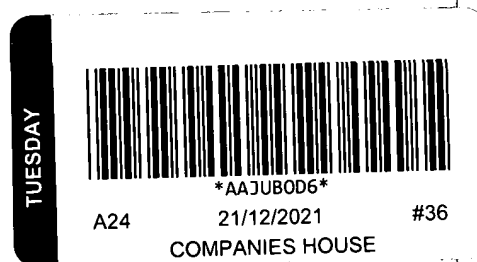


REGISTERED COMPANY NUMBER: 07779153 (England and Wales)  
REGISTERED CHARITY NUMBER: 1146560



**Report of the Trustees and  
Audited Financial Statements for the Year Ended 31 March 2021  
for  
Llenyddiaeth Cymru/Literature Wales**

Radnor House  
Greenwood Close  
Cardiff Gate Business Park  
Cardiff CF23 8AA



Registered to carry on audit work  
in the UK and regulated for a range  
of investment business activities by  
the Institute of Chartered Accountants  
in England and Wales.

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a trading name of BPU Ltd  
Company Number 3723948  
Registered in Wales.

A list of directors is available from the  
registered office above.

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# Literature Wales Annual Report & Accounts

**2020/2021**

For the year ended 31 March 2021

NI YWR DYFRGWN SY'N WHARE'N YR AFON  
A CHYNNYRCH Y PRIDD AR Y BWRDD:  
NI YWR WEN AR WYNEBAU HEN DDYNTION  
AR WYLAN SY'N HEDFAN I FFWRDD.  
NI YWR PYSGOD AR CASTELL AR PERCI I GYD:  
NI YWR PLANT SYDD YN GWARCHOD DYFODOL EIN BYD.



**The trustees present their report and accounts for the year ended 31 March 2021.**

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

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## Statement by the Chair of the Board of Directors and the Chief Executive Officer of Literature Wales

It is with immense pride that we present this annual report detailing the many innovative and successful ways Literature Wales has continued to inspire communities, develop writers, and celebrate Wales' literary culture during the global crisis of the COVID-19 pandemic.

As with most arts organisations, much of our activity had to be postponed or cancelled in 2020/21. However, the work which we had done with the Arts Council of Wales' Resilience Programme of embedding robust internal systems and an agile approach to tasks and teamwork meant that we were able to react quickly to the situation. By repurposing our grants and support funds and adapting our programming to digital and radio platforms we were able to continue with our commitment to our core mission. We also regularly listened and consulted with our writers, partners, and stakeholders. This ensured that we were able to provide the support that the sector needed, as well as understand the ongoing and long-term impact of the COVID-19 pandemic. We will continue to gather feedback and evidence and use our findings to inform our future strategy and inspire innovation.

Operating within the uncertainty of the past year necessitated the developing of a focused risk assessment and involving the whole staff team and directors in implementing mitigation tactics. Extraordinary Management Board and Senior Leadership Team (SLT) meetings were held during the first months of 2020/21 to discuss essential governance issues arising due to the COVID-19 pandemic. Reforecast budget scenarios were regularly produced, ensuring that we were in a situation to pay all contracted writers and partners promptly and fairly, as well as offering full refund for those who had booked courses at Tŷ Newydd. The Literature Wales team adjusted to a new routine of home working and a regular flow of communication was implemented, including daily check-ins, flexible working hours, and well-being initiatives. The speed and efficiency of this adjustment demonstrate the agility of the organisation as well as the adeptness, ethos, and excellent team-working of the staff and directors.

We repurposed our activity budgets to create one streamlined funding pot and targeted our support at those in the sector who faced the biggest hardships. We launched several rounds of Writer Commissions aimed at freelance writers, inviting them to devise and create original digital content and projects. These callouts intended to make up for the drastic loss of income many freelance writers suffered due to cancellation of events and closure of schools and venues. Over the year the scheme funded 26 freelance writers to deliver resources, digital workshops, and activities with a range of groups. The work created through these commissions proved to be entertaining and of an extremely high standard, dealing with issues of isolation, mental health, grief, and discrimination. Many of the callouts and other focused projects were devised and delivered in partnership with organisations such as the Royal Collage of Psychiatrists in Wales, Disability Arts Cymru and Touch Trust.

At the request of the CEO of the Arts Council of Wales, Literature Wales agreed to return 50% of our earmarked lottery funding for 2020/21 to the central Arts Resilience Fund. We were one of many organisations who contributed funds for this broader package of support, which included the Urgent Response Fund for freelance creative individuals, including writers, who were most in need of financial assistance. Literature cannot exist in isolation, and almost everything we do is in partnership with others. We are proud to be part of an ecosystem of writers, readers, arts organisations, national companies, museums, live events, libraries, festivals, freelancers, youth clubs, campaigners, community activists and venues of all sizes across the country.

During 2020/21 we continued to work closely with networks and allies to help build a more resilient and equal future for the sector. The murder of George Floyd affected us greatly, and with our colleagues in the sector we reflected and learned from the vitally important #BlackLivesMatter and #WeShallNotBeRemoved campaigns. Through listening and learning, we have been working even harder to ensure that we are able to celebrate and represent Wales' diverse literary culture in its entirety and address serious issues of under-representation in the sector.

A significant highlight in 2020/21 was the launch of the Representing Wales: Developing Writers of Colour programme which followed in-depth consultation with writers and representatives in the sector in Wales and beyond. 59 applications were received with 12 exceptionally talented writers selected by a panel of independent assessors. The programme of support was co-created by the cohort of 12, and includes mentoring, sessions by industry experts and regular opportunities to meet and share support online.

Although Tŷ Newydd remained closed for most of the year, apart from occasions of private hire when restrictions allowed, its virtual doors remained open. A programme of 23 high-quality online course, masterclasses, and taster sessions was delivered by 37 tutors and guest readers to great success for a total of 259 participants in Wales and beyond. Future programming will include a combination of both live and online courses, reflecting the needs and appetite of our customers.

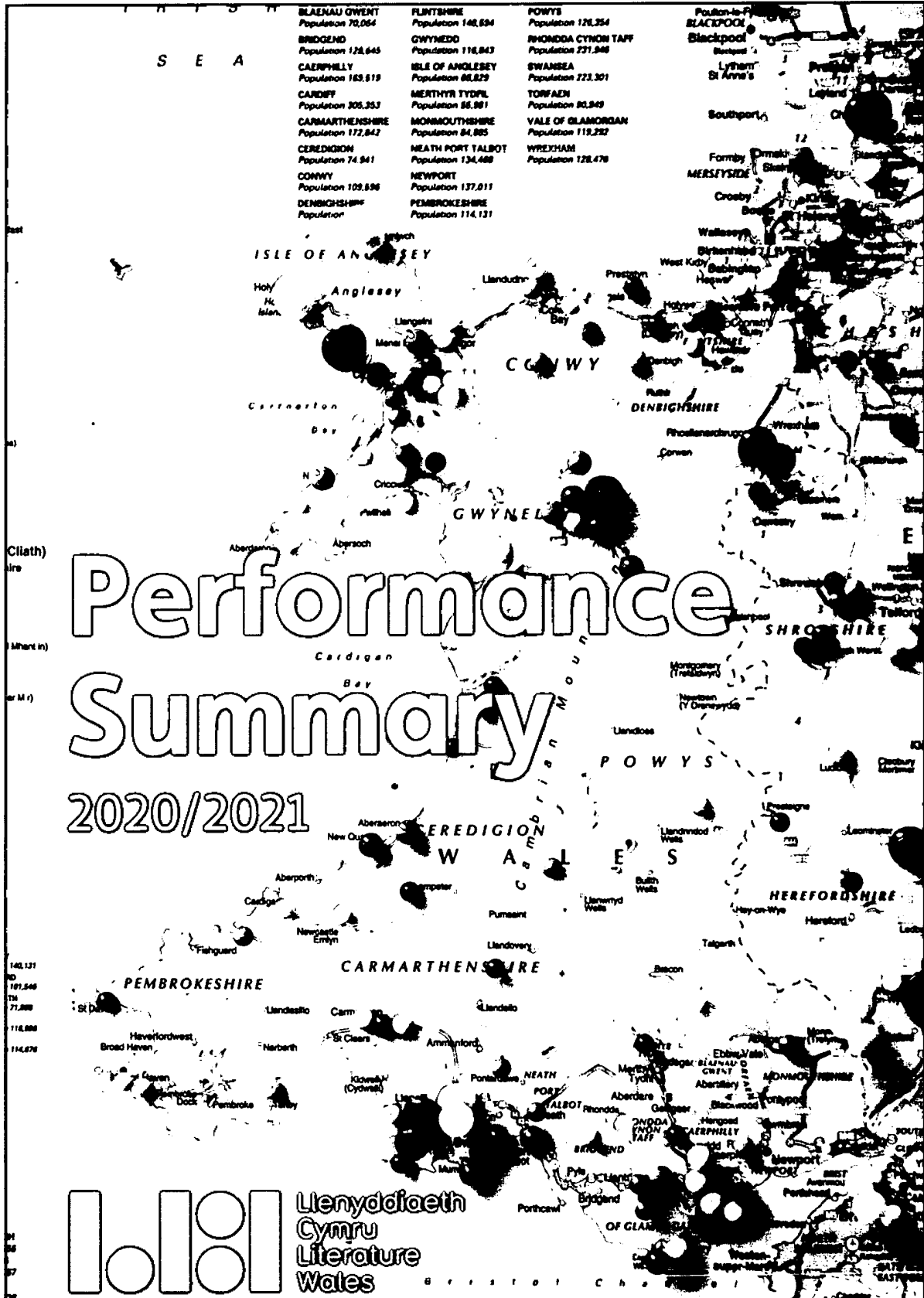
Many of the activities which took place online received a far wider reach than our usual programme. The Children's Laureate Wales and Bardd Plant Cymru activities proved hugely popular whilst most children were at home, and the National Poet of Wales continued to engage with audiences in Wales and across with world with involvement in festivals and events in Scotland, Ireland, and Germany. Plethu/Weave, a cross-artform bilingual collaboration with the National Dance Company Wales, began as a lockdown project between individual dance artists and poets, weaving their craft together to create original short films. A truly collaborative process from the beginning, each short film reflects the experiences, fears, and hopes of the artists, and offers the viewers a glimpse into Wales and the world at that moment in time. It has proved so successful that the initiative is being carried on into future years.

A partnership with BBC Radio Cymru and Radio Wales on Wales Book of the Year proved to be highly worthwhile, and the multiple radio programmes and coverage more than made up for the lack of an in-person ceremony. This is another example of a highly successful adaptation of our programming, and it's hoped that the partnership will continue in future years.

The challenges of the last year have proved that it has never been more important for us to support, share and use literature to improve lives and make hope possible where we can. From the books, comics, and screen adaptations we've absorbed during lockdown, to the use of creative writing to help us cope with increased anxieties and social isolation, literature has been there for all of us. In facing up to these challenges, we have been able to continue with our work of empowering, improving, and brightening lives through literature – proving and demonstrating that our projects make a difference, and our work helps to make Wales and the world a better place.

