

Financial statements



Financial statements

Statement of Comprehensive Net Expenditure for the period 1 April 2017 to 31 March 2018

	Note	1.4.17 to 31.3.18	1.2.16 to 31.3.17
		£000	£000
Expenditure:			
Administration costs:			
Staff costs	2 and 3	1,070	809
Depreciation	2	11	6
Other administration costs	2	352	287
		1,433	1,102
Income:			
Income from activities		-	-
Other income		-	-
Net expenditure		1,433	1,102
Interest payable/receivable			-
Net expenditure after interest		1,433	1,102

Other comprehensive expenditure

	Note	1.4.17 to 31.3.18	1.2.16 to 31.3.17
		£000	£000
Net gain/(loss) on revaluation of plant and equipment		-	-
Total comprehensive expenditure for the year period		1,433	1,102

All income and expenditure is derived from continuing operations. There are no gains or losses other than those reported in the Statement of Comprehensive Net Expenditure.

The Commissioner receives funding from the Welsh Government.

The notes on pages 135 to 140 form part of these accounts

Statement of Financial Position as at 31 March 2018

	Note	2018 £000	2017 £000
Non-current assets:			
Property, plant and equipment	5	15	11
Current assets:			
Trade and other receivables	6	2	23
Cash and cash equivalents	7	601	607
		603	630
Total assets		618	641
Current liabilities:			
Trade and other payables	8	(112)	(187)
Total assets less current liabilities		506	454
Long-term liabilities:			
Provision		(5)	
Total assets less total liabilities		501	454
Taxpayer's equity:			
General fund		501	454



Sophie Howe,
Future Generations Commissioner for Wales
and Accounting Officer
5 July 2018

The notes on pages 135 to 140 form part of these accounts

Statement of Cash Flows for the period 1 April 2017 to 31 March 2018

	Note	1.4.17 to 31.3.18 £000	1.2.16 to 31.3.17 £000
Cash flows from operating activities			
Net Expenditure	Remuneration Report and 2	(1,433)	(1,102)
Adjustment for non-cash transactions	2	11	6
(Increase)/decrease in trade and other receivables	6	21	(23)
Increase/(decrease) in trade payables	8	(75)	187
Increase/(decrease) in provision		5	
Net cash outflow from operating activities		(1,471)	(932)
Cash flows from investing activities			
Purchase of property, plant and equipment	5	(15)	(17)
Net cash outflow from investing activities		(15)	(17)
Net cash outflow		(1,486)	(949)
Cash flows from financing activities			
Net Financing		1,480	1,556
Net increase/(decrease) in cash and cash equivalents	7	(6)	607
Cash and cash equivalents at beginning of period		607	
Cash and cash equivalents at end of period		601	607

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Statement of Changes in Taxpayers' Equity for the period 1 April 2017 to 31 March 2018

		1.4.17 to 31.3.18	1.2.16 to 31.3.17
	Note	£000	£000
Balance as at 1 April 2017		454	-
Changes in taxpayers' equity 2017-2018			
Funding from Welsh Government		1,480	1,556
Comprehensive net expenditure for the year		(1,433)	(1,102)
Balance at 31 March 2018		501	454

The notes on pages 135 to 140 form part of these accounts

Notes to the accounts

1. Statement of accounting policies

These financial statements have been prepared in accordance with the Government's Financial Reporting Manual (FRoM) issued by HM Treasury. The financial statements have been prepared for the twelve-month period ending 31 March 2018. The comparative figures are for the Commissioner's first accounting period from 1 February 2016 to 31 March 2017. The accounting policies contained in the FRoM apply International Accounting Standards (IFRS) as adopted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which has been judged to be most appropriate to the particular circumstances of the Commissioner for the purpose of giving a true and fair view has been selected. They have been applied consistently in dealing with items considered material in relation to the accounts.

