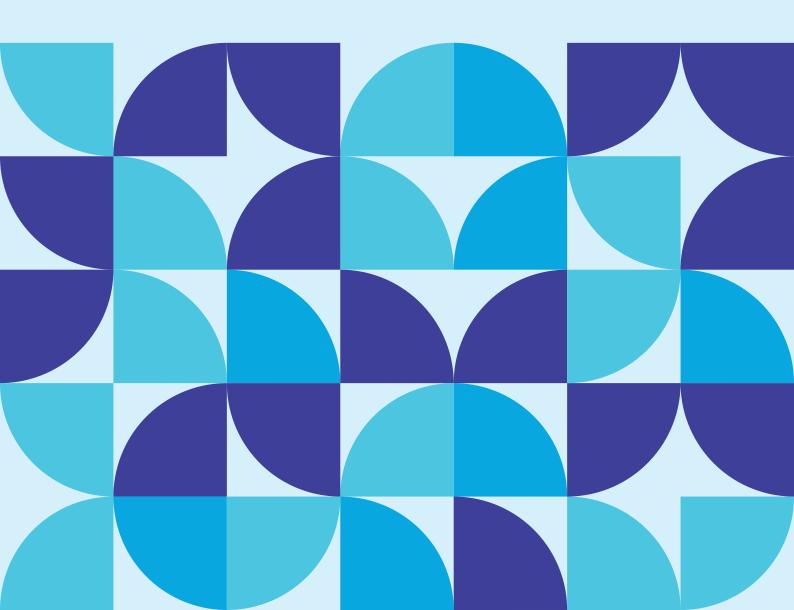


Annual Report

Books Council of Wales



Contact us

Books Council of Wales Castell Brychan Aberystwyth SY23 2JB

01970 624 151 post@books.wales books.wales

Our services

ffolio

Your favorite books from Wales available to buy in digital formats – with your purchase supporting local bookshops.

, ffolio.wales

The Distribution Centre

Home to around a million books – distributing Wales' best books to shops throughout Wales and beyond.

, books.wales

Editorial & Design

Design and editing services for publishers across Wales offering advice and expertise.

, books.wales

gwales.com

Order books online to be delivered to your home, and choose a bookshop to support.

, gwales.com



OUR VISION

We want a Wales where each one of us has found the right book; the words that inspire, educate, heal, or simply delight us.

Wales: A Reading Nation Strategic Plan 2022–27



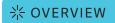
4 Reviewing the year Annual Report 24–25

Expressing appreciation over a difficult year



A word from the Chair Linda Tomos, Chair of the Board

This has been a particularly challenging year for the Books Council of Wales and our partners.



The decrease of 10.5% in our annual budget was very difficult to manage and I would like to express our appreciation as a Board of Trustees for the hard work and skill shown by our staff led by Helgard to address the subsequent issues. Despite this difficult context, we have continued to deliver support

to the publishing industry which has once again produced very high-quality books in both English and Welsh for people in Wales. The New Audiences Fund has continued to provide opportunities for new and existing authors and publishers to explore innovative directions for their work. It was particularly

heartening to learn more about the success of the New Audiences Fund at an event held in Wrexham where Rebecca Evans MS, Cabinet Secretary for Economy, Energy and Planning was able to meet participants and discuss their projects.

These achievements would not have been possible without the active support of Jack Sargeant MS, Minister for Culture, Skills and Social Partnership, and the positive relationship which has continued with civil servants in Creative Wales and Welsh Government Culture Division. I know that I speak for all my fellow Trustees in sincerely thanking them for their contribution to the success of the Books Council's work. The contribution and interest of the Cabinet Secretary for Education, Lynne Neagle MS has also been invaluable in supporting the Book Council's relationship with Welsh schools to encourage all children to enjoy reading. This includeses Rhyngom – our special project to publish more books for young readers that represent the culture, people and history of the whole of Wales, and that celebrate and promote diversity.

During the year, the Board was delighted to welcome Professor Angharad Price to join us as a Trustee. Angharad is Professor of Welsh and Creative Writing at Bangor University and is the author of several novels, essays and scholarly works on Welsh literature. As Chair, I would like to also sincerely thank a longstanding Board member, Professor Jane Aaron who has provided an immense contribution to the work of the Books Council over the years and to wish her well in future endeavours. Jane is a distinguished scholar who has provided wise counsel to me and others who have benefitted from her friendship.

Once again, the highlights of this past year are numerous, and I encourage you to read this Annual Report. I'm sure that you will be as impressed as I was by the breadth of work that has been accomplished despite the challenging financial constraints. The Books Council continues to play a vital role in terms of providing expert advice, maintaining the quality of the books supported and connecting books with readers. However, there needs to be an acknowledgement that this unique expertise can only be sustained and extended through the maintenance of a core budget which is commensurate with the expectations of the industry and the public that high quality publications and services will continue to be supported and produced.

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Finally, as Chair, I have greatly benefitted from the input of many colleagues. I would like to sincerely thank all our supporters, volunteer members of the panels, Friends of the Books Council, and my fellow Trustees who have given their time and expertise to enable us to achieve more. Without the dedication of the staff who ensure that our work flourishes under Helgard's leadership and our many partners in Government, local authorities and the publishing industry, we would not have succeeded in achieving the outputs and results outlined in this report. I really look forward to working with you all as we move forward.

With my very best wishes,

Linda

A year of prioritising and making difficult choices



Reflecting over the year Helgard Krause, CEO Annual Report 24–25 Reviewing the year 7



Books are powerful vessels of knowledge and cultural identity, and we believe that investing in publishing is not just about books, it is about preserving our heritage, empowering communities, and building a stronger future.

Our vision for a Wales as a nation of readers empowered by knowledge is reflected in the multitude of activities we delivered during this last financial year.

However, a 10.5% cut in our budget, after over a decade of standstill funding, meant prioritising and making difficult choices; consultation with publishers and booksellers was key to achieving temporary workable solutions but the challenges we as a charity and a sector made up of micro-enterprises face, remain very stark. Market conditions in Wales are difficult: dramatically reduced multi-book sales to institutions such as schools, libraries and the early years sector due to shrinking public budgets; less discretionary spending by consumers on books and magazines; and ever-increasing competition from the entire UK book sector, are set against dramatically increased production and distribution costs.

And yet, against this backdrop we also delivered the final year of

one of the most transformative strategic interventions in recent years, the New Audiences Fund, which started a process of systemic change which otherwise would not have been possible. As our showcase in Wrexham and impact report clearly demonstrated we were able to connect with more diverse communities, making a real difference and enabling change at a grass-roots level. We are hopeful that based on our evidence we will be able to secure further project funding in the future.

We also had the opportunity to propose a significant expansion of our Reading Promotion activities, by submitting an ambitious three-year plan to Welsh Government's Education Department, which was subsequently approved, and we are looking forward to working in partnership with Welsh Government to turn a spotlight on the transformative power of reading for pleasure.

This last year also saw the arrival of a new literary journal. *Folding Rock*

was launched to much acclaim in March, having successfully secured the franchise until March 2028, and we look forward to the venture flourishing and providing an important platform for writers in Wales.

Having secured additional funding, we were delighted to be able to showcase Wales and its tremendous talent by exhibiting at Frankfurt Book Fair with 17 publishers from Wales participating, and to be able to support Cyhoeddi Cymru / Publishing Wales to have a presence at London International Book Fair and the Children's Books Fair in Bologna. We also took a lead role in developing and submitting an application to UNESCO to secure the prestigious status of City of Literature for Aberystwyth & Ceredigion; we expect to hear of the outcome in autumn 2025.

In compiling evidence during a very intense year of lobbying for a better settlement for the sector, we can demonstrate that our sector has experienced a real terms cut of 40% over the last decade; that is substantially less well funded than Scotland, Ireland or any of the smaller European nations. Never are the generous contributions of trustees and volunteers more needed than during tumultuous times and I am deeply indebted to them all for the support and advice my team and I had over the last year. I would also like to pay tribute to all my colleagues, who worked tirelessly to secure reasonable outcomes during the most challenging times. A special thank you should also go to the formidable management team with whom I have the pleasure of leading our organisation - none of it would be possible without them.

The publishing sector makes an important contribution to many Welsh Government policies. However to achieve our vision of Wales as a Nation of Readers and to improve PISA ratings and literacy ratings in Wales, we need a publishing sector that is adequately funded to ensure its resilience and enable it to thrive. We want to see publishers producing quality books for readers of all ages, life stages and interests that authentically reflect our realities here in Wales. Our main focus as the Books Council in the coming year is to make the case for investment in our sector. In addition to making significant contributions to almost all of the Well-being Goals, this is a sector that has also passionately committed to serving readers in Wales over many years.



Reviewing the year



※ PUBLISHING

Folding Rock magazine receives £80,000 annual funding

In September we announced that *Folding Rock*, a new venture by writer, editor and creative producer Kathryn Tann, and editor and designer Robert Harries, was the recipient of £80,000 of annual funding to publish a new literary magazine from Wales.