**Cathryn Charnell-White**  
Chair

**Lleucu Siencyn**  
CEO



# Literature Wales

## Our Year in Numbers 2020/2021

**367,236**

creative participants and audience members (including digital figures) engaged with our activity

**101,924**

digital and in-person attendances by children & young people

**£100,000**

invested to increase diversity in the sector via Representing Wales

**33,463**

unique page views of our online writer development information

**387**

individuals, groups and organisations received funding or in-kind support from us

**280**

creative and professional opportunities provided to early career writers

**250**

established writers engaged in our high-profile projects

**144**

commissions awarded to established writers through our intervention

**70%**

of Tŷ Newydd course participants reported a positive impact on their well-being with 0% reporting a negative impact

**34%**

more creative participants were directed to our writer development opportunities than in 2019-2020

**25%**

more young writers (16-30) were provided with sustained support than in 2019-2020

**18**

partnerships and exchange projects facilitated or supported outside of Wales



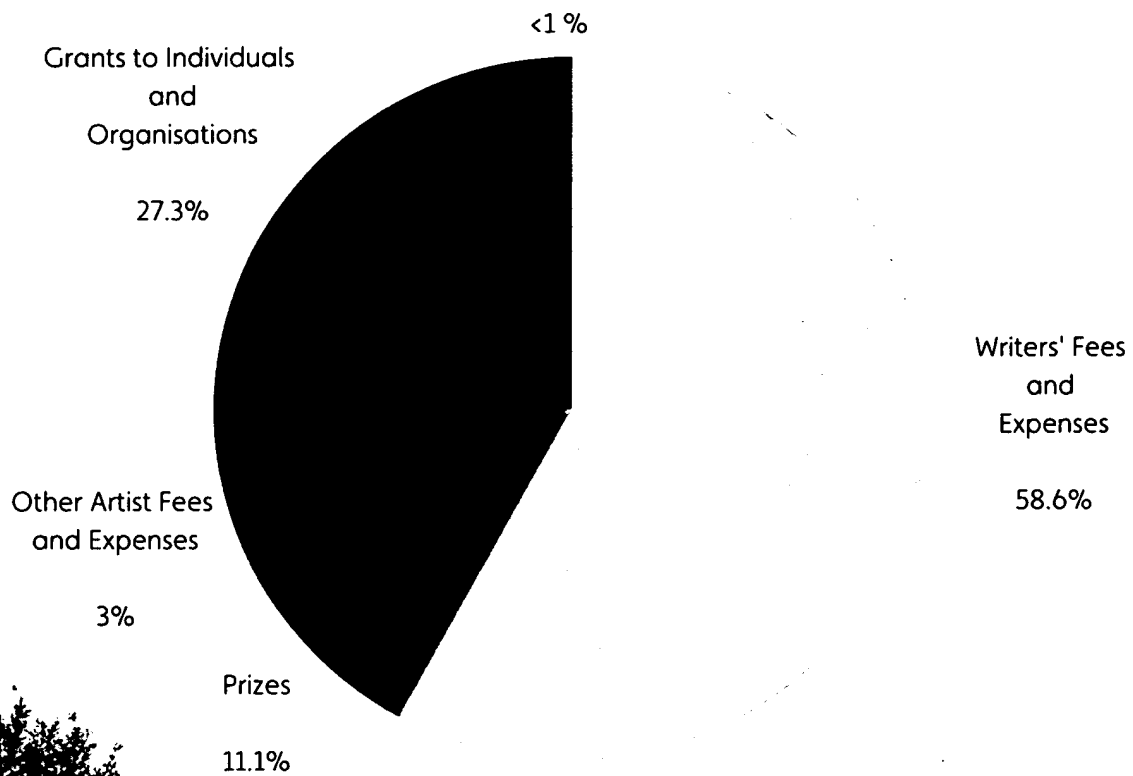
Llenyddiaeth  
Cymru  
Literature  
Wales



# Literature Wales

## Expenditure on Writers and Artists 2020/2021

### Evaluation Fees



# Our Year in Money

## 2020/2021

Participation

**£15, 7008**

Writer Development

**£109, 658**

Wales' Literary  
Culture

**£296, 679**

Fundraising

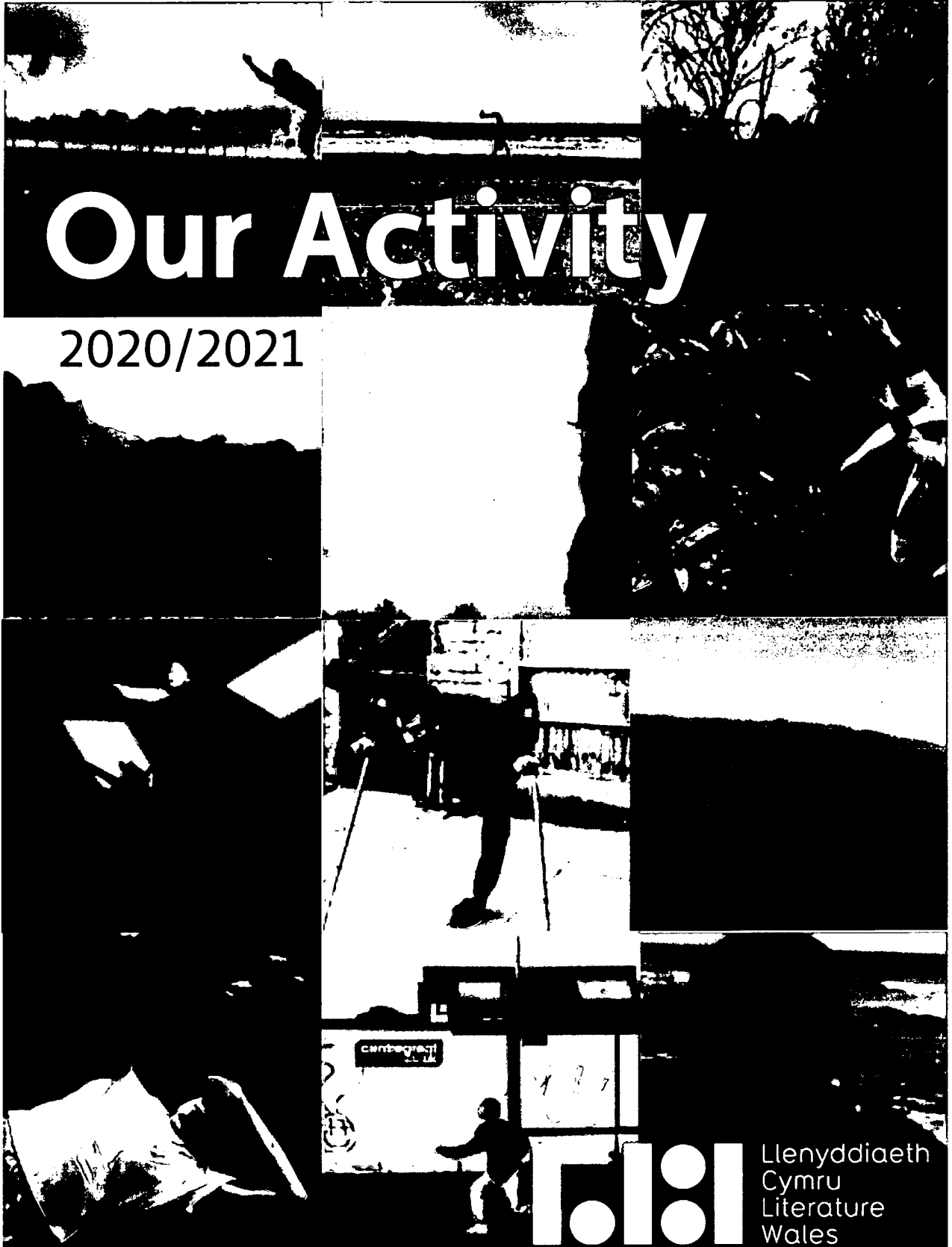
**£32, 742**

Operational Costs

**£217, 810**

Grants

**£34, 275**



# Our Activity

2020/2021



Llenyddiaeth  
Cymru  
Literature  
Wales

## Health and Well-being

### Our Year 2020/2021

During an incredibly challenging year which saw heavy disruption to health services and an increase in the number of people reporting mental health issues, our work of supporting and advocating the various ways literature can contribute positively to the nation's health and well-being grew in value and relevance.

Quickly adapting to the need to digitise activity, we launched our Writer Commissions Project and delivered two rounds over the course of the year. Learning from the first round that we needed to be more specific in our callouts to maximise the projects' societal impact, the second round delivered projects with a focus on health and well-being. This resulted in targeted positive outcomes for participants living with mental health diagnoses and physical impairments/disabilities or illnesses.

### Strategy

By understanding and actualizing the various ways literature can contribute positively to the nation's health and well-being and by advocating this to other organisations and institutions beyond the arts sector, we will improve the lives of people in Wales.

### Highlights

**55**

workshops delivered with  
a focus on Health and  
Well-being

**323**

individuals living with mental  
and/or physical illnesses or  
disabilities participated in  
these workshops

**6**

of the projects granted  
additional funding to  
expand in 2021

### Activity Highlight: *Medicine For The Soul*

*Medicine for the soul: an exploration of creative writing as a healing art* was a writer commission project run by the writer and artist Deborah Llewelyn, which illustrated the extent to which literature can have a tangible and positive impact on someone's health and well-being.

Welcoming seven participants living with chronic pain, over six weeks the course provided a safe space to discuss thoughts and feelings whilst exploring varied writing styles.

The project resulted in the following positive outcomes for the participants:



Living with the mental and physical toll of debilitating chronic pain and an ensuing sense of isolation, the participants all noted the benefit of joining a community of like-minded people with shared experiences.

*"I felt more relaxed after this week's session than I have done in years... My family have noted that I am laughing much more and am more positive since joining the course."*

-Participant

Using guided meditation techniques, poetry as creative springboards, and various writing exercises, the participants reported a sense of empowerment as they gained better understanding and control of their circumstances and emotions.

*"...We all carry so much worry with us but during this hour, we can escape into a lighter, better place. These workshops are a joy to be part of."*

-Participant

## Learning Points and The Future

Navigating the aftermath of the COVID-19 pandemic, we're keenly aware that more projects such as this one will be needed to address the increased number of people living with mental and physical disabilities and/or ill-health. In turn, more session facilitators will be needed, and we'll be looking to offer training and shadowing opportunities to expand the sector's capacity during the coming year (2021/22).

Moving forward into next year (2021/22), a longer edition of *'Medicine for the soul'* will be running, as well as five other health and well-being projects which were launched during 2020/21. These longer editions will widen the projects' reach and extend the positive impact on the participants. We will also be looking to adopt the projects as strong examples when advocating for literature's capacity as a preventative, alleviating and curative form of medicine.

Identifying and nurturing strategic partnerships, such as our newly established partnerships with the [Royal College of Psychiatrists in Wales](#) and [Touch Trust](#), maximises the impact of our work as we try to reach some of the most marginalised individuals in our society. It's essential that we continue collaborating with organisations which share our values and vision. This will result in higher impact projects which can then be offered as blueprint models within and beyond the arts sector.

# Children and Young People

Our Year 2020/2021

Children and young people's access to education was heavily disrupted over the last year as schools shut for extended periods of time. Based on our understanding of the power of literature to improve lives, our responsibility towards young audiences grew as reports of isolation, anxiety, and other mental health issues increased within the age group.

Throughout the year, Bardd Plant Cymru (BPC) and Children's Laureate Wales (CLW) embraced digital activity and designed thematically relevant projects for their young audiences. Through this engagement they formed a tangible link between literature, well-being, and empowerment.

## Strategy

By increasing accessibility to, and conveying the joy of creative writing and reading for children and young people, and developing a cohort of talented young writers, we will make a significant contribution to improving the lives and well-being of the future generations of Wales.

## Highlights

**101,924**

digital and in-person  
attendances by children  
& young people

**3,330**

individual views of BPC  
and CLW digital  
workshops

**16**

digital weekly challenges  
launched by BPC and  
CLW

## Activity Highlight: Children's Laureate Wales and Digital Activity

Children's Laureate Wales, Eloise Williams continued to inspire the children of Wales through literature and illustrated how the Laureate's role has a positive and direct impact on children's well-being and mental health.