My team have considered the impact of standards and interpretations which have been issued but are not yet effective and which have not been adopted early by the Commissioner. With the exception of International Financial Reporting Standards (IFRS) IFRS16 Leases, the Commissioner anticipates that the adoption of these Standards and interpretations in future periods will have no material impact on the financial statements. The impact of IFRS16, which has been issued by the International Accounting Standards Board (IASB) but not yet adopted by the European Union and will apply from 2019-2020, is not reasonably estimable at this stage.

The particular accounting policies adopted for my office are described below.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention as, in my opinion, the effect of the revaluation of fixed assets at their value to the organisation by reference to their current cost is considered to be immaterial.

1.2 Funding

The only source of funding for my office is from the Welsh Government via an annual grant, which is credited to the general fund when the grant is received.

1.3 Property, plant and equipment

All non-current assets have been valued at historic cost (see 1.1 above). The minimum level for capitalisation of individual assets is £1,000. Large numbers of the same type of asset have been grouped together in determining whether they fell above or below the threshold.

1.4 Depreciation

Depreciation is provided at rates calculated to write off the value of non-current assets by equal instalments over their estimated useful lives, as follows:

- ICT Equipment 3 years
- Furniture 3 years

A full year's depreciation is charged in the year of acquisition.

1.5 Statement of Comprehensive Net Expenditure

Operating income and expenditure is that which relates directly to the operating activities of my office. It comprises charges for goods and services provided on a full cost basis. All expenditure is classed as administration expenditure.

1.6 Value Added Tax

My office is not registered for VAT. Expenditure and fixed asset purchases are accounted for VAT inclusive, as VAT is irrecoverable.

1.7 Pensions

My staff are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The PCSPS is a defined benefit scheme. The cost of the defined benefit element of the scheme is recognised on a systematic and rational basis over the period during which it derives benefit from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution elements of the scheme, my office recognises the contributions payable for the year; these amounts are charged to the Statement of Comprehensive Net Expenditure in the year of payment.

1.8 Leases

Leases of assets where substantially all risks and rewards of ownership of a leased asset are borne by my office are classified as finance leases. The asset is recorded as a tangible fixed asset and a debt is recorded to the lessor of the minimum lease payments. Payments are charged to the Statement of Comprehensive Net Expenditure and a finance charge is made based upon the interest rate implicit in the lease.

Operating lease rentals are charged to the Statement of Comprehensive Net Expenditure in equal amounts over the lease term.

1.9 Segmental reporting

My office operates in Wales and deals with issues that impact upon people in Wales. The Statement of Comprehensive Net Expenditure and associated notes reflects the segments that the operating results are reported in.

1.10 Staff expenses

My office provides for short term compensated absences such as annual leave that was not taken at the year-end.

1.11 Provisions

My accounts provide for legal or contractual obligations which are of uncertain timing or amounts at the balance sheet date, on the basis of best estimate of the expenditure required to settle the obligation.

1.12 Cash and cash equivalent

My office holds cash which is deposited in an account within the Government Banking Service upon receipt. My office does not hold any petty cash.

2. Other administration costs

	1.4.17 to 31.3.18		1.2.2016 to 31.3.2017	
	£000	£000	£000	£000
2.1 Administration costs:				
Premises	45		24	
Office	102		95	
Training and recruitment	6		8	
Travel and Subsistence	30		27	
External auditor's remuneration	16		17	
Internal auditor's remuneration	12		9	
ICT equipment	34		25	
Project work	102		82	
		347		287
2.2 Non-cash items:				
Depreciation charge on ordinary assets	11		6	
Loss on disposal of fixed assets	-		-	
In year provision	5			
		16		6
		363		293

3: Staff costs

For the year staff costs consist of:

	2017-18	2016-17
	£000	£000
Wages and salaries	641	469
Social Security costs	68	52
Pension costs	136	103
Sub Total	845	624
Inward secondments and agency staff	225	185
Less recoveries in respect of outward secondments	-	-
Total Net Costs	1,070	809

The analysis of staff costs for 2016-17 has been corrected. Corrections: Wages and salaries £131,472 increase; social security £103,962 decrease; pensions £27,510 decrease. Net effect nil. The breakdown as disclosed in 2016-17 Staff Report was incorrect. The total staff costs figure was correct and remains unchanged.