Folding Rock: New Writing from Wales and Beyond will provide a platform for new and established writers, celebrating Welsh writing in English. Its aim to champion and celebrate the best emerging and established Welsh and Wales-based writers goes to the heart of our work at the Books Council – strengthening the publishing industry in Wales by creating opportunities for the next generation of authors to hone their craft.

The first issue of *Folding Rock* was published in March 2025, and it will be published three times a year, with digital content alongside the

print magazine. You can find out more at **foldingrock.com**.

This funding will be available up to March 2028, following the advertisement of an open tender for a new English-language literary magazine in March 2024.

Four other publications received funding as part of the English-language Cultural Periodicals funding franchise for the same period: *Nation. Cymru*, *Poetry Wales*, *The Paper* and *The Welsh Agenda*.





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Wales on the world stage

Publishers and partners from Wales offering a Welsh publishing presence at the Frankfurt, Bologna and London book fairs.

Wales in Frankfurt

- 17 publishers and partners from Wales attending the fair
- 230,000 visitors attended the fair over a period of five days
- 4,300 exhibitors
- 92 countries present

We were pleased to secure funding from Welsh Government via Creative Wales this year to showcase the very best of books and content from Wales at international book fairs in London, Bologna and Frankfurt. Wales-based publishers had the opportunity to meet representatives from other creative industries, such as film and games, as well as other publishers, to discuss collaborations, rights and licensing, and build relationships.

We co-ordinated Wales' presence at Frankfurt Book Fair in October, the largest content fair in the world. 17 publishers and partners from Wales attended, and the five-day event attracted around 230,000 visitors with 4,300 exhibitors from 92 countries.

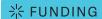
The Wales presence at London and Bologna book fairs was managed by Cyhoeddi Cymru / Publishing Wales.

New Audiences Fund reaches £1.5m



R. Arwel Jones Head of Publishing Development

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The challenges faced in the sector in 2024 mean that New Audiences funding has been of vital help to the publishing industry

Visit the Book Council of Wales' website for more information on the New Audiences Fund:

books.wales

We would like to thank Creative Wales and Welsh Government for their support for this transformative fund, which has the potential to continue to create lasting change in our publishing sector for the benefit of all of Wales.

2024 saw a third year of New Audiences grants, and in June we announced the recipients who would share £500,000 of additional funding to support over 40 projects across Wales. This year, applications were invited under three themes: book promotion and marketing programmes that reach new readers in Welsh and English; provide opportunities to new voices in news services and popular magazines; and develop and publish new content that represents Wales in all its diversity.

The challenges we faced as a sector in 2024 meant that this year more than ever, New Audiences funding has been a crucial support for the publishing industry during difficult times. It supported yet more fresh ideas and new voices, but it also enabled projects that started out as pilots or start-ups under the scheme to grow and reach their full potential.

When we established the fund, we were looking for projects that would be catalysts for lasting change in our sector: creating opportunities,

increasing representation and supporting businesses. Three years and £1.5million later, we can look back on over 100 projects across Wales. But the stories behind these figures are more important still as we see how the grants have created jobs, supported fair pay, facilitated collaboration, mentored new voices and enabled the publication of new cultural materials.

In February 2025 we held a celebration event at Tŷ Pawb in Wrexham, inviting past and present recipients to discuss their projects, achievements and challenges in reaching new audiences in Wales. We were very pleased to welcome the Cabinet Secretary for the Economy, Energy and Planning, Rebecca Evans MS, as we reflected on the impact of the investment and exchanged ideas for the future.



Stars of the Shelves

Over 5,000 children across Wales have the opportunity to meet an author



Thanks to funding from Welsh Government's Culture Division, 5,170 children across Wales were able to meet up with popular children's authors in a series of special workshops held in their local libraries.

A recent research report from the National Literacy Trust found that: "More children and young people who had experienced an author visit said that they enjoyed reading in their free time compared with their peers who hadn't had a visit (58.6% vs. 39.3%)."

The Stars of the Shelves scheme was formed as a partnership to bring children out of the classroom and into their local library, working with authors in creative workshops to celebrate books and inspire reading.

Between January and March 2025, workshops were held at 74 libraries with over 30 authors, including Robin Bennett, Claire Fayers, Mari Lövgreen and Siôn Tomos Owen.

Launching a new resource pack to support teachers



October saw the launch of a new set of school resources specially created to support teachers to embed reading for pleasure in the classroom, across all age groups and key stages. The Celebrate Reading Pack has been developed following feedback from teachers on how we could support them to make reading for pleasure part of

daily school life: developing literacy, language skills and empathy, and delivering the Curriculum for Wales. The packs include activities and ideas for all key stages, as well as progression steps to help young readers of all ages discover a love of reading.

Annual Report 24-25 15 Reviewing the year

Launching a brand new podcast

※ PROMOTION

Watch and listen to the Sut i Ddarllen podcast:











Over six episodes of our new Welshlanguage podcast, Sut i Ddarllen (How to Read) our Reading Promotions Officer, Francesca Sciarrillo, was joined by a range of special guests to discuss reading, its influence and the impact it can have on our daily lives, as well as books of all kinds. Among the guests sharing their memories and reading recommendations are Siôn Tomos Owen, Kayley Roberts and Manon Steffan Ros.

Francesca explains the choice of name 'Sut i Ddarllen': "I'm such a bookworm myself and when we were planning this podcast, we wanted to include certain themes in each episode that reflected the different relationships we all have with reading. We discussed how to return to reading - maybe if you hadn't enjoyed reading growing up

and wanted to give it another go or how to find the right book for you, or even how to make time for reading in our busy lives - the word 'how' just kept coming up in all our ideas! So, while it's quite a playful title, I love it because for me, once you discover how you can make books and reading part of your life, it can change everything for you."

Sut i Ddarllen is available on all podcast platforms. Francesca's guests in series one are: Siôn Tomos Owen, Kayley Roberts, Manon Steffan Ros, Sara Yassine, Joe Healy, and Dr Eirini Sanoudaki. A second series will follow next year.



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Rhyngom project boosts number of books celebrating diversity for children and young people

Rhyngom is a three-year, £810,000 project, funded by Welsh Government's Education Department and Adnodd. Its aim is to publish more reading books for pleasure that celebrate and promote diversity, for children and young people.

The funding has enabled us to commission 20 brand-new original books in Welsh and English, as well as the adaptation of 28 English-language books into Welsh, to create books that reflect more of our stories, people and communities.

We're very grateful to our many partners who have contributed their experience and expertise to this project, and we celebrated the first milestone this year as the 20 original books commissioned in Welsh and English were published.

The new books include works by first-time writers as well as established authors. One of the main aims of commissioning original Welsh- and Englishlanguage books as part of the scheme was to ensure publishing opportunities for authors and illustrators from a range of underrepresented backgrounds and communities, and some new authors were supported to work with a mentor or to co-author with a more experienced writer.

The second phase of this project is to publish Welsh adaptations of 28 English titles that promote and celebrate diversity – some of

which have won awards such as the Diverse Book Award, and which include books by Malorie Blackman and Benjamin Zephaniah. We're producing educational resources to accompany all 48 titles and every state school in Wales will receive a free supply of the books and the educational resources for use in the classroom by autumn 2025. Every book published as part of the scheme has been endorsed by Welsh Government.

For more information about the Rhyngom project, contact the Children's Books and Reading Promotion Department:

children@books.wales



"

I am delighted, and thank you from the bottom of my heart for the honour.

It means the world to me.

Bethan Gwanas



Honoring Bethan Gwanas with the Mary Vaughan Jones Award

In November we awarded the 2024 Mary Vaughan Jones Award to Bethan Gwanas, in recognition of her outstanding contribution to children's literature. This award, which is presented every three years, was established in 1985 to commemorate Mary Vaughan Jones' significant and unique contribution

to children's literature, and it is the highest accolade in the field of children's books in Wales. A special celebration was held at Glan-Llyn in Llanuwchllyn in November to present the award to Bethan in the company of family and friends from the publishing industry.

Recent past-winners of the award:

2021 - Menna Lloyd Williams

2018 - Gareth F. Williams

2015 - Siân Lewis

2012 - Jac Jones

2009 – Angharad Tomos



New awards to celebrate the best of book covers

The Children's Book Cover of the Year Awards is a pilot scheme to highlight the illustration and design talents in Wales.

This year we launched our Wales Children's Book Cover of the Year Awards, with the help of our Young People's Panel. The awards were established to celebrate and recognise the contribution of illustrators and designers in bringing stories to life, and creating eye-catching, attractive books that appeal to young readers.

There are two categories – Englishlanguage Book Cover and Welshlanguage Book Cover. The eight shortlisted books were selected by members of our Young People's Panel and the winners were chosen by an online public vote.



I am very proud to win this wonderful new award. I am delighted that this award has been set up to celebrate cover designs.

Jane Matthews Winner of the English-language category



What an honor to hear that this little winter book has been chosen to win the prize!

