



The Learned Society of Wales

**Report and Accounts
for the period 1 August 2012 to 31 July 2013**

**Registered Charity Number 1141526
Company Number 7256948**



**THE LEARNED SOCIETY OF WALES
CYMDEITHAS DDYSGEDIG CYMRU**

CELEBRATING SCHOLARSHIP AND SERVING THE NATION
DATHLU YSGOLHECTOD A GWASANAETHU'R GENEDL



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The Learned Society of Wales

(a registered charity and a company limited by guarantee)

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CYMEITHAS DDYSGEDIG CYMRU

CELEBRATING SCHOLARSHIP AND SERVING THE NATION
DATHLU'YSYGOLHECTOD A GWASANAETHU'R GENEDL

Reference and Administrative Information

Charity Name:	The Learned Society of Wales
Welsh name of Charity:	Cymdeithas Ddysgedig Cymru
Charity Registration Number:	1141526
Company Number:	7256948
Registered Office and operational address:	The University Registry King Edward VII Avenue Cathays Park Cardiff CF10 3NS
Website:	www.learnedsocietywales.ac.uk

Members of Council (Charity Trustees and Directors)

Professor Jane Aaron	Professor Ole Petersen
Professor David Boucher	Professor Teresa Rees (from 22 May 2013)
Sir John Cadogan	Professor Keith G Robbins
Professor Dianne Edwards	Professor M Wyn Roberts (from 22 May 2013)
Professor Kenneth Dyson	Professor Alan Shore
Professor Robert Evans	Professor Keith Smith
Sir Roger Jones	Professor Sir John Meurig Thomas (until 22 May 2013)
Professor Prys T J Morgan (until 22 May 2013)	Professor M Wynn Thomas
Professor John Wyn Owen	Professor John Tucker
Professor Roger Owen	Professor Robin H Williams

Except where indicated, the persons listed above served as Charity Trustees and Directors throughout the period covered by this Report (1 August 2012 to 31 July 2013) and occupied these positions on the date (15 January 2014) on which the Report was approved.

Auditors

PricewaterhouseCoopers LLP, One Kingsway, Cardiff CF10 3PW

Bankers

HSBC (UK) Limited, 97 Bute Street, Cardiff Bay CF10 5NA

Legal Advisers

Morgan Cole Solicitors, Park Place, Cardiff CF10 3DP

Chief Executive and Secretary (including Company Secretary)

Dr Lynn Williams

Structure, Governance and Management

Governing Document

The Society was incorporated as a company limited by guarantee (company number, 7256948) on 18 May 2010 and was accorded charitable status on 19 April 2011 (Registered Charity Number 1141526). It was established under a Memorandum and Articles of Association which define its objects, powers and governance arrangements.

Responsibilities of the Council

The Articles of Association provide for the Society's governing body to be the Council, which has responsibility "for the entire control and management of the Society" (Article 20.1), including the effective and efficient use of resources, the solvency of the Society and the safeguarding of its assets, as well as ensuring that all matters relating to Accounts and financial procedures are conducted in accordance with legal and regulatory requirements. The members of the Council serve as directors of the company for the purpose of company law and as charity trustees for the purpose of charity law.

The Annual General Meeting

The business of the Annual General Meeting of members (Fellows) of the Society includes the presentation and adoption of the audited statement of Accounts for the year ended the previous 31st day of July and associated reports.

Council: recruitment and appointment of members

The members of the Council are nominated and elected by the Fellows of the Society, from among their number. The eighteen members of the Inaugural Council were elected by the Founding Fellows prior to the Society's incorporation.

In accordance with the Articles and Regulations, the term of office of members of Council is ordinarily three Society Years (a Society year being defined as the period between one Annual General Meeting and the next), although the Articles provide for the first term of office of the members of the Inaugural Council to be no more than four years. The term of office is renewable. The Council has approved a mechanism for ensuring the rotation of membership under which the initial term of office of one-third of the inaugural members was for two years (to May 2012), that of one-third was three years (to May 2013) and that of the remaining third will be four years (to May 2014). Nominations are invited from among the Fellowship as a whole to fill the vacancies thus created.

Members of Council and other Fellows have been asked to provide a list of their skills and expertise which can be taken into account during the election and appointment of members of Council and other committees.

So as to ensure a representative balance of academic expertise amongst the Members on the Council, no more than two-thirds of the Members may ordinarily be from either of the broad category of Arts, Humanities and Social Sciences or the broad category of Science, Technology and Medicine.

All members of Council give of their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in Note 5 to the Accounts.

Trustee induction and training

Trustees have received specific training on their responsibilities under the Charity Act and as Directors, and are provided with copies of relevant documentation. The members of the Council have wide experience of governance and matters relating to the administration of charities and are fully familiar with the objects and aims of the Society and with its work.

Organisational Structure: Officers and Committees of Council

The Council has agreed that, in the first instance, a relatively simple governance structure will be appropriate.

President

The Society's Inaugural President is Sir John Cadogan CBE DSc FRSE FRSC PLSW FRS, who was elected by the Fellows prior to incorporation. The Society's Regulations provide for other Officers to be appointed by and from among the members of the Council.