4. Segmental information

My office operates in Wales and deals with issues that impact upon people in Wales. The Statement of Comprehensive Net Expenditure and associated notes reflects the segments that the operating results are reported in.

5. Property, plant and equipment

	ICT Equipment	Office Furniture and Equipment	Total
	£000	£000	£000
Cost			
At 1 April 2017	17	-	17
Additions	13	2	15
Disposals	-	-	-
At 31 March 2018	30	2	32
Depreciation			
At 1 April 2017	6	-	6
Charged in year	10	1	11
Disposals	-	-	-
At 31 March 2018	16	1	17
Net book value at 1 April 2017	11	-	11
Net book value at 31 March 2018	14	1	15

6. Trade receivables and other current assets

	31.03.18	31.03.17
	£000	£000
Amounts falling due within one year:		
Trade and other receivables	-	-
Prepayments and accrued income	2	23
	2	23

7. Cash and cash equivalents

	31.03.18	31.03.17
	£000	£000
Balance at 1 April 2017	607	-
Net change in cash and cash equivalent balances	(6)	607
Balance at 31 March 2018	601	607

All balances as at 31 March 2018 were held in an account within the Government Banking Service.

8. Trade payables and other current liabilities

	31.03.18	31.03.17
	£000	£000
Amounts falling due within one year		
Taxation and social security	-	-
Trade payables	36	37
Accruals	76	150
	112	187

9. Commitments under leases

The Commissioner was committed to making the following payments in respect of operating leases expiring

	2017-18		2016-17	
	£000		£000	
	Land & Buildings	Other	Land & Buildings	Other
Obligations under operating leases:				
Not later than one year	38	1	50	1
Later than one year and not later than five years	-	1	38	2
Later than five years				
	38	2	88	3

The amount of the lease payments recognised for this accounting period is £50,847

10. Financial instruments

IFRS7, Financial Instruments, requires disclosure of the role which financial instruments have had during the period in creating or changing the risks an entity faces in undertaking its activities. Because of the non-trading nature of my activities and the way in which my operations are financed, my Office is not exposed to the degree of financial risk faced by business entities. Moreover, financial instruments play a much more limited role in creating or changing risk than would be typical of the listed companies to which IFRS7 mainly applies. I have very limited powers to borrow or invest surplus funds and financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks I face in undertaking activities.

Liquidity risk

My Office's net revenue and capital resource requirements are financed by the Welsh Government. My Office is not therefore exposed to significant liquidity risks.

Interest-rate risk

My Office's financial assets and liabilities are not exposed to interest-rate risks.

Foreign Currency risk

My Office's financial assets and liabilities are not exposed to foreign currency risks.

Fair values

There is no material difference between the book values and fair values of my Office's financial assets and liabilities as at 31st March 2018.

11. Capital commitments

There were no capital commitments as at 31st March 2018.

12. Contingent liabilities

There were no contingent liabilities as at 31st March 2018.

13. Related party transactions

The Welsh Government is a related party, my office received its sole source of funding from the Welsh Government (£1.480 million for this year and £1.556 million in the previous accounting period). My office's payroll is outsourced to the Public Service Ombudsman for Wales (PSOW) and there have been a small number of material transactions during the period, relating to the operation of payroll and pensions, with the PSOW, HM Revenue and Customs and the Cabinet Office.

There were no material transactions with organisations in which senior staff, or any of their family, held positions of influence.

14. Events after the reporting period

There were no events between the statement of financial position date and the date the accounts were signed that impact upon these statements. These financial statements were approved for issue on xx July 2018 by Sophie Howe

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