"We've encouraged reading and creative writing as a way to find joy, a way to balance mental health and address anxieties. I hope that we have given them coping mechanisms and a pathway to joy and self-expression for the future."

-Eloise Williams, Children's Laureate Wales

Alongside arranging two months of creative challenges in tandem with Bardd Plant Cymru which received **156** individual responses from children across Wales, the Children's Laureate created **6 digital Winter Writing Workshops** with a range of content and creative prompts, receiving a total of **1,381** views. There was also regular engagement with children and families on social media, and over the course of the year, there were **7,567** direct engagements with the Children's Laureate's twitter account.

Offering these accessible and reusable resources for children helped support parents and teachers as families and schools adapted to learning from home. As well as offering comfort, routine, and inspiration during a demanding and uncertain time, this growing digital network also succeeded in sparking young readers' interest in Wales-based literature.

In addition to this, the innovative **Letters of Kindness** project encouraged children to write a letter to themselves to celebrate their uniqueness, talents, and achievements, as a way of increasing their self-confidence. Examples of the children's letters can be viewed here. The project coincided with the unveiling of the Children's Laureate's themed post box in Cardiff which recognised Eloise Williams' work of keeping children entertained during lockdown as well as the national and international status of the role.

## Learning Points and the Future

The past year highlighted the importance of the Children's Laureate Wales and Bardd Plant Cymru's ambassadorial roles as they offered comfort and inspiration throughout the year. Stepping up to the challenge of digital engagement resulted in new and creative activities with a focus on well-being and accessibility. Moving forward, we will build on the innovative approaches developed during 2020/21 to increase children and young people's literary engagement inside and outside the classroom.

The Laureates' significant influential status was a key consideration when responding to the concerns raised about the annual fee on offer for the roles during the spring of 2021. We took the comments very seriously and quickly set about consulting within the sector. Following this consultation period, we made the decision to increase the fees for the 2021/23 Laureates from £6,000 to £8,000 and reduce the number of days delivered to 20 per year (previously 24).

The consultation process also highlighted the importance of grounding our decision-making in comprehensive data and following this, further research will be conducted in 2021/22 to inform general pay guidelines for writers in Wales.

Finally, the publication of the Centre for Literacy in Primary Education's (CLPE) second Reflecting Realities report in September 2020 demonstrated that there is still a long way to go in achieving representation that reflects the UK population. We are committed to diversifying children's literature in Wales and in the wider UK. Moving forward, both roles will focus on nurturing a new generation of diverse readers and writers and will continue to advocate for the right of every child to have their story told.

## Representation and Equality

Our Year 2020/2021

Creating a national literary culture which represents the diverse communities of contemporary Wales was a key development point for the organisation over the last year. Representation and equality (R & E), already identified as one of our priorities, was placed at the forefront of our activity as we actively addressed historical and structural barriers to equal and fair access to Wales' literary and publishing sector.

Following our pilot project, Platforming Underrepresented Writers launched in 2019, our confidence and ambition grew as we decided to design a new flagship programme, Representing Wales: Developing Writers of Colour to contribute towards achieving long-term and high-level change within the sector.

## Strategy

By delivering much of our participation activity for individuals and communities who identify with our Target Client Characteristics, we will create a national literary culture which represents contemporary Wales and offers equal and fair access to artistic innovation.

## Highlights

**£100,000**

invested to increase diversity in the sector via Representing Wales

**90%**

of stakeholders said our R & E work was making a difference to Welsh literature

**10**

new partnerships formed with organisations specialising in representation and equality

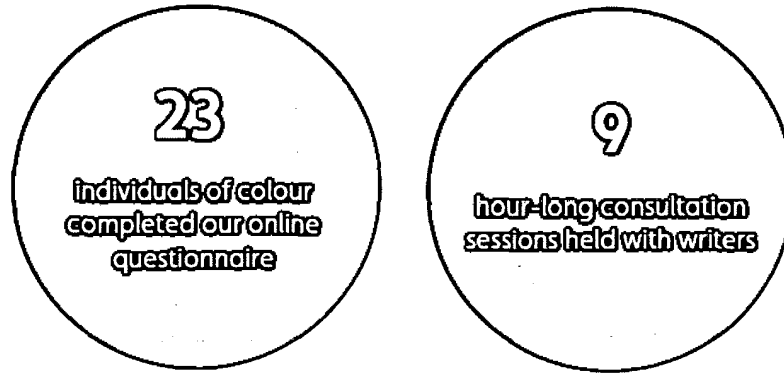
## Activity Highlight: Developing Representing Wales

As the national company for literature, we have a responsibility to take action and create change within Wales' literary culture which continues to be unrepresentative, and often inaccessible to certain individuals and communities.

In turn, we revised and remodelled our mentoring and bursary scheme to design a new flagship programme, Representing Wales: Developing Writers of Colour. With this informed, dynamic, and targeted approach we aim to diversify Wales' literary landscape and help ensure fair and equal access to the sector.

Aware of the importance of lived experience in designing such a programme, we consulted widely during the project's development phase:





During the consultation process, we also consulted widely with partners in Wales and the wider UK literature sector. The consultation process was invaluable in developing the programme's content and structure, as well ensuring best practice, sensitivity, and authenticity in our approach.

Following the consultation process, we appointed five panel members to select **12** writers out of **59** applicants, again taking into consideration the importance of similar lived experience at a decision-making level. We gained further understanding of how best to support writers of colour within a persistently homogenous sector, and ideas for content to create an exciting and relevant programme.

## Learning Points and the Future

Our decision to revise our Mentoring and Bursary scheme marked an important step for the organisation as we adopted a proactive approach to creating change within the sector.

It was encouraging to see that **90%** of our stakeholders said that our Representation and Equality work is improving the sector, however we're keenly aware that more could still be done.

Moving forward, we'll be looking to identify more training opportunities for staff members, building on the anti-racist training held in in 2020 and the support given by Disability Arts Cymru in designing our new accessibility plan.

*Representing Wales* will continue to inform our delivery and we will ensure that learning points are shared both internally within the organisation and externally with the wider sector. We will also be looking to prioritise our other target client characteristics (TCCs) by further supporting writers from low-income backgrounds and writers living with mental and physical disabilities or illnesses. This will be done through future editions of the flagship programme and through our other projects.

## Wales' Literary Culture

Our Year 2020/2021

During a year where many reported a significant increase in their reading habits, we were presented with the opportunity of reaching new audiences whilst showcasing Wales' writers and literature on national and international stages.

Wales' Book of the Year Award (WBOTY) took to the digital stage for the first time, and a new, and hopefully long-term media partnership with BBC Radio Cymru Wales was established to announce the shortlist and prize winners.

**10, 000**

people listened to the  
WBOTY 2020  
announcements on The  
Arts Show & Stiwdio  
programmes

**120%**

increase in votes since  
2019 in the Golwg 360  
Barn y Bobl Award

**242%**

increase in votes since  
2019 in the Wales' Arts  
Review People's Choice  
Award

## Strategy

We will strengthen the range, reach, and reputation of Wales' writers by delivering and supporting significant national and international projects, facilitating literary commissions, developing opportunities for wider recognition, and actively sourcing new writers with potential for these opportunities, especially from under-represented groups. This will celebrate the best of our contemporary writers and the diverse literary heritage of Wales.

## Highlights

**234**

established writers  
engaged in our high-  
profile projects

**144**

commissions were  
awarded to established  
writers through our  
intervention

**18**

partnerships and exchange  
projects were delivered in  
collaboration

## Activity Highlight: Plethu/Weave

**Plethu/Weave** is a cross-artform bilingual collaboration between two of Wales' national arts companies, Literature Wales and [National Dance Company Wales](#). Dance artists and poets wove their crafts together to create original short films which offered viewers a glimpse into Wales and the world at that moment in time during lockdown due to the COVID-19 pandemic. The first edition of short films received a total of **224, 940** views, in turn offering an extensive platform to the featured poets and dancers.

Led by National Dance Company Wales, Literature Wales was able to support the project by identifying and funding poets who reflect Wales' diverse literary landscape.

## Learning Points and The Future

The success of the initial **Plethu/Weave** project led to a second series with some films commissioned by Welsh Government to mark the Wales in Germany year. The way in which the project developed and grew illustrated the appeal of cross-art projects and the potential of partnerships with Wales' other national companies.

The work of our [National Poet](#), Ifor ap Glyn made us reconsider the ways in which we platform Wales' literary culture internationally. [Bàrd, Ffife, Bardd](#), celebrated the cultural connections of Wales, Ireland and Scotland via nine video poems and took place in March 2021. The project illustrated how literary, cultural, and organisational exchanges can help develop our own practice, and help us build a literary culture which is open and proactive. Over the coming year (2021/22), we'll continue to seek opportunities to champion Wales' literature and writers and will prioritise international engagements which will inform our strategy and activity.

Literature is rooted in Wales' cultural history, but we strive to be forward-looking in our representation and promotion of our nation's dynamic literary culture. Giving a voice and platform to under-represented voices, who have been historically overlooked in Wales' literary culture, will also be a top priority moving forward as we identify and create opportunities, commissions, and partnerships.

## Writer Development

Our Year 2020-2021

Writers are the beating heart of Literature Wales and are integral to everything we deliver. Throughout the year, we worked hard to ensure continued support to early career writers, as we trialled and discovered new ways of offering professional and creative opportunities through digital platforms.

From organising a 24-hour cross-artform Instagram story involving 24 artists in partnership with Y Stamp magazine, to establishing exciting new partnerships with Frân Wen Theatre Company and Eisteddfod Genedlaethol Cymru, we delivered inventive and targeted ways of maximising the development of Wales' writers during a professionally and creatively challenging year.

### Strategy

We will engage Wales' writers with opportunities to hone and diversify their skills by developing and delivering creative and professional development activity tailored to the needs of early career writers, providing information and signposting writers to other relevant opportunities, and identifying a cohort of young writers with significant literary potential and developing their skills through long-term intervention and peer-to-peer support.

### Highlights

**33,463**

number of page views  
across our online writer  
development information

**280**

professional opportunities  
provided for early career  
writers across Wales

**259**

writers attended Tŷ  
Newydd's virtual courses

### Activity Highlight: Tŷ Newydd Writing Centre's Virtual Courses

With the centre closing its doors over lockdown in the spring of 2020, Literature Wales turned to a virtual platform to deliver creative writing courses under the Tŷ Newydd banner. During 2020/21, 23 virtual courses were held for an audience of 259 writers based predominantly in Wales, but also in the UK and further afield.

Featuring some of Tŷ Newydd's regular tutors, side by side with some brand new tutors, the virtual courses focused on a range of different genres and themes from crime writing to poetry about place.

From residential-style courses accessed at home, to whistle-stop tours of various genres and themes in 90-minute taster courses – the programme inspired writers to continue with their writing during lockdown.

**"The course got my imagination working again and stirred up new ideas."**

**-Course Participant**

The taster courses also further developed and championed writers who had previously been through our writer training programmes. By offering them an opportunity to gain experience in tutoring, we demonstrated our long-term investment in our writers' professional and creative development.

## Learning Points and The Future

We're eager to re-open Tŷ Newydd Writing Centre's doors as soon as it's possible and safe to do so. Tŷ Newydd has historical and contemporary creative resonance in Wales, and we know that face-to-face learning enables valuable connection and engagement. This year has taught us however, that digital learning comes hand in hand with increased accessibility. We also noted that the 90-minute taster sessions which came at a lower price, appealed to an audience which we might previously have missed.

Moving forward, we will be looking to adapt a hybrid approach to our courses, and experiment with a more varied cost offer, which will enable us to reach a diversity of writers from across Wales and help develop an innovative, rich, and excellent Welsh literary culture.