Other Officers

The Council has decided that four Officers should be appointed, in addition to the President:

Vice-Presidents:	Professor Dianne Edwards; and Professor M Wynn Thomas
Treasurer:	Professor John Wyn Owen
General Secretary:	Professor John Tucker

Each of the Vice-Presidents has responsibility for one of the Society's two broad subject groupings into which the Society's Fellows are presently organised:

- **Science, Technology and Medicine** (Professor Dianne Edwards)
- **the Arts, Humanities and Social Sciences** (Professor Wynn Thomas)

Committees

The Council has established four Committees to support it in its work and has appointed members as indicated:

- the **General Purposes Committee**: the five Officers are members *ex officio* and, in addition, the following have been elected as members of the Committee by and from among the members of Council: Professor Prys Morgan (until 22 May 2013); Professor M Wyn Roberts (from 26 June 2013); Professor Keith Robbins; and Professor Keith Smith;
- the **Finance Committee**: the Treasurer and the General Secretary are members *ex officio* and, in addition, the following have been elected as members of the Committee by and from among the members of Council: Professor Kenneth Dyson; Professor Ole Petersen; and Professor Robin Williams; Professor Vernon Morgan, a Fellow who is not a member of the Council, was co-opted to serve as a member of the Committee on 6 July 2011;
- the **Nominations Committee**: the President and the General Secretary are members *ex officio* and, in addition, the following has been elected as a member of the Committee by and from among the members of Council: Professor Kenneth Dyson;
- the **Presidential Search Committee**: the Officers, with the exception of the President, and the other member of the Nominations Committee, Professor Kenneth Dyson, are members *ex officio*.

The Council is empowered, subject to certain restrictions, to delegate its powers and duties to Officers, committees or members of staff and has approved schedules of delegated authority to Officers and Committees.

Related Parties

The Society is a fully independent organisation but pursues constructive interaction with representatives of a number of other bodies, including other Learned Societies in the UK, the Welsh Government, the National Assembly for Wales, the Higher Education Funding Council for Wales, the UK Research Councils, the University of Wales (which has generously provided valuable pump-priming funding and other support to the Society on a "no strings" basis) and the other Welsh universities. Since the majority of its Fellows are based in or have links with the universities in Wales, the Society's interaction with the Welsh higher education sector is particularly fruitful and important in helping to facilitate the achievement of its aims.

Risk Management

During the year, the Council carried out a review of the previously-approved schedule of the major risks facing the Society and of the procedures and systems that had been put in place to manage and mitigate such risks as had been identified. The schedule of risks is reviewed and updated at least annually.

Ethos, Objectives and Activities, Achievements and Performance

Guiding Ethos

The Society's *Guiding Ethos* is encapsulated in its strapline, *Celebrating Scholarship and Serving the Nation*. It exists to promote and add value to Welsh scholarly achievements, to celebrate, recognise, safeguard and encourage excellence in every one of the scholarly disciplines and in the professions, industry and commerce, the arts and public service, and also to harness and channel the nation's talent, as embodied in its Fellows, for the benefit, primarily, of Wales and its people, and thereby to have a significant positive impact on their quality of life.

Charitable Objects

The Society's Charitable Objects are defined as follows in the Articles of Association:

- 4.1 The objects of the Society shall be for the benefit of the community, to advance learning and knowledge, and thereby to promote and contribute to cultural, social, environmental and economic development within Wales and beyond, including but without prejudice to the generality thereof:
 - 4.1.1 to establish and carry on, a learned society for Wales comprised of Fellows of the Society;
 - 4.1.2 to organise public lectures, meetings, debates and conferences;
 - 4.1.3 to publish newsletters, journals and reports, and other publications related to the activities and objects of the Society;
 - 4.1.4 to engage in outreach activities of all sorts;
 - 4.1.5 to participate in, support, fund and disseminate research, innovation and other activities relating to the advancement of learning, scholarship or knowledge;
 - 4.1.6 to advance public discussion and interaction on matters of national and international importance;
 - 4.1.7 to enable Wales to participate at the highest level in the international world of learning and scholarship, and to promote the academic excellence and achievements of Wales to the wider world.

Mission and Objectives

The Council has approved the following Mission and Objectives (as distinct from Charitable Objects) for the Society.

Mission

- to celebrate, recognize, preserve, protect and encourage excellence in all of the scholarly disciplines, and in the professions, industry and commerce, the arts and public service;
- to promote the advancement of learning and scholarship and the dissemination and application of the results of academic enquiry and research; and
- to act as a source of independent and expert scholarly advice and comment on matters affecting the wellbeing of Wales and its people and to advance public discussion and interaction on matters of national and international importance.

Objectives

1. to promote the academic excellence and achievements of Wales and to disseminate Welsh research and scholarship in the United Kingdom and internationally;
2. to engage the public's interest in, and understanding and appreciation of, science, technology and medicine, and the arts, humanities and social sciences in Wales;
3. to foster partnerships and links between academia and other sectors of society, including industry and commerce, the professions, the arts, public service, and schools and colleges, thereby promoting the health of intellectual life in Wales;
4. to support research and innovation in Wales, in higher education and more widely, to stimulate the development of new research areas, including applied, multi-disciplinary and inter-sectoral research, and to aid the commercialisation of research-driven, innovative ideas;
5. to work with and support Welsh higher education and other relevant sectors in these tasks;

6. to facilitate engagement between policy-makers in Wales and well-informed practitioners in a variety of fields, and to offer assistance, where appropriate, in the formation of national policy, by acting as an expert, impartial and independent source of scholarly enquiry, evidence, advice and comment;
7. to enable Wales to participate at the highest level in the international world of learning and scholarship, and to promote the academic excellence and achievements of Wales to the wider world;
8. to establish and maintain links with comparable academies in the United Kingdom and overseas.

