	-	1
£80,001 - £90,000	<u>1</u>	-
	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £94,718 (2022 - £92,060).

INSTITUTE OF WELSH AFFAIRS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	191,062	-	191,062
Charitable activities			
General	104,902	41,376	146,278
Investment income	595	-	595
Other income	<u>3,000</u>	<u>-</u>	<u>3,000</u>
Total	<u>299,559</u>	<u>41,376</u>	<u>340,935</u>
EXPENDITURE ON			
Raising funds	55,594	-	55,594
Charitable activities			
General	<u>313,678</u>	<u>53,326</u>	<u>367,004</u>
Total	<u>369,272</u>	<u>53,326</u>	<u>422,598</u>
NET INCOME/(EXPENDITURE)	(69,713)	(11,950)	(81,663)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>145,805</u>	<u>20,000</u>	<u>165,805</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>76,092</u></u>	<u><u>8,050</u></u>	<u><u>84,142</u></u>

14. TANGIBLE FIXED ASSETS

	Website £	Office equipment £	Totals £
COST			
At 1 April 2022	19,240	-	19,240
Additions	<u>-</u>	<u>5,470</u>	<u>5,470</u>
At 31 March 2023	<u>19,240</u>	<u>5,470</u>	<u>24,710</u>
DEPRECIATION			
At 1 April 2022	10,758	-	10,758
Charge for year	<u>2,483</u>	<u>812</u>	<u>3,295</u>
At 31 March 2023	<u>13,241</u>	<u>812</u>	<u>14,053</u>
NET BOOK VALUE			
At 31 March 2023	<u><u>5,999</u></u>	<u><u>4,658</u></u>	<u><u>10,657</u></u>
At 31 March 2022	<u><u>8,482</u></u>	<u><u>-</u></u>	<u><u>8,482</u></u>

INSTITUTE OF WELSH AFFAIRS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Trade debtors	16,029	56,279
Prepayments and accrued income	<u>5,077</u>	<u>7,783</u>
	<u>21,106</u>	<u>64,062</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Other loans (see note 17)	-	6,475
Trade creditors	3,005	4,104
Social security and other taxes	7,034	6,535
VAT	4,294	9,149
Other creditors	1,523	1,609
Accruals and deferred income	<u>59,245</u>	<u>51,752</u>
	<u>75,101</u>	<u>79,624</u>

Included within accruals and deferred income is the following deferred income:

	2023	2022
	£	£
Deferred income brought forward	45,387	15,971
Released to Statement of Financial Activities	(25,387)	(15,971)
Additional income deferred	<u>36,545</u>	<u>45,387</u>
	<u>56,545</u>	<u>45,387</u>

17. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>-</u>	<u>6,475</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2023	2022
	£	£
Within one year	-	2,294
Between one and five years	<u>-</u>	<u>1,899</u>
	<u>-</u>	<u>4,193</u>

The total lease payments recognised as an expense in the year was £2,550 (2022 : £6,915).

INSTITUTE OF WELSH AFFAIRS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

19. MOVEMENT IN FUNDS

	At 1/4/22 £	Net movement in funds £	Transfers between funds £	At 31/3/23 £
Unrestricted funds				
General fund	76,092	28,363	(200)	104,255
Restricted funds				
Re-energising Wales project	(1,700)	1,500	200	-
Media in Wales	9,750	(3,952)	-	5,798
Fostering understanding and participation in Wales' ongoing constitutional discussion	-	54,796	-	54,796
New Audiences (Journalism) Fund	-	3,223	-	3,223
	<u>8,050</u>	<u>55,567</u>	<u>200</u>	<u>63,817</u>
TOTAL FUNDS	<u>84,142</u>	<u>83,930</u>	<u>-</u>	<u>168,072</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	316,500	(288,137)	28,363
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Re-energising Wales project	1,500	-	1,500
Media in Wales	68,018	(71,970)	(3,952)
Fostering understanding and participation in Wales' ongoing constitutional discussion	63,000	(8,204)	54,796
New Audiences (Journalism) Fund	14,135	(10,912)	3,223
Magazine Diversity fund	2,000	(2,000)	-
	<u>166,153</u>	<u>(110,586)</u>	<u>55,567</u>
TOTAL FUNDS	<u>482,653</u>	<u>(398,723)</u>	<u>83,930</u>

INSTITUTE OF WELSH AFFAIRS

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	145,805	(69,713)	76,092
Restricted funds			
Our Land project	20,000	(20,000)	-
Re-energising Wales project	-	(1,700)	(1,700)
Media in Wales	-	9,750	9,750
	<u>20,000</u>	<u>(11,950)</u>	<u>8,050</u>
TOTAL FUNDS	<u>165,805</u>	<u>(81,663)</u>	<u>84,142</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	299,559	(369,272)	(69,713)
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Our Land project	5,000	(25,000)	(20,000)
Re-energising Wales project	7,500	(9,200)	(1,700)
Media in Wales	11,376	(1,626)	9,750
	<u>41,376</u>	<u>(53,326)</u>	<u>(11,950)</u>
TOTAL FUNDS	<u>340,935</u>	<u>(422,598)</u>	<u>(81,663)</u>

'the welsh agenda' print and online

Grant funding has been received during the year from the Books Council of Wales towards the commissioning, design and production of English language current affairs magazine, 'the welsh agenda' in both print and online editions.

Re-energising Wales

Grant funding was provided from The Friends Provident Foundation in the year to support the Re-energising Wales project; 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.

Media in Wales

Grant funding has been received from The Joseph Rowntree Charitable Trust for the Media in Wales project. a project examining the relationship between Wales' democracy, media, and wider creative industries.

Fostering understanding and participation in Wales' ongoing constitutional discussion

Grant funding has been received from The Legal Education Foundation, for a project for the new stage of our work on the constitutional future of Wales.

INSTITUTE OF WELSH AFFAIRS

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2023**

19. MOVEMENT IN FUNDS - continued

New Audiences (Journalism) Fund

Our 'Voices' innovation to platform young, marginalised and/or freelance journalists and writers has been rolled out across the sector by the Books Council of Wales through its New Audiences Fund and we successfully applied to employ four interns on six-week placements.

Magazine Diversity Fund

Grant funding of £2,000 was received from the Books Council of Wales towards new voices, magazine diversity.

Comparative year only

Our Land project

Grant funding was received during the prior year from the Esmée Fairbairn Foundation and the Friends Provident Foundation. A further £5,000 was received from the Friends Provident Foundation this year, to undertake a project looking at community involvement in land use and community assets more widely. The project aims to look at the potential to create greater involvement between communities and land in their local area in order to drive more productive (economic or social) uses of that land.

Transfers between funds

A transfer of £200 has been made from the general fund to the restricted Re-energising Wales project to clear the deficit on the fund. This was a 15-month period that ended during the financial year.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the charity to the scheme and amounted to £13,052 (2022: £13,808).

Contributions totalling £1,523 (2022: £1,609) were payable to the scheme at the year end and are included in creditors.

21. RELATED PARTY DISCLOSURES

There were no related party transactions requiring disclosure for the year ended 31 March 2023 or the year ended 31 March 2022.

INSTITUTE OF WELSH AFFAIRS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	2,850	2,505
Gift aid	5,649	6,410
Publications	328	491
Grants	107,952	69,424
Subscriptions	96,574	102,324
Patrons	6,208	9,908
	<u>219,561</u>	<u>191,062</u>
Investment income		
Deposit account interest	1,195	595
Charitable activities		
Event income	38,547	24,479
Training income	23,581	16,502
Carnegie UK Trust	5,869	17,729
CREW: Centre for Regeneration Excellence in Wales	-	41,192
Grants	166,153	41,376
Other income	1,700	5,000
Collaboration - Wales Innovation Network	12,125	-
Consultancy	13,922	-
	<u>261,897</u>	<u>146,278</u>
Other income		
Other income	-	3,000
Total incoming resources	<u>482,653</u>	<u>340,935</u>
EXPENDITURE		
Raising donations and legacies		
Wages	41,210	41,426
Social security	3,616	3,538
Pensions	1,958	2,071
Staff training	228	53
Direct recruitment costs	-	856
	<u>47,012</u>	<u>47,944</u>
Investment management costs		
Bank interest	-	3
Charitable activities		
Wages	212,915	214,034
Carried forward	212,915	214,034

This page does not form part of the statutory financial statements

INSTITUTE OF WELSH AFFAIRS

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023**

	2023 £	2022 £
Charitable activities		
Brought forward	212,915	214,034
Social security	18,684	18,278
Pensions	10,115	10,701
Event costs	2,731	153
Training costs	823	1,142
Direct project costs	37,040	37,553
Staff training	1,039	272
Direct recruitment costs	-	4,421
Depreciation of website	2,483	1,448
	<u>285,830</u>	<u>288,002</u>
Support costs		
Raising funds		
Establishment costs	1,223	1,367
Office expenses	2,181	5,260
Travel & subsistence	482	150
Marketing	364	135
Legal & professional	1,720	5
Bank charges	415	332
Fixtures and fittings	122	398
	<u>6,507</u>	<u>7,647</u>
Charitable Activities		
Recruitment costs	2,550	-
Establishment costs	6,318	7,062
Office expenses	11,271	27,178
Travel and subsistence	2,488	776
Marketing	1,883	698
Legal and professional	2,774	27
Bank charges	1,890	1,717
Fixtures and fittings	690	2,054
Bank interest	-	13
	<u>29,864</u>	<u>39,525</u>
Governance costs		
Wages	20,605	20,713
Social security	1,808	1,769
Pensions	979	1,036
Establishment costs	611	683
Office expenses	1,091	2,630
Travel and subsistence	241	75
Marketing	182	68
Legal and professional costs	502	8,016
Bank charges	-	166
Independent examiner fees	3,491	3,667
Staff training	-	26
Direct recruitment costs	-	428
Carried forward	29,510	39,277

This page does not form part of the statutory financial statements

INSTITUTE OF WELSH AFFAIRS

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Governance costs		
Brought forward	29,510	39,277
Fixtures and fittings	-	199
Bank interest	-	1
	<u>29,510</u>	<u>39,477</u>
Total resources expended	<u>398,723</u>	<u>422,598</u>
Net income/(expenditure)	<u>83,930</u>	<u>(81,663)</u>

This page does not form part of the statutory financial statements

Accounts

REGISTERED COMPANY NUMBER: 02151006 (England and Wales)
REGISTERED CHARITY NUMBER: 1078435

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022
FOR
INSTITUTE OF WELSH AFFAIRS**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

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The report of the trustees and the financial statements that follow are for the year ending 31 March 2022. It is worth reminding ourselves that Covid restrictions were still in place in Wales until 27 May 2022. In England restrictions ended on 24 February 2022, which was also the date on which Russia invaded Ukraine.

The war in Ukraine has fuelled a cost of living crisis with sharp increases in food and energy prices and higher inflation and interest rates. The impact of this is greatest on the poorest in our society, who spend proportionately more of their income on food and heating. Rail and postal workers, firefighters and criminal barristers have balloted for industrial action.

Against this background of serious challenge for people and for business, Liz Truss became leader of the Conservative party and the prime minister of the UK government on 6 September 2022. Just two days later, HM Queen Elizabeth II died.

Here in Wales, Welsh Labour signed a co-operation agreement with Plaid Cymru in March 2022 to work together on 46 policy areas. The agreement is not a coalition agreement, but the two parties have pledged to work together on areas where they are in consensus, including rolling out free school meals to all primary children, tackling climate change and long-term reform of the Senedd.

These are matters that will have a bearing on the work of the IWA going forward. For the purposes of this report, I am reflecting on our work and our impact in the period up to 31 March 2022 when in person meetings and events were still very restricted. Even with those restrictions, the small team of staff at the IWA led by director Auriol Miller continued to more than deliver. The trustees' report details the extent of the work undertaken, but highlights include:

1. Providing a platform for debate with 13 online events and 1,168 tickets across our whole events and training programme. We reached over 5,200 people in total. In the year to 31 March all but one of our events were free, as part of a funded partnership or a policy project.
2. Our work within our main priority areas of Democracy and Economy in contributing to the understanding of devolution and where power lies.
3. The office move to new premises at sbarc|spark with much improved facilities and space; and
4. The donations made to the National Library of Wales Welsh Political Archive of a volume of IWA's papers, contributing contemporaneous archival material of the political life of Wales.

On behalf of all the trustees, I thank the IWA staff members for their hard work, which again this year was made more challenging due to Covid restrictions.

I also take this opportunity to thank outgoing trustee Valerie Livingston for her valued and considered contribution to the board.

Bethan Darwin
Chair, IWA

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objects and aims

The Objects of the Charity are to advance the education of the general public of, and to promote research into (and the publication of the results thereof), socio-economics, politics, science and technology, including but not limited to:-

1. The effect of socio-economic, political and scientific factors on public policy; and
2. The effect of socio-economic, financial, political, environmental and international factors on the living standards of all sections of the community.

Strategy

We are the Institute of Welsh Affairs (IWA); Wales' leading think tank. We challenge, inspire and drive change, and make Wales a better place to live and work for everyone.

We are independent of government and political parties.

We bring together experience and expertise from all backgrounds to collaborate on the most important issues facing Wales.

By bringing together experts from all backgrounds, we conceive ambitious and informed ideas which secure political commitments to improve our democracy, public services and economy.

Our vision is to create a Wales where everyone can thrive.

ACHIEVEMENTS AND PERFORMANCE

This is the third report aligned with our strategy agreed by trustees in May 2019.