## Participation

Our Year 2020/2021

Over the course of the year, it was crucial to reframe projects and explore innovative ways of engaging with individuals and communities through literature.

### Strategy

We will increase the accessibility and impact of creative writing for participants in Wales by directly engaging under-represented individuals and communities across a range of cultural experiences and literary genres, directing participants with creative potential to opportunities within our writer development activity.

This will inspire some of our most marginalised individuals and communities through active participation.

### Highlights

**367,236**

creative participants and audience members (including digital figures) engaged with our activity

**34%**

of our creative participants identified with one of our Target Client Characteristics

**11.5 %**

of Wales' population participated in creative writing\*

\*Source: Arts Council of Wales Omnibus Survey on arts participation

### Activity Highlight: Lockdown Legends Online

Lockdown Legends Online worked with eight older people from across Wales, some in care homes, some living alone. The spoken word storyteller, [Fiona Collins](#), worked with the participants on a one-to-one basis, speaking with them either over the phone or by video link.

The participants shared their memories and family stories, which were later transcribed for a book of 'Lockdown Legends'. The benefits of this simple intervention to their health and wellbeing were profound.

"I feel that this gave them both the opportunity to 'come alive' – spirits definitely seemed raised having had that opportunity – so thank you very much."

-Care Home Staff Member

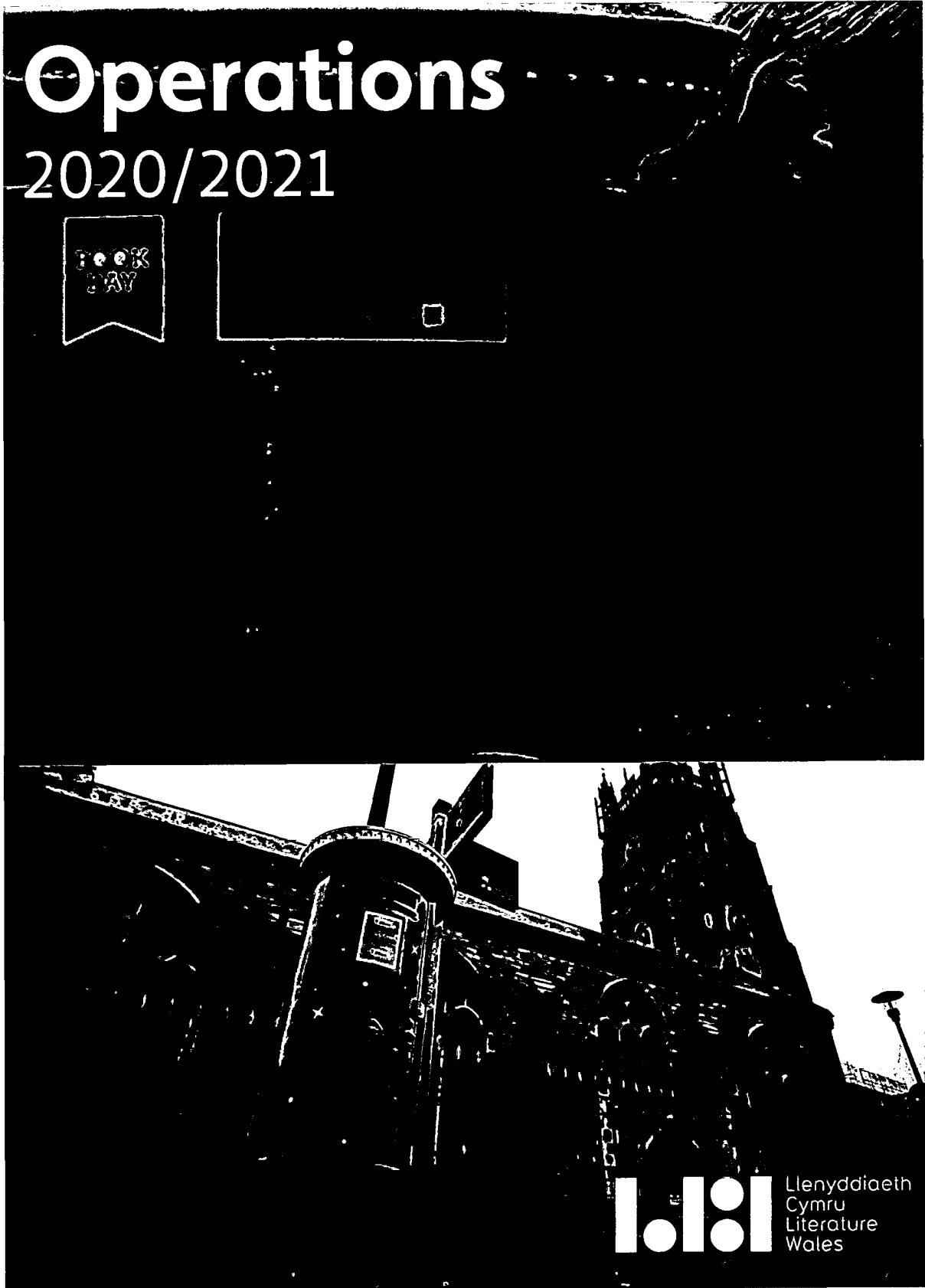
The online book can be viewed here: [Fiona Collins - Literature Wales](#).

## Learning Points and The Future

Participatory arts practice traditionally depends on face-to-face delivery and moving the practice online was a learning curve for the artists, participants, and the organisation. As participants and facilitators adapted to digital ways of working, ensuring their continued safeguarding was a priority. This important learning is reflected in our updated safeguarding policy.

Inclusive and innovative engagement was essential in connecting and supporting participants to value and share stories from their own lives and experiences. This year, we engaged with **367,236** creative participants and audience members (digitally and in-person), topping our target of **110,000**. In turn demonstrating that our online offer can reach a larger audience than our face-to-face activity. The issue of digital poverty was however widespread across various projects. Finding ways of supporting those who might not have access to a digital device or internet will continue to be a consideration in all future activity we deliver.

Finally, we're aware that facilitators will need to stay up to date with the skills and approaches essential to delivering projects online. Moving forward, we will be offering training sessions for writers across Wales so that best practice can be shared across the sector.



# Operations

## 2020/2021

BOOK  
DAY



# Fundraising

## Strategy

We will reduce the proportion of income derived from public funding from 66% in 2018/19 to 62% by 2023 (this equates to raising around £465,869 in non-public funding by 2023) by:

- Building lasting, fruitful relationships with two key Trusts and Foundations
- Developing and capitalising on a series of corporate partnership initiatives
- Maximising the use of our existing assets, including through increased ticket revenue and merchandising
- Optimising audience stream funding.

The fundraising targets for 2020/21 were revised during Summer 2020 to reflect the COVID-19 pandemic. For example, our target for raising funds for CSR projects (£27,000) was removed due to businesses suffering with economic uncertainty. The revised targets were:

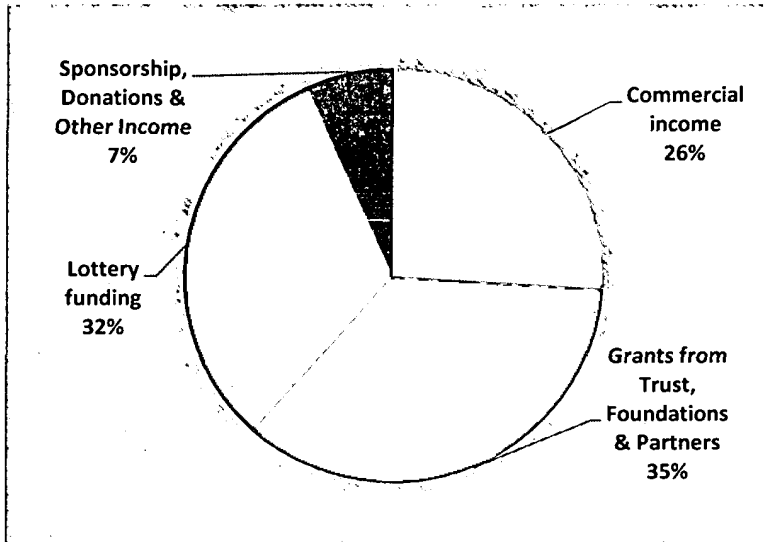
- Raise £40,000 from Commercial courses, venue hire & merchandise
- Raise £75,000 from Trusts & Foundations
- Raise £49,056 from the National Lottery (N.B., 2020/21 Lottery funding was halved due to COVID-19 pandemic)
- Raise £4,000 from corporate sponsorship
- Raise £500 from High Net Worth Individuals (HNWIs)

## Performance Data

Performance was hindered by the COVID-19 pandemic, both internally (reduced programme to fundraise for) and externally (Trusts & Foundations only focusing on providing emergency grants).

Final figures were:

- £40,318 from Commercial courses, venue hire & merchandise
- £54,962 from Trusts & Foundations – 26% under target
- £49,056 from the National Lottery (N.B., 2020/21 Lottery funding was halved due to COVID-19 pandemic)
- £10,568 from Sponsorship, Donations & Other Income -134% over target



It is very hard to determine whether we are still on track to raise £465, 860 in non-public funding by 2023 due to the huge effect of the COVID-19 pandemic on our work. In fact, in 2020/21, 81% of our income came from public funding – a critical lifeline. This was an anomaly on our trajectory to reducing our reliance to 62% as 2019/20 stood at 65%.

## Highlights

**Lands and Lore** – In August 2020, we received £13,500 from Clwstwr to conduct a feasibility study on turning content from our Land of Legends project into a video game. Clwstwr, who support the development of Wales’ screen sector, were a new source of funding for Literature Wales and supported us with staff skill development alongside their financial support.

**Tŷ Newydd Resilience** – As a result of the COVID-19 pandemic, Tŷ Newydd (usually a major source of income) was forced to close. As soon as it was safe to do so, alternative income sources were found by letting the main house and Nant cottage on AirBnB and Under the Thatch websites. Literature Wales’ staff proved to be highly adaptable and adopted a more commercial outlook.

## Learning Points

This year has been a challenge for Literature Wales’ fundraising. It has required the whole team to take a step back and look at operational models. The need for a diverse spread of income sources has been reinforced and we have begun to look beyond the traditional arts funders to find support for our work.

We have also clearly seen the need for dedicated, specialist fundraisers within the team and will continue to build our capacity in the future.

# Communications

## Strategy

We will increase the understanding and value of our work amongst our stakeholders by:

- Regularly mapping our stakeholders and developing bespoke communications, based on which elements of our activity and Tactical Priorities most appeal to each stakeholder group
- Conducting a collaborative mapping exercise, capturing the wider publishing and literature sector in Wales to better clarify and communicate our remit
- Communicating our impact and reach through new promotional materials and strategic campaigns which tell our clients' stories, and in turn, our story

Our aim is to build and strengthen our relationships with our stakeholders, whether they are individuals, organisations, or groups.

The communications targets for 2020/21 were revised during 2020 to provide a clearer insight into the progress of operational priorities and to reflect a shift in digital working due to the COVID-19 pandemic. 2020/21 identified baseline targets per quarter to allow for an accurate comparison in high-profile communications moments (such as Wales Book of the Year in June/July). The revised targets were:

- A 25% increase of impressions and reach on Literature Wales' social media platforms
- A 15% increase in our social media audiences
- A 10% increase in our website page views
- A 10% increase in Literature Wales presence at events
- A 15% increase in Literature Wales newsletter subscribers
- A 10% increase in recipients opening Literature Wales newsletters

## Performance Data

In 2020/2021:

- A **10% increase** in views on our core website which engaged with over **74,000** new users from **159** countries.
- Average of **1,069,112** impressions on our Twitter accounts and **32,211** people reached on our Facebook and Instagram account per month
- A **32% increase** in followers on our core social media platforms
- Appearances at over **20** successful high-profile events, such as the 2021 British Council Literature Seminar

*Performance data against the 2020/21 targets is unavailable as monitoring provided revised baseline targets.*

## Highlights

An effective Communications Strategy was produced to reflect changes to the Wales Book of the Year ceremony due to the COVID-19 pandemic, allowing the event to still take place in partnership with radio stations and television channels rather than in-person.