Lily Mŷrennyn Winner of the Welsh-language category

English-language Shortlist

The Song that Sings Us Firefly

Illustration: Jane Matthews Design: Becka Moor Author: Nicola Davies

Ceri a Deri: 1,2,3 *Graffeg* Illustration: Max Low

Design: Joana Rodrigues,

Graffeg

Author: Max Low

Lilly & Myles: The Torch

Graffeg

Illustration: Hannah Rounding Design: Joana Rodrigues,

Graffeg

Author: Jon Roberts

Tapper Watson and the Quest for the Nemo Machine

Firefly

Illustration: Becka Moor Author: Claire Fayers

Welsh-language shortlist

Mynd i Weld Nain Y *Lolfa* Illustration: Lily Mŷrennyn Design: Richard Pritchard

Author: Delyth Jenkins

Ac Rwy'n Clywed Dreigiau / And I Hear Dragons Firefly Illustration: Eric Heyman

Design: Becka Moor Golygydd: Hanan Issa

Diwrnod Prysur

Gwasg Carreg Gwalch Illustration and Design: Huw Aaron

Author: Huw Aaron

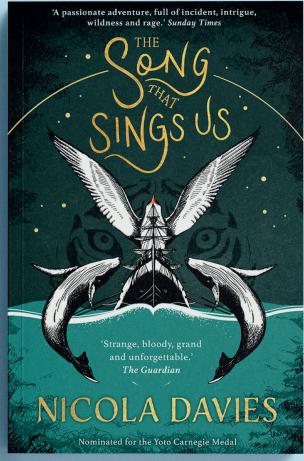
Mwy o Straeon o'r Mabinogi Rily

Illustration: Valériane Leblond

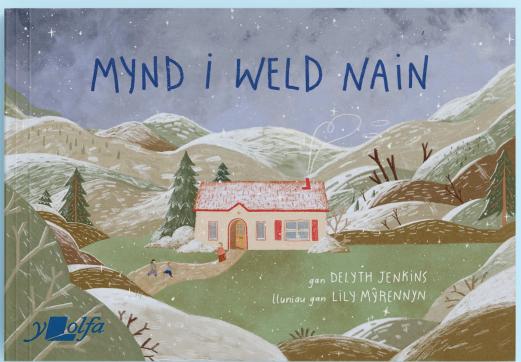
Design: Gwasg Rily Author: Siân Lewis



WINNER



WINNER



Our year in numbers

The numbers behind our stories

549,539

books sent out by Distribution Centre

INDUSTRY

62

volunteers on our Board, panels and subcommittees

VOLUNTEERING

24,966kWh

electricity generated by solar panels

SUSTAINABILITY

536

shops in Wales serviced

INDUSTRY

5,170

children took part in Stars of the Shelves author workshops

READING PROMOTION

90

English-language books supported with grants

PUBLISHING

145

Welsh-language books supported with grants

PUBLISHING

£500,000

distributed through New Audiences Fund 3

FUNDING

27,207

children aged 4–11 took part in the Summer Reading Challenge in Wales

READING PROMOTION

16

Welsh-language magazines supported with grants

PUBLISHING

171/2

job posts supported through grants

SUSTAINING JOBS

5

English-language magazines supported with grants

PUBLISHING

Contact us

Books Council of Wales Castell Brychan Aberystwyth SY23 2JB

01970 624 151 post@books.wales books.wales

Registered Charity Number 1192269





ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

Registered Charity: 1192269

www.books.wales

CYNGOR LLYFRAU CYMRU / BOOKS COUNCIL OF WALES CONTENTS

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CYNGOR LLYFRAU CYMRU – THE BOOKS COUNCIL OF WALES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

The trustees present their report, together with the accounts for the year ending 31 March 2025.

Main Aims and Activities of the Charity

- To encourage and support the book industry in Wales by awarding grants and otherwise;
- To encourage, promote and assist the production and distribution of books and other recorded literary and artistic material howsoever recorded (whether by known means or by means as yet unknown) in the two official languages of Wales, Welsh and English, or which are of Welsh interest;
- To organise events to support the promotion of books, reading and the book sector as a whole;
- To encourage and promote the publication of such books and other material in Wales.

Public Benefit Declaration of Interest

The Executive Committee have considered their duty in accordance with Section 17 of the Charities Act 2011 regarding Public Benefit. They are satisfied that the charity's activities during the year, as described in this report, are in accordance with these criteria. The core aim of Cyngor Llyfrau Cymru – The Books Council of Wales is to provide benefit to the readers of Wales – in both languages.

Administrative details

Bank

Name of Charity Cyngor Llyfrau Cymru – The Books Council of Wales

Registered Charity 1192269
Registered Address Castell Brychan

Aberystwyth Ceredigion SY23 2JB

Auditors Llŷr James

Chartered Certified Accountants & Registered Auditors

25 Bridge Street Carmarthen SA31 3JS HSBC plc

Harford Square Lampeter Ceredigion

SA48 7DU

Chief Executive Helgard Krause Investments Broker BlackRock

12 Throgmorton Avenue

London EC2N 2DL

Trustees

The Books Council of Wales, as a Charitable Incorporated Organisation, is governed by the Board of Trustees which includes the Chair, Vice Chair and Trustees and up to 12 members. Trustees are elected to serve for a term of 4 years with an option of an additional second term of 4 years. The chair is elected annually by the Board of Trustees. An Annual General Meeting is held in the summer where the membership receives the accounts and annual report.

The Trustees for 2024/25 are:

Mrs Linda Tomos Chair

Mrs Rona Aldrich Vice Chair

Mr Alfred Oyekoya Treasurer

Professor Jane Aaron End of term – 12/2024

Mrs Meinir Ebbsworth

Mrs Alwena Hughes Moakes

Ms Lowri Ifor

Professor Carwyn Jones

Professor Angharad Price Appointed 27/01/2025

Ms Ruth Thomas

Professor M. Wynn Thomas

Dr Caroline Owen Wintersgill

CYNGOR LLYFRAU CYMRU - THE BOOKS COUNCIL OF WALES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Constitution

Cyngor Llyfrau Cymru – The Books Council of Wales's governing instrument is a written constitution. Cyngor Llyfrau Cymru – The Books Council of Wales was transferred into a Charitable Incorporated Organisation on 1 April 2021.

The Council and its Committees

The Books Council is governed by a Board of Trustees who are appointed under the terms of its Constitution. The Board of Trustees appoints members to specialist subcommittees which report to the Board of Trustees. An open advertising process is fair and transparent, in line with best practice, for all available positions on the Board and subcommittees.

A Summary of the Year -

This last financial year has been one of the most challenging periods the current management team of the Books Council has experienced, and it is evidenced by the loss detailed in the accounts. The position was inevitable given the devastating cuts which followed a decade of standstill funding compounded the pressures brought by a weak consumer demand and a lower than ever institutional spending on books. Added to this, severe rises in distribution and production costs as well as wage costs, the Books Council and the publishing sector found itself facing a perfect storm. Whilst we were grateful to receive a small additional in-year grant from Welsh Government to help with wages, we were very disappointed that another round of New Audiences Funding was not made available at the end of the year. The management team is now considering all options to put in place a plan to mitigate against further losses and is expected to present the Board of Trustees with a plan in the next board meeting.

In September 2024 we held a crisis summit with publishers to discuss a strategy to lobby government for better support and potential further cuts. It was pleasing to see publishers come together and mount a successful campaign, highlighting the real risks to the already fragile ecosystem that is publishing in Wales. There is no doubt that it was our continued efforts, including giving detailed evidence to the Culture Committee in October, together with a very public campaign that led to an improved settlement announcement for the following year, which succeeded in getting funding back to 2023/24 levels.

A welcome, albeit very late, decision by Welsh Government to support Frankfurt Book Fair once more brought its own challenges, but it was pleasing to deliver a successful event with a new stand in a new location, which took on board previous feedback for improvements.

The theme of unprecedented challenges continued further into the pre-Christmas period with weaker than anticipated sales and the announcement by the Welsh Government education department of a complete overhaul of their funding arrangements for reading promotion activities. We had six working weeks, interrupted by the Christmas break, to prepare a brand-new application for increased multi-year funding. We were delighted to be awarded the full amount for a much-extended programme in what turned out to be a very competitive process. The Children's Books and Reading Promotion Programme will be much strengthened, and we will be able to increase our programme provisions to support literacy improvements and contribute to addressing the very poor PISA results.

We were delighted that the Prif Weinidog visited Aberystwyth to meet with the steering group leading the bid for Aberystwyth and Ceredigion City of Literature. Her enthusiastic support for the project was very welcome and we were delighted to be able to inform her in March that we had successfully

cleared the first hurdle to win against other bids. It was pleasing to hear that our application was not only accepted and put forward by the UNESCO British Committee, but it also received excellent scores and high praise from the assessor. We now await the outcome of further external assessments and anticipate an announcement in autumn 2025.