To deliver on our mission of 'Making Wales Better', our new strategy seeks to contribute to achieving three key outcomes:

- People who care about Wales have access to informed and independent spaces for debate, discussion and the exploration of ideas
- People in Wales are supported to be active, engaged citizens who have a shared stake in Wales' bright future
- People in Wales see and feel real life benefits from new ideas which will help Wales to thrive.

To achieve this, we focus our resources on our three strategic priorities:

1. Providing an open, inclusive and informed platform for robust debate
2. Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard.
3. Developing and securing commitment to implementing ideas that can transform Wales in three priority areas, contributing to:
 - A strong, confident democracy
 - High-performing, responsive essential public services
 - A successful, clean, green and fair economy for Wales

Highlights at a glance

The output of the IWA continues to be extremely high quality, and generate significant impact, particularly considering the small size of the staff team. The ongoing impact of the Covid-19 pandemic has seen the organisation continue to expand online as well as reach new audiences. We are particularly proud that a number of donors have commended us for our innovative outreach to ensure that the voices and experiences of under-represented groups are better heard in spaces where public policy is discussed.

We have continued to publish substantive, evidence-informed reports on key issues that we think will matter in the medium- to long-term for Wales. Our commitment is to identifying, articulating and explaining why they matter, and then convening discussions which lead to action to address them. For this reason, our substantive impact is often evident on a much longer timeframe than in a single reporting period of a year.

In this report we set out our outputs for FY2022 and feedback from key stakeholders.

Platform for comment and debate

- This year, we ran a total of 13 online events in line with our strategic priorities, including the last three of a major online series of Rethinking Wales sessions, bringing contributors together across policy areas in response to the Covid-19 pandemic, in which best practice was shared.
- Over 1,168 tickets were issued across our whole events and training programme, and we reached over 5,200 people in total, an increase of over 1,000 people on last year, through our videos and recordings.
- We are pleased to continue to offer most of our events for free, as part of our commitment to widening access to quality debate on public policy in Wales. This year, all our events bar one were free, as they were either part of funded partnership or policy projects.

Understanding how devolution works and building capacity

- We ran our highly-regarded training courses for over 90 people, consistently receiving excellent feedback, with our digital delivery expanding both our numerical and geographical reach considerably. We were also pleased to adapt this course successfully for visually impaired delegates.

Developing and securing commitments to our priority areas of Wales' economy and democracy

- In the run up to the May 2021 Senedd election, we set out a series of priorities for the next Welsh Government and Senedd, with challenges in relation to Wales' economy, media and democracy, and placemaking all based on our recent research and policy work. We posed key questions to all the main political parties, publishing their responses on our website to inform public opinion pre-election.
- We called for Economy, Energy and Transport to be placed in the same ministerial portfolio in order to combat climate change more effectively. While not exactly in line with our recommendations (economy was not included, but housing was), this super-ministry principle was effectively adopted by the Welsh Government in the creation of the Climate Change ministry.
- In our work to support Wales' democracy, we published our latest IWA Media Audit (supported by the University of South Wales), and successfully resourced a substantive new project to follow up on our Media Priorities for the next Senedd.
- In our economic policy work:
 - We completed our Foundational Economy project in partnership with CREW, publishing the remaining two of a series of three papers: *The Impact of Regulation in the Foundational Economy and Turning Rhetoric into Reality: Decarbonising the Foundational Economy*.
 - We responded to the UK Government's Levelling Up White Paper and published *What Does Levelling Up mean for Wales?*
 - We ran a roundtable on renewable energy in partnership with RWE that informed our autumn publication *Renewing the Focus: Re-energising Wales Two Years On*.
 - We also published a major new study on land use *Our Land: Communities and Land Use* setting out clear challenges for new legislation to benefit Welsh communities.
 - *Understanding Welsh Places* continued to underpin policy work on regeneration, providing a basis for the Welsh Places Influencing Group to conceive the Welsh Places Charter. Later in FY2022 we published *Stepping Up: How Covid-19 tested the Resilience of Welsh Places*, in partnership with The Means.
- We gave oral evidence to Senedd committees in relation to renewable energy and community rights and submitted written evidence to Senedd, UK Parliament and Welsh Government consultations across a range of issues.
- Over 81,000 people (up 6.38%) visited the IWA website over the year which led to nearly 170,000 total hits (up nearly 15%).

Priority 1: Providing an open, inclusive and informed platform for robust debate

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 again ran a successful programme of events in 2021/22 in line with our policy priorities, despite not being able to bring people together in person because of the ongoing global pandemic.

Our Senedd 2021 event Looking Back and Looking Ahead focussed minds on the results of the election and the challenges facing the Sixth Senedd.

We are grateful to the National Lottery Community Fund for their support for the last in our series of our Rethinking Wales sessions:

16. Community Sport and Inequality
17. Banking for the Community
18. Volunteering in a Pandemic

In April, Professor Gerry Holtham gave a lecture focussing on economic opportunities for young people in Wales and later in the year we ran an event in partnership with Qualifications Wales entitled *Qualified for the Future: the wider offer for 14-16 year olds*.

We were also delighted to partner with the Media Reform Coalition on the event *Beyond the BBC: Reimagining Public Service Media in Wales*, with the output from the event informing the Coalition's ongoing work.

We welcomed Vaughan Gething MS, Minister for the Economy, to our own first major virtual event, the 2021 Economy Summit in November. The event informed and disseminated some of our work on the levelling up agenda, and discussions were picked up by a number of key stakeholders.

In March, we ran the first in our new three-year events partnership with Bangor University, focussing on economic issues for north Wales: *Taxing Twilight: the Health Economics of North Wales*.

Reach

A total of 5,281 people either attended, watched or listened back to all our online sessions held between 1 April 2021 and 31 March 2022, including our last three Rethinking Wales sessions. Recordings of all IWA events can be found on the IWA videos page on our website and on YouTube.

Impact

Over 78% of surveyed delegates rated our events as 'great' or 'excellent', and 86% would recommend our events to others. On average, 70% noted that the events changed their understanding of the issues discussed, and described the sessions as:

'Sincere, concerned, informative'
'Informative, thought-provoking, enjoyable'
'Timely, valuable, helpful'
'Illuminating, pragmatic, committed to Wales'
'Engaging, well-structured, inspiring'
'Well organised and good choice and quality of speakers'
'Engaging discussions with a range of different stakeholders and policy advocates'
'[What I most liked about the event were] The focused sessions and high quality discussions without taking up too many hours over the two days.'

the welsh agenda

Issue 66 of *the welsh agenda* in Spring 2021 featured a diverse range of content under the heading 'Facing the Future'. All the new members of the editorial group wrote excellent pieces: Theo Davies-Lewis on constitutional conundrums, Grace Quantock on Ableism and Hannah Watkin on both LGBTQI+ fiction and the hospitality sector. We were pleased that this issue was our most successful yet in realising our vision to represent lived experiences from across Wales. Contributors came from every part of Wales (notably except the north east), and there was a clear range in terms of age, class, gender, race, sexuality and profession.

Issue 67 of *the welsh agenda* was published in October. Headlined 'Coming Together', it featured articles on how the pandemic affected families, poverty, and crises related to the climate, housing and refugees. Particularly noteworthy was the article by 17-year-old Tade Evans from the Bettws council estate in Newport titled 'Growing up in the underclass'. As well as sitting pertinently in the magazine next to a piece from the Child Poverty Action Group, the piece drew particular praise from our funder, the Books Council of Wales, during our annual appraisal as an example of the successful work we have done to engage young people in both writing for and reading our platforms for debate.

We have continued to analyse contributors to *the welsh agenda* online and have published 141 articles from over 100 contributors since April 2021. In the upcoming year, we will also be trialling a new system to monitor the diversity of our contributors.

Priority 2: Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard

We delivered our Decision Making in Wales, and Influencing in Wales courses online to a total of 75 delegates during this year, receiving excellent feedback:

'I liked the ability to practise what we had learnt, attempt crafting a recommendation, convincing a committee to undertake an inquiry, creating a campaign, and meeting an MS. These were tangible activities that allowed us to put the learning into practice.'

'The online delivery meant that extroverts and introverts could participate, which led to more voices and better questions / discussions.'

'The ability to put questions to an MS, receiving honest answers in the process. The openness of the setup, asking questions as we go and having that more conversational style was very conducive to learning and putting people at ease especially virtually.'

We also delivered a bespoke course for a number of UK Government civil servants:

'I thought it was an informative and well pitched course - the presenter knew the material very well and the member of parliament offered useful insights into Welsh politics.'

'[What I most liked about the course was] the interaction with the trainers, which was very interesting. They were very knowledgeable and interesting to learn from.'

IWA Director, Auriol Miller, continued to mentor on the successor to WEN Wales' mentoring scheme, Equal Power Equal Voice, now run as a partnership with EYST Cymru, Stonewall Cymru and Disability Wales, as part of our ongoing commitment to actively supporting people to make their own contribution to public life in Wales.

Priority 3: Developing and securing commitment to implementing ideas that can transform Wales in three priority areas

All our policy and project work is aligned to our three priority areas. Although we currently have no active research work in relation to public services, we continue to work with partners to shape public events, discussing key issues in relation to public services, prioritising education and skills as the building blocks to strengthen Wales' democracy and economy.

A strong, confident democracy

IWA Media

Our longstanding interest in media policy has continued and we published the 3rd IWA Media Audit in Autumn 2021, on which our IWA Cardiff Media Summit was based. We are grateful to the University of South Wales for their support. The Audit, Summit events, and related stakeholder engagement fed into our key recommendations and media priorities for the sixth Senedd.

This year, we successfully resourced a new two-year media and democracy project which will begin in FY2023 and which will be focussed on these priorities:

The Welsh Government should:

- create a contestable fund for independent news of at least £1m per year
- work with the UK Government to improve accountability of Public Service Media organisations (PSMs) to the Senedd, through devolution of specific broadcasting powers
- make Creative Wales the home for an ambitious strategy for a thriving media economy, which tells stories of Welsh life in all its diversity.

The Senedd should:

- retain a committee with a remit over communications policy
- ensure this committee undertakes an investigation into the role of social media and misinformation during the 2021 Senedd elections.

Our new project will be funded by the Joseph Rowntree Charitable Trust.

Understanding Welsh Places (UWP)

This year the Understanding Welsh Places website informed two significant pieces of policy work. It formed the basis for the Welsh Places Charter, published before the Senedd elections in May 2021 in collaboration with the Welsh Places Influencing Group, itself a mix of UWP consortium partners and other placemakers.

Together we recommended that:

All communities should have

- the tools to better understand their area
- the voice to represent their needs to decision makers
- the means to make a change in the places where they live and work

Our view was that the pandemic recovery presented an opportunity for us to design communities that work for people and foster health and wellbeing.

All Welsh places should therefore:

- be co-designed with and for all people living and working there
- be well connected and promote opportunities for social interaction
- aim to become Real Living Wage Places, and support the creation and retention of good quality jobs
- provide high performing and responsive services and facilities for people
- celebrate their culture and identity.

Over the year, UWP continued to gather pace and was recognised as a useful engagement tool. We are pleased to note an increase in users of 35.7% and an increase in hits (38.60%) from April 2021 to March 2022. By March 2022, UWP had attracted over 17,000 users, an increase of almost 70% in the past year alone. We remain convinced that easy access to high quality data and evidence is a key enabler for citizen involvement in local decision making.

Research

Alongside this advocacy work the IWA commissioned a piece of research funded by Carnegie UK Trust. Focussed on understanding what Covid-19 has taught us so far about the resilience of Welsh place, this report was produced in partnership with The Means and included:

- Case studies and analysis of the resilience of a representative sample of towns across Wales using the Understanding Welsh Places categorisations of place. These included Caerleon, Llandeilo, Llandovery, Llantrisant, Merthyr Tydfil, Pembroke, Pontypool, Porthcawl, Port Talbot, Pwllheli and Rhyl.
- Survey or interview research into the experiences of people living and working in the selected places.

The Covid-19 pandemic tested the ability of Welsh places to respond in an emergency, but our research gave reasons to be optimistic about their capacity to bounce back from a crisis. While an overwhelming majority of people who took part in the research agreed that the pandemic had significantly disrupted their daily lives, 94% also felt that their community had been resilient.

Stepping Up: How Covid tested the resilience of Welsh places showed what lessons could be drawn to help decision makers anticipate future such events.

The report made a number of simple yet key recommendations:

- Understand local assets, and fill the gaps
- Make a plan to get people helping quickly
- Develop local networks to get the message out.

More broadly, we advocated for continued investment in the community assets which proved to be a precious buttress against some of the worst effects of the pandemic: the parks where we walked with our friends, the community halls where we accessed information and urgent services such as vaccination and food banks, and the places of worship where communities could receive support. While their short-term economic yield may have been less than that of private high rise buildings, it was they that constituted the fabric that allowed communities to respond to the challenges of the pandemic, and were the glue that held Welsh places together.

We now await the publication of new 2021 Census data in order to be in a position to comprehensively update UWP, although it will likely be some time until data is available at a sufficient level of granularity for our purposes. Meantime, we continue to work alongside WISERD to share UWP with wider audiences and are pleased that over 17,000 people had used the tool by the end of the reporting period.

A successful, clean, green and fair economy for Wales

The purpose, nature and composition of Wales' economy remains a key priority under our strategy.