Clear and consistent messaging delivered throughout the COVID-19 pandemic to ensure stakeholders were kept up to date with news, information, and opportunities. Frequent COVID-19 updates were provided on our website and Organisational Reports.

Support was received from award-winning PR Company, Riot Communications, to deliver an exciting launch for our new flagship project, Representing Wales: Developing Writers of Colour.

## Learning Points

### **MARCOMMs Plan & Communications Toolkit**

In order for staff members to be equipped with the knowledge, ability, and confidence to represent the organisation with fresh and updated communications information, we have identified the need to deliver frequent training sessions, especially when developing the new Strategic Plan. We will provide training for all staff using our hub of information, resources, and templates on the MARCOMMs Plan 2022-25.

### **Stakeholder Engagement**

The stakeholder meetings conducted by the Senior Leadership Team (SLT) to communicate the information in our Mid-term Report 2019-22 allowed us to share our progress and impact insights with key influential stakeholders. We will factor this in to the new Strategic Plan 2022-25 to further identify opportunities to tell our story.

# Monitoring & Evaluation

## Strategy

We will increase the external and internal influence of data regarding the impact of our activity by:

- More effectively capturing, analysing, and communicating relevant data from across all projects, including operations
- Tracking, analysing, and reporting progress internally, including at organisational level
- Learning from our analysis and feeding this into our planning, including the new pitching process

This will optimise informed development and communicate our worth.

A selection of the Monitoring & Evaluation targets for 2020/21 were paused due to the COVID-19 pandemic as we prioritised operational tasks.

- 70% of our data from our activity and operational projects is stored in our central monitoring & evaluation (M&E) hub
- 1 Annual Report communicating our impact has been circulated
- 12 monthly [Paused] and 4 quarterly evaluation reports have been produced
- 85% of new or perennial projects are pitched to SLT, and all reference learning points from our analysis [Paused]

## Performance Data

In 2019/2020:

- **80%** of data from our activity and operational projects was stored in our central monitoring & evaluation hub
- **1** Annual Report and **4** quarterly evaluation Organisational Reports were produced, circulated, and uploaded to the Literature Wales website
- **100%** of new projects were pitched through SLT meetings and discussed considering recent learning points

## Highlights

Organisational Reports developed to spotlight and present qualitative data on aspects of the organisation alongside highlighted missed targets per quarter.

External Mid-term Report 2019/22 produced to demonstrate how in 2020, despite the difficult conditions, Literature Wales helped to inspire future generations, develop more diverse literary voices, and created cultural and economic capital for Wales.

A new Impact Framework developed for 2022/25 which aims to further embed monitoring and evaluation into the organisation.

## Learning Points

### **Impact Framework**

The implementation and roll-out of our Monitoring & Evaluation Strategy 2019/22 enabled us to identify the elements of the framework that worked for us and what didn't work. We now know we need to *simplify our approach and increase the presence of impact in our wider strategy*. We will prioritise this when developing our new Strategic Plan.

### **Organisational & Project Impact**

We need to further distinguish our approach to capturing the impact that the organisation delivers, but also that of individual projects. Our new Impact Framework will focus on further considering the flow of data through the organisation and how it can be interconnected to tell the story of Literature Wales.

# Tŷ Newydd 2020/21

## Strategy

Our goal, as set out in the 2019/22 Strategic Plan was to increase non-public funding income generated through Tŷ Newydd Writing Centre activity from £181,904 in 2018/2019 to £199,000 by 2022. This goal was met and surpassed in 2019/20.

As the centre closed its doors due to the COVID-19 lockdown just before the beginning of the 2020/21 financial year, our strategy had to swiftly change. After postponing the programme of courses for 2020, focus was shifted on securing and protecting staff, the building and minimising unnecessary expenditure to avoid becoming a financial burden on the organisation. New health and safety procedures were developed in anticipation of reopening, the buildings were utilised for venue hire purposes during the relaxation of the lockdowns, and a programme of virtual courses was developed to ensure that we continued to engage with audiences and develop writers, whilst offering paid work for freelance tutors.

## Performance Data

- 23 virtual courses run by 37 tutors/guest readers for an audience of 259 participants
- 70% of writers said that taking part in a virtual course had positive impact on their well-being
- £32,178 raised in income from venue hire, virtual courses, and a few on-site retreats

## Highlights

- First ever 5-day virtual Poetry Masterclass tutored by Gillian Clarke for 7 poets from Wales selected through a competitive application process to celebrate Tŷ Newydd's 30<sup>th</sup> birthday
- 17 virtual taster courses held, featuring some brand-new tutors for Tŷ Newydd courses including early career writers Alex Wharton, Iestyn Tyne, Fiona Collins, Marvin Thompson, Richard Owain Roberts, and Mari Emlyn
- 5 retreats for writers held at Tŷ Newydd during relaxation of lockdown rules
- Small site improvements completed to take advantage of the empty site

## Learning Points

This year necessitated major changes to the way Tŷ Newydd operated due to the COVID-19 pandemic. Whilst we are keen to return to in-person courses, we have learnt about the strength of the Tŷ Newydd brand which allows us to escape the confines of the walls and run activity digitally. From 2022, we will integrate an element of digital delivery to ensure that our courses continue to be delivered in an environmentally friendly and accessible manner.

## HR

### Strategy

Our HR Goals outlined in our strategic plan for 2019/22 are:

- 100% staff have attended at least 3 cross-team training sessions annually
- At least 4 staff have benefitted from sustained professional development opportunities (e.g., courses) annually
- Staff job satisfaction ratings have increased by at least 25%
- At least 7% of our employees, volunteers, contractors, and Directors identify as Black, Asian and Minority Ethnic; 10% have disabilities or long-term illnesses and 20% are from a low-income background. 1 of each TCC will be in senior positions on the staff and Board (pending vacancy availability)
- We will have worked with at least 20 volunteers annually

These goals aim to create a positive and inclusive culture at Literature Wales, with the right skills, roles, and structures to effectively deliver our mission. The COVID-19 pandemic necessitated a shift to the measurable outcomes, although continuing with the same aim. For example, supporting employee well-being whilst working remotely became a major priority, whilst working with volunteers was put on hold.

### Performance Data

Our progress on the set goals:

- **At least 6** cross-team training sessions attended by an average of 100% of staff
- **5** staff members benefited from sustained professional development
- **17%** of our employees, volunteers, contractors, and Directors are individuals from Black, Asian and Minority Ethnic backgrounds and **4** of these are in senior positions
- **6%** have disabilities or long-term illness

In addition, there were other notable actions:

The rollout of our new staffing structure was partly paused due to the COVID-19 pandemic; however, the task-based approach and a model of increased shared responsibility was implemented. To increase accountability and our ability to collect data and measure our impact, tasks and responsibilities were closely linked with KPIs through ongoing performance management. This enabled the team to take a more flexible approach to working during the COVID-19 pandemic and increased our resilience as an organisation.

All staff were offered 7 well-being days throughout the year and 100% took advantage of these, with some using them to volunteer for local initiatives or support home-schooling.

The Job Retention Scheme was utilised for 2 staff members, allowing us to safeguard salaries and jobs.



## Highlights

During 2020/21 we invested in staff training and consultation processes focused on improving internal structures and creating a more inclusive and representative culture. We received training sessions by Hunaniaith, a bilingual collaboration between literary collectives Y Stamp and Where I'm Coming From, using literature around the theme of identity to examine the limits and opportunities of both languages, and seeking to innovate new ways to express ideas on identity, race, language and culture. The training provided specific insight on anti-racist safeguarding and unconscious bias, which increased our awareness and impacted the development of our Safeguarding Policy, and how we support writers and colleagues.

We worked with a HR Specialist through the Arts Council Wales' Resilience Scheme, consulting with the full team and Management Board and resulting in a revamped Performance Development Review system as well as a new model of working for the organisation, based on increased shared decision making and a flexible task-based approach.

Our cautious approach to HR Risk Management meant we were able to identify risks through this framework and prepare for some of the potential impacts of home working. This included ensuring all staff had access to a leased laptop, understood how to operate the remote systems and conducted a home working trial day to identify further issues before the first lockdown was announced.

Employment opportunities for Freelance Creatives were advertised through an open callout, in response to our increased digital activity, the challenges faced by freelancers during the COVID-19 pandemic and the need to improve representation amongst our workforce. Individuals were asked to pitch relevant activity and operational-based skills and 4 freelance creatives were temporarily contracted as a result.

## Learning Points

Towards the end of 2020/21 saw a quick, seismic, and long-term change to our working practices due to the impact of the COVID-19 pandemic. Whilst we look forward to returning to office-based working in some form, we have learnt that we are able to operate effectively during a time of crisis and from home. Our new task-based, flexible approach to working complemented the need to be agile in the face of an ever-changing society.

# Governance & Sector Consultation

## Strategy

We will increase our awareness of, and response to, feedback from across and beyond Wales' literature sector by:

- Embedding stakeholder consultation into our annual cycle, and widening the network of stakeholders we consult
- Systematically flowing data and analysis to and from stakeholders, staff, and Directors
- Tracking informed decision-making at all levels, including in project pitches and meeting minutes

## Performance Data

In 2020/21:

- **81** Board of Directors Advisory Group meetings, **61** SLT Operational Meetings and **2** cross-staff Creative Planning Days took place
- **5** Critical Friend meetings were conducted to support our strategic direction and high-level decision making
- **148** individuals responded to our Stakeholder Survey which captured feedback on how we're doing so far

## Highlights

In Q1 2020/21 we launched a Sector Consultation Survey to gain audience insight into our response to COVID-19, general activity programme and how we market and communicate across all channels to ensure we understand the needs of the sector during an extraordinary time and adapt quickly to support our clients and audience. Over 460 responses were received and helped shape our activity for the year to come. This also resulted in increasing the target for survey responses due to the number of responses from 120 to 210.

In response to the COVID-19 pandemic and to support the wider arts sector, particularly those who face the biggest hardships, Literature Wales contributed 50% of our earmarked National Lottery Funding for 2020/21 to the Arts Council of Wales' Arts Resilience Fund.

Throughout the year an open-ended staff consultation of various matters related to COVID-19, home working and well-being was operated, and adjustments made regularly to support staff. All staff contributed to a cross-staff Creative Planning session in Q2 to provide input to the organisations; strategic direction and to identify gaps and potential areas of development.

## Learning Points

We attempted to track the long-term impact we have with our clients since the launch of our Strategic Plan 2019/2022. However, we decided to pause on the delivery of our Longitudinal Survey due to the impact of the COVID-19 pandemic. We will now re-evaluate our approach to tracking the long-term changes we deliver for our clients whilst developing our new Strategic Plan.

We learned that Virtual Board Meetings with our Directors/Trustees are an effective way of conducting formal meetings of this nature. It led to a reduction in costs for hosting board meetings and Director and staff travel and is a more democratic and accessible access method resulting in good attendance at these meetings throughout the year.