Ensuring that the Society's work delivers its Objects and fulfils its Mission and Objectives

The Learned Society of Wales was incorporated as a company limited by guarantee on 18 May 2010, and was formally launched one week later during a ceremony held in the National Museum, Cardiff. It was accorded Registered Charity status on 19 April 2011. It is Wales's first national scholarly academy and its establishment in 2010, in a wholly spontaneous and voluntary initiative on the part of a group of independent scholars, marked an important development in the intellectual and cultural life of the country.

As a recently-established organisation, the work of the Society towards delivering its objects and fulfilling its mission and objectives is necessarily at an early stage. The Society will reach full maturity only over many years, the range of its activities will necessarily be built up gradually over time, and its plans must therefore focus on the long term. It has much to do – and will need the support not only of its Fellows and the academic community in Wales, and also of society more widely, if it is to fulfil the ambitions that it has set for itself.

The Society's current work should be seen in the context of the following short- to medium-term **Strategic Aim** that the Council has approved for the Society:

by the end of the current planning period (July 2018), to develop itself as a sustainable organisation that is fit for purpose and that is acknowledged both as the recognised representative of the world of Welsh learning internationally and as a source of authoritative, scholarly and critical comment and advice to the National Assembly and other bodies on policy issues affecting Wales.

As the paragraphs that follow show, building upon the work carried out during 2010/11 and 2011/12, the Learned Society of Wales has continued to take important steps towards fulfilling this aim and has enjoyed an encouraging third year.

The focus of the Society's work during 2012/13

In addition to the fundamental tasks of seeking to ensure the financial security of the Society and developing its governance systems and procedures, there were a number of main strands to the work of the Society during 2012/13:

- the organisation of a programme of lectures and other events;
- the pursuit of policy initiatives;
- publications;
- relationship building; and
- expanding the Fellowship.

The last two strands fall within the overall function of governance.

Lectures and other Events

As part of its initial programme the Society has begun to plan, and to deliver, an ambitious programme of themed lectures, symposia and other events and activities that support the world of learning. Lecture Series that have so far been launched are:

Frontiers - a lecture series in which distinguished academics are invited to speak about the frontiers of research and to place their own contributions in context; and

Anniversaries - a series of lectures, each associated with an anniversary, often marking people or achievements that have connections to Wales.

The following Themes have also been approved: *Invention, Innovation and Change; The Universities; Energy; The History of Science and Technology; Patronage; and Welsh Civil Society.*

The following events were organised during 2012/13.

8 August 2012, the National Eisteddfod, Vale of Glamorgan

Dylunio Bloodhound SSC (Designing Bloodhound SSC), a Welsh-medium lecture (the Inaugural Learned Society of Wales National Eisteddfod Lecture), with simultaneous translation into English, on the Bloodhound supersonic car, by Professor Kenneth Morgan FREng FLSW, of the College of Engineering, Swansea University

30 August 2012, Swansea University

From Newton to Turing: Physics and the Computational Constraint, a lecture by Professor S Barry Cooper, University of Leeds; organised in association with the Department of Computer Science, Swansea University as part of the series, *Swansea Distinguished Lectures in Computer Science*

12 – 13 October 2012, Sketty Hall, Swansea

Medievalism in Wales, a conference, organised by the Department of History and Classics at Swansea University, in association with the Society, the Institute of Medieval and Early Modern Studies, *et al*; speakers included Professor Jane Aaron FLSW, Professor Sioned Davies FLSW, Professor Dafydd Johnston FLSW, Professor Huw Pryce FLSW and Professor Ceri Davies (elected FLSW in 2013)

23 October 2012, Swansea University

The Changing Face of Higher Education Institutions: Some International Reflections, a **Universities** lecture by Professor John Davies, Anglia Ruskin University and the International Centre for Higher Education Management

7 November 2012, Swansea University

Black Skin, Blue Books: the case for comparing Wales and African America, a lecture by Dr Daniel Williams, Centre for Research into the English Literature and Language of Wales (CREW), Swansea University; organised in association with CREW and the University of Wales Press

21 November 2012, the National Library of Wales, Aberystwyth

Cymru a'r Chwyldro Ffrengig: Rhy Gynnar i Ddweud? (Wales and the French Revolution: Too Early to Tell?), a Welsh-medium lecture by Dr Mary-Ann Constantine FLSW, University of Wales Centre for Advanced Welsh and Celtic Studies

14 February 2013, Swansea University

Drug Testing and the Olympics, a lecture by Professor David Cowan, Director of the Drug Control Centre, King's College London, and Leader of the Drug Testing Programme for the London 2012 Olympic and Paralympic Games; organised in association with the Royal Society of Chemistry and Swansea University