Re-energising Wales

We continued to share our research findings and recommendations widely through 2021/22, undertaking a more detailed assessment of progress against our recommendations and holding a Q&A session in the Climate Cymru week in the run up to COP26 in Glasgow.

Renewing the Focus: Re-energising Wales Two Years On was supported by the Friends Provident Foundation. We argued that the Welsh Government should focus its energy policy on driving economic success for Wales' key renewable sectors: marine, bioenergy and housing.

Among our main recommendations, we recommended:

- Identifying Wales' unique selling points: the Welsh Government should identify and invest in areas likely to attract economic benefits for Wales.
- Investing in the infrastructure, capacity, and capability to deliver: future-proof our grid and decarbonising. transport are some of the key points that will enable Wales to move towards 100% renewables
- Future-proofing Wales' green skills and supply chains.

In parallel, we participated in the Deep Dive on renewables run by the Welsh Government's Deputy Minister for Climate Change. We are grateful to Hywel Lloyd of Facilitating the Future for working with us on this project.

Finally, we also participated in Welsh Government working groups focusing on the future of the grid in Wales and on ensuring an equal transition to Net Zero.

Foundational Economy

Funded by the Centre for Regeneration Excellence in Wales (CREW), our Foundational Economy project published the second and third of our three work package reports in this reporting period. In collaboration with consultants The Means, we summarised evidence gathered from interviews with firms on the impact of regulation on their businesses and how this might differ depending on sector and firm size in *The Impact of Regulation in the Foundational Economy*, published in September 2021. From interviews with business owners in key sectors of construction, social care, food and manufacturing, we highlighted examples of confusion about when rules apply, the complexity caused by overlapping requirements and the lack of flexibility in how they are enforced.

We made a series of recommendations for regulatory bodies, including the Welsh Government and Wales' local authorities:

- To establish a formal basis for a 'Better Regulation' agenda in Wales.
- To support the 'think small first' principles that are widely used across Europe.
- To use principles rather than rules where appropriate.
- To provide support and guidance to help with compliance.

Our third paper, *Turning Rhetoric into Reality: Decarbonising the Foundational Economy*, was published in January 2022 and presented an analysis of evidence on the capacity of firms in the foundational economy to innovate and adopt new processes and technologies in the context of decarbonisation. We questioned what Net Zero will mean for the Welsh economy and advised that the Welsh Government may be overly optimistic about the potential impacts of green jobs.

Our analysis noted that the potential for disruption and unemployment on certain industries and places due to the transition to Net Zero would parallel the effects of the decline of the coal industry in Wales.

Interviews with workers and industry bodies in the motor repair and gas industries highlighted a lack of understanding about the proposals for their industries under the Welsh and UK Net Zero strategies. This is despite fast-approaching timelines for the phasing out of both gas central heating and petrol and diesel vehicles from 2030.

While the phase out is being led by the UK Government, it will be up to the Welsh Government to support workers to adapt their skillset or retrain out of declining industries. This will require a significant increase in the budget available for vocational education and for post-19 education in Wales, potentially through a guarantee to fund training for anyone who stays to work in Wales, and by greater parity in the student finance offer between academic and vocational education. More work is needed to develop a shared understanding of what constitutes 'green skills', and we called for more powers to be given to regional bodies from the Government in Cardiff, in order to reflect different opportunities in different parts of Wales and encourage stronger engagement with businesses.

Our Land: Communities and Land Use

In 2021/22 we undertook a scoping piece of research jointly funded by the Friends Provident Foundation and the Esmeé Fairbairn Foundation, publishing our final report in February 2022, supported by polling from YouGov. Despite conceptions of Wales as a communitarian nation, defined by tight-knit communities, our research paints a picture of public policy divorced from this ideal, and shows Welsh communities to be the least empowered in Britain. We drew on desk-based research into the situation in Wales, Scotland and England and roundtables with community groups, policy experts and farmers. Our findings were further supported by new polling from YouGov, which showed overwhelming public support for our proposals across the political, social, and demographic scale.

Community groups described a long and arduous process that made it incredibly difficult to gain access to land or assets, and we found farmers to be proud of their rural areas and open to some community empowerment initiatives that could strengthen these areas.

Given the austerity of the last twelve years, the current lack of powers for communities is likely to have resulted in the loss of important community assets. We made five key recommendations that will even out the playing field for communities and hopefully prevent the further loss of community assets.

YouGov polling commissioned by the IWA also showed a broad consensus across Labour, Conservative and Liberal Democrat voters, remain and leave voters alike, men and women, all age groups, all social classes and all regions of Wales.

New projects in development

- We anticipate considerable further project work that will feed into the Independent Commission on the Constitutional Future of Wales which was set up in November 2021.
- In December 2021, we published an initial paper *What does Levelling Up Mean for Wales?* and anticipate considerable follow up work on the post-EU funding policy agenda. We warned that the UK Shared Prosperity and Levelling Up Funds represent a deliberate retrenchment of the devolution settlement.
- We also anticipate follow up work to *Our Land* in relation to separate work streams on community assets and land use policy.
- Our core economic policy work, supported by the Friends Provident Foundation, will also include further work on Wales' fiscal framework.

Membership Events

We held our second online AGM on 9 December 2021. Dr Eurfyl ap Gwilym and Professor Laura McAllister were re-appointed for a further year. Nigel Griffiths was warmly thanked for his long service to the IWA, including as Treasurer. The report of the Directors and the financial statements of the Company for the year ended 31 March 2021 were received. Watts Gregory were reappointed as our independent examiners. Auriol Miller set out the IWA's current and future priorities before running two focus groups listening to member feedback.

We have consistently sought feedback from our members this year on the value of membership and suggestions for improvement. When asked what is the most valuable thing about being an IWA member, replies included:

'Feeling that I support research and opportunities to broaden, improve and debate civic discourse in Wales'

'Connecting with other activists/researchers'

'Knowing of work being done to develop Wales'

'The agenda magazine is good value. However, it's the impact of the IWA which I consider most valuable'

'Hearing authoritative speakers'

'Contributing to the IWA research activities through the membership.'

We also asked members what one thing they would change about the IWA, shared this feedback with our Board and will be responding to it in our membership review in FY2023.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022

Digital reach in FY2022

We have continued to analyse contributors to the welsh agenda online and are pleased that over 100 different people have written over 140 times for us since April 2021.

- Over 81,000 people (up 6.38%) visited the IWA website over the year which led to nearly 170,000 total hits (up nearly 15%).
- We published 12 new podcasts over the year and, overall, there were 2,945 'listens'.
- Our Youtube channel gained 1,161 views of our videos.
- At the end of April 2022, nearly 18,705 people followed the IWA on Twitter, around 700 more people than in March 2021.
- Over 1,547 people follow our Facebook page at the time of writing.
- At the end of March 2021, there were 824 people following our LinkedIn page, which is a 55.48% increase on the previous year.

What we said	What we did
Further expanding the reach and online delivery of our agenda-setting events programme, in partnership with our members and key stakeholders.	This year, we have reached over 1,000 more people than last year through delivering our work online.
Further expanding our online training programme.	While we pride ourselves on the quality discussions that are possible with small groups of training delegates, and this is consistently appreciated in feedback, we are pleased to have tripled our coverage and attracted participants from all parts of Wales. We have also successfully adapted our training for visually impaired people, as part of our widening access work.
Engaging our previous policy group members in shaping our new networks focussing on our priority themes.	At our AGM we discussed how we might engage members in contributing to our future policy work, encouraging other members who may not have engaged with us before. This is always a balance between what debate needs to be convened, what policy/legislation needs to be influenced, the expertise and resources with which we can support members' participation and what is fundable. We will continue to seek different ways to engage with members while being clear about what is practicable from a resourcing perspective.
Delivering against our funded policy project commitments.	We delivered on schedule against all our funded policy projects.
Developing a new media policy project.	Our new Media and Democracy Project will start in April 2022.
Our training programme review will take place in FY2022.	We reviewed our training programme and will be launching a new research skills course in Autumn 2022.
Drawing up a new Business Plan.	We engaged Richard Newton Consulting to support us in drawing up a new Business Plan. This was agreed by the IWA Board at the next meeting after this reporting period.

Implementing our new membership offer.	We successfully increased our membership rates in FY2022 with negligible drop-out rates, and consulted with our members as to what they considered most valuable. Having undergone a significant CRM upgrade in September, we are now working on an updated membership offer, which will be implemented in summer 2022. This will include strengthening our brand with new assets and improved content, not only highlighting our impact but also demonstrating our value to existing and prospective members. We are also working on an improved user journey on our website, streamlining our member communications further and creating a legacy communications plan.
Implementing our organisational Welsh Language policy.	Our Welsh Language policy was approved by the Board.

Media coverage of the IWA's work

Our media coverage has increased considerably, from 21 mentions last year to 59 from 1 April 2021 to 31 March 2022 across a range of outlets in Wales and beyond including:

- TV (BBC, with regular invitations on Wales Politics and Wales Live).
- Radio (BBC Radio Wales' Sunday Supplement, Times Radio's Think Tank Thursday).
- Podcasts (Business News' Wales Rural Vision, The New European).
- Print (Western Mail, South Wales Argus, Golwg, The New European).
- Online (BBC, Wales Online, Nation.Cymru, The National, Times Higher Education, Coop News, Business News Wales, Tivyside Advertiser, Western Telegraph, Bella Caledonia, Politics.co.uk, Gwalia News, The Spectator, Al Jazeera, Local Government Lawyer, Localgov.co.uk).

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.

FINANCIAL REVIEW

Financial position

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

In FY2022 we:

- Began a new three-year events partnership with Bangor University.
- Began to use our New Voices Fund to commission and support a wider, more diverse group of contributors to our online and print publications.
- Completed the delivery of all funded research and policy work that had been delayed by the Covid-19 pandemic, and for which funding had been retained in the surplus at end FY2021, thereby creating an equivalent deficit in FY2022.
- Successfully increased our membership rates in FY2022 with negligible drop-out rates and consulted with our members as to what they considered most valuable.
- We underwent a significant CRM upgrade in September.
- We reduced our costs by moving office in March 2022, donating our most recent physical records to the National Library of Wales' Welsh Political Archive.

FINANCIAL REVIEW

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.

In FY2022, membership fees and donations accounted for 36% of receipts, with self-generated income from conferences, training and debates totalling 14%. Short- to medium-term contract income/ grant funding totalled 50% of our income.

We received funding from the Books Council of Wales, the Carnegie (UK) Trust, the Centre for Regeneration Excellence in Wales (CREW), the Esmée Fairbairn Foundation, the Friends Provident Foundation, the Joseph Rowntree Charitable Trust, the National Lottery Community Fund, the WCVA Third Sector Resilience Fund for Charities and The Waterloo Foundation.

Policy project funding was 17% in FY2022.

While our revised budget for FY2022 anticipated a year-end surplus of £100,366, we finished the year with a deficit of £81,663, most of which related to rescheduled project expenditure which was delayed due to the Covid regulations restricting travel and in-person activities. This figure also included additional one-off costs including consultancy support to our new Business Plan and the cost of moving our office from James Street in Cardiff Bay to our new hub in sbarc in central Cardiff.

Reserves policy

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. Our reserves policy will continue to be kept under close review in 2022/23.

Like many small charities, 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. As at the balance sheet date the organisation had free reserves of £67,610 (2021: £143,154).

PLANS FOR FUTURE PERIODS

Strategy

In line with our strategy, planned work includes:

Providing an open, inclusive and informed platform for robust debate

- Continuing to seek out a more diverse group of contributors to our online and print publications, seeking financial support to achieve this, trialling different approaches and learning from them
- Shaping our events programme around key medium to longer-term issues in relation to Wales' democracy and economy, convening panels with a mixed of experiences and viewpoints
- Exploring how best we can engage more 'lay' audiences in our discussions, outside the existing public policy community

Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard

- Maintaining and further developing our highly regarded training programme
- Working with our members and partners to reach and offer training bursaries to under-represented groups
- Continuing to mentor on the Equal Power Equal Voice scheme, actively supporting people to contribute to public life in Wales in a wide variety of ways

Developing and securing commitment to implementing ideas that can transform Wales in three priority areas:

- Delivering effectively on our current funded commitments
- Resourcing two new multi-year projects focussed on our policy priorities in relation to Wales' democracy and economy

Organisationally

- Implementing our new Business Plan
- Updating our membership offer
- Setting out a plan for becoming a Net Zero organisation
- Supporting the wellbeing and professional development of our small staff team.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 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 original 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 brought our governance arrangements into line with best practice.

The Articles of Association were further amended by a special resolution on 25 November 2020, following a comprehensive review. The Articles were modernised to reflect legislative changes, namely the Companies Act 2006 and the Charities Act 2011.

The charitable company is limited by guarantee and does not have any share capital. Each member of the charitable company undertakes to contribute such amount as may be required (not exceeding £1). 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 confirmed by the members of the charitable company at the Annual General Meeting and Board membership is regularly reviewed.

Valerie Livingston stepped down as a trustee on 31 March 2022. The IWA will be undertaking a skills audit of its Board in FY2023 in line with our strategy and Business Plan and seeking new members accordingly.

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.

The IWA staff team again evolved over the course of 2021/22. Andy Regan left as Policy and External Affairs Manager in Autumn 2021 and was succeeded by Will Henson. Jack Watkins' role as Foundational Economy Lead came to a close in January 2022. Dylan Moore was recruited to the full time role of Media and Democracy Policy Lead and will take up the post early in FY2023.

