

Company Registration Number - 4369668

The Charity Registration Number is :- 1121276

Manchester Literature Festival Limited

Report and Accounts

31 March 2020

**INSERT LOGOS**

**Manchester Literature Festival Limited**

**Report and accounts for the year ended 31 March 2020**

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## **Manchester Literature Festival Limited**

Company Registration Number - 4369668

### **Trustees' Annual Report for the year ended 31 March 2020**

The Trustees present their Report and Accounts for the year ended 31 March 2020, which also comprises the Directors' Report required by the Companies Act 2006.

#### **Reference and administrative details**

##### ***The charity name.***

The legal name of the charity is:- Manchester Literature Festival Limited.

##### ***The charity's areas operation and UK charitable registration.***

The charity is registered in England & Wales with the Charity Commission in England & Wales (CCEW) with charity number 1121276.

The charity does not operate in any overseas jurisdictions.

##### ***Legal structure of the charity***

The charity is constituted as a company limited by guarantee, registered under the Companies Acts . The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

There are no restrictions in the governing documents on the operation of the Charity or on its investment powers other than those imposed by Charity Law.

By operation of law all, trustees are directors under the Companies Act 2006 and all directors are trustees under Charities legislation and have responsibilities, as such, under both company and charity legislation.

The trustees are all individuals.

##### **The principal operating address, telephone number, email and web addresses of the charity are:-**

The Department Store  
5 Oak Street  
Manchester M4 6JD  
Telephone 0161 832 5502

The registered office of the charity for Companies Act purposes is the same as the operating address shown above.

## **Manchester Literature Festival Limited**

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### **Trustees' Annual Report for the year ended 31 March 2020**

#### **The Trustees in office on the date the report was approved were:-**

Afshan Tania D'souza-Lodhi

Jerome de Groot

Ed Farrelly

Peter Mearns (CHAIR)

Karl Jackson

Eleanor Manson

Matthew Jonathan Frost

Punam Ramchurn

#### **The following persons served as Trustees during the year ended 31 March 2020 :-**

The trustees who served as a trustee in the reporting period, and, if applicable, their dates of appointment or resignation during the year were:-.

<b>Name</b>	<b>Appointed</b>	<b>Resigned/Retired</b>
Afshan Tania D'souza-Lodhi		
Jerome de Groot		
Ed Farrelly		
Peter Mearns (CHAIR)	09/12/2019	
Karl Jackson	09/12/2019	
Eleanor Manson	09/12/2019	
Matthew Jonathan Frost		
Punam Ramchurn		
Stella Marie Bowdell		11/03/2020
Janice Bradley		09/12/2019

#### **Objects and activities of the charity**

##### ***A summary of the objects of the charity as set out in its governing document.***

Manchester Literature Festival's Charitable objectives are:

"to promote arts and in particular, literature in society for the benefit of the inhabitants of the North West Area of England and elsewhere by developing public appreciation of literature and by improving public access to and the quality of literature."

## **Manchester Literature Festival Limited**

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### **Trustees' Annual Report for the year ended 31 March 2020**

To achieve these aims in 2019/20, the Charity organised and promoted the Manchester Literature Festival 4 - 20 October 2019.

The 2019 Manchester Literature Festival (MLF) was highly successful in meeting our primary goals:

- \* To bring to Manchester the very best in contemporary writing from across the world
- \* To commission and showcase innovative new literature from established and emerging writers
- \* To promote Manchester as a hub for international cultural exchange and establish ourselves as a key attraction for visitors to the city
- \* To provide inspirational opportunities for children and young people to experience high-quality live literature and engage in creative writing and reading activities

The trustees have had regard to the Charity Commission's guidance on public benefit in managing the activities of the charity.

#### **The main achievements and performance of the charity during the year.**

MLF continued to distinguish itself from the many literary events and festivals elsewhere by imaginative and diverse programming, offering a much broader range of experience than traditional book trade-serving events. The 14th edition of the Manchester Literature Festival featured 73 live events (including Preview and Bookend events) spread across 16 venues, attracting a total audience of 11,722. In addition to live events we also produced a number of digital legacies as part of our Manchester Commission series.

The programme featured a careful balance of literary, popular and bespoke events, appealing to a broad audience demographic, and we presented a strong mix of international, national and local authors.

Over 120 writers and other artists took part in the festival, and with rare exception proved to be of excellent calibre, not only in terms of artistic merit but also their ability to engage with an audience. According to Audience Survey results, 95% of the audience rated the artistic quality of the event as very good (74%) or good (21%), 95% of the audience rated their overall experience of the festival as very good (73%) or good (22%) and 90% of the audience rated the value for money of events as very good (66%) or good (24%). 46% of attendees were visiting the festival for the first time (compared to 37% in 2019) and 75% were extremely likely to recommend the event to a friend or colleague.