25 February 2013, Swansea University

More Kicks than Pricks: Modernist Body Parts, a lecture by Professor Maud Ellmann, University of Chicago, and Distinguished Research Professor at Swansea University; organised in association with the Department of English Language and Literature at Swansea University

5 March 2013, Swansea University

Modelling the evolution of cities and regions: past and present, a lecture by Professor Sir Alan Wilson FBA FRS; organised in association with the Department of Computer Science, Swansea University, as part of the series, *Swansea Distinguished Lectures in Computer Science*

20 March 2013, the University of Glamorgan

Life at the extremes — oxygen, the miracle molecule?, a lecture by Professor Damian Bailey, University of Glamorgan; organised in association with the Royal Society of Chemistry and the University of Glamorgan

25 March 2013, Cardiff University

Innovation and Energy: hot topics and cold facts, the 53rd William Menelaus Memorial Lecture, by Sir John Cadogan CBE DSc FRSE FRSC FLSW FRS; organised in association with the South Wales Institute of Engineers Educational Trust (SWIET2007)

25 March 2013, 5 Cwmdonkin Drive, Swansea

Dylan Thomas in Translation, a multilingual live-translation event at Dylan Thomas's Birthplace; led by Professor Alexis Nuselovici FLSW of the School of European Languages, Translation and Politics (EUROP) at Cardiff University; supported by a number of organisations, including the Society

27 – 29 March 2013, City Hall, Cardiff

The Party's Over: the 63rd Annual Conference of the Political Studies Association, supported by a number of organisations, including the Society; academic convenors included Professor Roger Scully AcSS FLSW and Professor Richard Wyn Jones FLSW, both of the Wales Governance Centre, Cardiff University

5 – 6 April 2013, the University of Wales Trinity Saint David (Lampeter Campus)

Bywyd a Gwaith Thomas Charles o'r Bala (The Life and Work of Thomas Charles of Bala), a Welsh-medium conference organised by Professor D Densil Morgan DD FLSW of the University of Wales Trinity Saint David, and supported by the Society; other speakers included Professor Dafydd Johnston FLSW and Professor Derec Llwyd Morgan DLitt FLSW

11 April 2013, Bangor University

Yr Hen Fam: RS Thomas and the Church in Wales, an Anniversaries lecture by Professor M Wynn Thomas OBE FBA FLSW, of the Centre for Research into the English Literature and Language of Wales (CREW), Swansea University (RS Thomas's literary executor)

16 April 2013, Cardiff University

Flatland, a Great Place to do Algebra, a Frontiers lecture by Sir Vaughan Jones FRS of Vanderbilt University, organised by Professor David E Evans FLSW, School of Mathematics, Cardiff University, and the Wales Institute of Mathematical and Computational Sciences in association with the Society

25 April 2013, Swansea University

Wales, America and the Space Race, the Richard Burton Annual Lecture, by George Abbey, former Director of the NASA Johnson Space Center and Fellow in Space Policy, Rice University, Houston, Texas; organised by Swansea University's Richard Burton Centre for the Study of Wales, in association with the Society and Literature Wales

24 May, in Cardiff and on 31 May in London

Wales, the United Kingdom and Europe, two one-day conferences organised in partnership with the British Academy, with speakers including Fellows of both Societies and academics and practitioners from across the United Kingdom and Europe;

6 June in Aberystwyth University

the *Wales Colloquium* of the UK National Commission for UNESCO, organised in association with the Society and Aberystwyth University, with speakers including the Rt Hon Carwyn Jones AM PC, the First Minister of Wales, and the Society's Treasurer, Professor John Wyn Owen CB FRGS FHSM FRSocMed FLSW;

7 – 8 June 2013, in the National Library of Wales, Aberystwyth

Thomas Pennant's Tours of Wales and Scotland, an interdisciplinary conference on the writings of the naturalist and antiquarian Thomas Pennant (1726-1798); hosted by the University of Wales Centre for Advanced Welsh and Celtic Studies, sponsored by the British Academy and supported by the Society

19 June 2013, in the National Library of Wales, Aberystwyth

Wales, Israel, Palestine, a lecture by Dr Jasmine Donahaye, Aberystwyth University and Swansea University, exploring problems of Welsh colonialism, Christian Zionism, missionaries as proto-ethnographers, and the cultural uses of semitic imaging

25 – 26 June 2013, in the University of South Wales (Pontypridd Campus)

WISERD (Wales Institute of Social & Economic Research, Data and Methods) *Annual Conference*; supported by the Society

3 July 2013 in Cardiff University

The inaugural presentation of the *Learned Society of Wales Menelaus Medal* to Sir Terry Matthews KBE FIEE FEng, for excellence in engineering and technology; followed by a lecture by Sir Terry for school pupils

3 July 2013 in Cardiff University

How can Wales make better use of research output to maximise short term economic growth and reduce unemployment levels?, a Foundation for Science and Technology discussion meeting; organised by the Foundation in association with the Society and Cardiff University

Lectures and other events are widely publicised and are normally open to all and free.

Policy initiatives

Further to its Mission “to act as a source of independent and expert scholarly advice and comment on matters affecting the wellbeing of Wales and its people and to advance public discussion and interaction on matters of national and international importance”, the Society has identified a number of policy areas in which it proposes to engage. These include: higher education funding and policy; research funding and policy; science policy including the environment and energy; cultural policy; social policy, including social cohesion and exclusion; and economic policy.