Business Developments

Having completed a full year in the Distribution Centre on the new IT system, we are beginning to see real efficiencies with regard to our processes; more importantly, we are able to respond positively to the ever-increasing demands from trade customers, and especially online retailers. Our integration with industry-standard data and distribution systems has produced a seamless workflow which also meets customer and consumer demands with real-time reporting on distribution and delivery status of orders. Moving from a paper-based picking system to scanners has significantly cut our error rates, which will be further improved by using a 'scan to box' system helping to cut down on enquiries and costly returns.

On the finance reporting side, the implementation has been more challenging, in part due to the loss of a key staff member (Head of Corporate Services) during a key stage of the implementation. This was further compounded by a severe cut to our budgets which led to further capacity issues, slowing down implementation and also the inevitable fix requirements. In view of the experience, we are continuing to review and make changes where necessary, both systemic and operational, which have included moving the AGM date to September, beginning in 2026.

Improving the carbon footprint of the organisation continues to be a priority and we are looking to invest further in battery storage, thanks to a capital grant from Welsh Government, as well as continuing to prioritise paper-based packing materials wherever possible. We have also moved one of our fleet cars to electric and we are considering the feasibility to extend this to other vehicles.

Publishing Development Highlights

A brand-new literary magazine, *Folding Rock*, was the successful applicant for the new franchise, and they held several successful launches for the first issue which was widely praised for the quality of its content and production value. We look forward to seeing further developments over the franchise period which will strengthen the publishing ecosystem by giving an important new platform to new and established writers in Wales.

It has been universally acknowledged that the Welsh-language novel is experiencing something of a golden age in terms of quality, themes, variety and output, and it is pleasing to witness the commitment of both writers and publishers to respond positively to our strategic priorities without having to curtail their creativity and editorial independence.

With the consumer market at its most challenging in years for English-language independent publishers across Britain, it was encouraging to witness the transformation of Seren Books under the new leadership of Bronwen Price whilst one of Graffeg Poetry titles, *Choose Love*, won a Carnegie award.

After three rounds of New Audiences funding specifically aimed at making the publishing sector and its output in Wales fairer in its representation, the findings of the impact report were that we supported over 100 projects which created 117 jobs, of which 75 were early career opportunities, and 113 new publications were also commissioned. The project funding enabled participants to take the kind of risk that is not possible when working on purely commercial terms but are vital in breaking down barriers and instigating real systemic change.

We are delighted to have confirmation of another round of programme funding of the Reading Well Scheme, which this time is focused on perinatal support for families, an area that is very underpublished in the Welsh-language and will therefore make an important contribution in making books available for the first time.

In acknowledgment of the ever-increasing impact of AI on the sector, we are continuing to seek specialist advice in order to support publishers, especially with regard to contracts and copyrights queries. Much will depend on the outcome of a couple of Lawsuits in the USA which will inevitably influence how the sector will respond and react to further developments.

Equality, Diversity and Inclusion

At the Books Council of Wales, we recognise that the structural inequalities that exist within the wider society in Wales also exist in our own sector. We are committed to achieving fair representation within both our own organisation and the book sector in Wales. Our Board of Trustees, executive leadership, managers and team leaders, understand that ensuring opportunities is both an individual and a collective responsibility and lies at the heart of the culture of our organisation. We have increased diversity within our sub-committees and judging panels, but there is more to do.

In particular, we are seeking to overcome the challenges of attracting staff from under-represented communities, being based in rural Wales and committed to conducting our day-to-day business in the Welsh language. These challenges are shared by others and will not be solved by us alone. It requires a collective Wales-wide effort, and we are collaborating with partners and stakeholders to create solutions for real and lasting change. As the main supporters and funders of the publishing industry in Wales, we have a responsibility for the impact we have on the people we support, our partners, our employees, and wider society. Considerations of equality, diversity and inclusion are central to making all our funding decisions to assist partners to deliver positive change and achieve fair representation in the content we fund. The Board of Trustees has agreed the terms of reference and membership of a new EDI advisory panel to further support the strategic direction of the organisation. The Board Treasurer has agreed to chair two panel meetings a year, with the first meeting taking place in September 2025.

Corporate Matters

We were pleased to welcome Rhian Davies as our new Finance and Business Manager in May 2024, and she has become a key member of the Management Team. Joining mid-implementation of a major new system has been a challenge which Rhian readily took on, and her contribution during this first year has been invaluable. Due to the cuts, however, the inevitable pressure on capacity has meant that progress happened at a slower pace than was originally envisaged.

The Board of Trustees recruited new members to fill vacant positions, and recruitment to the board, as for all the subcommittees, continues on an open, competitive and annual basis to ensure the seamless functioning of all areas of our work.

The Chair and Chief Executive met with the new minister to discuss challenges and opportunities, and it was a real pleasure to see the Cabinet Secretary for the Economy giving the keynote address at the showcase event of the New Audience Fund in Wrexham.

Cyber security remains a key concern, and we have invested wherever possible to ensure that our servers are secure. We are considering taking out additional insurance with regards to the threat of business continuity in case of an attack, to further mitigate any potential risk.

Due to the budget cuts, we have been unable to continue investing in staff and publisher training at the previous levels, but the following took place during this financial year: Book Production, Forklift training, AI training: A Practical Guide to AI in Publishing, Publishing and Copyright training, PR on a Shoestring, First Aid Course and KNK System training.

Achievement and Performance

KEY TARGETS 2024/25		
	2024/25 Target	2024/25 Achieved
Number of manuscripts – Editorial Department	170	130
Number of titles assisted by the Design Department	110	53
Distribution Centre	£4m gross £2.64m net	£4.06m gross £2.71m net
Level of Distribution Centre debtors	No more than 2%	2%
Gwales: targets for online sales	£75,000	£87,447

KEY TARGETS 2024/25 – PUBLISHING GRANTS			
	2024/25 Target	2024/25 Achieved	
Publishing Grants (Welsh-language)			
Number of titles published	122	121	
Average sales	750 after 18 months	781	
Number of Welsh-language magazines	16	16	
Prompt publishing in accordance with the timetable	98%	95%	
Publishing Grants (English-language)			
Number of Literature Grant titles published	42	42	
Number of author advance titles published	10	14	
Marketing Grants	15	32	
Number of magazines funded	5	5	
Average sales of literary magazines	General – 400	General – 940	
	Multi-focus – 300	Multi-focus – to follow	
	Individual focus – 300	Individual focus – 541	
Prompt publishing in accordance with the timetable	98%	100%	

CYNGOR LLYFRAU CYMRU - THE BOOKS COUNCIL OF WALES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

Financial Review

A total income of £7.5m was received during the year compared to £8.3m in 2024/25.

In a year of significant funding cuts and higher than anticipated pay award, both the Council and the Distribution Centre ended the year with Expenditure exceeding Income. Additional funding of £50K from Creative Wales during the year helped to reduce the loss on core activities to £32K. The Distribution Centre however, which is funded purely from its operating activities, suffered a loss of £70k. The loss arose due to a fixed pay award which equated to a 5% pay award for the majority of the Distribution Centre staff along with increased postage costs and sales figures less than experienced during recent years.

Of the expenditure of £8.2m (compared to £8.7m in 2023/24), £500k related to New Audiences funding which was received in 2023/24, this along with the treatment of capitalising expenditure on the new system has largely generated a deficit of £723,824 (compared to the net deficit of £374,524 in 2023/24).

The Books Council's investments £197K (£190k for the same period in 2024) and Pension Scheme investments have increased.

At 31 March 2025, net assets (excluding pension liabilities) stood at £2.9m (2023/24: £3.6m). The decrease is largely due the reduction in Restricted Funds, with no New Audiences Funding occurring, (£500k in 2023/24).

Reserves Policy

This Reserves Policy is designed to ensure that the Council has enough funds to meet unforeseen capital expenditure, and to deal with risk factors associated with the running of a Distribution Centre that receives no funding from the public purse. The Books Council keeps these financial funds in several categories:

Unrestricted Funds

- Capital Funds £304,020 (£500,000 2023/24) to meet the historic cost of buildings and unexpected
 capital expenditure. £195,980 was transferred to Designated Funds during the year to fund the
 continued development of the new system.
- Revenue Funds
 - Pension: At 31 March 2025, there was a surplus of £5,264,000 (2023/24: surplus £3,753,000). The trustees have decided not to identify this as an asset on the balance sheet, but a full narrative is provided on note 22. Employer contributions have been agreed with the Dyfed Pension Fund until 31 March 2027.
 - Council: Maintain a reserve balance of no more than 4% of core funding (which equates to £138,214 in 2024/25). The fund reduced to £147,520 as a result of the loss incurred due to the cut in core funding and increase in salary and energy costs.
 - Distribution Centre: Target of a sufficient fund to cover overheads for 6 months (excluding discount) (£328,451)based on 2024/25 figures). The size of the fund this year has reduced to £423,456. Although higher than the target due to historic Caru Darllen surpluses, the fund has reduced due to the loss incurred during the year. The loss arose due to a number of factors including a higher than anticipated salary pay settlement, increased postage costs coupled with sales figures lower than in previous years.