The eclectic programme, including bestselling genre writers alongside literary heavyweights, and featuring everything from an evening with Guy Garvey and Simon Armitage to a showcase for the *It's Not About the Burqa* anthology reached out to new and diverse audiences. 18 events featured writers of colour (representing 25% of the festival programme) and 15 events featured LGBTQ+ artists (representing 20% of the programme).

## **Manchester Literature Festival Limited**

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### **Trustees' Annual Report for the year ended 31 March 2020**

We updated our Programming strands this year, replacing our Main Events and Rising Stars strand with Fiction, Poetry and Culture (encompassing music, feminism, politics and environmental concerns). Culture highlights included: feminist activists Caroline Criado Perez and Mona Eltahawy; musicians Brett Anderson and Neil Tenant; authors Jonathan Safran Foer and Kerry Hudson on climate change, class and poverty; and comedian and broadcaster Sandi Toksvig.

Events featuring well known writers such as Elif Shafak, Celeste Ng, Jeanette Winterson and Lemn Sissay & Henry Normal were predictably popular, and most Literary Reputations and Weightmans Walking Tours sold out. In all 35 (48%) of this years events sold out and the overall attendance was 74% of capacity.

The Festival also featured a number of new commissions:

#### ***Fundraising activities during the year.***

**Castlefield Manchester Sermon - Gillian Slovo** delivered the ninth Manchester sermon on the theme *What hope Democracy?* at Manchester Cathedral

**Rewriting Longsight - Hafsah Aneela Bashir and Isaiah Hull** performed newly commissioned poems inspired by their recent residencies in Longsight Library with musical support from Sufi singer Shabnam Khan. The Rewriting Longsight project was co-commissioned with Manchester Libraries' Creative Spaces and funded through Arts Council Lottery funding. Both poets found it a rewarding and challenging project to work on.

**Tusk - Inua Ellams** presented a new sequence of poems, co-commissioned by MLF and Manchester Museum, responding to an artefact taken from Benin and currently in the Museum's collection. Inua's very powerful and emotive commission helped to illuminate current debates within the museum world repsonding to the call for repatriation of stolen artefacts.

All these commissioning projects culminated in unique live events, providing opportunities for audiences to experience a one-off literary encounter, and also digital legacies enabling the new work to be experienced by a wider audience. New commissions also provide writers with interesting new challenges, encouraging them to flex their creative muscles.

The programme also featured a wide range of events and projects aimed at children and young people and their families, including an Afternoon with popular comedian and children's author David Baddiel and our Family Reading Day - a day of interactive events, and free craft and story telling activities.

The Festival continued to deliver a year-round education programme encouraging children and young people to develop a passion for reading and creative writing. Activities included support for the Writing Squad young writers' hot housing project; delivery of monthly Story Time sessions at Central, Longsight, Levenshulme, Moss Side, Old Trafford and Wythenshawe libraries; and the launch of a young creatives project, Re(verb).

## **Manchester Literature Festival Limited**

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### **Trustees' Annual Report for the year ended 31 March 2020**

Using the freelance services of Lethal Communications, the festival conducted an extensive media campaign comprising a wide range of national print and broadcast, consumer, local and online outlets, offering well balanced coverage of the Festival programme. We retained our media partnership with Big Issue North, which aligns the diverse programming of Manchester Literature Festival with the positive values and ethos of the magazine. A front cover and feature article on Guy Garvey and Simon Armitage was extremely successful, in terms of profile for the festival and also vendor sales. We also received preview coverage in the Observer, The Times, MEN, Metro, Stylist, Cheshire Life, Living Edge, Creative Tourist, Manchester Confidential and Radio Manchester. There was a 57% increase in views of the festival website this year and our Twitter (7%+), Facebook (13%+) and Instagram (41%+) followers continued to grow.

We invested a significant amount of reserves this year in increased marketing support and a strategic review of the organisation led by independent consultant Alison Fordham. This resulted in a revamp of the Festival brochure design to increase accessibility and to emphasise the inclusivity and diversity of the MLF programme. The new look brochure incorporated photographs of all the participants, punchier event listings, improved navigation of information, and was printed on a better quality of uncoated paper stock. We also recruited a new Chair of the Board, Peter Mearns, to succeed outgoing Chair Jerome de Groot.