During the year, the Society addressed a number of areas of government policy, as well as other matters of public interest, by issuing comments and consultation responses and by engaging in dialogue with key figures. Formal policy interventions included the following:

Higher Education Policy

In July 2012 the Welsh Government issued a White Paper on its planned Further and Higher Education (Wales) Bill 2013. The Society’s response expressed serious concerns about aspects of the proposals relating to higher education. The Council will keep this matter under review and will respond further, as appropriate

The Funding of Research in Higher Education

Through correspondence and meetings with a number of Ministers, the Society has taken the opportunity to impress upon the Westminster Government that, although education is a devolved matter, responsibility for the funding of research across the United Kingdom continues to reside with the UK Government which has “a duty of care to see that the capability of Welsh universities to compete for these funds is not damaged.”

Triennial Review of the Research Councils

In January 2013, the Rt Hon David Willetts MP, Minister of State for Universities and Science, announced the Triennial Review of the Research Councils. The Society’s President submitted a response on behalf of the Society and offered to meet Mr Willetts to discuss the issues raised in his letter. The Minister has since responded to say that the Society’s views will be considered as part of the evidence-gathering process. He and the President met in June 2013.

During the year, the Society also submitted and made public its advice and comments on a number of other matters of public interest, including:

- its advice to the Welsh Government’s Task and Finish Group on the future organisation of the National Eisteddfod, pointing out the cultural, linguistic, social and economic advantages of the present arrangement, whereby the Eisteddfod re-locates each year between new sites in North and South Wales;
- its concern about the possible merger, within the Welsh Government, of the Royal Commission on the Ancient and Historical Monuments of Wales (the scholarly investigation body and national archive for the historic environment of Wales) and Cadw (the Welsh Government’s historic environment service)
- its concern about the decision taken, on financial grounds, temporarily to suspend the Jesus Chair of Celtic at Oxford University, stressing the Chair’s long-standing significance for Welsh and Celtic studies and for the international profile of Welsh scholarship, and offering to lend support to the efforts that are being made for renewal of the Chair.

In addition, the Society responded to invitations:

- from the Chief Scientific Adviser to propose names of eminent Welsh scientists who might be associated with the Chairs to be established under the Sêr Cymru scheme;
- to nominate candidates to be user assessors on the Research Excellence Framework (REF) 2014 expert panels;
- to nominate Fellows to serve on the panel charged with advising on the granting of Regius Professorships to mark the Queen's Diamond Jubilee (an invitation issued only to a small and select group of national learned societies).

These invitations demonstrate the extent to which the Society's opinion and advice are valued in Government and other official circles, and that it has already gone some way towards fulfilling its strategic aim of being acknowledged "*as the recognised representative of the world of Welsh learning*".

Publications

The Society maintains a website through which it advertises its events, publishes information about its activities and communicates its views on a wide range of issues to its Fellows and to the wider public. During the year, the Society issued a number of publications, all of which are publicly available *via* the website and some of which were also issued in printed format. These were:

- the Annual Review for 2011/12 (September 2012)
- comments on the Welsh Government's White Paper on its Further and Higher Education (Wales) Bill 2013 (October 2012)
- comments on the future arrangements for fulfilment of the functions of the Royal Commission on the Ancient and Historical Monuments of Wales (November 2012)
- *Recognising the Quality of Research at Universities in Wales*, a paper by Founding Fellow and Council Member, Professor Robin Williams CBE FInstP FLSW FRS (February 2013)
- comments in response to the Triennial Review of the Research Councils (February 2013)
- its response to the Welsh Government's consultation on the future organisation of the National Eisteddfod of Wales (March 2013)
- the Report and Accounts for the period 1 August 2011 to 31 July 2012 (February 2013)
- the President's Fourth Annual Address (May 2013).

In addition, the Society's Memorandum and Articles of Association and its Regulations are published on the website.

Relationship building

The building of relationships with stakeholders is an important aspect of the Society's development and, during the year the Society's Officers held discussions with representatives of a range of organisations, including:

- the Vice-Chancellors and other officers and staff of Welsh Universities;
- Welsh and UK Government politicians and senior civil servants, including:
 - the Rt Hon Carwyn Jones, Welsh Government First Minister;
 - the Rt Hon David Jones MP, Secretary of State for Wales;
 - Baroness Randerson, Parliamentary Under Secretary of State for Wales;
 - the Rt Hon David Willetts MP, Minister of State for Universities and Science;
 - Derek Jones, Welsh Government Permanent Secretary;
 - Wales's first Chief Scientific Adviser, Professor John Harries FInstP FRMetS FLSW; and
 - Christopher Berry, Senior Clerk at the Privy Council;
- officers and representatives of other learned societies, including the Royal Society, the British Academy, the Royal Society of Edinburgh, the Academy of Medical Sciences, and the Royal Society of Chemistry;
- officers and representatives of other charities;

- officers and representatives of other national organisations in Wales, including the National Museum and the National Eisteddfod;
- officers and representatives of organisations that support the academic work of the Welsh Universities, including the Coleg Cymraeg Cenedlaethol and the University of Wales Press;
- the Office of HRH The Prince of Wales;
- officers of the UK National Commission for UNESCO.