# Sector Facilitation

## Strategy

We will increase our support for the wider literature sector by:

- Directly delivering less activity, by directly delivering no more than 10 projects annually.
- Focusing more on our work as facilitators or partners with those already, or new to, working in this field
- Actively seeking out smaller organisations, and innovative artists, social activists and arts administrators, and providing our expertise in-kind
- Stimulating new literary activity provision by other sector facilitation targets for 2020/21 which were revised to reflect the COVID-19 pandemic.
- Intensively support at least 30 partner-led projects as facilitators or secondary partners annually and support another 70 with general in-kind support.
- Provide funding and/or in-kind support to at least 700 individuals, groups, and organisations annually
- Have stimulated at least 10 new self-run sustainable literary projects in areas of need

## Performance Data

In 2019/2020:

- 9 projects delivered directly by Literature Wales
- 577 hours of facilitation work was delivered to the sector
- 387 groups, individuals and organisations received facilitatory support
- 43 partner-led projects received intensive facilitation or secondary partnership support and 41 provided with general in-kind support
- 19 new self-run sustainable literary projects were stimulated in areas of need

## Highlights

Increase in support and involvement for local and national cultural groups such as What Next? Cymru and the Wales Cultural Alliance to identify opportunities to further support the sector and audiences.

Two writing collectives who received our facilitation support to collaborate and explore language and creative writing continue to work together to pilot Anti-racist training for the sector.

Increase in direct investment for individual artists, such as clare e. potter engaging with the Wales Artist Coaching Pathway and Connor Allen's LOYALTY development programme.

## Learning Points

### Tracking Progress

Whilst we considered how to best invest our support and resources during the COVID-19 pandemic, our methods of tracking sector facilitation engagements have declined. We need to develop a new system as part of our Partnerships, Consultation and Legacy Plan for 2022/25.

### Intensive Support

We will continue to actively identify individuals, groups, and organisation who deliver work in line with our Strategy to support as secondary partners or facilitators to ensure the sector maintains a healthy ecosystem for a variety of bodies to deliver positive impacts through literature for Wales.

# Risk

## Strategy

In 2019/22, we need to generate a more risk-conscious culture within all levels of decision-makers by:

- Completing the development and embedding a new risk management system, aligned with our Activity Pillars, to identify and assess threats and opportunities on an ongoing basis
- Allocating a sliding scale of responsibility for risk management across the Board of Directors and staff
- Regularly and systematically attending to and reviewing all risks and associated mitigating tactics
- Assessing our risk appetite annually

## Highlights

2019/20 saw huge development in the way Literature Wales managed risk and a new comprehensive system was put in place. Fortuitously, this process identified risks such as an inability for staff to work from home due to lack of equipment and lack of skills running digital events, which were mitigated prior to the COVID-10 pandemic. Therefore, Literature Wales was able to respond quickly to the effects of the COVID-19 pandemic and ensure our activity continued with minimal disruption.

During 2020/21 we improved our Board's understanding of organisational risk and implemented a new Risk Dashboard which was presented to them quarterly. This has improved our governance and enabled Directors to better scrutinise decisions made by the Executive Team.

## Learning Points

All staff will now receive support and training to ensure the Risk Register is consistently and constantly updated so that it can become a useful document for all members of the team, not just the Senior Leadership Team.

The Risk Dashboard process will also be refined as many Amber risks were not highlighted and ran the risk of not being promptly dealt with, whilst the Directors focused on the Red risks.

# Finance

## Strategy

We will improve our financial resilience and diversify funding streams by:

- Maintaining and adapting our financial procedures and controls following the COVID-19 pandemic
- Pooling resources in response to the COVID-19 pandemic and redistributing funds to maximise our impact
- Budget modelling for a range of scenarios, i.e., relaxation/re-introduction of government restrictions
- Appointing an Apprentice Bookkeeper who will receive AAT training
- Updating the Reserves Policy to ensure proper and effective use of unrestricted funds
- Introduction of Credit Card Usage and Investment policies

## Performance Data

During 2020/21:

- **65** activity and operational projects were organised under **42** cost centres under our new financial system
- **1** Apprentice Bookkeeper appointed through Welsh Government's apprenticeship scheme
- **4** quarterly reports were produced which included modelling for possible scenarios of relaxing COVID-19 restrictions
- **2** new finance policies (Credit Card Usage and Investment) were introduced

## Highlights

Implementing a new approval process to ensure invoices are processed promptly while staff work remotely.

In 2020 the Reserves Policy was updated to identify the purposes and level of free reserves and designated funds required by the organisation. This also led to the creation of two new designated funds – Pilot Activity fund and Legacy fund as well as two previously planned funds - the Tŷ Newydd Buildings and Capital Development funds. At 31 January 2021 it was expected that Literature Wales would have the following levels of funds:

- General unrestricted reserves: £186,870
- Tŷ Newydd building fund: £20,000
- Tŷ Newydd Capital Development fund: £10,000
- Pilot Activity fund - £20,000
- Legacy fund - £10,000

Recruitment of an Apprentice Bookkeeper through the Welsh Government apprenticeship scheme. This allowed us to build capacity and enabled the Finance Executive to take on more strategic development work. The apprentice is also studying AAT level 2 alongside their role, enabling us to have a skilled future workforce.

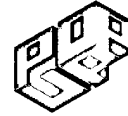
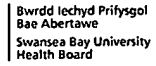
## Learning Point

Due to the uncertainty of the COVID-19 pandemic, we started creating different budget scenarios to give more accurate projections as we responded to external events. This will be continued post-pandemic to give Directors and the Senior Leadership Team more confidence with decision making.



# Our Partners





# Structure, Governance & Management

2020/2021



# Structure, Governance and Management

## **Governance document**

Literature Wales is a charitable company limited by guarantee, incorporated on 19 September 2011 and registered as a charity on 23 March 2012. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association, which were updated in 2019/20.

## **Recruitment and appointment of new trustees**

All new trustees are appointed as Directors of the organisation following an open and transparent recruitment process as defined by the Articles of Association. Trustees are appointed to strengthen the skills and experience represented by the Board of Directors. All new trustees receive an induction pack and receive information regarding the roles and responsibilities of being a trustee, as well as training on charity governance.

## **Organisational structure**

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

## **Key Management Personnel**

The Key Management Personnel of the organisation are Chief Executive, Lleucu Siencyn; Deputy Chief Executive and Head of Development, Bronwen Price; Head of Programmes, Elena Schmitz; and Finance Executive, Emma Richards. Remuneration for the Key Management Personnel is set and approved annually by the Chair of the Board and follows the organisation's banded salary structure.

## REFERENCE AND ADMINISTRATIVE DETAILS

**Charity name** Llenyddiaeth Cymru | Literature Wales  
**Charity registration number** 1146560  
**Company registration number** 07779153  
**Registered office** Glyn Jones Centre  
Wales Millennium Centre, Bute Place,  
CARDIFF  
CF10 5AL

### Trustees

K North  
E George  
C. Charnell-White  
N. Jerome  
E Charles  
C Austin  
J D Ellis  
A Finlayson  
J O'Shea  
D Roberts  
C Summerhayes  
O Taylor-Shaw  
C Thatcher  
R Mohanran

**Chief Executive Officer** Lleucu Siencyn  
**Company Secretary** Elena Schmitz

**Principal Bankers** CAF Bank  
25 Kings Hill Avenue,  
Kings Hill,  
Kent  
ME19 4JQ

**Auditors** BPU Chartered Accountants  
Radnor House  
Greenwood Close  
Cardiff Gate Business Park  
CF23 8AA

**Signed:**



Elena Schmitz  
Company Secretary

**Dated:**

11/11/2021



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## Llenyddiaeth Cymru/Literature Wales

### Report of the Trustees for the Year Ended 31 March 2021

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#### STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware;  
and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Approved by order of the board of trustees on 4/12/2021 and signed on its behalf  
by:

  
.....  
Cathryn Charnell-White  
Trustee

## Report of the Independent Auditors to the Trustees of Llenyddiaeth Cymru/Literature Wales

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### Opinion

We have audited the financial statements of Llenyddiaeth Cymru/Literature Wales (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

### Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Radnor House  
Greenwood Close  
Cardiff Gate Business Park  
Cardiff CF23 8AA

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in the UK and regulated for a range  
of investment business activities by  
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in England and Wales.

bpu Chartered Accountants is  
a trading name of BPU Ltd  
Company Number: 3723948  
Registered in Wales.



## Report of the Independent Auditors to the Trustees of Llenyddiaeth Cymru/Literature Wales



Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of trustees**

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

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

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

Radnor House  
Greenwood Close  
Cardiff Gate Business Park  
Cardiff CF23 8AA

Registered to carry on audit work  
in the UK and regulated for a range  
of investment business activities by  
the Institute of Chartered Accountants  
in England and Wales.

bpu Chartered Accountants is  
a trading name of BPU Ltd  
Company Number 3723948  
Registered in Wales.

A list of directors is available from the  
registered office above.

## Report of the Independent Auditors to the Trustees of Llenyddiaeth Cymru/Literature Wales



Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### Materiality & Triviality

We set a materiality level of £23,500 and a triviality of £1,175. Items below triviality individually or in total are deemed as not material misstatements in respect of irregularities. Any items above this level will be reported to management with either resultant changes being made to the accounts or appropriate information being detailed in their letter of representation to us.

### Sampling Methods & Risk

We use systematic sampling methods based on performance materiality levels and the deemed associated risk levels of each particular assignment.

### Minutes & Future Accounting Periods

We review board minutes and hold discussions with management in relation to anticipated future results of the charity. This is completed to ensure that we have a good understanding of major items affecting the charity and the way the trustees address these items.

### Specific Risk Areas

In relation to the charity we agreed at the planning stage that certain areas had a higher degree of risk and approached these areas as follows:-

#### 1. Completeness of Income

Arts Council of Wales core grant - we review the grant offer letter and agree it to the amounts recognised in the financial statements.

Other Income - on a sample basis we review other income to relevant back up information.

#### 2. Management Override

We review the financial information provided for unusual entries including journal entries to ensure non prime entry information is valid and is entered for a justifiable reason.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

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**Report of the Independent Auditors to the Trustees of  
Llenyddiaeth Cymru/Literature Wales**

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**Use of our report**

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'A. P. Ali'.

for and on behalf of BPU Limited

Chartered Accountants

Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Date: 10/12/2021

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Cardiff CF23 8AA

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A list of directors is available from the registered office above.

**Llenyddiaeth Cymru/Literature Wales**

**Statement of Financial Activities  
for the Year Ended 31 March 2021**

	Notes	Unrestricted funds £	Restricted funds £	2021 Total funds £	2020 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Donations and legacies	3	3,828	-	3,828	2,647
Charitable activities	6	794,689	90,596	885,285	1,143,991
Other trading activities	4	21,291	-	21,291	28,457
Investment income	5	1,197	-	1,197	1,203
Other income		15,323	-	15,323	8,019
<b>Total</b>		<b>836,328</b>	<b>90,596</b>	<b>926,924</b>	<b>1,184,317</b>
<b>EXPENDITURE ON</b>					
Raising funds	7	32,742	-	32,742	49,981
Charitable activities	8	756,342	59,014	815,357	1,110,393
<b>Total</b>		<b>789,084</b>	<b>59,014</b>	<b>848,098</b>	<b>1,160,374</b>
<b>NET INCOME</b>		<b>47,245</b>	<b>31,581</b>	<b>78,826</b>	<b>23,943</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>307,543</b>	<b>918,608</b>	<b>1,226,151</b>	<b>1,202,208</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>354,788</b>	<b>950,189</b>	<b>1,304,977</b>	<b>1,226,151</b>

The notes form part of these financial statements

## Llenyddiaeth Cymru/Literature Wales

### Balance Sheet 31 March 2021

	Notes	2021 £	2020 £
<b>FIXED ASSETS</b>			
Tangible assets	15	893,004	898,050
<b>CURRENT ASSETS</b>			
Stocks	16	1,472	1,561
Debtors	17	66,495	142,015
Cash at bank and in hand		<u>537,691</u>	<u>452,110</u>
		605,658	595,686
<b>CREDITORS</b>			
Amounts falling due within one year	18	(193,685)	(267,585)
<b>NET CURRENT ASSETS</b>		<u>411,973</u>	<u>328,101</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>1,304,977</u>	<u>1,226,151</u>
<b>NET ASSETS</b>		<u>1,304,977</u>	<u>1,226,151</u>
<b>FUNDS</b>	20		
Unrestricted funds		354,788	307,543
Restricted funds		<u>950,189</u>	<u>918,608</u>
<b>TOTAL FUNDS</b>		<u>1,304,977</u>	<u>1,226,151</u>

The notes form part of these financial statements

**Llenyddiaeth Cymru/Literature Wales**

**Balance Sheet - continued**  
**31 March 2021**

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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 deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) 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 audited under the requirements of Section 145 of the Charities Act 2011.