### **The Year Ahead**

Due to the coronavirus pandemic we have been forced to cancel our Spring programme of events and, with ongoing social distancing restrictions and lack of audience confidence in attending live events, we are unlikely to be able to deliver the 15th edition of the Manchester Literature Festival in October. We are exploring the feasibility of delivering a scaled down digital version of the festival. The projected loss of box-office revenue is likely to have a severe impact on the Festival's finances this year.

We have secured funding from the GMCA Culture Fund to support the expansion of our CYP activities across Greater Manchester, including the extension of our Little Reads project in local libraries, over the next two years. We have also received funding from the Postcode Community Trust to deliver a new Young Producers Project.

In partnership with local performance group Young Identity and the LiteratureXchange and Ordkraft festivals in Denmark, we plan to initiate Cities Untold, commissioning young writers from Manchester, Aarhus and Aalborg to create new work responding to the three cities.

### **Structure, governance and management of the charity**

#### **The trustees bankers and advisers**

Bankers	HSBC 780 Wilmslow Road, Manchester M20 0DP
Accountants	RWF Rubinstein Chartered Accountants 171 Bury New Road, Manchester M45 6AB

## Manchester Literature Festival Limited

Company Registration Number - 4369668

### Trustees' Annual Report for the year ended 31 March 2020

#### Financial review

##### *The charity's financial position at the end of the year ended 31 March 2020*

The financial position of the charity at 31 March 2020 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2020 £	2019 £
Net income	(37,684)	(17,159)
Called up share capital	-	-
Unrestricted Revenue Funds available for the general purposes of the charity	34,120	71,804
Total Funds	34,120	71,804

##### ***Financial review of the position at the reporting date, 31 March 2020 . and Policies on reserves***

The Festival currently holds £34,120 in reserves. The Festival aims to retain a minimum of 25% annual turnover (approximately £60,000) in reserve to smooth out peaks and troughs in funding and box office income and to cover any one-off additional expenditure such as office moves. The Trustees may choose to invest any excess reserves in activities that will help to secure the continued growth of the festival, such as fundraising or marketing, or to seek out low risk investment banking options.

##### ***Availability and adequacy of assets of each of the funds***

The board of trustees is satisfied that the charity's assets in each fund are available and adequate to fulfil its obligations in respect of each fund

#### Details of The Independent Examiner

Michael J Rubinstein  
Fellow of the Institute of Chartered Accountants  
Brentwood  
171 Bury New Road  
Whitefield  
Manchester  
M45 6AB



## **Manchester Literature Festival Limited**

Company Registration Number - 4369668

### **Trustees' Annual Report for the year ended 31 March 2020**

#### **Statement of the Directors Trustees' Responsibilities**

The charity's trustees are responsible for the preparation of the accounts in accordance with the terms of the Companies Act 2006, the Charities Act 2011 and the Charities (Accounts and Reports) Regulations 2008. Notwithstanding the explicit requirement in the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008, to prepare the financial statements in accordance with the SORP 2005, in view of the fact that the SORP 2005 has been withdrawn, the Trustees determined to interpret this responsibility as requiring them to follow current best practice and prepare the accounts according to the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), .

In particular, the Companies Act 2006 and charity law require the Board of Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity. In preparing those financial statements the Board is required to :-

- to prepare the accounts in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law);
- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.

The law requires that the trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for the year.

The Trustees are also responsible for maintaining adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which are sufficient to show and explain the charity's transactions and enable them to ensure that the financial statements comply with the Companies Act 2006 and comply with regulations made under the Charities Act. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are also responsible for the contents of the Trustees' report, and the statutory responsibility of the Independent Examiner in relation to the Trustees' report is limited to examining the report and ensuring that , on the face of the report, there are no material inconsistencies with the figures disclosed in the financial statements.

## **Manchester Literature Festival Limited**

Company Registration Number - 4369668

### **Trustees' Annual Report for the year ended 31 March 2020**

#### **Method of preparation of accounts - Small company provisions**

The financial statements are set out on pages 12 to 25.

The financial statements have been prepared implementing the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016)

These financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006. applicable to companies subject to the small companies regime.

This report was approved by the board of trustees on 30 November 2020.



Peter Mearns  
Director and Trustee

## **Manchester Literature Festival Limited**

### **Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 March 2020**

I report to the Trustees on my examination of the financial statements of the charitable company on pages 12 to 25 for the year ended 31 March 2020 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and under the historical cost convention and the accounting policies set out on page 16.

#### **Respective responsibilities of the Trustees and the Independent Examiner and the basis of the report**

As described on page 9, you, the charitable company's Trustees, who are also the Directors of the Company for the purposes of Company law, are responsible for the preparation of the financial statements in accordance with the Companies Act 2006, the Charities Act 2011 and all other applicable law and with United Kingdom Generally Accepted Accounting Practice, applicable to smaller entities, and for being satisfied that the financial statements give a true and fair view.