Designated Funds

As new system development is capitalised, there is a fund of £1,364,632 which equates to the £1,337,918 investment in new systems and equipment out to date. The fund has increased to the continued development of the new system is depreciated in the current year as it went live in March 2024 and will be depreciated over 10 years.

Restricted Funds

These funds are for use only as noted in note 20.

Main Sponsors

We are extremely grateful to Creative Wales and the Welsh Government for providing a large proportion of the Books Council's funding; without this support, it would not be possible for the Council to carry out its work.

Investments Policy

In accordance with the Constitution, the charity trustees have the power to invest when they believe that investment is appropriate. The assets of the charity are available and sufficient to meet the requirements in the foreseeable future.

Volunteers

The charity is very grateful for the contribution of volunteers who work free of charge on the various panels and projects of the Books Council. As we cannot put a financial value on all this work, it is not included in the Statement of Financial Activities.

Related Party Transactions

The staff and trustees declare any interests annually and as they arise. There are transactions during the year ending 31 March 2025 by the trustees noted in note 25 of the financial statements.

Risk Management

The Council has considered and assessed every risk that could affect the charity. This risk assessment process encompasses not only the financial situation, but also strategic and circumstantial considerations. The Council confirms that systems have been put in place to mitigate all such risks identified as part of this process.

Viable Business Assumption

The trustees have a reasonable expectation that the Books Council has enough resources to continue to act as a going concern. For that reason, it continues to prepare a Financial Statement based on being a viable business.

Equal Opportunities Policy

The Books Council of Wales is an equal opportunities employer. It does not allow discrimination on the grounds of gender, race, colour, disability, ethnic background or socio-economic background, age, family situation, marital status, part-time or full-time workers, religion, politics, sexual orientation, or any other irrelevant difference, and is committed to positively considering diversity. The principles of fair and open competition are used, and appointments are subject to merit.

CYNGOR LLYFRAU CYMRU - THE BOOKS COUNCIL OF WALES

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2025

STATEMENT OF TRUSTEES' RESPONSIBILITY:

The Trustees are responsible for the preparation of the Trustees' Report and the financial statements in accordance with applicable legislation and the Acceptable General Accounting Exercises of the United Kingdom.

The law requires the Trustees to prepare accounts for each financial year that will give a true and fair view of the Charity's situation during that period. In preparing those accounts, the Trustees must:

- select suitable accounting policies and apply them consistently;
- follow the methods and principles in the 'Statement of Recommended Practice for Charities' (SORP):
- make judgements and estimate reasonably and prudently; state whether applicable standards have been followed, subject to any disclosed material departures explained in the financial statements;
- prepare the accounts on the basis that the Charity will continue to act, if it is not inappropriate to assume this.

The Trustees are responsible for keeping appropriate accounting records that disclose the Charity's financial position fairly accurately at any time, and also to enable them to ensure that the financial statements are in accordance with the *Charities (Accounts and Reports) Regulations 2008*. They also have a responsibility to protect the assets of the Charity and take steps to prevent and detect fraud or other irregularities.

According to the Trustees' understanding:

- there is no relevant information of which the Charity's auditors are unaware;
- the Trustees have taken all necessary steps to ensure that they are aware of any relevant auditable information and to ensure that the Charity's auditors are aware of that information.

The Trustees are responsible for the care and accuracy of the corporate and financial information that is included on the charity's website. Legislation in the United Kingdom that manages, prepares and distributes financial statements may differ from legislation in other authorities.

AUDITORS

The reappointment of the auditors, Llŷr James, will be proposed at the Annual Meeting. The Trustees' report and the annual accounts were approved on 15 September 2025.

CYNGOR LLYFRAU CYMRU - THE BOOKS COUNCIL OF WALES

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BOOKS COUNCIL OF WALES FOR THE YEAR ENDED 31 MARCH 2025

Opinion

We have audited the financial statements of the Books Council of Wales (the 'charity') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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.

Conclusion relating to a 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 charity'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BOOKS COUNCIL OF WALES FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies, or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Charities Act 2011

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the annual report and the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

CYNGOR LLYFRAU CYMRU – THE BOOKS COUNCIL OF WALES INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BOOKS COUNCIL OF WALES FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under the Charities Act 2011, section 144, and report in accordance with regulations made under 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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted is 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.

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:

Based on our understanding of the charity and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Charity Commission, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the timing of recognition of grant income and expenditure to manipulate financial performance. Audit procedures performed included:

- Discussions with management, including consideration of potential instances of non-compliance with laws and regulations and fraud;
- Reviewing key correspondence with the Charity Commission in relation to compliance with laws and regulations;
- Reviewing relevant meeting minutes of the Board;
- Selecting a sample of transactions and tracing to documentation to establish that they are *bona fide* business transactions; and
- Selecting a sample of grant income and tracing to ensure that the corresponding expenditure is included in the same financial period;
- Ensuring that the procedures for identifying the correct treatment of income as restricted or designated are correctly applied to any new funding;
- Reviewing the valuation of the pension fund ensuring that the treatment is in line with FRS 102 section 28.22 regarding the recognition of a defined benefit plan asset; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing;
- Identifying large or unusual transactions to ensure that we understood the reasoning behind them and agreed that they were appropriate; and
- Identifying journal entries, to make sure that we understood the reasoning behind them and agreed that they were appropriate.

There are inherent limitations in the audit procedures described above. We are less likely to become

CYNGOR LLYFRAU CYMRU – THE BOOKS COUNCIL OF WALES INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF THE BOOKS COUNCIL OF WALES FOR THE YEAR ENDED 31 MARCH 2025 (CONTINUED)

aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Betnan Vaughan DATE: 15/09/2025

BETHAN VAUGHAN Senior Statutory Auditor For and on behalf of LLŶR JAMES Cyf. **Statutory Auditors**

CYNGOR LLYFRAU CYMRU – THE BOOKS COUNCIL OF WALES STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted Funds £	Designated Funds	Restricted Funds £	Total Funds 2025 £	Total Funds 2024 £
Income through charitable						
activities						
Welsh Government Grants	3	1,060,704	30,000	3,220,211	4,310,915	4,678,601
Other Grants	4	_	_	194,497	194,497	226,807
Departmental Income	5	263,280	_	_	263,280	216,069
Other commercial activities						
Distribution Centre	9	2,722,297	_	_	2,722,297	3,162,094
Investments	5	_		6,179	6,179	4,035
Total incoming resources	_	4,046,281	30,000	3,420,887	7,497,168	8,287,606
	_					
Resources expended						
Charitable activities						
Grants distributed	6/7	_	_	2,364,647	2,364,647	2,600,722
Specific projects		_	_	1,167,729	1,167,729	993,902
Charitable expenditure	8	1,360,648	192,972	349,284	1,902,904	1,932,986
Other commercial activities						
Distribution Centre	9	2,785,424	6,590	_	2,792,014	3,139,474
Total resources expended	10	4,146,072	199,562	3,881,660	8,222,294	8,667,084
Net incoming resources before						
transfers		(99,791)	(169,562)	(460,773)	(730,126)	(379,478)
Other recognised gains / (losses)						
Actual gain / (loss) on defined	22					
benefit scheme	22	_	_	6 202	6 202	4.054
Movement on investments	14	(100.001)	105.000	6,302	6,302	4,954
Transfer between funds	_	(189,801)	195,980	(6,179)		
Net movement in funds	23	(289,592)	26,418	(460,650)	(723,824)	(374,524)
Net movement in runus	23	(203,332)	20,410	(400,030)	(723,024)	(374,324)
Balances brought forward at						
1 April 2024		1,164,588	1,338,214	1,082,985	3,585,787	3,960,311
•		. ,	• •	. ,		. ,
Balances carried forward at	_					
31 March 2025						

A separate income and expenditure statement has not been prepared.

The Charity Trustees wish to note that the pension fund has influenced the final financial outcome.

They wish to note that the Dyfed Pension Fund is beyond the charity's control.

The notes on pages 20 to 38 form a full part of these accounts.

