

Company Registration Number - 4369668

The Charity Registration Number is :- 1121276

Manchester Literature Festival Ltd
(A Company Limited by Guarantee and Registered Charity)

Report and Accounts

31 March 2017



Manchester Literature Festival Ltd

Report and accounts for the year ended 31 March 2017

Contents

	Page
Charity information	1
Trustees' Annual Report	1
Statement of directors' responsibilities	7
Independent Examiner's Report	9
<i>Funds Statements:-</i>	
Statement of Financial Activities	11
Statement of Financial Activities - Prior Year statement	12
Movements in funds	13
Income and Expenditure account	14
Balance sheet	16
Notes to the accounts	17

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

The Trustees present their Report and Accounts for the year ended 31 March 2017, which also comprises the Directors' Report required by the the Companies Act 2006.

Reference and administrative details

The charity name.

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

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

Legal structure of the charity

The governing document of the charity is the Memorandum and Articles of Association establishing the company under company legislation.

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

Martin Alexander Carr
Katherine Elizabeth Jane Beacon
Jerome de Groot (Chair)
Ed Farrelly
Matthew Jonathan Frost
Punam Ramchurn
Stella Marie Bowdell

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

The following persons served as Trustees during the year ended 31 March 2017 :-

Martin Alexander Carr
Katherine Elizabeth Jane Beacon
Jerome de Groot (Chair)
Ed Farrelly
Matthew Jonathan Frost
Punam Ramchurn
Stella Marie Bowdell (appointed 7 December 2016)

Objects and activities of the charity

The purposes 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."

The main activities undertaken in relation to those purposes during the year.

To achieve these aims in 2016/17, the Charity organised and promoted the Manchester Literature Festival 7 - 23 October 2016.

The 2016 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

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

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 11th edition of the Manchester Literature Festival was our most successful festival to date. It featured 85 live events (including bookend events) spread across 24 venues, attracting a total audience of 13,352 people (a 5% increase on 2015 attendance). In addition to live events we also produced a number of digital legacies as part of our Manchester Commission series and partner projects. Once again 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. In total 221 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, 98% of the audience rated the artistic quality of the event as very good (75%) or good (23%), 98% of the audience rated their overall experience of the festival as very good (72%) or good (26%), and 94% of the audience rated the value for money of events as very good (67%) or good (27%). 48% of attendees were visiting the festival for the first time and 85% were extremely likely to recommend the event to a friend or colleague.

The eclectic programme, including bestselling genre writers alongside literary heavy-weights, and featuring everything from showcases for The Good Immigrant, Love Across a Broken Map and Book of Dhaka anthologies to the Rockin' Rhinos rock and read gig for families, purposefully reached out to new and diverse audiences.

The programme incorporated some very popular non-fiction events including in-conversation events with historian Yuval Noah Harari, fashion designer and climate change activist Vivienne Westwood, guitarist and songwriter Johnny Marr, and comedian and broadcaster Susan Calman. We also co-programmed a series of events showcasing South Asian writers with the Karachi Literature Festival and British Council.

Events featuring well-known names such as Margaret Atwood, Alan Cumming, Alan Johnson, Jenni Murray, Lionel Shriver, Zadie Smith and Rose Tremain, were predictably popular, and many events in our Young Readers and Literary Reputations strands attracted capacity audiences. In all 43 (50%) of this year's events sold out and the overall attendance was a record breaking 85% of capacity.

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

The Festival also featured a number of new commissions:

Manchester Sermon – sponsored by Castlefield ethical investment company, novelist **Kamila Shamsie** was commissioned to deliver the seventh Manchester Sermon and took part in an engaging post sermon discussion with Jeanette Winterston.

Fashion and Freedom – Booker shortlisted novelist Deborah Levy was co-commissioned by MLF and Manchester Art Gallery to respond to the current Fashion and Freedom exhibition. The piece was performed at a special event at the gallery followed by an in conversation with Katie Popperwell.

Midland Hotel Commission – as part of the sixth writer in residence project at the Midland Hotel, novelist Jane Rogers was co-commissioned to write a new short story set in the hotel which was performed as part of an Afternoon Tea event at the Midland.

Lock Songs – poet **Jean Sprackland** was co-commissioned by MLF and the Canal and River Trust to write a sequence of poems inspired by a boating weekend traveling through the magnificent Peak District countryside into post-industrial Manchester. The poems were performed at a special event at Hope Mill Theatre during the festival.

The Book Song – our first ever CYP commission was produced by the Rockin' Rhinos and performed at a special gig for under 7's and their families.

Royal Literary Fund Lecture – Ben Okri was commissioned by MLF and RLF to write our inaugural lecture which was delivered at the Whitworth Art Gallery.