The Trustees consider that the audit requirement of Section 144(1) of the Charities Act 2011 (the Act) does not apply, and that there is no requirement in the memorandum and articles of the charity for the conducting of an audit, and that the accounts do not require an audit in accordance with Part 16 of the Companies Act 2006 and that no member or members have requested an audit pursuant to Section 476 of the Companies Act 2006. As a consequence, the Trustees have elected that the financial statements be subject to independent examination.

Having satisfied myself that the financial statements are not required to be audited under any legal provision, or otherwise, and are eligible for independent examination, it is my responsibility to:-

- a) examine the financial statements of the charity under Section 145 of the Act;
- b) follow the applicable procedures in the Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### **Basis of Independent Examiner's Statement and scope of work undertaken**

I report in respect of my examination of the charity's financial statements carried out under s145 of the Act. In carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act setting out the duties of an independent examiner in relation to the conducting of an independent examination. An independent examination includes a review of the accounting records kept by the charitable company and of the accounting systems employed by the charitable company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you, as Trustees, concerning such matters. The purpose of the examination is to establish as far as possible that there have been no breaches of charity legislation and that, on a test basis of evidence relevant to the amounts and disclosures made, the financial statements comply with the SORP.

The procedures undertaken do not provide all the evidence that would be required in an audit, and information supplied by the Trustees in the course of the examination is not subjected to audit tests or enquiries and does not cover all the matters that an auditor would consider in arriving at an opinion. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide

## **Manchester Literature Festival Limited**

Consequently, I do not express an audit opinion on the view given by the financial statements, and in particular, I express no opinion as to whether the financial statements give a true and fair view of the affairs of the charity, and my report is limited to the matters set out in the statement below.

I planned and performed my examination so as to satisfy myself that the objectives of the independent examination are achieved and before finalising the report I obtained written assurances from the Trustees of all material matters.

### **Independent Examiner's Statement, Report and Opinion**

Subject to the limitations upon the scope of my work as detailed above, I have completed my examination: and can confirm that:-

The accounts of this charitable company are not required to be audited under Part 16 of the Companies Act 2006;

This is a report in respect of an examination carried out under 145 of the Act and in accordance with Directions given by the Charity Commission under section 145(5)(b) of the Act which may be applicable;

and that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

- accounting records were not kept in respect of the charity as required by Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

- the financial statements do not accord with those records; or

- the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in section 396 of the Companies Act 2006 other than any requirement that the accounts give a 'true and fair' view, which is not a matter considered as part of an independent examination;

- have not been prepared in accordance with the methods and principles set out in the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP).

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

**Signed:-**

Michael J Rubinstein - Independent Examiner  
Fellow of the Institute of Chartered Accountants

Brentwood  
171 Bury New Road  
Whitefield  
Manchester  
M45 6AB

This report was signed on 30 November 2020

**Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2020**

***Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 March 2020, as required by the Companies Act 2006)***

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
<b>Income &amp; Endowments from:</b>				
Donations & Legacies	145,595	-	<b>145,595</b>	145,645
Charitable activities	94,895	-	<b>94,895</b>	85,326
Investments	62	-	<b>62</b>	43
<b>Total income</b>	<b>240,552</b>	<b>-</b>	<b>240,552</b>	<b>231,014</b>
<b>Expenditure on:</b>				
Raising funds	17,250	-	<b>17,250</b>	15,000
Charitable activities	260,986	-	<b>260,986</b>	233,173
<b>Total expenditure</b>	<b>278,236</b>	<b>-</b>	<b>278,236</b>	<b>248,173</b>
<b>Net income for the year</b>	<b>(37,684)</b>	<b>-</b>	<b>(37,684)</b>	<b>(17,159)</b>
<b>Net income after transfers</b>	<b>(37,684)</b>	<b>-</b>	<b>(37,684)</b>	<b>(17,159)</b>
<b>Net movement in funds</b>	<b>(37,684)</b>	<b>-</b>	<b>(37,684)</b>	<b>(17,159)</b>
<b>Reconciliation of funds:-</b>				
<b>Total funds brought forward</b>	71,804	-	<b>71,804</b>	86,650
<b>Total funds carried forward</b>	<b>34,120</b>	<b>-</b>	<b>34,120</b>	<b>69,491</b>

A separate Statement of Total Recognised Gains and Losses is not required as this statement includes all recognised gains and losses.