CYNGOR LLYFRAU CYMRU – THE BOOKS COUNCIL OF WALES BALANCE SHEET AS AT 31 MARCH 2025

	Note		2025	202	4
		£	£	£	£
Fixed assets					
Tangible fixed assets	13		1,617,640		1,420,150
Investments	14		196,630	_	190,328
			1,814,270		1,610,478
Current assets					
Debtors	15	610,360		498,082	
Distribution Centre stock		144,790		123,021	
Cash at bank and in hand	16 _	1,979,489	-	2,862,863	
		2,734,639		3,483,966	
Liabilities: Amounts falling due within one year	17	1,686,946		1,508,657	
Net current assets					
			1,047,693	•	1,975,309
Total assets less liabilities			2,861,963		3,585,787
Pension Fund	22		-		_
			2,861,963	-	3,585,787
.				-	· · · · · · · · · · · · · · · · · · ·
Funds	10	074.006		4.464.500	
Unrestricted	18	874,996		1,164,588	
Pension Fund	22 _				
Unrestricted due to					
pension adjustment	18		874,996		1,164,588
Designated	19		1,364,632		1,338,214
Restricted	20		622,335		1,082,985
			2,861,963	•	3,585,787
				-	

Approved by the Trustees and Chief Executive of the Council at their meeting on 15 September 2025 and signed on their behalf by:

LINDA TOMOS Chair

ALFRED OYEKOYA Treasurer

HELGARD KRAUSE Chief Executive

CYNGOR LLYFRAU CYMRU – THE BOOKS COUNCIL OF WALES CASH FLOW FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Cash flow from operating activities Net cash provided by operating activities	24	(883,374)	(1,682,897)
Cash at beginning of year		2,862,863	4,545,760
Cash at end of year	24	1,979,489	2,862,863

NOTES TO THE ACCOUNTS

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Cyngor Llyfrau Cymru – The Books Council of Wales meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value, unless otherwise stated in the relevant accounting policy note(s).

b. Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is calculated based on purchase value. Commercial value is based on the objective of selling less than the estimated cost of disposal.

c. Preparation of the accounts on a going concern basis

Cyngor Llyfrau Cymru – The Books Council of Wales has a surplus balance on the Balance Sheet. The trustees are of the view that on this basis the charity is a going concern.

The accounts have been prepared on the assumption that the charity is able to carry on operating as a going concern, which the trustees consider appropriate.

d. Pension costs

Cyngor Llyfrau Cymru – The Books Council of Wales operates a defined benefit pension within the Dyfed Pension Fund. With the adoption of FRS 102 in April 2014, this liability is shown in full on the Balance Sheet. The adjustments to the financial statement following this adjustment are shown in note 18, with the full pension liability shown in note 22.

e. Investments

Investments are stated at market value.

f. Fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value, evenly over its expected useful life, as follows:

- Computers and other equipment over 10 years
- Fixtures and fittings over 5 years
- Motor vehicles 5 years

NOTES TO THE ACCOUNTS (CONTINUED)

Freehold land and buildings are not depreciated as the residual value is higher than the value in the Balance Sheet.

g. Grants payable

Grants payable are charged to the Statement of Financial Activities when a constructive obligation exists notwithstanding that they may be paid in the future accounting periods.

h. Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies apply to categories of income:

- Grants: where related to performance and specific deliverables, these are accounted for as the charity earns the right to consideration by its performance. Where income is received in advance of its recognition it is deferred and included in creditors. Where entitlement occurs before income being received the income is accrued. Capital grants are accounted for as income as soon as they are receivable.
- Trading Income: income raised through the operation of the Distribution Centre under the charity's management is considered at the time a contractual obligation exists.
- Legacies: entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

i. Tax

The Charity is exempt from the need to pay corporation tax due to its charitable status.

2. Statement of Financial Movement

The deficit for the year after withdrawing the following:

	2025	2024
	£	£
Bank costs	8,280	10,644
Auditors' Fee	7,800	7,800
Depreciation	195,104	154,487

3. Grants received – Welsh Government		
	2025	2024
Creative Wales	£	£
Core funding	1,060,704	1,129,278
Publishing Grants for distribution	2,364,646	2,600,722
Capital grant	30,000	130,000
New Audiences Fund	_	500,000
Book Fair funding	150,000	_
Additional magazine funding	_	100,000
Welsh in Education department		
Books for schools project – Adnodd	37,988	_
Catalogue funding	3,000	4,999
Rhyngom project (previously Belonging)	432,296	9,747
Education department		
Reading Promotion Schemes	140,000	140,000
Culture Division		
Reading Well Scheme	46,514	43,477
Reading Promotion Schemes	16,070	20,378
Stars of the Shelves Scheme	29,697	
	4,310,915	4,678,601
4. Other Grants		
	2025	2024
	£	£
ARFOR – Cyngor Sir Ceredigion	36,597	_
UNESCO City of Literature partners	10,750	10,000
The Reading Agency	147,150	216,807
	194,497	226,807

5. Income – Other Departments and Investments			
		2025	2024
Unrestricted funds		£	£
Editorial		20,846	16,403
Design		22,967	16,500
Communication and Marketing		83,117	88,393
Sales & Information		87,578	52,955
Children's Books and Reading Promotion	14,68		•
Investment Income	6,17		
		20,865	7,035
		32,216	38,817
Sundry Income		32,210	30,017
Restricted funds			
Mary Vaughan Jones Award		1,870	
		269,459	220,103
6. Expenditure – Publishing Grants			
	Note	2025	2024
Welsh-language		£	£
Grants towards books	7a	387,888	437,992
Authors' and illustrators' grants		350,754	339,304
Appointments and training scheme	7b	220,895	230,854
Grants towards magazines	7c	376,513	382,250
Funding for Welsh-language press	7d	180,000	200,000
Grants towards marketing		5,285	47,463
Partnerships and research		_	_
Grants to booksellers		_	24,319
Cwlwm Cyhoeddwyr Cymru		6,000	,e_e
Cam Cynnydd project		18,800	_
Middle grade book project			24,000
made grade book project			2 1,000
English-language			
Grants towards books	7e	261,399	268,772
Grants towards magazines	7f	133,500	181,630
Grants towards marketing	,,	41,020	76,655
Appointments scheme	7g	128,600	119,600
Authors' grants	<i>'</i> δ	52,160	54,900
Classics		<i>52,</i> 100	3,800
Training		643	250
-			
Cyhoeddi Cymru Publishing Wales		3,000	3,000
Administrative costs		198,190	205,933
Total Publishing Grants	_	2,364,647	2,600,722

The above does not include one-off restricted grants (New Audiences Fund) distributed to publishers which are included in note 20 of the financial statements.

7. Grants per publisher		
7a. Welsh-language Publishers – Grants for books	2025	2024
	£	£
Y Lolfa	120,800	101,315
Gwasg Carreg Gwalch	75,700	93,027
Gwasg y Bwthyn	43,382	36,790
Rily	43,100	45 <i>,</i> 725
Atebol / Sebra	40,527	41,278
Gwasg y Dref Wen	28,000	54,850
Cyhoeddiadau Barddas	24,800	24,520
University of Wales Press	1,790	3,000
Firefly	1,605	3,000
Cwmni Cyhoeddi Gwynn	1,500	_
Graffeg	1,160	3,855
Dalen Newydd	749	2,200
Honno	560	1,425
Llyfrau Broga	_	16,185
Cyhoeddiadau'r Gair	_	5,027
Urdd Gobaith Cymru	_	3,000
Cara	_	1,475
Dalen Llyfrau	_	_
O'r Pedwar Gwynt	_	_
Cyhoeddiadau Modern	_	_
Evaluation cost	4,215	1,320
	387,888	437,992
7b. Welsh-language Publishers Appointment Scheme	2025	2024
	£	£
Y Lolfa	71,217	70,951
Gwasg Carreg Gwalch	49,324	46,494
Atebol/Sebra	32,783	15,116
Rily	28,045	26,832
Gwasg y Bwthyn	24,559	24,480
Cyhoeddiadau Barddas	14,303	15,180
Cyhoeddiadau'r Gair	_	6,752
Training	664	25,049
	220,895	230,854

7c. Welsh-language Publishers – Support for magazines	2025	2024
	£	£
Barn	90,000	90,000
Golwg	63,750	85,000
O'r Pedwar Gwynt	26,250	35,000
Cip	40,000	20,000
Wcw	21,000	28,000
Y Cymro	28,513	29,000
Barddas	24,000	24,000
Lysh	34,000	17,000
Lingo Newydd	18,000	18,000
Cara	15,000	15,000
Y Selar	9,000	12,000
Y Wawr	5,000	6,250
Cristion	2,000	2,500
Llafar Gwlad	_	_
Y Traethodydd	_	_
Fferm a Thyddyn	_	_
Cost of assessment panel		500
	376,513	382,250
7d. Welsh-language Publishers – Support for magazines	2025	2024
7d. Welsh-language Publishers – Support for magazines	2025 £	2024 £
Colug		
Golwg	180,000	200,000
•	180,000	200,000
7e. English-language Publishers – Grants for books		
	2025	2024
	£	£
Seren	67,550	38,850
Parthian	54,100	50,100
Firefly	39,700	49,850
Honno	36,000	36,000
Lucent Dreaming	20,000	24,000
Calon	12,700	, _
Gwasg Carreg Gwalch	12,500	8,700
Y Lolfa	11,500	16,600
University of Wales Press	3,750	29,642
404 Ink	1,450	<i>-</i>
Arachne Press	1,149	_
Watermark Press	1,000	_
Graffeg	_	12,000
Pantolwen Press	_	2,000
Culture Matters	_	1,030
New Welsh Review	_	_
I-Pigeon		=
	261,399	268,772