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 our Family Reading Day - a daylong event at Manchester Central Library featuring 5 live events and a Market Place offering a range of craft activities, a drop-in storytelling tent, and tips on how to encourage good reading habits. 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, delivering monthly Storytime with Dad sessions at Central, Longsight, Levenshulme and North City Libraries, and supporting Alma Park Primary School's week long Writing and Reading Festival.

After a six year period, our HSBC Principal Sponsorship agreement came to an end after the festival. Castlefield, Weightmans, Ten Acre and Squire Patton Boggs continued their corporate Festival Friends support. Our annual box office increased by 13% and we increased the festival's reserves by £14,359.

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

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

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

Using the freelance services of Lethal Communications, the festival conducted an extensive media campaign. Press coverage included: previews in The Guardian Guide, Cheshire Life, Big Issue North, Manchester Evening News, Metro, BBC Radio Manchester, Stylist, The Pool; reviews in Times Literary Supplement, The State of the Arts, Northern Soul; features online and in print in Big Issue North, Northern Soul, The Skinny, Cheshire Life; major broadcast coverage on BBC Radio 4 Today Programme, BBC 6Music, BBC Radio 4 Woman's Hour, BBC Radio 3 The Verb and BBC 5Live. We developed our media partnerships with Big Issue in the North and The Skinny, resulting in widespread coverage of the festival in print and online. Many events were reviewed on student and independent Blogs including the Mancunian, Manchester Review and Manchester Hallows.

Our website attracted a 5% increase in page views and 6% increase in unique visits from 2015. Our Twitter followers grew by 20% and Facebook likes by 26%. Our live tweeting from events proved very popular judging by favouriting and retweeting activity.

Public Benefit

Manchester Literature Festival's activities in the year were designed to provide the following public benefits in accordance with the Charities Act 2006:

The advancement of the arts: MLF provided a unique and diverse programme of activities designed to appeal to readers of all ages and literary tastes.

The advancement of education: MLF provided an imaginative programme of events and reading projects for children and young people and supported local writers through commissioning and showcasing opportunities, enabling them to reach a broader audience and advance their careers.

The Year Ahead

The 12th edition of the Manchester Literature Festival will feature a packed programme of internationally renowned authors and special commissions including collaborations with Manchester Art Gallery and The Whitworth as part of their New North and South programme of contemporary art celebrating the shared heritage of South Asia and the North of England.

With the support of funding from Children in Need and the People's Postcode Trust we will be expanding our Story Time with Dad project to libraries in Moss Side and Wythenshawe. We will continue our efforts to apply to a range of other Charitable Trusts to help support future commissioning and education projects and develop a dedicated marketing role within the organisation.

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

The University of Manchester has agreed to become the festival's Higher Education Partner and we plan to work closely with them on the development of the festival's programme as well as year round educational activity.

MLF is part of a consortium of organisations, including Manchester City Council, University of Manchester and Manchester Metropolitan University, who have applied for UNESCO City of Literature status. We will be informed of the outcome of our application in late October and if successful will start to fundraise for an ambitious programme of new citywide writing and commissioning projects.

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

Financial review

The charity's financial position at the end of the year ended 31 March 2017

The financial position of the charity at 31 March 2017 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2017	2016
	£	£
Net income	14,360	12,680
Unrestricted Revenue Funds available for the general purposes of the charity	84,994	70,636
Restricted Revenue Funds	2,313	2,313
Total Funds	87,307	72,949

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

Financial Review & Policies on reserves.

The Festival currently holds £87,307 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

Independent Examiner

Michael J Rubinstein

Fellow of the Institute of Chartered Accountants in England and Wales

171 Bury New Road

Whitefield

Manchester

M45 6AB

Statement of the Directors Trustees's 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 February 2016) .

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;

Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2017

- 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.

Method of preparation of accounts - Small company provisions

The financial statements are set out on pages 11 to 24.

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 February 2016) 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 27 September 2017.



Jerome de Groot
Director and Trustee

Manchester Literature Festival Ltd

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 March 2017

I report on the financial statements of the charitable company on pages 11 to 24 for the year ended 31 March 2017 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 February 2016) published by the Charity Commission in England & Wales (CCEW) , effective January 2015 (The SORP), under the historical cost convention and the accounting policies set out on page 17.

Respective responsibilities of the Trustees and the Independent Examiner

As described on page 7, 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 applicable law and 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 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 charity is not subject to audit under any legal provision, or otherwise, and is eligible for independent examination, it is my responsibility to:-

- a) examine the accounts under Section 145 of the Act;
- b) follow the procedures in the General Directions given by the Charity Commission under section 145(5)(b) of the Act and;
- c) state whether particular matters have come to my attention.