Induction and training of new 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 support them in their trustee role. All directors are also trustees of the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

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

The Trustees' Report in our FY2021 year end accounts previously identified that we would seek to:

What we said	What we did
Draw up a new Business Plan and Marketing Strategy and maintain our budgeted income and expenditure under close review, adjusting our plans accordingly.	We commissioned Richard Newton Consulting to support the development of our new Business Plan which was subsequently approved by our Board following this reporting period.
Review our risk table in light of our experience of the existing and ongoing impact of coronavirus on the organisation.	We maintained our risk table under close review and updated it as part of our business planning process.
Consult carefully and take a prudent approach to returning to our small office, likely maintaining a blend of office and home-working.	After 8 years, we left James Street and moved to a small hub in sbarc, in Cardiff University's innovation hub in central Cardiff. As a result, we reduced our costs, and are also able to offer our staff additional co-working space in a significantly improved working environment, with improved access to technology. We work in a hybrid manner and review our approach regularly with our team.

We continue to develop our full cost recovery approach openly and transparently with potential partners. Our consultancy work continued in FY2022 as part of our income diversification strategy and contributes to our core costs. We continually seek alignment of consultancy opportunities with our policy priorities.

Ongoing impact of COVID-19

The key ongoing challenges and risks for the IWA in this reporting period continued to relate to the potential impact of Covid-19 on our work, mainly on our income-generating, public-facing events, and on staff wellbeing, and particularly as we moved from a fully remote to a hybrid way of working. In FY2022, like many organisations, the IWA staff team also continued to be personally impacted by Covid-19 among their family, friends and colleagues, however they have nonetheless continued to deliver high quality work at pace. As trustees, we would therefore like to thank the staff team for their commitment to the IWA.

In FY2023 we will:

- Carry out a skills audit of our Board to ensure it is able to support the staff team to deliver against- our strategy and new Business Plan.
- Complete the NCVO Trusted Charity kitemark process, to evidence that we are a responsible and well-run organisation.
- Review our membership offer.
- Focus on resourcing additional core funding.

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.

INSTITUTE OF WELSH AFFAIRS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
02151006 (England and Wales)

Registered Charity number
1078435

Registered office
Room 6.01
SBARC
Maindy Road
CARDIFF
CF24 4HQ

Trustees

Ms B Darwin
Ms S Prescott
Dr E Ap Gwilym
Ms F Beecher
Ms A J Copus
Ms L Farhat
Ms V E Livingston
Professor L J McAllister
Ms H C Molyneaux
Professor K J Morgan
Ms H F Mortlock Pearce
Mr A Pickles
Mr M Thomas
Mrs S Williams
Professor A Wride

Chair
Treasurer

resigned 31 March 2022

Company Secretary
Ms S J Prescott

Independent Examiner
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Senior Management Team
Ms A J V Miller

Bankers
Lloyds Bank PLC

Approved by order of the Board of Trustees on 12.10.22 and signed on its behalf by:


.....
Ms S Prescott - Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF WELSH AFFAIRS

Independent examiner's report to the trustees of Institute of Welsh Affairs ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of ACCA which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

Date: 25 October 2022

INSTITUTE OF WELSH AFFAIRS

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	191,062	-	191,062	248,043
Charitable activities					
General		104,902	41,376	146,278	200,820
Investment income	4	595	-	595	859
Other income		<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>-</u>
Total		<u>299,559</u>	<u>41,376</u>	<u>340,935</u>	<u>449,722</u>
EXPENDITURE ON					
Raising funds	6	55,594	-	55,594	48,325
Charitable activities					
General	7	<u>313,678</u>	<u>53,326</u>	<u>367,004</u>	<u>321,074</u>
Total		<u>369,272</u>	<u>53,326</u>	<u>422,598</u>	<u>369,399</u>
NET INCOME/(EXPENDITURE)		(69,713)	(11,950)	(81,663)	80,323
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>145,805</u>	<u>20,000</u>	<u>165,805</u>	<u>85,482</u>
TOTAL FUNDS CARRIED FORWARD		<u>76,092</u>	<u>8,050</u>	<u>84,142</u>	<u>165,805</u>

The notes form part of these financial statements

INSTITUTE OF WELSH AFFAIRS

**BALANCE SHEET
31 MARCH 2022**

	Notes	Unrestricted fund £	Restricted funds £	2022 Total funds £	2021 Total funds £
FIXED ASSETS					
Tangible assets	14	8,482	-	8,482	2,651
CURRENT ASSETS					
Debtors	15	64,062	-	64,062	8,311
Cash at bank and in hand		<u>83,172</u>	<u>8,050</u>	<u>91,222</u>	<u>214,079</u>
		147,234	8,050	155,284	222,390
CREDITORS					
Amounts falling due within one year	16	(79,624)	-	(79,624)	(59,236)
NET CURRENT ASSETS		<u>67,610</u>	<u>8,050</u>	<u>75,660</u>	<u>163,154</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>76,092</u>	<u>8,050</u>	<u>84,142</u>	<u>165,805</u>
NET ASSETS		<u>76,092</u>	<u>8,050</u>	<u>84,142</u>	<u>165,805</u>
FUNDS	19				
Unrestricted funds				76,092	145,805
Restricted funds				<u>8,050</u>	<u>20,000</u>
TOTAL FUNDS				<u>84,142</u>	<u>165,805</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

12.10.22

 Ms B S Darwin - Chair

The notes form part of these financial statements

1. STATUTORY INFORMATION

Institute of Welsh Affairs is a registered charity and private company limited by guarantee. It has no share capital and is incorporated in Wales in the United Kingdom. The registered office is shown within the reference and administrative details. The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

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 financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from Financial Reporting Standard 102.

Small charity concession

The charity has taken advantage of the concession available to smaller charities that are not subject to a statutory audit given in the Statement of Recommended Practice. It has not analysed either resources expended or incoming resources by activity categories within the Statement of Financial Activities.

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. Details of the impact of Covid-19 have been outlined within the Report of the Trustees.

Income

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

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income is recognised on a receivable basis.

It is not the policy of the charity to show income net of expenditure.

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

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 include central functions and includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity.

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.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Office equipment	- 25% reducing balance
Fixtures & fittings	- 10% reducing balance
Website	- 4 years straight line

Fixed assets are initially recorded at cost.

Financial instruments

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

Debtors

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

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

Taxation

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

Fund accounting

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

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

2. ACCOUNTING POLICIES - continued

Fund accounting

Restricted funds can only be used for particular restricted 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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	2022 £	2021 £
Donations	2,505	15,238
Gift aid	6,410	5,947
Publications	491	202
Grants	69,424	116,317
Subscriptions	102,324	100,431
Patrons	9,908	9,908
	<u>191,062</u>	<u>248,043</u>

Grants received, included in the above, are as follows:

	2022 £	2021 £
Friends Provident Foundation	50,000	50,000
The Waterloo Foundation	-	10,000
WCVA Third Sector Resilience Fund for Wales Scheme	19,424	45,000
Job Retention Scheme	-	11,317
	<u>69,424</u>	<u>116,317</u>

4. INVESTMENT INCOME

	2022 £	2021 £
Deposit account interest	<u>595</u>	<u>859</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2022 £	2021 £
Event income	24,479	27,214
Training income	16,502	4,103
Carnegie UK Trust	17,729	45,275
CREW: Centre for Regeneration Excellence in Wales	41,192	71,878
Grants	41,376	47,500
Other income	<u>5,000</u>	<u>4,850</u>
	<u>146,278</u>	<u>200,820</u>

Included in income from charitable activities is the following:

- an amount of £17,729 (2021: £45,275) from the Carnegie Trust UK towards the Understanding Welsh Places project.
- an amount of £41,192 (2021: £71,878) from CREW: Centre for Regeneration Excellence in Wales towards the Foundational Economy project.

5. INCOME FROM CHARITABLE ACTIVITIES - continued

- an amount of £Nil (2021: £15,000) from the Carnegie Trust UK towards the Rethinking Wales' future after COVID-19 project.

Grants received, included in the above, are as follows:

	2022	2021
	£	£
Books Council of Wales	17,500	17,500
Friends Provident Foundation	5,000	5,000
National Lottery Communities Fund	-	10,000
Esmee Fairbairn Foundation	-	15,000
Joseph Rowntree Charitable Trust	11,376	-
Friends Provident Foundation - Re-energising Wales	7,500	-
	<u>41,376</u>	<u>47,500</u>

6. RAISING FUNDS

Raising donations and legacies

	2022	2021
	£	£
Staff costs	47,035	43,542
Staff training	53	40
Direct recruitment costs	856	-
Support costs	7,647	4,743
	<u>55,591</u>	<u>48,325</u>

Investment management costs

	2022	2021
	£	£
Interest payable and similar charges	3	-
	<u>55,594</u>	<u>48,325</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8)	Support costs (see note 9)	Totals
	£	£	£
General	<u>288,002</u>	<u>79,002</u>	<u>367,004</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2022	2021
	£	£
Staff costs	243,013	224,969
Event costs	153	1,990
Training costs	1,142	191
Direct project costs	37,553	39,040
Staff training	272	205
Direct recruitment costs	4,421	-
Depreciation	1,448	-
	<u>288,002</u>	<u>266,395</u>

9. SUPPORT COSTS

	Raising funds	Charitable Activities	Governance costs	Totals
	£	£	£	£
Raising donations and legacies	7,647	-	-	7,647
General	-	39,525	39,477	79,002
	<u>7,647</u>	<u>39,525</u>	<u>39,477</u>	<u>86,649</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022	2021
	£	£
Depreciation - owned assets	4,099	356
Independent examination fee	2,600	2,448
Other fees paid to independent examiners	<u>1,067</u>	<u>872</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 or for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2022 or for the year ended 31 March 2021.

12. STAFF COSTS

	2022	2021
	£	£
Wages and salaries	276,173	252,785
Social security costs	23,585	21,659
Other pension costs	<u>13,808</u>	<u>15,838</u>
	<u>313,566</u>	<u>290,282</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Charitable activities	<u>9</u>	<u>8</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

12. STAFF COSTS - continued

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	2021
£70,001 - £80,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £92,060 (2021: £121,622).

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	248,043	-	248,043
Charitable activities			
General	163,320	37,500	200,820
Investment income	<u>859</u>	<u>-</u>	<u>859</u>
Total	<u>412,222</u>	<u>37,500</u>	<u>449,722</u>
EXPENDITURE ON			
Raising funds	48,325	-	48,325
Charitable activities			
General	<u>303,256</u>	<u>17,818</u>	<u>321,074</u>
Total	<u>351,581</u>	<u>17,818</u>	<u>369,399</u>
NET INCOME	60,641	19,682	80,323
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>85,164</u>	<u>318</u>	<u>85,482</u>
TOTAL FUNDS CARRIED FORWARD	<u>145,805</u>	<u>20,000</u>	<u>165,805</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

14. TANGIBLE FIXED ASSETS

	Website £	Fixtures and fittings £	Office equipment £	Totals £
COST				
At 1 April 2021	9,310	5,520	16,681	31,511
Additions	9,930	-	-	9,930
Disposals	-	(5,520)	(16,681)	(22,201)
At 31 March 2022	<u>19,240</u>	<u>-</u>	<u>-</u>	<u>19,240</u>
DEPRECIATION				
At 1 April 2021	9,310	3,144	16,406	28,860
Charge for year	1,448	2,376	275	4,099
Eliminated on disposal	-	(5,520)	(16,681)	(22,201)
At 31 March 2022	<u>10,758</u>	<u>-</u>	<u>-</u>	<u>10,758</u>
NET BOOK VALUE				
At 31 March 2022	<u>8,482</u>	<u>-</u>	<u>-</u>	<u>8,482</u>
At 31 March 2021	<u>-</u>	<u>2,376</u>	<u>275</u>	<u>2,651</u>

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	56,279	1,236
Prepayments and accrued income	<u>7,783</u>	<u>7,075</u>
	<u>64,062</u>	<u>8,311</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Other loans (see note 17)	6,475	15,000
Trade creditors	4,104	670
Social security and other taxes	6,535	4,055
VAT	9,149	819
Other creditors	1,609	5,488
Accruals and deferred income	<u>51,752</u>	<u>33,204</u>
	<u>79,624</u>	<u>59,236</u>

Included within accruals and deferred income is an amount of £45,387 (2021: £15,971) in respect of deferred income. The opening balance of deferred income has been released during the year. The closing deferred income relates to the advance receipt of funding for projects in the next financial year.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

17. LOANS

An analysis of the maturity of loans is given below:

	2022 £	2021 £
Amounts falling due within one year on demand:		
Other loans	<u>6,475</u>	<u>15,000</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022 £	2021 £
Within one year	2,294	5,356
Between one and five years	<u>1,899</u>	<u>7,674</u>
	<u>4,193</u>	<u>13,030</u>

The total lease payments recognised as an expense in the year was £6,915 (2021 : £10,665).