7f. English-language Publishers – Support for magazines		
	2025	2024
	£	£
Folding Rock	45,000	_
New Welsh Review	_	45,000
Planet	_	45,000
Wales Arts Review	_	27,500
Poetry Wales	25,000	20,000
Nation.Cymru	25,000	20,000
The Welsh Agenda & Click on Wales	25,000	17,500
The Paper	10,000	_
Grants for small magazines	3,000	4,500
Other magazine evaluation costs	500	2,130
	133,500	181,630
7. Francisch Laurensen Dublishaus Augstintenants Cabana		
7g. English-language Publishers – Appointments Scheme	2025	2024
	£025	£
Parthian	25,300	25,300
Seren	23,750	19,000
Honno	22,500	22,500
Firefly	21,250	17,000
University of Wales Press	· -	8,000
Graffeg	8,000	8,000
Lucent Dreaming	8,000	8,000
Calon	8,000	_
Y Lolfa	7,500	7,500
Gwasg Carreg Gwalch	4,300	4,300
	128,600	119,600
8. Departmental Expenditure		
o. Departmental Experiulture	2025	2024
Costs	2025 £	2024 £
Editorial	121,132	86,433
Design	108,663	105,610
Communication and Marketing	213,660	238,459
Sales	177,118	197,535
Corporate and Customer Services	310,428	264,481
Children's Books	94,755	85,621
Reading Promotion Schemes	156,070	160,378
Reading Well Scheme	193,213	193,542
Renewal and Capital Expenditure and depreciation	192,972	256,772
Support costs	333,709	337,134
Unusual costs	4 400	7.004
Provision for holiday pay	1,183	7,021
	1,902,903	1,932,986

9. Income and Expenditure	at the Distribu	ition Centre			
			2	025	2024
				£	£
Income			2,722,	297 3,	162,094
Costs					
Books purchased			2,135,	112 2	485,623
Salaries, insurance, pension			435,		366,375
Running costs of vehicles			-	4 67 412	5,617
Travelling and subsistence			-	+12 151	3,017
Carriage, post, packaging ma	torials		140,		_ 152,471
Purchase and maintenance o			-	862	49,562
Rent, rates, heating, lighting,			-	763	18,550
Insurance, maintenance of bu			-	703 877	16,912
Printing and stationery	allulligs		-	671	2,498
Discounts allowed			-		
Sundries			16,0 15.0	335	21,484 16,493
Bad Debts			(2,0		(2,701)
Depreciation				590	6,590
•					
Total Expenditure			2,792,	<u> </u>	139,474
Profit /(Deficit) for the year			(69,7	17)	22,620
10. Total cost of resources					
	Staff costs	Other costs	Grants	Total	Total
				2025	2024
	£	£	£	£	£
Direct charitable costs	1,766,374	4,300,729	2,166,457	8,233,560	8,667,084
11. Staff					
II. Stail					
				2025	2024
				£	£
Salaries				1,378,388	1,213,184
Employer's National Insurance				135,503	123,492
Employer's Pension Contribu	tion			252,483	251,713
Total salaries				1,766,374	1,588,389
The average number of staff	employed durir	ng the year (Full	-time posts)	38	36

During the year, 1 member of staff (2024-0) earned, including national insurance, between £80,000 and £90,000.

Remuneration to key staff

Including the Chief Executive, there are six members of the Executive Team (2024 - 6) and the following payments were made during the year:

	2025	2024
	£	£
Salaries	316,295	305,957
Social Security Costs	35,888	34,690
Pension Costs	57,430	60,273
	409,613	400,920

12. Remuneration to trustees

The trustees do not receive any remuneration as they are appointed by outside authorities or bodies and are not entitled to payment. The total cost paid to trustees (travelling to meetings etc.) during the year was £363 (2024: £518). Travel costs to volunteer members of the Board's subcommittees amount to £2,202(2024: £2,288).

13. Fixed Assets

	Freehold land and	Computers and digital	Fixtures and	Motor	
	buildings	development	fittings	vehicles	Total
	£	£	£	£	£
Value					
At 1 April 2024	253,008	1,276,573	55,851	68,736	1,654,168
Additions	_	379,024	13,570	_	392,594
Disposals	_	_	_	_	_
At 31 March 2025	253,008	1,655,597	69,421	68,736	2,046,762
Depreciation		4.40.042	44.725	44.244	224.040
At 1 April 2024 Provided during	_	148,042	44,735	41,241	234,018
the year	_	169,637	11,720	13,747	195,104
Disposals	<u> </u>			<u> </u>	
At 31 March 2025		317,679	56,455	54,988	429,122
Net value					
At 31 March 2025	253,008	1,337,918	12,966	13,748	1,617,640
At 31 March 2024	253,008	1,128,531	11,116	27,495	1,420,150

All assets are used for charitable purposes.

14. Investments

The market value of these investments as at the end of the financial year was £196,630 (2024 – £190,328).

The investments are held by BlackRock in their Charinco and Charinshare Investment Funds that are based in the UK.

The investments are recognised at their commercial value at the balance sheet date. The investments have been revalued, and any gains or losses are recognised in the Financial Activities Analysis.

15. Debtors

	2025	2024
	£	£
Trade debtors	315,694	269,970
Other debtors	188,068	215,382
Prepayments	106,597	12,730
	610,359	498,082

All amounts stated are due in less than one year.

16. Cash at bank and in hand

2025	2024
£	£
428,764	734,902
,550,725	2,127,961
,979,489	2,862,863
,!	550,725

17. Liabilities: Amounts falling due within one year

	2025	2024
	£	£
Trade creditors	253,550	109,256
Book Tokens	560,327	580,366
Taxation and social security	59,431	53,830
Other creditors	813,637	765,205
	1,686,945	1,508,657

There are no creditors for more than one year, excluding book tokens, where one cannot be certain when they will be paid.

18. Unrestricted Funds

	Balance 1 April 2024	Incoming	Outgoing	Transfers	Balance 31 March 2025
	£	£	£	£	£
Capital Funds Income Funds	500,000	-	_	(195,980)	304,020
Pension Fund Council	– 178,005	_ 1,323,984	– (1,360,648)	- 6,179	- 147,520
Distribution Centre	486,583	2,722,297	(2,785,424)	0,179	423,456
	1,164,588	4,046,281	(4,146,072)	(189,801)	874,996

19. Designated Fund

	Balance 1 April 2024 £	Incoming £	Outgoing £	Transfer £	Balance 31 March 2025 £
Capital Funding Welsh Government Computer development fund	1,107,520 230,694	30,000 –	(199,562) –	195,980 –	1,133,938 230,694
	1,338,214	30,000	(199,562)	195,980	1,364,632

20. Restricted Funds

		Balance 1 April 2024	Incoming	Outgoing	Balance 31 March 2025
		£	£	£	£
Dr Dewi Davies Fund	i	63,513	1,913	(268)	65,694
Promotion of Authors Fund	ii	50,168	3,474	247	53,395
Mary Vaughan Jones Award	iii	4,849	_	1,870	2,979
Cymdeithas Lyfrau Ceredigion					
Fund	iv	76,648	792	(101)	77,541
Grants for distribution					
Publishing Grants	V	_	2,364,646	2,364,646	_
Book Fairs	vi	_	150,000	150,000	_
New Audiences Fund	vii	500,000	_	500,000	_
Reading Promotion Schemes	viii	_	156,070	156,070	_
Dept. of Welsh in Education	ix	27,369	_	_	27,369
Love Reading / Caru Darllen	Х	334,838	_	79,963	254,875
Catalogue		_	3,000	3,000	_
Rhyngom	xi	(110,940)	432,296	309,766	11,590
Cheltenham Literary Festival	xii	440	_	100	340
UNESCO City of		7.765	47.247	46.020	0.202
Literature/ARFOR	xiii	7,765	47,347	46,820	8,292
The Reading Agency – Reading		128,335	147,150	193,213	82,272
Well	xiv	128,333	147,130	193,213	02,272
Culture Division – Reading Well	XV	-	46,514	46,514	_
Culture Division – Stars of the		_	29,697	29,697	_
Shelves	xvi	_ _	23,037	23,037	_
Adnodd Cyf – Love Reading		_	37,988	_	37,988
Extension	xvii				
		1,082,985	3,420,887	3,881,537	622,335

i. Dr Dewi Davies Fund

The interest on the fund is used to fund prizes for competitions to promote reading amongst children and young people.

ii. Promotion of Authors Fund

A general fund for the promotion of creative writing in Welsh.

iii. Mary Vaughan Jones Award

The fund is used every three years to award a person for an outstanding contribution in the field of children's books over a substantial period. The 2024 Award Ceremony was held in November.

iv. Cymdeithas Lyfrau Ceredigion Fund

The interest of the fund is to be used to fund prizes for the Tir na n-Og competition and other activities to promote reading through the medium of Welsh amongst children and young people.

v. Welsh Government Publishing Grant

An annual grant is received which is limited to specific purposes noted in the Operational Plan and the Award Letter. The publishing development subcommittees receive regular reports regarding this funding, and they approve any expenditure from the fund.