Expanding the Fellowship: the Election Cycle 2012/13

Underpinning the successful development of all of the Society's activities are its Fellows. They are the main resource through whose voluntary activities the Society's aims are taken forward for the benefit of the public and of society in general in Wales and more widely. Since the Fellowship represents a body of intellectual expertise of international standard and of the very highest possible contemporary calibre, the Learned Society is uniquely placed in Wales to fulfil a wide range of roles, including: (a) keeping the general public abreast of the very latest developments in the arts, humanities, sciences and medical sciences; (b) commenting on public policy in a wide range of areas; (c) providing Welsh Government ministers and senior officials with expert advice that can be fed into policy formation and decision-making; and (d) addressing issues of great public and governmental interest and moment (for example, climate change, science research and teaching, and cultural development) from an expert, disinterested and authoritative point of view, so facilitating informed debate.

Election to Fellowship of the Learned Society of Wales is *via* nomination by existing Fellows. It is open to men and women of all ages and from all ethnic groups:

- who have a demonstrable record of excellence and achievement in any of the academic disciplines or who, being members of the professions, the arts, industry, commerce or public service, have made a distinguished contribution to the world of learning; and
- who are resident in Wales, or who are persons of Welsh birth but are resident elsewhere, or who otherwise have a particular connection with Wales.

This focus on excellence and achievement ensures that the Society's Fellowship represents the very best of which Wales is currently capable in the major academic disciplines.

Following the election of sixty-nine new Fellows during its third annual election cycle in 2012/13, the Society now has more than three hundred Fellows, who are prominent figures within their respective fields. The Society's continuing focus on excellence and achievement as it builds a strong, representative Fellowship is intended to ensure that it will represent the very best of which Wales is capable in the major academic disciplines.

How the Society's activities deliver public benefit

As is required under the terms of the Charities Act 2006, each of the aims of the Learned Society of Wales is for the public benefit. Those aims are defined in the Society's Objects, as set out in its Articles of Association, and elaborated upon in its statement of Mission and Objectives (see above). All of these aims are "charitable purposes" as defined in the Act in that (i) they are for the public benefit and (ii) they fall in particular within the descriptions of two of the purposes defined in Part 1, section 2, sub-section 2 of the Act, namely:

- b) the advancement of education; and**
- f) the advancement of the arts, culture, heritage or science.**

The primary benefits to the public from the Society's activities are defined in the preamble to its Objects clause, as set out in the Articles and noted above ("The objects of the Society shall be for the benefit of the community, to advance learning and knowledge, and thereby to promote and contribute to cultural, social, environmental and economic development within Wales and beyond ..."). The benefits include in particular:

- (1) the promotion, support and advancement of scholarship (research, learning, knowledge, and innovation) and its transmission and dissemination across a range of different sectors (including higher education, further education, schools, industry, politicians and government, and the general public); and
- (2) the facilitation of informed debate and public and inter-sectoral interaction on a wide range of issues and subjects, with consequential improvements in public understanding of those issues and subjects, in the development of related policies, and in the health of intellectual life in general.

These benefits accord well with what is said in section D2 of the Commission's *Guidance on The Advancement of Education for the Public Benefit*, including:

"A society needs learning (knowledge about subjects) and skills and competences to tackle the many challenges of human existence";

"Education also leads to innovation and major advancements that improve the lives of everyone"; and

"Adding to the store of useful human knowledge is beneficial".

The beneficiaries of the Society's activities are the public and "society" in general (in Wales, in particular, but also more widely): its lectures, events and publications support benefit (1), above, and are normally open to all and free, with any outputs from them being made publicly available, usually through the Society's website; and its work in policy initiatives supports benefit (2), above, and is intended not only to inform debate but also to result in improved policy and provision to the benefit of all.

The Society operates on a pan-Wales basis (and may in future operate beyond Wales as well) so that benefits are not restricted by geography. Nor are there any restrictions based on charitable need, personal characteristics, or (the Fellows not being beneficiaries of the Society's activities) eligibility for Fellowship (F8).

With regard to access to facilities (Guidance, F7), lectures and other events organised by the Society are ordinarily open to the public and any outputs from or reports on such events are made publicly available.

Financial Review

The establishment of the Society and its operation during its first three years of existence (2010/11 to 2012/13) have been made possible by generous pump-priming support from the University of Wales. The total value of the grant provided by the University of Wales to the Society during the accounting period, 2012/13, was £75,000. The University has also made an advance payment of £150,000 to the Society in respect of grants for 2013/14 and 2014/15 (£75,000 for each year) and is, in addition, providing, *pro bono*, office space and other significant infrastructure support. Without this help, it would not have been possible to establish the Society, let alone make the progress that has so far been achieved in developing its programme of work. The Society is very grateful to the Council of the University for its far-sighted commitment to helping to bring the vision of a national academy for Wales to fruition. Having provided this support, the University has stepped away and has left the Society to conduct its business entirely independently.