All the prior year transactions were unrestricted items, and no further analysis is required

All activities derive from continuing operations

**The notes attached on pages 16 to 25 form an integral part of these accounts.**

**Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2020**

**Manchester Literature Festival Limited - Resources applied in the year ended 31 March 2020 towards fixed assets for Charity use:-**

	2020 £	2019 £
Funds generated in the year as detailed in the SOFA	(37,684)	(17,159)
<b>Net resources available to fund charitable activities</b>	<b>(37,684)</b>	<b>(17,159)</b>

**Movements in revenue and capital funds for the year ended 31 March 2020**

**Revenue accumulated funds**

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last year Total Funds 2019 £
Accumulated funds brought forward	71,804	-	71,804	86,650
Recognised gains and losses before transfers	(37,684)	-	(37,684)	(17,159)
	<b>34,120</b>	<b>-</b>	<b>34,120</b>	<b>69,491</b>
(From) / To unrestricted revenue funds	-	-	-	2,313
<b>Closing revenue funds</b>	<b>34,120</b>	<b>-</b>	<b>34,120</b>	<b>71,804</b>

**Summary of funds**

	Unrestricted and Designated funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Last Year Total Funds 2019 £
Revenue accumulated funds	34,120	-	34,120	71,804

The notes attached on pages 16 to 25 form an integral part of these accounts.

**Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2020**

**Manchester Literature Festival Limited**  
***Income and Expenditure Account for the year ended 31 March 2020 as required by the Companies Act 2006***

	2020 £	2019 £
<b>Income</b>		
Income from operations	240,490	230,971
Investment income		
Interest receivable	62	43
<b>Gross income in the year before exceptional items</b>	<b>240,552</b>	<b>231,014</b>
<b>Gross income in the year including exceptional items</b>	<b>240,552</b>	<b>231,014</b>
<b>Expenditure</b>		
Charitable expenditure, excluding depreciation and amortisation	257,603	229,385
Depreciation and amortisation	216	288
Fundraising costs	17,250	15,000
Governance costs	3,167	3,500
Realised losses on disposals of social investments which are programme related	-	-
<b>Total expenditure in the year</b>	<b>278,236</b>	<b>248,173</b>
<b>Net income before tax in the financial year</b>	<b>(37,684)</b>	<b>(17,159)</b>
Tax on surplus on ordinary activities	-	-
<b>Net income after tax in the financial year</b>	<b>(37,684)</b>	<b>(17,159)</b>
<b>Retained surplus for the financial year</b>	<b>(37,684)</b>	<b>(17,159)</b>

All activities derive from continuing operations

In accordance with the provisions of the Companies Act 2006, the headings and subheadings used in the Income and Expenditure account have been adapted to reflect the special nature of the charity's activities.

**The notes attached on pages 16 to 25 form an integral part of these accounts.**

**Manchester Literature Festival Limited**  
**Balance Sheet as at 31 March 2020**

	Notes	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	7	648	864
<b>Total fixed assets</b>		<u>648</u>	<u>864</u>
<b>Current assets</b>			
Cash at bank and in hand		57,363	95,166
<b>Creditors: amounts falling due within one year</b>	8	<u>(23,890)</u>	<u>(24,226)</u>
<b>Net current assets</b>		33,473	70,940
<b>The total net assets of the charity</b>		<u><b>34,120</b></u>	<u><b>71,804</b></u>

The total net assets of the charity are funded by the funds of the charity, as follows:-

**Unrestricted Funds**

Unrestricted Revenue Funds	9	34,120	71,804
		34,120	71,804
<b>Total charity funds</b>		<u><b>34,120</b></u>	<u><b>71,804</b></u>

The notes attached on pages 16 to 25 form an integral part of these accounts.



**Manchester Literature Festival Limited**  
**Balance Sheet as at 31 March 2020**

The directors are satisfied that the company is entitled to exemption from the requirement to obtain an audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit in accordance with section 476 of the Act.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

The charity is subject to Independent Examination under charity legislation, and the report of the Independent Examiner is on page 9

The financial statements have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006, applicable to companies subject to the small companies regime.



Peter Mearns

Trustee

Approved by the board of trustees on 30 November 2020

**The notes attached on pages 16 to 25 form an integral part of these accounts.**

# Manchester Literature Festival Limited

## Notes to the Accounts for the year ended 31 March 2020

### 1 Accounting policies

#### *Policies relating to the production of the accounts.*

##### **Basis of preparation and accounting convention**

The accounts have been prepared on the accruals basis, under the historical cost convention, and in accordance with the Financial Reporting Standard 102, (effective 1st January 2016) and 'FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW), effective January 2016, and in accordance with all applicable law in the charity's jurisdiction of registration, except that the charity has prepared the financial statements in accordance with the FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), in preference to the previous SORP, the SORP 2005, which has been withdrawn, notwithstanding the fact that the extant statutory regulations, the Charities (Accounts and Reports) Regulations 2008 refer explicitly to the SORP 2005. This has been done to accord with current best practice.