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 4/12/2021 and were signed on its behalf by:

*clw*

.....  
Cathryn Charnell-White  
Trustee

## Llenyddiaeth Cymru/Literature Wales

### Cash Flow Statement for the Year Ended 31 March 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	<u>84,384</u>	<u>(49,678)</u>
Net cash provided by/(used in) operating activities		<u>84,384</u>	<u>(49,678)</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		-	(10,337)
Interest received		<u>1,197</u>	<u>1,203</u>
Net cash provided by/(used in) investing activities		<u>1,197</u>	<u>(9,134)</u>
<b>Change in cash and cash equivalents in the reporting period</b>			
Cash and cash equivalents at the beginning of the reporting period		<u>452,110</u>	<u>510,922</u>
Cash and cash equivalents at the end of the reporting period		<u>537,691</u>	<u>452,110</u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the Year Ended 31 March 2021

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021 £	2020 £
<b>Net income for the reporting period (as per the Statement of Financial Activities)</b>	<b>78,826</b>	<b>23,943</b>
<b>Adjustments for:</b>		
Depreciation charges	5,046	5,227
Interest received	(1,197)	(1,203)
Decrease/(increase) in stocks	89	(223)
Decrease in debtors	75,520	29,707
Decrease in creditors	<u>(73,900)</u>	<u>(107,129)</u>
<b>Net cash provided by/(used in) operations</b>	<b><u>84,384</u></b>	<b><u>(49,678)</u></b>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1/4/20 £	Cash flow £	At 31/3/21 £
<b>Net cash</b>			
Cash at bank and in hand	<u>452,110</u>	<u>85,581</u>	<u>537,691</u>
	<u>452,110</u>	<u>85,581</u>	<u>537,691</u>
<b>Total</b>	<b><u>452,110</u></b>	<b><u>85,581</u></b>	<b><u>537,691</u></b>



## 1. 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.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties. The principal accounting policies adopted are set out below.

### **Incoming resources**

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.

### **Grants**

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

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

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

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

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

### **Resources expended**

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.

**1. ACCOUNTING POLICIES - continued**

**Resources expended**

Charitable expenditure comprises these costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

**Offsetting**

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

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

**Charitable funds**

**Unrestricted funds**

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

**Designated funds**

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

**Restricted funds**

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

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

**Tangible fixed assets**

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

Freehold land and buildings	- 2% straight line
Plant and machinery	- 10% and 20% reducing balance
Fixtures and fittings	- 10% reducing balance

The trustees have agreed to revalue the land and buildings owned by the charity every 5 years from October 2019. Depreciation has not been charged on the freehold land and buildings because due to their expected realisable value at the end of 50 years the Trustees consider the value of the depreciation charge to be insignificant.

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

**Stocks**

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

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

**Taxation**

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

**Financial instruments**

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

**Basic financial assets**

**Debtors**

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

**Basic financial liabilities**

**Creditors and provisions**

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

**Liabilities policy**

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

**Irrecoverable VAT**

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

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

1. ACCOUNTING POLICIES - continued

**Cash and cash equivalents**

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

**Pensions**

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

2. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	<u>3,828</u>	<u>2,647</u>

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Sale of books	7,861	10,408
Hire of Tŷ Newydd	<u>13,430</u>	<u>18,049</u>
	<u>21,291</u>	<u>28,457</u>

## Llenyddiaeth Cymru/Literature Wales

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

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#### 5. INVESTMENT INCOME

	2021	2020
	£	£
Interest receivable	<u>1,197</u>	<u>1,203</u>

#### 6. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Income from activities	24,838	214,332
Grants	<u>860,447</u>	<u>929,659</u>
	<u>885,285</u>	<u>1,143,991</u>

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

	2021	2020
	£	£
Arts Council of Wales	799,485	851,264
Welsh Assembly Government	1,000	5,000
Bardd Plant Cymru	10,000	10,000
Reading Friends	10,540	25,295
Other	<u>39,422</u>	<u>38,100</u>
	<u>860,447</u>	<u>929,659</u>

#### 7. RAISING FUNDS

##### Raising donations and legacies

	2021	2020
	£	£
Fundraising	23,709	26,368
Tŷ Newydd Operational	<u>9,033</u>	<u>23,613</u>
	<u>32,742</u>	<u>49,981</u>

## Llenyddiaeth Cymru/Literature Wales

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Grant funding of activities (see note 10) £	Support costs (see note 11) £	Totals £
Income from activities	<b>749,345</b>	-	<b>31,736</b>	<b>781,082</b>
Grants	-	<b>34,275</b>	-	<b>34,275</b>
	<b><u>749,345</u></b>	<b><u>34,275</u></b>	<b><u>31,736</u></b>	<b><u>815,357</u></b>

#### 9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Participation	<b>157,008</b>	247,001
Writer development	<b>109,658</b>	465,184
Wales literary culture	<b>296,679</b>	185,477
Operational costs	<b>186,000</b>	80,680
	<b><u>749,345</u></b>	<b><u>978,342</u></b>

#### 10. GRANTS PAYABLE

	2021 £	2020 £
Grants	<b><u>34,275</u></b>	<b><u>100,883</u></b>

The total grants paid to institutions during the year was as follows:

	2021 £	2020 £
Grants to organisations	<b>11,000</b>	30,443
Grants to individuals via organisations	<b>2,680</b>	9,440
Grants to individuals (Bursaries)	<b>20,595</b>	61,000
	<b><u>34,275</u></b>	<b><u>100,883</u></b>

**11. SUPPORT COSTS**

	Depreciation £	Governance costs £	Totals £
Income from activities	<u>5,046</u>	<u>26,690</u>	<u>31,736</u>

Support costs, included in the above, are as follows:

	2021 £	2020 £
Depreciation of fixed assets	5,046	5,227
Auditors' remuneration	7,500	8,622
Governance costs	15,669	14,650
Administrative costs	<u>3,521</u>	<u>2,669</u>
	<u>31,736</u>	<u>31,168</u>

**12. NET INCOME/(EXPENDITURE)**

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

	2021 £	2020 £
Auditors' remuneration	7,500	8,622
Depreciation - owned assets	<u>5,046</u>	<u>5,226</u>

**13. TRUSTEES' REMUNERATION AND BENEFITS**

No trustees received remuneration for the year ended 31 March 2021 (2020: £nil). However, payments were made to trustees and connected persons by Literature Wales for activities organised directly by Literature Wales or for activities supported by Literature Wales through Writers on Tour.

There were 3 board and committee members (2020: 3) who received fees totalling £1,100 (2020: £2,654).

**Trustees' expenses**

No travel expenses were reimbursed to the board members (2020: 6 board members) during the financial year (2020: £2,576).

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

**14. STAFF COSTS**

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

	<b>2021</b>	2020
Average number of employees	<u><b>18</b></u>	<u>20</u>

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

	<b>2021</b>	2020
£60,001 - £70,000	<u><b>1</b></u>	<u>1</u>

**Key management personnel**

The total benefits paid to key management personnel during the year was £156,060 - 4 key personnel (2020: £190,606 - 5 key personnel).

	<b>2021</b>	2020
	£	£
Gross Staff Costs	<b>486,619</b>	530,259
Employers National Insurance	<b>42,381</b>	45,926
Employers Pension Contributions	<u><b>18,469</b></u>	<u>12,725</u>
Total Staff Costs	<u><b>547,469</b></u>	<u>588,910</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

15. TANGIBLE FIXED ASSETS

	Freehold land and buildings £	Plant and machinery £	Fixtures and fittings £	Totals £
<b>COST</b>				
At 1 April 2020 and 31 March 2021	<u>2,219,446</u>	<u>3,020</u>	<u>50,217</u>	<u>2,272,683</u>
<b>DEPRECIATION</b>				
At 1 April 2020	1,349,446	2,108	23,079	1,374,633
Charge for year	-	91	4,955	5,046
At 31 March 2021	<u>1,349,446</u>	<u>2,199</u>	<u>28,034</u>	<u>1,379,679</u>
<b>NET BOOK VALUE</b>				
At 31 March 2021	<u>870,000</u>	<u>821</u>	<u>22,183</u>	<u>893,004</u>
At 31 March 2020	<u>870,000</u>	<u>912</u>	<u>27,138</u>	<u>898,050</u>

Arts Council of Wales has a legal charge over the properties held within fixed assets. These properties are Tŷ Newydd and Nant and Hafodty, Criccieth, Gwynedd.

16. STOCKS

	2021 £	2020 £
Stocks	<u>1,472</u>	<u>1,561</u>

17. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	47,500	131,256
Prepayments and accrued income	<u>18,995</u>	<u>10,759</u>
	<u>66,495</u>	<u>142,015</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2021	2020
	£	£
Trade creditors	104,106	144,498
Other creditors	39,164	45,052
Deferred income	<u>50,415</u>	<u>78,035</u>
	<u><b>193,685</b></u>	<u><b>267,585</b></u>

## Deferred Income:

	2021	2020
	£	£
Balance brought forward	78,035	129,303
Income received	64,888	184,779
Income released	<u>(92,508)</u>	<u>(236,047)</u>
	<u><b>50,415</b></u>	<u><b>78,035</b></u>

Contained within deferred income is £38,155 that relates to courses and trading, and £12,260 that relates to performance related grants received in advance.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds	Restricted funds	2021 Total funds	2020 Total funds
	£	£	£	£
Fixed assets	23,004	870,000	893,004	898,050
Current assets/(liabilities)	<u>331,784</u>	<u>80,189</u>	<u>411,973</u>	<u>328,101</u>
	<u><b>354,788</b></u>	<u><b>950,189</b></u>	<u><b>1,304,977</b></u>	<u><b>1,226,151</b></u>

Llenyddiaeth Cymru/Literature Wales

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

20. MOVEMENT IN FUNDS

	At 1/4/20 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
<b>Unrestricted funds</b>				
General fund	254,920	34,748	(71,030)	218,638
Glyn Jones Bequest	40,621	12,661	-	53,282
John Tripp Fund	4,580	-	-	4,580
Tŷ Newydd Bursaries	1,922	336	-	2,258
Fran Wen Fund	1,500	(1,500)	-	-
Tŷ Newydd Digital Courses	2,000	(2,000)	-	-
National Dance Fund	2,000	(2,000)	-	-
Legacy Fund	-	-	16,030	16,030
Pilot Activity Fund	-	-	20,000	20,000
Representing Wales - Aftercare	-	5,000	-	5,000
Tŷ Newydd Buildings	-	-	20,000	20,000
Tŷ Newydd Capital Reserve	-	-	15,000	15,000
	<b>307,543</b>	<b>47,245</b>	<b>-</b>	<b>354,788</b>
<b>Restricted funds</b>				
Bardd Plant Cymru	6,177	(3,328)	-	2,849
Dylan Day	662	-	-	662
Llen Pawb / Lit Reach	1,754	-	-	1,754
Reading Friends	7,491	(5,970)	-	1,521
Rhys Davies Trust	3,684	-	-	3,684
Roald Dahl 100	7,000	(1,000)	-	6,000
Weird & Wonderful Wales	1,142	-	-	1,142
Capital Development Fund	870,000	-	-	870,000
Jan Mark Bursary	5,870	-	-	5,870
Judi Thwaite Bursary	500	-	-	500
Literature & Health	14,328	-	-	14,328
Bridging the Gap (MIND)	-	6,252	-	6,252
Representing Wales (Lottery)	-	35,627	-	35,627
	<b>918,608</b>	<b>31,581</b>	<b>-</b>	<b>950,189</b>
<b>TOTAL FUNDS</b>	<b>1,226,151</b>	<b>78,826</b>	<b>-</b>	<b>1,304,977</b>