The Society has also benefited from generous in-kind support from other organisations. These include Cardiff University, Swansea University, Aberystwyth University, Bangor University, the University of Wales Trinity Saint David, and the University of Glamorgan (South Wales), and the National Library of Wales, which have helpfully provided venues for Society events at no charge during 2012/13. Swansea University also hosts the Society's website. In addition, PricewaterhouseCoopers LLP have generously provided audit services on a *pro bono* basis.

During the year, the Society received a grant from the South Wales Institute of Engineers Educational Trust (£4,000), for which it is most grateful.

The Society derives some income from subscriptions charged to Fellows and from admission fees charged to newly-elected Fellows. Total subscription income payable by Fellows during 2012/13 was £40,425 and income from admission fees was £5,100. Over and above the income received from subscriptions and admission fees, during the year, the Society received from Fellows generous donations amounting to more than £4,000.

The Society's accounts for the period from 1 August 2012 to 31 July 2013 will be presented to the Annual General Meeting on 14 May 2014. These accounts show that all but £4,000 of the Society's total incoming resources (£150,142) for the accounting period fell into the category of unrestricted funds. The Balance Sheet shows net assets amounting to £174,009 at the end of the period.

The Society's policy on reserves follows the practice adopted by other charities in this regard, namely to ensure that it retains in reserve at all times at least the equivalent of the cost of six months of staff salaries.

Present funding levels enable the Society to operate at a fairly modest but still meaningful level, with the range of its activities necessarily being built up gradually over time. This is reflected in staffing levels during 2012/13 – one full-time Chief Executive and one full-time Executive Officer, supplemented by donated support and administrative services. The extent to which its activities can be developed and to which its value to the nation can be further enhanced over the coming years will depend in large measure upon the extent to which it is able to secure additional financial and other resources, over and above those that are already available.

The Council and the Finance Committee recognise that it is necessary to diversify the Society's income sources and that other, additional, sources of funding need to be explored as a matter of urgency, in order to enable the Society to develop its programme over the next few years. They have, accordingly, begun work on the development of a fundraising strategy. The Universities in Wales and their academics are among the Society's most natural supporters and, as a first step towards achieving a more secure financial environment by diversifying the range of funding streams, the Council has decided to seek financial support from Welsh Universities other than the University of Wales. To this end, the Officers had discussions with a number of Vice-Chancellors during the course of the year. Cardiff University and Swansea University both committed to providing financial support with effect from 2013/14 and the Society intends to seek support from other Welsh Universities. It will also aim to broaden the base of its support still further by approaching charitable trusts, commercial organisations and other potential sources of funding.

Despite its current reliance on a few sources of income, the Society has hitherto been able to conduct its business entirely independently. It will continue to do so.

Responsibilities of the Council

Company law requires the Council to prepare financial statements for each accounting period (financial year) which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the period. In preparing those financial statements, the Council should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Council is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable it to ensure that the financial statements comply with the Companies Act 2006. The Council is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members of the Council, who are directors of the company for the purpose of company law and charity trustees for the purpose of charity law, who served during the accounting period covered by this report and up to the date of the report are set out on page 1.

Declaration

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

PricewaterhouseCoopers LLP were appointed as the charitable company's auditors during the year.

This report has been prepared in accordance with:

- the *Statement of Recommended Practice: Accounting and Reporting by Charities* (March 2005);
- Charity Commission guidance, *Charities and Public Benefit* (January 2008) and *The Advancement of Education for the Public Benefit* (December 2008); and
- the provisions of the Companies Act 2006 relating to small companies.

The report was approved by the Council on 15 January 2014 and signed on its behalf by:

Sir John Ivan George Cadogan (President)



Professor John Wyn Owen (Treasurer)



Dr Lynn Eden Williams (Chief Executive and Secretary)



Date:

15 January 2014

Auditors' Report

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE LEARNED SOCIETY OF WALES

We have audited the financial statements of The Learned Society of Wales for the year ended 31 July 2013 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of trustees and auditors

As explained more fully in the Council's Responsibilities Statement, 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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the charity's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2013 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report.



Jonathan Bound (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff

16 January 2014

The maintenance and integrity of the Learned Society of Wales's website is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement of Financial Activities

The Learned Society of Wales
Statement of Financial Activities (including Income & Expenditure Account)
for the year ended 31 July 2013

	Notes	Unrestricted Funds 2013 £	Restricted Funds 2013 £	TOTAL FUNDS 2013 £	TOTAL FUNDS 2012 £
Statement of Financial Activities					
Incoming Resources					
Incoming Resources from Generated Funds:		-	-	-	-
Voluntary Income	2	144,569	4,000	148,569	143,550
Other Incoming Resources	3	1,573	-	1,573	776
Total Incoming Resources		146,142	4,000	150,142	144,326
Resources Expended					
Resources Expended					
Costs of generating voluntary funds:					
Costs of generating voluntary income		-	-	-	
Fundraising trading		-	-	-	
Charitable activities		75,652	2,499	78,151	69,243
Governance costs		44,307	-	44,307	45,421
Total Resources Expended	4	119,959	2,499	122,458	114,644
Net Incoming Resources		26,183	1,501	27,684	29,662

All incoming resources and resources expended derive from continuing operations.