19. MOVEMENT IN FUNDS

	At 1/4/21 £	Net movement in funds £	At 31/3/22 £
Unrestricted funds			
General fund	145,805	(69,713)	76,092
Restricted funds			
Our Land project	20,000	(20,000)	-
Re-energising Wales project	-	(1,700)	(1,700)
Media in Wales	-	<u>9,750</u>	<u>9,750</u>
	<u>20,000</u>	<u>(11,950)</u>	<u>8,050</u>
TOTAL FUNDS	<u>165,805</u>	<u>(81,663)</u>	<u>84,142</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	299,559	(369,272)	(69,713)
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Our Land project	5,000	(25,000)	(20,000)
Re-energising Wales project	7,500	(9,200)	(1,700)
Media in Wales	<u>11,376</u>	<u>(1,626)</u>	<u>9,750</u>
	<u>41,376</u>	<u>(53,326)</u>	<u>(11,950)</u>
TOTAL FUNDS	<u>340,935</u>	<u>(422,598)</u>	<u>(81,663)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2022

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	85,164	60,641	145,805
Restricted funds			
Governance Scoping project	318	(318)	-
Our Land project	<u>-</u>	<u>20,000</u>	<u>20,000</u>
	<u>318</u>	<u>19,682</u>	<u>20,000</u>
TOTAL FUNDS	<u>85,482</u>	<u>80,323</u>	<u>165,805</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	412,222	(351,581)	60,641
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Governance Scoping project	-	(318)	(318)
Our Land project	<u>20,000</u>	<u>-</u>	<u>20,000</u>
	<u>37,500</u>	<u>(17,818)</u>	<u>19,682</u>
TOTAL FUNDS	<u>449,722</u>	<u>(369,399)</u>	<u>80,323</u>

'the welsh agenda' print and online

Grant funding has been received during the year from the Books Council of Wales towards the commissioning, design and production of English language current affairs magazine, 'the welsh agenda' in both print and online editions.

Our Land project

Grant funding was received during the prior year from the Esmee Fairbairn Foundation and the Friends Provident Foundation. A further £5,000 was received from the Friends Provident Foundation this year, to undertake a project looking at community involvement in land use and community assets more widely. The project aims to look at the potential to create greater involvement between communities and land in their local area in order to drive more productive (economic or social) uses of that land.

Re-energising Wales

Grant funding was provided from The Friends Provident Foundation in the year to support the Re-energising Wales project; 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.

Media in Wales

Grant funding has been received from The Joseph Rowntree Charitable Trust for the Media in Wales project. a project examining the relationship between Wales' democracy, media, and wider creative industries.

19. MOVEMENT IN FUNDS - continued

Comparative year only

Governance scoping project

Funded by The Legal Education Foundation to fund a project titled 'support to scope and develop a full project proposal to addressing the charity's Governance Policy Group priorities. The projects aim was to resource the organisation over a 4 month period to scope out a fully costed project proposal focussing on two key priorities identified by the organisation's Governance Policy Group.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the charity to the scheme and amounted to £13,808 (2021: £15,838).

Contributions totalling £1,609 (2021: £4,571) were payable to the scheme at the year end and are included in creditors.

21. RELATED PARTY DISCLOSURES

During the year Patron Income of £Nil (2021: £2,500) was received from Trustees. This income is unconditional to support the charity's growth over the next five years.

There were no further related party transactions requiring disclosure for the year ended 31 March 2022 or the year ended 31 March 2021.

Accounts

REGISTERED COMPANY NUMBER: 02151006 (England and Wales)
REGISTERED CHARITY NUMBER: 1078435

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2021
FOR
INSTITUTE OF WELSH AFFAIRS**

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

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My first report last year as Chair of the IWA was written at a time when restrictions had largely been lifted. The Eat Out to Help Out Scheme had just ended and furlough was due to end on 31 October 2020. Normal life seemed to be returning.

We did know that the pandemic was far from over but no one could have foreseen exactly how the following 12 months would play out, with further lockdowns and restrictions - including one called at less than 24 hours' notice, and that furlough would end up being extended until 30 September 2021. Covid and its consequences continue to dominate our conversations across all areas of life.

Whilst Covid has led to disruption to work and education and restrictions on personal freedoms for us all, we are acutely aware that for some of us Covid has meant the tragic loss of loved ones. We offer our condolences to all who have suffered such loss.

Looking back over the past twelve months since my first report, in probably the single biggest illustration of the devolution of power and the possibility of divergence between London and Cardiff, First Minister Mark Drakeford announced a Wales only 17-day firebreak lockdown starting 23 October 2020. Prime Minister Boris Johnson did not put England into a further four-week lockdown until 5 November 2020. The UK media started to get better at highlighting where power is devolved and differences between the nations.

On 8 December 2020, Margaret Keenan became the first person in the world to receive the Pfizer/Biontech vaccine. At the time of writing, almost 90% of the UK population aged over 16 have received a first dose of the vaccine, and in June 2021 Wales hit the milestone of becoming the first nation to fully vaccinate more than 50% of its population. The autumn booster vaccination programme is now under way in all four UK nations.

Further lockdowns were announced during December 2020. There was again considerable divergence between the approaches of England and the nations towards lockdown and the route map out of it, with Boris Johnson announcing in February 2021 that the intention was for all restrictions to be lifted by 21 June 2021. Here in Wales, Mark Drakeford took a more cautious route with reviews every three weeks leading to gradual lifting of restrictions over the spring and summer of 2021, reaching alert level 0 by August 2021.

Despite the lifting of restrictions, working from home for office-based employees continues to be prevalent. The massive experiment forced on workers by the pandemic has changed attitudes toward working from home with it now being widely accepted that employees are capable of doing their jobs from home, some or all of the time. Whilst some employees are keen to get back into the office full time, many others do not wish to resume the daily commute to the office or lose the flexibility that working from home provides. Permanent home working or a hybrid mix of a few days in the office seem likely to be one of the long-lasting legacies of Covid 19.

Although measures had been put in place to allow postponement if necessary of the 2021 Senedd election, the election on 6 May 2021 was able to proceed. This was the first election under the new name for Senedd Cymru/Welsh Parliament and was also the first time that 16 and 17 year olds in Wales were able to vote. Labour secured half of the 60 seats, matching its best ever election win. The opposition party in Wales with 16 seats is the Conservative party.

Plaid has 13 seats and the Liberal Democrats 1 seat. The results meant the smaller devo-sceptic parties and independents were wiped out, with Abolish the Assembly failing to secure any of the regional seats that had been won by UKIP in 2016. Despite not securing an overall majority Welsh Labour formed a new government and is presently in talks for a co-operation agreement (but not a coalition) with Plaid Cymru.

The past 12 months have been productive for the IWA, despite the inevitable restrictions of mostly working from home and not being able to organise our usual programme of in person events.

We have continued to develop our online presence and run a total of 30 online events all of which we were able to offer for free as part of either funded partnership or policy projects. Particularly popular and thought provoking were the 17 Rethinking Wales sessions, bringing contributors together across policy areas in response to the Covid-19 pandemic. One major upside of online events is the ability to join them from anywhere. Delegates joined us from locations including Wrexham, Bangor, Machynlleth, Pembroke, and Flintshire to Sussex, Cambridge, Glasgow, Taiwan and Australia.

We published a major new report Missing Links on inter-parliamentary relations between the four legislatures of the UK, undertook our latest Media Audit, launched a second iteration of the Understanding Welsh Places website, published the first of a new series of papers on the Foundational Economy, continued to advocate for the implementation of our Re-energising Wales recommendations and began our new Land Use scoping project.

We expanded our editorial group around the Welsh agenda, openly advertising for younger people, women, people with lived experience of race, migration or disability. In response to feedback, we also offered for the first time opportunities for remuneration for those in underrepresented groups and started our New Voices Fund to commission emerging writers to share their perspectives on issues that matter.

We welcomed four new trustees to our board: Leena Farhat, Sarah Prescott, Shereen Williams and Alison Wride. Our new trustees bring a new mix of perspective, skills and experience to our Board and I'm delighted they have joined us.

I'd also like to thank our current trustees and the IWA staff for their contributions and hard work over the past twelve months in a challenging environment. My particular thanks go to the trustees who stood down in 2021: Gerry Holtham, David Clubb and Nigel Griffiths. Their contributions while on the board have been invaluable and much appreciated.

It is a testament to the work of the IWA over the years that over the course of the pandemic, and while the world changes around us, our membership has remained constant, committed and engaged. It is thanks to the support of our members that the IWA can continue to rethink Wales post Covid 19 and work to deliver on our priorities of a strong, confident democracy; high performing responsive essential public services; and a successful, clean, green and fair economy for Wales.

Bethan Darwin
Chair, IWA

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objects and aims

The Objects of the Charity are to advance the education of the general public of, and to promote research into (and the publication of the results thereof), socio-economics, politics, science and technology, including but not limited to:-

1. The effect of socio-economic, political and scientific factors on public policy; and
2. The effect of socio-economic, financial, political, environmental and international factors on the living standards of all sections of the community.

Strategy

We are the Institute of Welsh Affairs; Wales' leading think tank. We challenge, inspire and drive change, and make Wales a better place to live and work for everyone.

We are independent of government and political parties.

We bring together experience and expertise from all backgrounds to collaborate on the most important issues facing Wales.

By bringing together experts from all backgrounds, we conceive ambitious and informed ideas which secure political commitments to improve our democracy, public services and economy.

Our vision is to create a Wales where everyone can thrive.

ACHIEVEMENTS AND PERFORMANCE

This is the second report aligned with our new strategy agreed by Trustees in May 2019.

To deliver on our mission of 'Making Wales Better', our new strategy seeks to contribute to achieving three key outcomes:

- People who care about Wales have access to informed and independent spaces for debate, discussion and the exploration of ideas
- People in Wales are supported to be active, engaged citizens who have a shared stake in Wales' bright future
- People in Wales see and feel real life benefits from new ideas which will help Wales to thrive.

To achieve this, we focus our resources on our three strategic priorities:

1. Providing an open, inclusive and informed platform for robust debate
2. Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard
3. Developing and securing commitment to implementing ideas that can transform Wales in three priority areas, contributing to:
 - A strong, confident democracy
 - High-performing, responsive essential public services
 - A successful, clean, green and fair economy for Wales

Highlights at a glance

- We published a major new report 'Missing Links' on inter-parliamentary relations between the four legislatures of the UK, undertook our latest Media Audit, launched a second iteration of the Understanding Welsh Places website including new well-being data, published the first of a new series of papers on the Foundational Economy, continued to advocate for the implementation of 'our Re-energising Wales recommendations', and began our new Land Use scoping project.
- We ran a total of 30 online events in line with our strategic priorities, including a major online series of 15 Rethinking Wales sessions, bringing contributors together across policy areas in response to the Covid-19 pandemic.
- Over 2,275 tickets were issued across our whole events programme, and we reached over 4,100 people in total. Delegates joined us from locations including Wrexham, Bangor, Machynlleth, Pembroke, and Flintshire to Sussex, Cambridge, Glasgow, Taiwan and Australia.
- This year, all our events were free, as they were part of either funded partnership or policy projects.
- We ran our highly-regarded Devolution training courses for 27 people, receiving excellent feedback, with our digital delivery expanding our geographical reach considerably.
- We expanded our editorial group around *the welsh agenda*, openly advertising for younger people, women, people with lived experience of race, migration or disability and those who live in north Wales, mid and west Wales or the south Wales valleys. For the first time we offered opportunities for remuneration for those in underrepresented groups, responding to feedback.
- We also started our New Voices Fund to be better able to fairly recompense freelancers as well as commission emerging writers to share their perspectives on issues that matter.
- Having advertised openly for new Board members, including with financial qualifications, and proactively sought to improve representation from Black, Asian and Minority Ethnic backgrounds, as part of our succession planning, we were pleased to welcome four new trustees who brought a new mix of perspective, skills and experience to our Board.
- We ran our first online networking event for members after our AGM.
- Over 76,000 people (up 9%) visited the IWA website over the year which led to over 147,000 total hits (up nearly 20%).

Priority 1: Providing an open, inclusive and informed platform for robust debate

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 again ran a successful programme of events and training in 2020/21, despite not being able to bring people together in person because of the global pandemic.

Early on in the pandemic it was clear that Covid-19 would have major long-term impacts for Wales' communities, economy, and the delivery of essential public services. As Wales began to emerge from the emergency phase of COVID-19, front line organisations and policymakers started to evolve their responses and began to look ahead to the challenges of the future and develop the policy responses needed to address existing and new areas of social harm. Our Rethinking Wales sessions were therefore designed to bridge sectors and policy boundaries, identify and explore key questions, test assumptions and expectations about the post-Covid-19 future, and enable our delegates to start developing ideas and sharing practical plans for the challenges ahead. We are grateful to both the Carnegie UK Trust and the National Lottery Community Fund for their support.

Reach

A total of 4,119 people either attended, watched or listened back to the 15 *Rethinking Wales* sessions held between 1 April 2020 and 31 March 2021.

Topics included:-

1. What do we need to be thinking about in the long term?
2. Higher Education and the economy
3. Wales' future economy
4. The gendered impact of Covid-19
5. The future of Welsh Towns
6. Welsh Government's Supplementary Budget
7. How cultural venues can survive and thrive
8. What is the new normal for children?
9. Social Care after Covid-19
10. Business after Covid
11. Wellbeing on the frontline
12. Has Wales performed well in our Covid response?
13. Difficult Choices for health and social care - in partnership with the Bevan Commission
14. Curriculum reform through the lens of Covid-19
15. Redefining community and connections

Selected impact

- Our session on curriculum and assessment influenced the work of Qualifications Wales in developing its proposals for Wales' new national curriculum. Discussion from the event was captured as part of their formal consultation on their proposals, and separate discussions developed from this event with stakeholders in attendance. The event contributed to a wider discussion about the direction of curriculum reform at a time when this issue had a lower priority, and Plaid Cymru responded to this debate by proposing significant changes to formal assessment in Welsh schools as part of their 2021 election manifesto.
- Our session on business after Covid-19 also proved influential in wider debates about the Welsh Government's support for business. The Minister for Economy and Transport was presented with a range of perspectives from small business owners as part of this event, with the Minister and the Deputy Chair of the Economy Ministerial Advisory Board both accepting an offer to visit one of the hospitality businesses to discuss the issues they were facing in more detail. The issues raised were subsequently the focus of further policy design.
- Our discussion on social care after COVID-19 contributed to widespread interest in social care amongst the Welsh public community. Proposals that were discussed at this event were discussed more widely afterwards and found their way into multiple party manifestos for the 2021 election. In particular, concerns highlighted at our event relating to the pay and conditions of the workforce were reflected in Welsh Labour's commitments to a National Living Wage and the development of a National Social Care Framework for commissioning.