NOTES TO THE ACCOUNTS (CONTINUED)

vi. Book Fairs

£150,000 was awarded by Creative Wales to attend Book Fairs. The Books Council arranged a presence at the Frankfurt Bookfair at a cost of £95k, with the remaining £55k awarded to Cyhoeddi Cymru / Publishing Wales to attend Book Fairs.

vii. New Audiences Fund

£500,000 was awarded by Creative Wales towards a third programme to strengthen and diversify the publishing industry in Wales at the end of the 2023/24 financial year. The grant beneficiaries from this fund which was paid during the year were as follows:

Grant recipient	Value (£)
Rily	34,000
Firefly	32,000
Nation.Cymru	32,000
Parthian	29,000
Seren	29,000
Y Lolfa	29,000
Graffeg	26,000
Atebol	22,000
Lucent Dreaming	21,000
Barn	20,000
Gwasg y Bwthyn	20,000
Sôn am Lyfra	16,495
Gwasg Carreg Gwalch	16,300
Institute of Welsh Affairs	12,000
Golwg	10,600
Cwlwm	10,000
Hanes Byw	10,000
Just Another Poet	10,000
Romani Cultural and Arts Company	10,000
Urdd Gobaith Cymru	10,000
Golwg 360	8,000
Material Queer	8,000
Al Naaem	7,000
Poetry Wales	6,650
Calon Books	6,000
Literature Wales	6,000
Merched y Wawr	6,000
Modron	6,000
Buzz Culture	5,000
Paned o Gê	5,000
These Pages Sing	5,000
Y Cymro	5,000
Y Selar	4,000
PYST	3,000
Barddas	2,700
Promotion of Scheme & Books	17,255
TOTAL	500,000

NOTES TO THE ACCOUNTS (CONTINUED)

viii. Reading Promotion Schemes

An annual grant is received which is limited to reading promotion schemes (Quick Reads/Stori Sydyn, World Book Day and the Summer Reading Challenge). £140,000 of the funding is awarded by the Welsh Government's Education Department, £16,070 awarded by the Culture Division. No funds were carried forward.

ix. Department of Welsh in Education

Remaining funds from the lechyd Da project are being used to fund the Children's Books and Reading Promotion Department.

x. Caru Darllen / Love Reading

The Department of Education's aim is for each state school pupil in Wales to be given a book. This project has multiple layers including books to food banks, individual books to pupils, book tokens to pupils (to make their own selection) and a box of books for schools. All the books have been distributed to schools and the book tokens shared needed to be exchanged by the booksellers by June 2024.

xi. Rhyngom

This is a 3-year project to develop books for children in Welsh and English. The aim is to produce books which reflect the diversity of Wales. Funding of the project transferred from the Department of Education and Department of Welsh in Education to Adnodd Cyf in November 2024.

xii. Cheltenham Literary Festival

The Literary Festival provided £1,500 towards the Reading Teachers = Reading Pupils programme and its delivery in Wales. The Teachers Love Reading pilot is now underway and books have been purchased and teachers supply time covered to try and replicate the RTRP programme in Wales.

xiii. UNESCO City of Literature/ARFOR

The aim of Ymgyrch Dinas Llên (City of Literature Campaign) is to make it possible for Wales to display its unique and rich literary and cultural heritage under UNESCO's prestigious banner in Aberystwyth and Ceredigion. The Books Council is leading a collaboration between a group of local organisations to create an application. Grant funding was received during the year from the ARFOR project administered by Ceredigion County Council along with partnership funding from members of the Stakeholder Group to create the application that was submitted in January.

xiv. The Reading Agency – Reading Well

Work and funding of the fifth programme commissioned by The Reading Agency continued throughout the year. The programme which focuses on Dementia will be completed in the 2025/26.

The funding is provided by the Reading Agency, which is a UK registered charity receiving funding for this project from the Welsh Government's Department of Health. This work is limited to the translation and publication of books relating to Dementia, and the books will be available in libraries and for purchase.

NOTES TO THE ACCOUNTS (CONTINUED)

xv. Culture Division – Reading Well

A grant of £46,514 was received towards the promotion of the Reading Well programmes. Resources focusing on Dementia were procured and distributed to libraries across all 22 of Wales' Local Authorities.

xvi. Culture Division – Stars of the Shelves

Funding was obtained from the Culture Division in relation to Engaging primary school Children in Public libraries. This was a pilot project that ran from December to March and enabled School Children to meet Authors of their favourite books at their local library. Following the success of the pilot project, it is hoped that funding can be secured for a similar project in 2025/26.

xvii. Adnodd Cyf. - Reading Well

Funding was secured in March from Adnodd Cyf. to expand the Athrawon Caru Darllen (Teachers Love Reading) Programme. Initial funding of £38k was received during the year for the purchase of 3 copies of each book on the reading list for 47 new practitioners and 64 high schools in Wales. The books will be distributed in April when the balance of the funding of £2k will be received.

21. Analysis of Net Assets Between Funds

		Net		
	Fixed	Current	Long Term	
	Assets	Assets	Creditors	Total
	£	£	£	£
Restricted Funds				
Dr Dewi Davies Fund	65,694	_	_	65,694
Promotion of Authors Fund	53,395	_	_	53,395
Mary Vaughan Jones Award	_	2,979	_	2,979
Cymdeithas Lyfrau Ceredigion Fund	77,541	_	_	77,541
Rhyngom	_	11,590	_	11,590
Department of Education	_	27,369	_	27,369
Love Reading / Caru Darllen scheme	_	254,875	_	254,875
Cheltenham Literary Festival	_	340	_	340
UNESCO City of Literature/ARFOR	_	8,292	_	8,292
The Reading Agency – Reading Well	_	82,272	_	82,272
Adnodd Cyf – Love Reading	_	37,988	_	37,988
Restricted Funds	196,630	425,705	_	622,335
Designated Funds	1,364,632	_	_	1,364,632
Unrestricted Funds	253,008	621,988		874,996
	1,814,270	1,047,693		2,861,963

22. Pension Scheme

The charity is a member of Dyfed Pension Scheme, which is a defined benefit scheme. For the year commencing 1 April 2024 the employer contributions were 18.3% of pensionable pay.

Date of last full Actuarial Valuation: 31 March 2022

ACTUARIAL ASSUMPTIONS

Financial Assumptions	Beginning of Year	End of Year
Rate of inflation	2.7%	2.6%
Rate of increase in salaries	4.2%	4.1%
Rate of increase in pensions	2.8%	2.7%
Discount rate	4.9%	5.8%

The end of year figures for the market value of the assets and split assets between investment categories have been calculated as at 31 March 2025. The corresponding figures for the start of the year have been calculated as at 31 March 2024.

Statement of Financial Position Items as at 31 March 2025

	_
	£'000
Fair Value of Assets	16,045
Value of Benefit Obligations	(10,781)
Impact of Asset Ceiling	5,264
Surplus (Deficit)	0
Change in asset ceiling to 31 March 2025	£'000
Benefit obligation at beginning of the year	3,753
Interest on Asset Ceiling	184
Administration Cost	(6)
Remeasurement net Gain or (Loss)	1,333
Benefit obligation at the end of the year	5,264

^{*} The asset in 2023 and 2024 was restricted to comply with FRS 102 paragraph 28. An entity shall recognise a plan surplus as a defined benefit plan asset only to the extent that it is able to recover the surplus either through reduced contributions in the future or through refunds from the plan. These criteria were not considered to be met, therefore an asset was not recognised.

Additional Disclosure Pension Assets		
	ets on .03.25	Assets on 31.03.24
	£000 %	£000 %
•	11,633 73	11,505 73
Government Bonds	- 0	- 0
Other Bonds	1,476 9	1,486 9
Property	1,669 10	1,944 12
Liquidity	1,267 8	<u>869</u> 5
Total	16,045	15,804
Liabilities on 31.03.25	10,781	12,051
23. Net movement in the Funds		
	2025	2024
	£	£
Unrestricted Funds		
Income Funds		
Distribution Centre	(63,127)	29,210
Council	(30,485)	27,087
Pension Fund	-	-
Designated Fund	(169,562)	(133,362)
Restricted Funds	(460,650)	(297,459)
	(723,824)	(374,524)
24. Reconciliation of net income (expenditure) to net case	sh flow from opera	ting activities
	2025	2024
	£	£
Net Income for the year	(723,824)	(374,524)
Adjustments:		
Capital expenditure	(392,595)	(586,464)
Depreciation	195,104	154,487
(Gains)/losses in value of investments	(6,302)	(4,954)
(Gains)/losses on defined benefit scheme	-	_
Decrease/(Increase) in stock	(21,769)	119,363
Decrease/(Increase) in debtors	(112,278)	1,807
(Decrease)/Increase in creditors	178,289	(992,612)
Net cash provided by operating activities	(883,375)	(1,682,897)

25. Related Parties

In Note 20, Professor Jane Aaron (a Books Council's Trustee) is a Honno Press trustee, that received £66,909 in various grants.

Lowri Ifor works for Museum Wales for which the Books Council of Wales has a trading relationship, but transactions are not controlled by Lowri in any way.

There are strict procedures in place to ensure that where an individual is connected to a deemed related party, they are not included in any part of the decision-making process of awarding grants to these entities.