Balance Sheet

Learned Society of Wales

Balance Sheet as at 31 July 2013

	Notes	2013 £	2012 £
Fixed Assets			
Tangible Assets	8	1,734	2,774
Current Assets			
Debtors		56,930	22,173
Fixed rate Bond		75,000	-
Cash at bank and in hand		191,632	143,783
		323,562	165,956
Creditors: amounts falling due within one year	9	(151,287)	(22,404)
		172,275	143,552
Net Current Assets			
Net Assets		174,009	146,326
Unrestricted Funds			
General funds		170,658	144,476
Restricted Funds			
General funds		3,351	1,850
Total Funds		174,009	146,326

These accounts are prepared in accordance with the *Statement of Recommended Practice: Accounting and Reporting by Charities* (March 2005) and the provisions of Part 15 of the Companies Act 2006 relating to small companies.

The accounts were approved by the Council on 15 January 2014 and signed on its behalf by:

Sir John Ivan George Cadogan (President)

Professor John Wyn Owen (Treasurer)

Dr Lynn Eden Williams (Chief Executive and Secretary)





Notes to the Accounts

Notes forming part of the Financial Statements for the year ended 31 July 2013

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding twelve month period.

(a) Basis of Accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 and the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005.

(b) Fund Accounting

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

(c) 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 are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

(d) Resources Expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

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

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the 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, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage as set out in Note 4.

(e) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 4 years.

(f) Donated Services

The basis of the valuation used for donated services (Note 10) is as follows:

Seconded Staff	-	actual cost to supplying body
Serviced Office Space	-	market value
Computing Support	-	notional cost provided by supplying body
Venues for Meetings and Events	-	market value
Professional Services	-	market value

2	Voluntary Income	Notes	2013 £	2012 £
	Grant from the University of Wales		75,000	65,759
	Other Grants		4,000	4,000
	Donated Services	10	20,030	23,462
	Membership Subscriptions		40,425	31,200
	Membership Admission Fees		5,100	5,475
	Donations		4,014	13,655
			148,569	143,551

3	Other Incoming Resources	£	£
	Bank Interest	1,080	43
	Miscellaneous Income	493	733
		1,573	776

4	Total Resources Expended	Notes	Basis of Allocation	Events 2013 £	Publications 2013 £	Policy Initiatives 2013 £	Governance 2013 £	TOTAL 2013 £	TOTAL 2012 £
	Costs directly allocated to activities								
	Travel	5	Direct	971	-	1,220	1,431	3,622	3,403
	Professional charges		Direct	-	-	-	3,300	3,300	7,273
	Supplies and services		Direct	8,694	300	339	1,413	10,746	11,173
	Support costs allocated to activities								
	Staff costs	6	Staff time	33,333	12,500	8,336	29,166	83,335	72,038
	Administration		Staff time	3,358	1,259	839	2,939	8,395	8,863
	Premises		Usage	4,080	1,530	1,020	3,570	10,200	9,600
	Computing		Usage	229	86	57	2,488	2,860	2,315
Total Resources Expended				50,665	15,675	11,811	44,307	122,458	114,665

5 Travel and Related Costs

	2013	2012
	£	£
Trustees		
Travel	1,395	1,327
Accommodation	-	-
Subsistence	74	123
	<u>1,469</u>	<u>1,450</u>
Staff		
Events: Speakers & Guests	1,810	1,121
	343	832
	<u>3,622</u>	<u>3,403</u>

No members of the Council received any remuneration during the year.
Travel and related costs amounting to £2,018 were reimbursed to 7 members of the Council.

6 Staff Costs

	2013	2012
	£	£
Salaries	75,062	64,907
National Insurance contributions	8,273	7,130
	<u>83,335</u>	<u>72,037</u>

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

The average number of employees during the year, calculated on the basis of full time equivalents, was as follows:

	2013	2012
	Number	Number
Chief Executive	1.0	1.0
Executive Officer	1.0	0.66
	<u>2.0</u>	<u>1.66</u>

7 Taxation

As a charity, the Learned Society of Wales is exempt from tax on income and gains falling within section 505 of the Taxes Act 1998 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

8 Tangible Fixed Assets

	Office Equipment	Office Equipment
Cost		
	£	£
At 1 August 2012	4,171	4,171
Additions	-	-
At 31 July 2013	<u>4,171</u>	<u>4,171</u>
Accumulated Depreciation		
	£	£
At 1 August 2012	1,397	354
Charge for the period	1,040	1,043
At 31 July 2013	<u>2,437</u>	<u>1,397</u>
Net Book Value		
	£	£
At 1 August 2012	2,774	3,817
At 31 July 2013	<u>1,734</u>	<u>2,774</u>

9 Creditors: amounts falling due within one year

	2013	2012
	£	£
Receipts in Advance	150,000	20,916
Trade Creditors	1,287	1,488
	<u>151,287</u>	<u>22,404</u>

10 Donated Services

	£	£
Seconded Staff		4,242
Serviced Office Space	10,200	9,600
Computing Support	1,260	1,200
Venues for Meetings and Events	5,270	5,420
Professional Services	3,300	3,000
	<u>20,030</u>	<u>23,462</u>



THE LEARNED SOCIETY OF WALES
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CELEBRATING SCHOLARSHIP AND SERVING THE NATION
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**For more information about the Society,
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