Feedback

63% attendees said the sessions introduced them to new thinking or new ideas and, in testament to our commitment to including more diverse voices in the sessions, 81% said they heard from people they hadn't heard from before. We were also pleased that feedback included how our *Rethinking Wales* sessions had enabled attendees to make new and useful contacts:-

'It has helped with the small business policy development of the Welsh Liberal Democrats.'

'The events help me to understand the Welsh context and as a result I am always more well informed.'

'It encouraged me to link up with one of the speakers.'

'Really enjoyed the format of the sessions, the inclusiveness and the level of questioning / debate.'

'Very informative, engaging topics. Particularly liked the guest speakers.'

'IWA events always have good speakers who understand the topic, have real life experiences and talk sense with solutions.'

When asked if attendees had done things differently after the discussion, responses included:-

'Yes, I behave differently as a result - more thoughtful, better informed.'

'I made some excellent contacts. The event also confirmed my belief that there was a wider conversation to be had.'

the welsh agenda

Issue 64 of *the welsh agenda* was published in Spring 2020 and featured an in-depth interview with Michael Sheen around a range of social justice issues, and contributions from 27 contributors on 'Rethinking Wales' - a phrase that then became a major series of IWA events in response to the coronavirus pandemic. This issue was published at the height of the first lockdown and was released in PDF format only, as at the time we were uncertain of the financial climate. Other pieces of note in this issue were Poppy Stowell-Evans' reflection on her cancelled GCSEs and a photo essay by Glenn Edwards documenting the most restrictive lockdown in Roath, Cardiff.

Issue 65 of *the welsh agenda* was published in Autumn 2020 featuring interviews with Education Minister Kirsty Williams MS and Professor Charlotte Williams who had been leading a working group on experiences of people from Black, Asian and Minority Ethnic communities and the new curriculum. There was also a series of first-person accounts from healthcare workers on their experiences during the pandemic and a number of pieces related to a greener, fairer economy. Inevitably, many other articles focused on aspects of the pandemic, including Merlin Gable's interview with the WNO's Aidan Lang and Adrian Masters' investigation of the differences between the different approaches and understandings of restrictions in Wales and England.

We have continued to analyse contributors to *the welsh agenda* online and are pleased that over 150 different people have written over 200 times for the blog since April 2020.

Priority 2: Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard

We delivered our Decision Making in Wales and Influencing in Wales courses online to a total of 27 delegates during the November 2020 session, receiving excellent feedback:-

'I enjoyed the session we had with the Regional Senedd Member and being able to ask questions throughout the course. It gave me the excitement I needed to begin mapping out who I may need to make links with in order to influence change!'

'I really enjoyed the information that was given, [the trainer's] knowledge and expertise in the areas that were discussed, [and] the chances to contribute, either orally or in the chat feature, to the discussions.'

We also delivered a bespoke course for mentees of the Ethnic Youth and Minorities Support Team in February 2021, as part of our ongoing support. IWA Director, Auriol Miller, continued to mentor on the WEN Wales mentoring scheme.

Our original plans to develop this area of our work further were paused in 2020/21 due to staff capacity during the pandemic.

Priority 3: Developing and securing commitment to implementing ideas that can transform Wales in three priority areas

All our policy and project work is now aligned to our three priority areas:-

A strong, confident democracy

IWA Media

We have set out before how having a strong media is a key ingredient in enabling citizens to understand the world around them, make sense of what is happening and discern how to play their own part. The media can play a central role in addressing the democratic deficit in Wales. The ability of the traditional Welsh media to report on Wales, and represent Wales to itself and to the rest of the UK, has declined over the life course of devolution: reduced Public Service Broadcasting budgets, declining print circulation and job cuts being amongst the reasons. However, new forms of media including social media and community journalism are creating new spaces for debate and scrutiny.

Funded by the University of South Wales, this year we commissioned and supported Dr Marlen Komorowski to undertake the update of our 2015 Media Audit with a view, originally, to holding our 5th IWA Cardiff Media Summit in June 2020. Due to the coronavirus pandemic, the publication of this research and the Summit itself were substantially delayed.

This year, we also continued to seek funds to boost our capacity to shape this policy agenda.

The Media Summit eventually took place in early January 2021, with an event covering the Media Audit findings and 'State of Play', followed by events on Skills (in partnership with the University of South Wales), and on News in Wales. We also offered a fourth event in Welsh on the future of S4C. The events were well attended, with 387 tickets issued in total. YouTube videos and audio podcasts of each are available on our website. We took the opportunity to trail recommendations from our Media Manifesto to be submitted to all political parties standing in the Senedd elections and seek responses from panellists and the audience.

The Audit, Summit events, and related stakeholder engagement fed into key recommendations and priorities which were taken up by the Senedd Culture, Welsh Language and Communications in their February 2021 report on the devolution of broadcasting.

Understanding Welsh Places (UWP)

The aim of this collaborative project, for which we are funded by the Carnegie (UK) Trust, is to create a website (www.understandingwelshplaces.wales) as the first port of call for statistical information about Welsh towns and communities with populations of more than 1,000 people. The Understanding Welsh Places (UWP) website aims to support and inspire communities, place makers and policy makers to make positive changes in the places where they live and work. People are able to use and interpret the open data presented to identify opportunities in their areas now and in the future. The development of the website itself was funded by both Carnegie UK Trust and the Welsh Government.

The Understanding Welsh Places Festival, originally planned to take place in Wrexham in June 2020, instead took place online between 10 and 12 November 2020. The aim of the 3-day festival, a series of online events, was to support and inspire local communities, decision-makers, planners and policy-makers to make positive changes to the places where they live and work. We engaged with over 150 different people: a mixture of people from town and community councils, third sector organisations, social care sector, small businesses, housing associations, local authorities, academics, researchers, planners and both the UK and Welsh Government:-

'UWP is an excellent website, really easy to understand and navigate, thank you for sharing.'

'I'm loving these presentations - really inspiring and with such passion.'

'Thank you for providing the opportunity to network at the end of the event, this is something I have been missing since the pandemic, and I haven't seen a space for it in this sector until now.'

In December 2020 we published the second iteration of UWP, including new data in response to feedback from users in communities across Wales. This update included:-

- The rollout of over 70 new place descriptions so that the story of each place is clearly summarised as much as possible by people living and working there
- New variables including data on access to services, to green space, broadband availability, numbers of public toilets, numbers of generative businesses and mental health statistics, all of which will be crucial to how Wales builds its future after Covid
- The addition of new Population Flow maps showing migrations and daily trips within Wales and across the border to England.

Since the first lockdown we engaged with partners digitally including IPPR North, Royal Town Planning Institute Cymru, Digi Leaders, Building Communities Trust, Wales Climate Week, Colleges Wales, Open University, Wales Cooperative Centre, Powys County Council and Monmouth County Council. We have also presented UWP to a number of key stakeholders/projects enabling it, for example, to be embedded as a tool within:-

- **Audit Wales'** 'Your Town, Your Future' research and report into the challenges now facing Welsh towns, the impact of COVID-19 and the growth of digital remote working and online shopping.
- **Coproduction Network's** project which is working with Public Service Boards which are made up of representatives from Local Authorities, Local Health Boards, Natural Resources Wales, third sector organisations, and more. PSBs were created by the Well-being of Future Generations Act and their remit is looking after and improving well-being in their local population.
- **WCVA's** 'Better futures Wales' project which works with two communities of place and one of young people to develop visions and action plans for a better future for their community.

Over the year, UWP has gathered pace and been recognised as a useful tool with over 10,000 people having accessed and used it by the end of March 2021.

Advocacy

As we approached the Senedd elections in May 2021 we wanted to ensure that the expertise of the UWP Consortium could be harnessed in order to influence policy development under the next Welsh Government and set up the Welsh Places Influencing Group with a view to establishing and launching a Welsh Places Charter before the elections, for comment by all political parties standing for election.

Research

Alongside this advocacy work the IWA commissioned a piece of research funded by Carnegie UK Trust. Focussed on understanding what Covid-19 has taught us about the resilience of Welsh place this report (to be launched September 2021) will include:-

- Case studies of a representative sample of towns across Wales using the Understanding Welsh Places categorisations of place
- An analysis of the resilience of the selected Welsh places during the Covid-19 pandemic using publicly available data and research
- Survey or interview research into the experiences of people living and working in the selected places.

Inter-parliamentary relations

This project grew out of discussions within our previous Governance Policy group and was funded by the Legal Education Foundation. Margaret Arnott, Professor in Public Policy at the University of West Scotland, undertook a literature review and interviews with key individuals in the four UK parliaments between Autumn 2019 and Spring 2020. Overseen by an independent project advisory group that included current or recent clerks from constitutional committees of all four UK legislatures as well as Sir Paul Silk KCB, Professor Laura McAllister, Dr Ruth Fox of The Hansard Society, Professor Diana Stirbu of London Metropolitan University, Dr Elin Royles of Aberystwyth University and Valerie Livingston of newsdirect Wales.

At the September report launch held in partnership with the Hansard Society and Stratagem NI our discussion panel comprised:-

- Sir Paul Silk KCB, Member, Steering Committee of the Constitution Reform Group (Chair)
- Helen Mary Jones MS, Plaid Cymru
- Sir Bernard Jenkin MP, Chairman of the Liaison Committee, Conservative Party
- Professor Deirdre Heenan, School of Applied Social and Policy Science, Ulster University
- Peter Wishart MP, Chair of the Scottish Affairs Committee, (SNP) and
- Mick Antoniw MS, Chair of Legislation, Justice and Constitution Committee, Welsh Labour.

We were pleased that the Hansard Society referenced our report 'Missing Links' in Paul Evans CBE and Sir Paul Silk's joint submission to the Procedure Committee at the House of Commons.

High performing, responsive essential public services

Following lockdown in March 2020, we convened a new collaboration of third sector, academic and private sector partners to help gather and identify good practice from the myriad changes in public service delivery that took place in the early part of the pandemic. We convened a partnership of 10 organisations (with IWA and the Wales Co-operative Centre as co-leads, and Community Housing Cymru, Wales Council of Voluntary Action, Business in the Community Cymru, Ethnic Youth Minority Support Team, Cardiff Business School, Nesta/Y Lab, Cymorth Cymru and Care Forum Wales as partners) and called ourselves the Live Learning Partnership. The project used the SensemakerTM software to experiment in listening to how the changes since March 2020 had impacted on people's day to day lives, capturing their stories in English and in Welsh. Pro bono support from Associate Professor of Economic Psychology Dr Michael Muthukrishna at the London School of Economics enabled us to interpret the data which has been shared publicly, as have been the lessons learned from this cross-sector collaborative learning experiment. We are grateful to the National Lottery Community Fund for their support.

As part of our commitment to highlighting good examples of responsive public services, IWA Director Auriol Miller chaired the keystone event of Audit Wales' #Covid19learning week in March, interviewing the CEO of Wrexham CBC, Ian Bancroft, the new Engagement and Comms Director of Audit Wales, Anne-Louise Clark, and Dr Todd Howlett, the Nova Scotia provincial Medical Director for 811 (Triage and Health Information line) as well as the Executive Medical Director for Central Zone in Nova Scotia.

IWA Director Auriol Miller was also appointed to the Advisory Panel of the Health Foundation's Inquiry into the impact of Covid-19 on health inequalities in the UK. As part of this, she convened and chaired a roundtable of Wales stakeholders on behalf of the Inquiry and published an op-ed in the Western Mail. The Inquiry reported in July 2021.

A successful, clean, green and fair economy for Wales

The purpose, nature and composition of Wales' economy remains a key priority under our new strategy.

Re-energising Wales

While our final report was published in March 2019, we continued to share our research findings and recommendations widely through 2020/21. The Welsh Government published its formal response to our recommendations in July 2020, further highlighting the impact of our work on their priorities and methodologies, but also making clear there is scope for further progress.

We were therefore pleased that we secured a follow-on grant from the Friends Provident Foundation to continue to support our advocacy work, and undertake a more detailed assessment of progress against our recommendations in the run up to COP26 and we will report on this next year.

Foundational Economy

Funded by the Centre for Regeneration Excellence in Wales (CREW), our new project gathered pace with an advisory group comprising representatives from academia, business, housing and the voluntary sector overseeing the shaping of the first of our three work package reports 'A Better Balance' published in March 2021. Presenting a review of policy and practice around Business Wales, the Development Bank of Wales and the direct support provided to firms by the Welsh Government, we found evidence that while much of this support has positive impacts it only reaches a minority of firms in Wales. This raises questions about how well these programmes can contribute to strengthening a 'missing middle' of firms in Wales. Two further reports will be published in 2021: the first, being completed in collaboration with consultants The Means summarises evidence gathered from interviews with firms on the impact of regulation on their businesses and how this might differ depending on sector and firm size, and the second will present an analysis of evidence on the capacity of firms in the foundational economy to innovate and adopt new processes and technologies in the context of decarbonisation.