##### **Going Concern**

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31 March 2020, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

The charity is a public benefit entity.

#### *Policies relating to categories of income and income recognition.*

##### **Nature of income**

Gross income represents the value, net of value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers.

##### **Accounting for deferred income and income received in advance**

Where terms and conditions relating to income have not been met or uncertainty exists as to whether the charity can meet any terms or conditions otherwise within its control, income is not recognised but is deferred as a liability until it is probable that the terms or conditions imposed can be met.

Any grant that is subject to performance-related conditions received in advance of delivering the goods and services required by that condition, or is subject to unmet conditions wholly outside the control of the recipient charity, is accounted for as a liability and shown on the balance sheet as deferred income. Deferred income is released to income in the reporting period in which the performance-related or other conditions that limit recognition are met.

When income from a grant or donation has not been recognised due to the conditions applying to the gift not being wholly within the control of the recipient charity, it is disclosed as a contingent asset if receipt of the grant or donation is probable once those conditions are met.

Where time related conditions are imposed or implied by a funder, then the income is apportioned to the time periods concerned, and, where applicable, is accounted for as a liability and shown on the balance sheet as deferred income. When grants are received in advance of the expenditure on the activity funded by them, but there are no specific time related conditions, then the income is not deferred.

# **Manchester Literature Festival Limited**

## **Notes to the Accounts for the year ended 31 March 2020**

Any condition that allows for the recovery by the donor of any unexpended part of a grant does not prevent recognition of the income concerned, but a liability to any repayment is recognised when repayment becomes probable.

### **Fixed Assets**

Tangible fixed assets are measured at their original cost value, or subsequent revaluation, or if donated, as described above. Cost value includes all costs expended in bringing the asset into its intended working condition.

Depreciation has been provided at the following rates in order to write off the assets to their anticipated residual value over their estimated useful lives.

Plant and machinery	20 % straight line
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### **Creditors and provisions**

Creditors and provisions are measured at their payable amounts at the balance sheet date

### **Financial instruments including cash and bank balances**

Cash held by the charity is included at the amount actually held and counted at the year end. Bank balances, whether in credit or overdrawn, are shown at the amounts properly reconciled to the bank statements.

## **2 Liability to taxation**

The Trustees consider that the charity satisfies the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively on the specific charitable objects of the charity and for no other purpose.

# Manchester Literature Festival Limited

## Notes to the Accounts for the year ended 31 March 2020

### 3 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain any assets, after the satisfaction of all debts and liabilities, the assets represented by the accumulated fund shall be transferred to some other charitable body or bodies having similar objects to the charity.

### 4 Significance of financial instruments to the charity's position

There are no significant implications relating to the charity's financial position.

### 5 Net deficit before tax in the financial year

	2020 £	2019 £
The net deficit before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	216	288
Pension costs	2,706	2,375

### 6 Staff costs and emoluments

<b>Salary costs</b>	2020 £	2019 £
Gross Salaries excluding trustees and key management personnel	91,119	84,185
Employer's National Insurance for all staff	6,002	3,145
Employer's operating costs of defined contribution pension schemes	2,706	2,375
<b>Total salaries, wages and related costs</b>	<b>99,827</b>	<b>89,705</b>

The estimated full time equivalent number of all staff employed in the year was	3	3
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#### *The estimated equivalent number of full time staff deployed in different activities in the year was:-*

Engaged on charitable activities	1	1
Engaged on publicity activities	1	1
Engaged on fundraising activities	1	1
<b>The estimated full time equivalent number of all staff employed as above</b>	<b>3</b>	<b>3</b>

# Manchester Literature Festival Limited

## Notes to the Accounts for the year ended 31 March 2020

### 7 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2019	-	11,248	-	11,248
<b>At 31 March 2020</b>	<b>-</b>	<b>11,248</b>	<b>-</b>	<b>11,248</b>
<b>Depreciation</b>				
At 1 April 2019	-	10,384	-	10,384
Charge for the year	-	216	-	216
<b>At 31 March 2020</b>	<b>-</b>	<b>10,600</b>	<b>-</b>	<b>10,600</b>
<b>Net book value</b>				
<b>At 31 March 2020</b>	<b>-</b>	<b>648</b>	<b>-</b>	<b>648</b>
<b>At 31 March 2019</b>	<b>-</b>	<b>864</b>	<b>-</b>	<b>864</b>