## Llenyddiaeth Cymru/Literature Wales

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	818,332	(783,584)	34,748
Glyn Jones Bequest	12,661	-	12,661
Tŷ Newydd Bursaries	336	-	336
Fran Wen Fund	-	(1,500)	(1,500)
Tŷ Newydd Digital Courses	-	(2,000)	(2,000)
National Dance Fund	-	(2,000)	(2,000)
Representing Wales - Aftercare	5,000	-	5,000
	<u>836,329</u>	<u>(789,084)</u>	<u>47,245</u>
<b>Restricted funds</b>			
Bardd Plant Cymru	10,000	(13,328)	(3,328)
Reading Friends	10,539	(16,509)	(5,970)
Roald Dahl 100	-	(1,000)	(1,000)
Bridging the Gap (MIND)	11,000	(4,748)	6,252
Representing Wales (Lottery)	59,056	(23,429)	35,627
	<u>90,595</u>	<u>(59,014)</u>	<u>31,581</u>
<b>TOTAL FUNDS</b>	<u>926,924</u>	<u>(848,098)</u>	<u>78,826</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

## 20. MOVEMENT IN FUNDS - continued

## Comparatives for movement in funds

	At 1/4/19 £	Net movement in funds £	At 31/3/20 £
<b>Unrestricted funds</b>			
General fund	203,026	51,894	254,920
Glyn Jones Bequest	57,280	(16,659)	40,621
John Tripp Fund	6,580	(2,000)	4,580
Tŷ Newydd Bursaries	4,078	(2,156)	1,922
Fran Wen Fund	-	1,500	1,500
Tŷ Newydd Digital Courses	-	2,000	2,000
National Dance Fund	-	2,000	2,000
	<u>270,964</u>	<u>36,579</u>	<u>307,543</u>
<b>Restricted funds</b>			
Bardd Plant Cymru	7,501	(1,324)	6,177
Dylan Day	662	-	662
Llen Pawb / Lit Reach	9,916	(8,162)	1,754
Reading Friends	5,087	2,403	7,491
Rhys Davies Trust	3,684	-	3,684
Roald Dahl 100	8,814	(1,814)	7,000
Weird & Wonderful Wales	3,532	(2,389)	1,142
Capital Development Fund	870,000	-	870,000
Jan Mark Bursary	5,870	-	5,870
Judi Thwaite Bursary	500	-	500
Literature & Health	14,328	-	14,328
Young Peoples Laureate	1,350	(1,350)	-
	<u>931,244</u>	<u>(12,636)</u>	<u>918,608</u>
<b>TOTAL FUNDS</b>	<u>1,202,208</u>	<u>23,943</u>	<u>1,226,151</u>

## Llenyddiaeth Cymru/Literature Wales

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 20. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,106,991	(1,055,097)	51,894
Glyn Jones Bequest	13,341	(30,000)	(16,659)
John Tripp Fund	-	(2,000)	(2,000)
Tŷ Newydd Bursaries	369	(2,525)	(2,156)
Fran Wen Fund	1,500	-	1,500
Tŷ Newydd Digital Courses	2,000	-	2,000
National Dance Fund	2,000	-	2,000
	<u>1,126,201</u>	<u>(1,089,622)</u>	<u>36,579</u>
<b>Restricted funds</b>			
Bardd Plant Cymru	11,530	(12,854)	(1,324)
Llen Pawb / Lit Reach	13,300	(21,462)	(8,162)
Reading Friends	25,295	(22,892)	2,403
Roald Dahl 100	-	(1,814)	(1,814)
Weird & Wonderful Wales	4,250	(6,639)	(2,389)
Young Peoples Laureate	3,741	(5,091)	(1,350)
	<u>58,116</u>	<u>(70,752)</u>	<u>(12,636)</u>
<b>TOTAL FUNDS</b>	<u><u>1,184,317</u></u>	<u><u>(1,160,374)</u></u>	<u><u>23,943</u></u>

## Llenyddiaeth Cymru/Literature Wales

### Notes to the Financial Statements - continued for the Year Ended 31 March 2021

#### 20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/4/19 £	Net movement in funds £	Transfers between funds £	At 31/3/21 £
<b>Unrestricted funds</b>				
General fund	203,026	86,642	(71,030)	218,638
Glyn Jones Bequest	57,280	(3,998)	-	53,282
John Tripp Fund	6,580	(2,000)	-	4,580
Tŷ Newydd Bursaries	4,078	(1,820)	-	2,258
Legacy Fund	-	-	16,030	16,030
Pilot Activity Fund	-	-	20,000	20,000
Representing Wales - Aftercare	-	5,000	-	5,000
Tŷ Newydd Buildings	-	-	20,000	20,000
Tŷ Newydd Capital Reserve	-	-	15,000	15,000
	<u>270,964</u>	<u>83,824</u>	<u>-</u>	<u>354,788</u>
<b>Restricted funds</b>				
Bardd Plant Cymru	7,501	(4,652)	-	2,849
Dylan Day	662	-	-	662
Llen Pawb / Lit Reach	9,916	(8,162)	-	1,754
Reading Friends	5,087	(3,567)	-	1,520
Rhys Davies Trust	3,684	-	-	3,684
Roald Dahl 100	8,814	(2,814)	-	6,000
Weird & Wonderful Wales	3,532	(2,389)	-	1,143
Capital Development Fund	870,000	-	-	870,000
Jan Mark Bursary	5,870	-	-	5,870
Judi Thwaite Bursary	500	-	-	500
Literature & Health	14,328	-	-	14,328
Young Peoples Laureate	1,350	(1,350)	-	-
Bridging the Gap (MIND)	-	6,252	-	6,252
Representing Wales (Lottery)	-	35,627	-	35,627
	<u>931,244</u>	<u>18,945</u>	<u>-</u>	<u>950,189</u>
<b>TOTAL FUNDS</b>	<u>1,202,208</u>	<u>102,769</u>	<u>-</u>	<u>1,304,977</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

## 20. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	1,925,323	(1,838,681)	86,642
Glyn Jones Bequest	26,002	(30,000)	(3,998)
John Tripp Fund	-	(2,000)	(2,000)
Tŷ Newydd Bursaries	705	(2,525)	(1,820)
Fran Wen Fund	1,500	(1,500)	-
Tŷ Newydd Digital Courses	2,000	(2,000)	-
National Dance Fund	2,000	(2,000)	-
Representing Wales - Aftercare	5,000	-	5,000
	<u>1,962,530</u>	<u>(1,878,706)</u>	<u>83,824</u>
<b>Restricted funds</b>			
Bardd Plant Cymru	21,530	(26,182)	(4,652)
Llen Pawb / Lit Reach	13,300	(21,462)	(8,162)
Reading Friends	35,834	(39,401)	(3,567)
Roald Dahl 100	-	(2,814)	(2,814)
Weird & Wonderful Wales	4,250	(6,639)	(2,389)
Young Peoples Laureate	3,741	(5,091)	(1,350)
Bridging the Gap (MIND)	11,000	(4,748)	6,252
Representing Wales (Lottery)	59,056	(23,429)	35,627
	<u>148,711</u>	<u>(129,766)</u>	<u>18,945</u>
<b>TOTAL FUNDS</b>	<u>2,111,241</u>	<u>(2,008,472)</u>	<u>102,769</u>

**RESTRICTED FUNDS**

Literature Reach is a programme which provides opportunities for literature to benefit the health and wellbeing of the most disadvantaged and vulnerable individuals in our communities. It is funded by Arts Council Wales and the participating Local Authorities.

Literature and Health includes various grants received for promoting health and wellbeing through literature.

Young People's Laureate includes funds received for international activities for the Laureate. The balance has been allocated to Children's Laureate Wales activity during the year.

Rhys Davies Trust – Literature Wales received a grant from The Rhys Davies Trust for various activities including community workshops in South Wales.

Bardd Plant Cymru – Literature Wales receives annual funding from Welsh Government and S4C towards this project, which is the Welsh-language Children's Post Laureate.



**20. RESTRICTED FUNDS - continued**

Capital Development Fund – funded the purchase and substantial improvement works on the freehold properties. The value of the properties reflected in the accounts reflect the market value. The Arts Council of Wales (ACW) has a legal charge over the properties until April 2031. Should the charity sell or change its use of the properties the charity would be required to repay ACW's original investment of £1,010,192.

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

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

Reading Friends Funding was provided by the Reading Agency for a befriending project to connect older people and people with dementia by starting conversations through reading.

Roald Dahl 100 funding was provided for specific projects surrounding the Roald Dahl centenary. The remaining balance is to be spend on supporting legacy activities with young people across Wales.

Weird and Wonderful Wales funding was provided for a tour of Wales exploring myths and legends and includes funds received from sales of merchandise that will be earmarked for activities with target clients and communities.

Dylan Day funding was awarded by the Welsh Government to run events in celebration of Dylan Thomas' birth following the centenary in 2014.

Representing Wales – a 12 month professional writer development programme for writers of colour launched in 2020-21 funded by the Lottery through the Arts Council of Wales. The programme aims to support a cohort of 12 writers in developing their professional career as a writer.

Bridging the Gap – Funding from Newport Mind through Comic Relief to provide support to young people with mental health conditions.

**DESIGNATED FUNDS**

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

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

John Tripp Fund – A reserve set aside to assist writer development; and

Tŷ Newydd Bursaries – A reserve set aside to assist writer development.

Representing Wales – Aftercare – A designated fund created to support the 2021 cohort of Representing Wales once the programme comes to an end.

**20. DESIGNATED FUNDS - continued**

Tŷ Newydd Buildings – in order to ring-fence funds to respond to unforeseen repairs or maintenance costs as well as large scale conservation or renovation work at Tŷ Newydd. This is not for ongoing or planned maintenance or repair work, or for work which may be covered by an insurance claim.

Tŷ Newydd Capital Development – Combined with the Capital Development Reserve (Restricted Fund), Directors aim to hold sufficient funds to meet the requirements to repay the ACW grant awarded to develop Tŷ Newydd in 2005, should it default on any of the conditions of the Legal Charge or Grant Agreement. This agreement comes to an end on 3 April 2031, after which any funds remaining will be transferred to General Unrestricted Reserves.

Pilot Activity Fund – to allow LW to pilot new activity and partnership in a low risk manner. Directors have created a new fund which will allow staff to pursue new opportunities and continue to extend the organisation's reach.

Legacy Fund – to allow LW to extend activity or support partner organisations in taking ownership of projects.

**21. EMPLOYEE BENEFIT OBLIGATIONS**

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

The charge to the income and expenditure account in respect of defined contribution schemes was £18,469 (2020 - £12,725).

**22. RELATED PARTY DISCLOSURES**

Details of trustee remuneration and benefits are disclosed in note 13.

**23. COMPANY STATUS**

The organisation is a company limited by guarantee. The guarantors are the trustees as set out on page 43.

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