New projects in development

- Our new project, 'Our Land: connecting Wales' land and communities for a sustainable future', jointly funded by the Friends Provident Foundation and the Esmée Fairbairn Foundation, began in Spring 2021 and will report by the end of the year.
- New core funding support from the Friends Provident Foundation also enabled us to contribute to Welsh Government post covid recovery roundtables and pull together our economic challenges to the political parties contesting the Senedd elections in May 2021.

Membership Events

Due to the global pandemic it was not possible to hold our annual IWA Members Summer Meeting in person this year. However, we held our first online AGM on 25 November 2020. Eurfyl ap Gwilym, Nigel Griffiths and Professor Laura McAllister were re-appointed for a further year and Helen Mortlock was re-appointed for a second 4-year term. The appointments of Leena Farhat, Sarah Prescott, Shereen Williams and Professor Alison Wride as new trustees were also noted. Professor Gerald Holtham and David Clubb resigned as trustees and were warmly thanked for their service to the IWA. The report of the Directors and the financial statements of the Company for the year ended 31 March 2020 were received. Watts Gregory were reappointed as our independent examiners. Auriol Miller set out the IWA's priorities before hosting a discussion with guest speaker Professor Martin Innes, Director of the Crime and Security Research Institute, and Universities' Police Science Institute at Cardiff University. In a talk entitled 'Wales, elections and the age of online disinformation', Professor Innes discussed how the upcoming Senedd elections in May 2021 might not be immune to online disinformation, citing his experience monitoring elections elsewhere.

Digital reach in FY2021

We have continued to analyse contributors to *the welsh agenda* online and are pleased that over 150 different people have written over 200 times for the blog since April 2020.

- Over 76,000 people (up 9%) visited the IWA website over the year which led to over 147,000 total hits (up nearly 20%).
- We published 24 new podcasts over the year and, overall, there were 3,800 'listens'.
- This was the first year with a fully functioning Youtube channel which gained 2,643 views of our videos.
- At the end of March 2021, over 18,000 people followed the IWA on Twitter, 2,000 more people than in March 2020.
- Over 1,320 people like our Facebook page which is a 10% increase on 2020.
- At the end of March 2021, there were over 530 people following our LinkedIn page, which is around a 90% increase on the previous year.

INSTITUTE OF WELSH AFFAIRS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

What we said	What we did
We will engage with the 80+ members of our policy groups to create a network so their ideas contribute to our pipeline of future policy work.	This work was held over until 2021-22 partly due to capacity and partly due to the global pandemic
We will seek funds to continue to advocate for the implementation of our recommendations of our flagship <i>Re-energising Wales</i> project	We have successfully resourced further influencing work from the Friends Provident Foundation
We will move our agenda-setting events programme online, with sessions in partnership with Cardiff University, Cardiff Council, BBC Cymru Wales and others	We reached significantly more people through the online delivery of our events and will be looking ahead to what a 'blended' online and in person events programme might look like in due course, when restrictions permit.
We will publish two editions of <i>the welsh agenda</i> and further develop its strong online presence, while maintaining high quality contributions from an increasingly diverse set of authors	We were pleased to welcome a number of new members to our editorial group including young people and people with lived experience of race and disability, and are valuing the perspectives that they bring.
We will review all our work to ensure it is inclusive, accessible and welcoming to new members and participants	Our training programme review will take place in FY2022.
We will engage our members more broadly through various feedback mechanisms, and will launch our new membership offer	We are consciously checking in with our members more frequently and our new membership offer will be launched in July 2021.
We will continue our training programme, and move it online during the lockdown period if necessary	We successfully moved our training programme online, seeking feedback from delegates to improve it each time
We will deliver against our funded policy project commitments, communicating our findings clearly and imaginatively in bite-size chunks so that they reach new audiences	Many of our planned engagement activities were pivoted online due to the pandemic, so some of our activities have been delayed.
We will appoint new trustees, ensuring strong succession planning for long standing trustees who have indicated their intention to step down, and diversifying our Board by seeking new trustees from Black, Asian and Minority Ethnic groups	We successfully appointed four new trustees in Spring 2020, and transitioned to a new Treasurer and Company Secretary.
We will develop our organisational Welsh Language policy and action plan	This will be presented to the Board in September 2021
We will ensure our draft new Articles of Association are future proofed, and approved by both our members and our regulatory bodies.	Our new Articles of Association were approved by our members at our AGM and by our regulatory bodies in Autumn 2020.

Media coverage of the IWA's work

The IWA's work was mentioned 21 times during 2020/21 across a range of outlets in Wales and beyond including:-

- TV (Sharp End, ITV)
- Print (Western Mail, South Wales Argus, Denbighshire Free Press, Wrexham Leader)
- Online (Wales Online, BBC, Wales Business Insider, Labour List, Nation.Cymru, Golwg 360, Golwg 360)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

Engagement

At the end of FY2021, our membership included:-

- 48 in the Young Person category (aged <30)
- 635 Individual members
- 44 Fellows
- 78 Life Fellows
- 19 Honorary Life Fellows
- 134 Organisational members, of whom 69 are charities and micro businesses, 43 are standard businesses and 22 are large businesses.

We are pleased that membership continues to grow across the board.

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.

FINANCIAL REVIEW

Financial position

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

In FY2021 we:-

- Successfully attracted new funding for our online events programme from Carnegie UK Trust and the National Lottery Community Fund.
- Launched a new sponsorship scheme for the welsh agenda online, enabling us to launch our New Voices Fund.
- Successfully accessed the WCVA's Third Sector Resilience Fund for Charities Grant.
- Continued to increase our individual and organisational membership, and continued to decrease transactional and administrative costs by streamlining and automating membership processes.

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.

In FY2021, membership fees and donations accounted for 29% of receipts, with self-generated income from conferences, training and debates totalling 4%. Short- to medium-term grant funding totalled 67% of our income.

We received funding from the Books Council of Wales, the Carnegie (UK) Trust, the Centre for Regeneration Excellence in Wales (CREW), the Esmée Fairbairn Foundation, the Friends Provident Foundation, the National Lottery Community Fund, the WCVA Third Sector Resilience Fund for Charities and The Waterloo Foundation.

Policy project funding was 25.9% in FY2021.

While our revised budget for FY2021 anticipated a year-end surplus of £35,155, we finished the year with a surplus of £80,323, much of which related to delayed project expenditure which was not possible due to the Covid regulations restricting travel and in-person activities. This expenditure will be rescheduled in FY2022.

Reserves policy

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. Our reserves policy will continue to be kept under close review in 2021/22.

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. As at the balance sheet date the organisation had free reserves of £143,154 (2020: £82,157).

PLANS FOR FUTURE PERIODS

Strategy

In 2021-22 we will review our delivery against our new strategic priorities and refocus accordingly.

At the time of writing, planned work includes:

Providing an open, inclusive and informed platform for robust debate

- Further expanding the reach and online delivery of our agenda-setting events programme, in partnership with our members and key stakeholders

Providing opportunities for people in Wales to increase their knowledge of how decisions are made and to make their voices heard

- Further expanding our online training programme

Developing and securing commitment to implementing ideas that can transform Wales in three priority areas:

- Engaging our previous policy group members in shaping our new networks focussing on our priority themes
- Delivering against our funded policy project commitments
- Developing a new media policy project

Organisationally

- Drawing up a new Business Plan
- Implementing our new membership offer
- Implementing our organisational Welsh Language policy

STRUCTURE, GOVERNANCE AND MANAGEMENT

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 original 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 Articles of Association were further amended by a special resolution on 25 November 2020, following a comprehensive review. The Articles were modernised to reflect legislative changes, namely the Companies Act 2006 and the Charities Act 2011. Additional changes included modernising the language of the Objects and ensuring that the new Articles contain express board powers relating to implementing policies relating to various issues affecting IWA, including complaints policies and particular staff/trustee issues, such as where employees or trustees stand for Parliamentary or Senedd or other elections. The IWA's membership structure was maintained and updated in the new Articles and the language has been clarified around the different categories, simplifying the provisions and terminology used. As all communication between IWA and its members (and directors) is electronic this also needed to be reflected in the Articles. The use of the term 'Director' where this applies to the chief executive officer or company director has been clarified as has the fact that the CEO is not a company director. Permission was sought and granted from the Charity Commission to adopt these new Articles.

The charitable company is limited by guarantee and does not have any share capital. Each member of the charitable company undertakes to contribute such amount as may be required (not exceeding £1). 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 at the 2020 AGM we welcomed Leena Farhat, Sarah Prescott, Shereen Williams MBE and Professor Alison Wride as new Trustees.

STRUCTURE, GOVERNANCE AND MANAGEMENT

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.

After a stable year during the first phase of the pandemic, the IWA staff team changed and grew over the course of 2020/21. Laura Knight, our longstanding Partnership and Events Manager left at the end of January 2021, and was succeeded by Rhian Cook as Team Administrator in February 2021, and Maria Drave who joined as Digital, Marketing and Events Manager in April 2021. Harry Thompson also joined as Economic Policy Lead in March, while Ellen Jones moved on from the UWP Project Lead at the end of April 2021.

Induction and training of new 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.

Risk management

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

The Trustee's report in our FY2020 year end accounts previously identified that we would seek to:

What we said	What we did
Review our membership offer	This was prepared in FY2021 and will be launched early in FY2022
Review and strengthen our Welsh language policy and boost our internal capacity to communicate in Welsh	Our Welsh language policy will be presented to the Board for approval in September 2021
Review our risk table in light of our experience of the existing and ongoing impact of coronavirus on the organisation	Our overhead costs remain low at or under 10% of our total expenditure. We will review our risk table again in FY2022
Consult carefully and take a prudent approach to returning to our small office, likely maintaining a blend of office and homeworking	As a team, we continued to work from home, in line with regulations. An office rota has been established in preparation for a blended approach
Move our public-facing events online and ensure they are as accessible to as many people as possible, while covering our costs	We successfully moved all our events online and sourced new funding
Maintain our reputation for a high standard of delivery of our existing commitments and policy projects, providing reassurance to our donors	We received consistently positive feedback from both delegates and donors
Seek to involve more young people in the work of the IWA	We expanded our editorial group and purposefully commissioned a series on young people starting their careers in particular sectors impacted by Covid

We continue to develop our full cost recovery approach openly and transparently with potential partners. In particular, the IWA is regularly sought out as a potential partner with other organisations, and staff are sought out as contributors, facilitators or to chair discussions on our issues related to our priorities including energy policy, governance, Brexit and Wales, citizens assemblies, leadership, and the role of civil society in democracy. Some of this we undertake on a consultancy basis, to contribute to our core costs. We will seek to develop this further in FY2022.

However, the key ongoing challenges and risks for the IWA relate to the potential impact of Covid-19 on our work, mainly on our income-generating public-facing events, and on staff wellbeing. In FY2021, like many organisations, the staff team was also personally impacted by Covid-19 with some staff members off sick, homeschooling or carrying out additional caring responsibilities within their communities, as well as covering other team members' roles for extended periods of time. We would like to thank the staff team for their commitment and forbearance.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Ongoing impact of COVID-19

As a registered charity that does not provide direct services to people and one that was therefore not at risk of significant additional demand created by coronavirus, and without the exposure of some organisations to the loss of income generated by the fundraising events and individual sponsorship on which they rely, early in the pandemic we judged our greatest immediate risk to our finances as the loss of membership income and of events income. We are pleased that both remained stable during FY2021. Membership income has in fact grown as a result of our improved online reach. Like other organisations, we are considering when and how best to return to blended and in person events, when regulations permit, while retaining our digital reach.

One impact of Covid-19 was that some of our activities were delayed, so we finished the financial year with a surplus. Our budget for FY2022 includes this delayed expenditure and we are therefore projecting a corresponding deficit. However, we are confident that the IWA is a going concern for the foreseeable future, and this will be kept under close review.

In FY2022 we will therefore:-

- Draw up a new Business Plan and Marketing Strategy and maintain our budgeted income and expenditure under close review, adjusting our plans accordingly.
- Review our risk table in light of our experience of the existing and ongoing impact of coronavirus on the organisation.
- Consult carefully and take a prudent approach to returning to our small office, likely maintaining a blend of office and homeworking.