### 8 Creditors: amounts falling due within one year

	2020	2019
	£	£
Accruals	3,500	3,500
PAYE, NIC VAT and other taxes	2,026	3,972
Other creditors	18,364	16,754
	<b>23,890</b>	<b>24,226</b>

### 9 Income and Expenditure account summary

	2020	2019
	£	£
<b>At 1 April 2019</b>	71,804	86,650
Transfers in for the year	-	2,313
At 1 April 2019	71,804	88,963
Defecit after tax for the year	(37,684)	(17,159)
<b>At 31 March 2020</b>	<b>34,120</b>	<b>71,804</b>

# Manchester Literature Festival Limited

## Notes to the Accounts for the year ended 31 March 2020

### 10 Particulars of how particular funds are represented by assets and liabilities

At 31 March 2020	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	648	-	-	648
Current Assets	57,363	-	-	57,363
Current Liabilities	(23,890)	-	-	(23,890)
	<b>34,121</b>	<b>-</b>	<b>-</b>	<b>34,121</b>

  

At 1 April 2019	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	864	-	-	864
Current Assets	95,166	-	-	95,166
Current Liabilities	(24,226)	-	-	(24,226)
	<b>71,804</b>	<b>-</b>	<b>-</b>	<b>71,804</b>

### 11 Change in total funds over the year as shown in Note 10 , analysed by individual funds

	Funds brought forward from 2019	Movement in funds in 2020	Transfers between funds in 2020	Funds carried forward to 2021
	£	See Note 12 £	£	£
<b>Unrestricted and designated funds:-</b>				
Unrestricted Revenue Funds	71,804	(37,684)	-	34,120
<b>Total unrestricted and designated funds</b>	<b>71,804</b>	<b>(37,684)</b>	<b>-</b>	<b>34,120</b>
<b>Total charity funds</b>	<b>71,804</b>	<b>(37,684)</b>	<b>-</b>	<b>34,120</b>

## Manchester Literature Festival Limited

### Notes to the Accounts for the year ended 31 March 2020

#### 12 Analysis of movements in funds over the year as shown in Note 11

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2020	2020	2020	2020
	£	£	£	£
<b><i>Unrestricted and designated funds:-</i></b>				
Unrestricted Revenue Funds	240,552	(278,236)	-	(37,684)
	<u>240,552</u>	<u>(278,236)</u>	<u>-</u>	<u>(37,684)</u>

#### 13 The purposes for which the funds

##### ***Unrestricted and designated funds:-***

Unrestricted Revenue Funds

These funds are held for the meeting the objectives of the charity, and to provide reserves for future activities, and , subject to charity legislation, are free from all restrictions on their use.

#### 14 Ultimate controlling party

The charity is under the control of its legal members.

# Manchester Literature Festival Limited

## Detailed analysis of income and expenditure for the year ended 31 March 2020 as required by the SORP 2015

### 15 Donations, Grants and Legacies

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Revenue grants from government and public bodies</b>				
Arts Council England	76,661	-	<b>76,661</b>	76,661
National Lottery	5,213	-	<b>5,213</b>	-
Manchester City Council - Event Funding	12,500	-	<b>12,500</b>	12,500
Manchester City Council - Other Funding	11,038	-	<b>11,038</b>	2,000
BBC Children In Need	7,599	-	<b>7,599</b>	7,535
Post Code Lottery	-	-	-	5,765
<b>Total public sector revenue grants</b>	<b>113,011</b>	<b>-</b>	<b>113,011</b>	<b>104,461</b>
	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Revenue grants and donations from non public bodies</b>				
Small grants individually less than £1000	4,224	-	<b>4,224</b>	3,775
Granada Foundation	1,360	-	<b>1,360</b>	2,000
MCG Northern Commission	-	-	-	5,000
<b>Total private sector revenue grants</b>	<b>5,584</b>	<b>-</b>	<b>5,584</b>	<b>10,775</b>
	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
<b>Sponsorship</b>				
Sponsorship Income	27,000	-	<b>27,000</b>	30,409
<b>Total sponsorship income</b>	<b>27,000</b>	<b>-</b>	<b>27,000</b>	<b>30,409</b>
<b>Total Donations, Grants and Legacies</b>				
<b>Total Donations, Grants and Legacies</b>	<b>145,595</b>	<b>-</b>	<b>145,595</b>	<b>145,645</b>



# Manchester Literature Festival Limited

## Detailed analysis of income and expenditure for the year ended 31 March 2020 as required by the SORP 2015

### 16 Income from charitable activities - Trading Activities

<i>Current year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total funds 2019 £
<b>Primary purpose and ancillary trading</b> Sale of goods and services in accordance with the charity's objects	94,895	-	<b>94,895</b>	85,326
<b>Total Primary purpose and ancillary trading</b>	<b>94,895</b>	<b>-</b>	<b>94,895</b>	<b>85,326</b>