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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

02151006 (England and Wales)

Registered Charity number

1078435

Registered office

56 James Street
Cardiff Bay
CARDIFF
CF10 5EZ

INSTITUTE OF WELSH AFFAIRS

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021**

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Ms B Darwin	Chair	
Ms H C Molyneux		
Mr N G Griffiths	Treasurer until 19 March 2021	Resigned 19 March 2021
Dr E Ap Gwilym		
Ms F Beecher		
Dr D O Clubb		Resigned 11 December 2020
Ms A J Copus		
Professor G H Holtham		Resigned 11 December 2020
Ms V E Livingston		
Professor L J McAllister		
Professor K J Morgan		
Ms H F Mortlock Pearce		
Mr A Pickles		
Mr M Thomas		
Ms L S Farhat		Appointed 29 July 2020
Ms S Williams		Appointed 29 July 2020
Ms S J Prescott	Treasurer from 19 March 2021	Appointed 29 July 2020
Ms A E C Wride		Appointed 29 July 2020

Company Secretary

Ms L S Knight	Until 22 January 2021
Ms S J Prescott	From 18 March 2021

Independent Examiner

Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

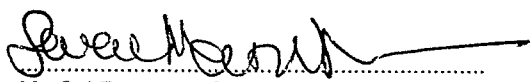
Senior Management Team

Ms A J V Miller

Bankers

Lloyds Bank PLC

Approved by order of the Board of Trustees on 20/10/21 and signed on its behalf by:


.....
Ms S J Prescott - Secretary

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF INSTITUTE OF WELSH AFFAIRS

Independent examiner's report to the trustees of Institute of Welsh Affairs ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of FCCA which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Julia Mortimer FCCA
Watts Gregory LLP
Chartered Accountants
Elfed House
Oak Tree Court
Cardiff Gate Business Park
CARDIFF
County of Cardiff
CF23 8RS

24 October 2021

INSTITUTE OF WELSH AFFAIRS

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	248,043	-	248,043	182,315
Charitable activities	5				
General		163,320	37,500	200,820	119,546
Investment income	4	<u>859</u>	<u>-</u>	<u>859</u>	<u>475</u>
Total		412,222	37,500	449,722	302,336
EXPENDITURE ON					
Raising funds	6	48,325	-	48,325	41,952
Charitable activities	7				
General		303,256	17,818	321,074	298,981
Total		<u>351,581</u>	<u>17,818</u>	<u>369,399</u>	<u>340,933</u>
NET INCOME/(EXPENDITURE)		60,641	19,682	80,323	(38,597)
RECONCILIATION OF FUNDS					
Total funds brought forward		85,164	318	85,482	124,079
TOTAL FUNDS CARRIED FORWARD		<u>145,805</u>	<u>20,000</u>	<u>165,805</u>	<u>85,482</u>

The notes form part of these financial statements

INSTITUTE OF WELSH AFFAIRS

BALANCE SHEET
31 MARCH 2021

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	14	2,651	-	2,651	3,007
CURRENT ASSETS					
Debtors	15	7,261	1,050	8,311	33,899
Cash at bank and in hand		<u>195,129</u>	<u>18,950</u>	<u>214,079</u>	<u>168,615</u>
		202,390	20,000	222,390	202,514
CREDITORS					
Amounts falling due within one year	16	(59,236)	-	(59,236)	(120,039)
NET CURRENT ASSETS		<u>143,154</u>	<u>20,000</u>	<u>163,154</u>	<u>82,475</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>145,805</u>	<u>20,000</u>	<u>165,805</u>	<u>85,482</u>
NET ASSETS		<u>145,805</u>	<u>20,000</u>	<u>165,805</u>	<u>85,482</u>
FUNDS	19				
Unrestricted funds				145,805	85,164
Restricted funds				<u>20,000</u>	<u>318</u>
TOTAL FUNDS				<u>165,805</u>	<u>85,482</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

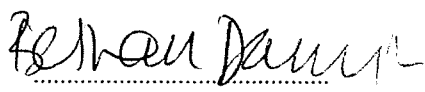
The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

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

The financial statements were approved and authorised for issue by the Board of Trustees on 20/10/21 and were signed on its behalf by:


.....
Ms B S Darwin - Chair

The notes form part of these financial statements

1. STATUTORY INFORMATION

Institute of Welsh Affairs is a registered charity and private company limited by guarantee. It has no share capital and is incorporated in Wales in the United Kingdom. The registered office is 56 James Street, Cardiff Bay, Cardiff, CF10 5EZ. The nature of the company's operations and principal activities is disclosed within the Report of the Trustees.

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 financial statements are presented in Sterling (£), the company's functional currency, and rounded to the nearest pound.

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

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

There have been no material departures from Financial Reporting Standard 102.

Small charity concession

The charity has taken advantage of the concession available to smaller charities that are not subject to a statutory audit given in the Statement of Recommended Practice. It has not analysed either resources expended or incoming resources by activity categories within the Statement of Financial Activities.

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. Details of the impact of Covid-19 have been outlined within the Report of the Trustees.

Income

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

Donations and legacies income includes donations, gifts and grants that provide core funding or are of a general nature and are recognised where there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when the donor specifies it must be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to specific performance conditions. This income is recognised as the related services are provided and there is entitlement, probability of receipt and the amount can be measured with sufficient reliability. Income is deferred when the amounts received are in advance of the performance of the service or event to which they relate.

Investment income is recognised on a receivable basis.

It is not the policy of the charity to show income net of expenditure.

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

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

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 include central functions and includes governance costs which are those costs associated with meeting the constitutional and statutory requirements of the charity.

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.

Tangible fixed assets

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Office equipment	- 25% reducing balance
Fixtures & fittings	- 10% reducing balance
Website	- 7 years straight line

Fixed assets are initially recorded at cost.

Financial instruments

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

Debtors

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

Creditors

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

Taxation

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

2. ACCOUNTING POLICIES - continued

Fund accounting

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

Restricted funds can only be used for particular restricted 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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	15,440	27,778
Gift aid	5,947	8,243
Grants	116,317	31,134
Subscriptions	100,431	94,152
Patrons	9,908	21,008
	<u>248,043</u>	<u>182,315</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Friends Provident Foundation	50,000	4,684
The Waterloo Foundation	10,000	10,000
Legal Education Foundation	-	16,450
WCVA Third Sector Resilience Fund for Wales Scheme	45,000	-
Job Retention Scheme	11,317	-
	<u>116,317</u>	<u>31,134</u>

4. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>859</u>	<u>475</u>

5. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Event income	27,214	19,945
Training income	4,103	10,097
Carnegie UK Trust	45,275	37,525
CREW: Centre for Regeneration Excellence in Wales	71,878	24,986
Grants	47,500	17,500
Other income	4,850	1,160
University of South Wales	-	8,333
	<u>200,820</u>	<u>119,546</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**5. INCOME FROM CHARITABLE ACTIVITIES - continued**

Included in income from charitable activities is the following:

- an amount of £45,275 (2020: £37,525) from the Carnegie Trust UK towards the Understanding Welsh Places project.
- an amount of £15,000 (2020: £Nil) from the Carnegie Trust UK towards the Rethinking Wales' future after Covid-19 project.
- an amount of £71,878 (2020: £24,986) from CREW: Centre for Regeneration Excellence in Wales towards the Foundational Economy project.
- an amount of £Nil (2020: £8,333) from the University of South Wales to undertake the latest IWA Media Audit to update the 2015 edition.

Grants received, included in the above, are as follows:

	2021 £	2020 £
Books Council of Wales	17,500	17,500
Friends Provident Foundation	5,000	-
National Lottery Communities Fund	10,000	-
Esmée Fairbairn Foundation	15,000	-
	<u>47,500</u>	<u>17,500</u>

6. RAISING FUNDS

Raising donations and legacies

	2021 £	2020 £
Staff costs	43,542	36,297
Staff training	40	236
Support costs	4,743	5,419
	<u>48,325</u>	<u>41,952</u>

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 8) £	Support costs (see note 9) £	Totals £
General	<u>266,395</u>	<u>54,679</u>	<u>321,074</u>

8. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	224,969	187,536
Event costs	1,990	6,582
Training costs	191	2,431
Direct project costs	39,040	45,756
Staff training	205	1,220
Direct recruitment costs	-	409
	<u>266,395</u>	<u>243,934</u>

9. SUPPORT COSTS

	Raising funds £	Charitable Activities £	Governance costs £	Totals £
Raising donations and legacies	4,743	-	-	4,743
General	-	24,486	30,193	54,679
	<u>4,743</u>	<u>24,486</u>	<u>30,193</u>	<u>59,422</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021 £	2020 £
Depreciation - owned assets	356	416
Independent examination fee	2,448	2,448
Other fees paid to independent examiners	<u>872</u>	<u>703</u>

11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 or for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 or for the year ended 31 March 2020.

12. STAFF COSTS

	2021 £	2020 £
Wages and salaries	252,785	212,953
Social security costs	21,659	18,381
Other pension costs	<u>15,838</u>	<u>10,648</u>
	<u>290,282</u>	<u>241,982</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Charitable activities	<u>8</u>	<u>7</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021	2020
£70,001 - £80,000	<u>1</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £121,622 (2020: £126,267).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	161,181	21,134	182,315
Charitable activities			
General	102,046	17,500	119,546
Investment income	<u>475</u>	<u>-</u>	<u>475</u>
Total	263,702	38,634	302,336
 EXPENDITURE ON			
Raising funds	41,952	-	41,952
Charitable activities			
General	<u>248,717</u>	<u>50,264</u>	<u>298,981</u>
Total	<u>290,669</u>	<u>50,264</u>	<u>340,933</u>
NET INCOME/(EXPENDITURE)	(26,967)	(11,630)	(38,597)
 RECONCILIATION OF FUNDS			
Total funds brought forward	<u>112,131</u>	<u>11,948</u>	<u>124,079</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>85,164</u></u>	<u><u>318</u></u>	<u><u>85,482</u></u>

14. TANGIBLE FIXED ASSETS

	Website £	Fixtures and fittings £	Office equipment £	Totals £
COST				
At 1 April 2020 and 31 March 2021	<u>9,310</u>	<u>5,520</u>	<u>16,681</u>	<u>31,511</u>
DEPRECIATION				
At 1 April 2020	9,310	2,880	16,314	28,504
Charge for year	<u>-</u>	<u>264</u>	<u>92</u>	<u>356</u>
At 31 March 2021	<u>9,310</u>	<u>3,144</u>	<u>16,406</u>	<u>28,860</u>
NET BOOK VALUE				
At 31 March 2021	<u>-</u>	<u>2,376</u>	<u>275</u>	<u>2,651</u>
At 31 March 2020	<u>-</u>	<u>2,640</u>	<u>367</u>	<u>3,007</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	1,236	26,930
Prepayments and accrued income	<u>7,075</u>	<u>6,969</u>
	<u>8,311</u>	<u>33,899</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Other loans (see note 17)	15,000	-
Trade creditors	670	2,080
Social security and other taxes	4,055	7,573
VAT	819	5,120
Other creditors	5,488	1,603
Accruals and deferred income	<u>33,204</u>	<u>103,663</u>
	<u>59,236</u>	<u>120,039</u>

Included within accruals and deferred income is an amount of £15,971 (2020: £96,170) in respect of deferred income. The opening balance of deferred income has been released during the year. The closing deferred income relates to the advance receipt of funding for projects in the next financial year.

17. LOANS

An analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year on demand:		
Other loans	<u>15,000</u>	<u>-</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	5,356	5,356
Between one and five years	<u>7,674</u>	<u>11,155</u>
	<u>13,030</u>	<u>16,511</u>

The total lease payments recognised as an expense in the year was £10,665 (2020: £10,665).

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021

19. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	At 31/3/21 £
Unrestricted funds			
General fund	85,164	60,641	145,805
Restricted funds			
Governance Scoping project	318	(318)	-
Our Land project	-	20,000	20,000
	<u>318</u>	<u>19,682</u>	<u>20,000</u>
TOTAL FUNDS	<u>85,482</u>	<u>80,323</u>	<u>165,805</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	412,222	(351,581)	60,641
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Governance Scoping project	-	(318)	(318)
Our Land project	20,000	-	20,000
	<u>37,500</u>	<u>(17,818)</u>	<u>19,682</u>
TOTAL FUNDS	<u>449,722</u>	<u>(369,399)</u>	<u>80,323</u>

Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
Unrestricted funds			
General fund	112,131	(26,967)	85,164
Restricted funds			
Re-energising Wales	11,948	(11,948)	-
Governance Scoping project	-	318	318
	<u>11,948</u>	<u>(11,630)</u>	<u>318</u>
TOTAL FUNDS	<u>124,079</u>	<u>(38,597)</u>	<u>85,482</u>

19. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	263,702	(290,669)	(26,967)
Restricted funds			
'the welsh agenda' print and online	17,500	(17,500)	-
Re-energising Wales	4,684	(16,632)	(11,948)
Governance Scoping project	<u>16,450</u>	<u>(16,132)</u>	<u>318</u>
	<u>38,634</u>	<u>(50,264)</u>	<u>(11,630)</u>
TOTAL FUNDS	<u>302,336</u>	<u>(340,933)</u>	<u>(38,597)</u>

'the welsh agenda' print and online

Grant funding has been received during the year from the Books Council of Wales towards the commissioning, design and production of English language current affairs magazine, 'the welsh agenda' in both print and online editions.

Governance scoping project

Funded by The Legal Education Foundation to fund a project titled *Support to scope and develop a full project proposal to addressing the charity's Governance Policy Group priorities*. The projects aim was to resource the organisation over a 4 month period to scope out a fully costed project proposal focussing on two key priorities identified by the organisation's Governance Policy Group.

Our Land project

Grant funding has been received during the year from the Esmee Fairbairn Foundation and the Friends Provident Foundation to undertake a project looking at community involvement in land use and community assets more widely. The project aims to look at the potential to create greater involvement between communities and land in their local area in order to drive more productive (economic or social) uses of that land.

Comparative year only**Re-energising Wales**

Grant funding was provided in the previous year to support the *Re-energising Wales* project; 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.

20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The pension cost for the year represents contributions payable by the charity to the scheme and amounted to £15,838 (2020: £10,648).

Contributions totalling £4,571 (2020: £1,603) were payable to the scheme at the year end and are included in creditors.

21. RELATED PARTY DISCLOSURES

During the year Patron Income of £2,500 (2020: £15,000) was received from Trustees. This income is unconditional to support the charity's growth over the next five years.

There were no further related party transactions requiring disclosure for the year ended 31 March 2021 or the year ended 31 March 2020.