### 17 Total Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Total income from charitable trading	94,895	-	<b>94,895</b>	85,326
<b>Total from charitable activities</b>	<b>94,895</b>	<b>-</b>	<b>94,895</b>	<b>85,326</b>

### 18 Investment income

	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Bank Interest Receivable	62	-	<b>62</b>	43
<b>Total investment income</b>	<b>62</b>	<b>-</b>	<b>62</b>	<b>43</b>

### 19 Expenditure on charitable activities - Direct spending

<i>Current Year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Gross wages and salaries - charitable activities	91,119	-	<b>91,119</b>	<b>84,185</b>
Employers' NI - Charitable activities	6,002	-	<b>6,002</b>	<b>3,145</b>
Defined contribution pension costs - charitable activities	2,706	-	<b>2,706</b>	<b>2,375</b>
Travel and Subsistence - Charitable Activities	8,159	-	<b>8,159</b>	<b>8,723</b>
Marketing and advertising of charitable services	27,270	-	<b>27,270</b>	<b>25,280</b>
Artists Costs	41,119	-	<b>41,119</b>	<b>41,267</b>
Venue Costs	14,790	-	<b>14,790</b>	<b>19,803</b>
Book Purchases	13,170	-	<b>13,170</b>	<b>9,608</b>
<b>Total direct spending</b>	<b>204,335</b>	<b>-</b>	<b>204,335</b>	<b>194,386</b>

## Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2020 as required by the SORP 2015

### 20 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
<b>Premises Expenses</b>				
Rent payable under operating leases	7,827	-	7,827	7,267
<b>Administrative overheads</b>				
Telephone, fax and internet	1,848	-	1,848	3,070
Postage	2,977	-	2,977	2,605
Stationery and printing	203	-	203	63
Courier Services	900	-	900	2,555
Subscriptions to periodicals	45	-	45	40
Equipment expenses	62	-	62	54
Liability and contents insurance	1,388	-	1,388	1,129
Sundry expenses	336	-	336	13
<b>Professional fees paid to advisors other than the auditor or examiner</b>				
Consultancy fees	35,785	-	35,785	17,467
Other legal and professional	1,606	-	1,606	360
<b>Financial costs</b>				
Bank charges	291	-	291	376
Depreciation & Amortisation in total for	216	-	216	288
<b>Support costs before reallocation</b>	<b>53,484</b>	<b>-</b>	<b>53,484</b>	<b>35,287</b>
<b>Total support costs - Current Year</b>	<b>53,484</b>	<b>-</b>	<b>53,484</b>	<b>35,287</b>
The basis of allocation of costs between activities is described under accounting policies				-

All the expenditure in the prior year was unrestricted.

The basis of allocation of costs between activities is described under accounting policies

### 21 Other Expenditure - Governance costs

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2020	2020	2020	2019
	£	£	£	£
Independent Examiner's fees	3,167	-	3,167	3,500
<b>Total Governance costs</b>	<b>3,167</b>	<b>-</b>	<b>3,167</b>	<b>3,500</b>

All the expenditure in the prior year was unrestricted.

## Manchester Literature Festival Limited

### Detailed analysis of income and expenditure for the year ended 31 March 2020 as required by the SORP 2015

#### 22 Total Charitable expenditure

<i>Current Year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Total direct spending	204,335	-	204,335	194,386
Total support costs	53,484	-	53,484	35,287
Total Governance costs	3,167	-	3,167	3,500
<b>Total charitable expenditure</b>	<b>260,986</b>	<b>-</b>	<b>260,986</b>	<b>233,173</b>

All the expenditure in the prior year was unrestricted.

<i>Prior Year</i>	Prior Year Unrestricted Funds 2019 £	Prior Year Restricted Funds 2019 £	Prior Year Total Funds 2019 £
Total direct spending	194,386	-	194,386
Total support costs	35,287	-	35,287
Total Governance costs	3,500	-	3,500
<b>Total charitable expenditure</b>	<b>233,173</b>	<b>-</b>	<b>233,173</b>

#### 23 Expenditure on raising funds and costs of investment management

<i>Current Year</i>	Current year Unrestricted Funds 2020 £	Current year Restricted Funds 2020 £	Current year Total Funds 2020 £	Prior Year Total Funds 2019 £
Agent's costs for fundraising	17,250	-	17,250	15,000
<b>Total fundraising costs</b>	<b>17,250</b>	<b>-</b>	<b>17,250</b>	<b>15,000</b>

All the expenditure in the prior year was unrestricted.