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

I conducted my examination in accordance with the General 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 the financial statements comply with the SORP, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements.

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 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.

Manchester Literature Festival Ltd

Independent Examiner's Statement, Report and Opinion

Subject to the limitations upon the scope of my work as detailed above , in connection with my examination, I can confirm that :-

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

The gross income of the charitable company in the year ended 31 March 2017 appears to exceed the sum specified in Section 145(3) of the Act, namely £250000, and that I am qualified to act as Independent Examiner in accordance with that section by virtue of my being a qualified member of Institute of Chartered Accountants in England and Wales;

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

and that no matter has come to my attention in connection with my examination which gives me reasonable cause to believe that in any material respect the requirements :-

to keep accounting records in accordance with Section 386 of the Companies Act 2006 and Section 130 of The Charities Act 2011;

to prepare financial statements which accord with the accounting records and comply with the accounting requirements of Section 396 of the Companies Act 2006 and The Charities Act 2011 and;

have been prepared in accordance with the requirements of Section 396 of the Companies Act 2006 and and with the methods and principles set out in the FRS102 Statement of Recommended Practice - Accounting and Reporting by Charities (effective January 2016)

have not been met or to which, in my opinion, attention should be drawn in my report in order to enable a proper understanding of the accounts to be reached;

Michael J Rubinstein - Independent Examiner

Institute of Chartered Accountants in England and Wales

171 Bury New Road
Whitefield
Manchester
M45 6AB

This report was signed on 27 September 2017

Manchester Literature Festival Ltd - Statement of Financial Activities for the year ended 31 March 2017

Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 March 2017, as required by the Companies Act 2006)

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017 £	2017 £	2017 £	2016 £
Income & Endowments from:				
Donations & Legacies	186,385	-	186,385	173,877
Charitable activities	68,167	-	68,167	51,664
Investments	17	-	17	22
Total income	254,569	-	254,569	225,563
Expenditure on:				
Raising funds	16,500	-	16,500	17,000
Charitable activities	223,709	-	223,709	195,883
Total expenditure	240,209	-	240,209	212,883
Net income for the year	14,360	-	14,360	12,680
Net income after transfers	14,360	-	14,360	12,680
Net movement in funds	14,360	-	14,360	12,680
Reconciliation of funds:-				
Total funds brought forward	70,636	2,313	72,949	60,268
Total funds carried forward	84,996	2,313	87,309	72,948

The 'SORP Ref' indicated above is the classification of income set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

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

All activities derive from continuing operations

The notes attached on pages 17 to 24 form an integral part of these accounts.

Manchester Literature Festival Ltd - Statement of Financial Activities for the year ended 31 March 2017

	SORP Ref	Prior Year	Prior Year	Prior Year Total Funds
		Unrestricted Funds	Restricted Funds	
		2016	2016	2016
		£	£	£
Income & Endowments from:				
Donations & Legacies		173,877	-	173,877
Charitable activities		51,664	-	51,664
Investments		22	-	22
Total income		225,563	-	225,563
Expenditure on:				
Raising funds		17,000	-	17,000
Charitable activities		195,883	-	195,883
Total expenditure		212,883	-	212,883
Net income for the year		12,680	-	12,680
Net income after transfers		12,680	-	12,680
Net movement in funds		12,680	-	12,680
Reconciliation of funds:-				
Total funds brought forward		57,955	2,313	60,268
Total funds carried forward		70,635	2,313	72,948

All activities derive from continuing operations

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

The notes attached on pages 17 to 24 form an integral part of these accounts.

Manchester Literature Festival Ltd - Statement of Financial Activities for the year ended 31 March 2017

Manchester Literature Festival Ltd - Resources applied in the year ended 31 March 2017 towards fixed assets for Charity use:-

	2017 £	2016 £
Funds generated in the year as detailed in the SOFA	14,360	12,680
Net resources available to fund charitable activities	14,360	12,680

Movements in revenue and capital funds for the year ended 31 March 2017

Revenue accumulated funds

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Last year Total Funds 2016 £
Accumulated funds brought forward	70,636	2,313	72,949	57,955
Recognised gains and losses before transfers	14,360	-	14,360	12,680
	84,996	2,313	87,309	70,635
Closing revenue funds	84,996	2,313	87,309	70,635

Revaluation Reserve Fund

	Unrestricted Funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Last year Total Funds 2016 £
At 1 April	-	-	-	-
At 31 March	-	-	-	-

Summary of funds

	Unrestricted and Designated funds 2017 £	Restricted Funds 2017 £	Total Funds 2017 £	Last Year Total Funds 2016 £
Revenue accumulated funds	84,996	2,313	87,309	70,635

The notes attached on pages 17 to 24 form an integral part of these accounts.

Manchester Literature Festival Ltd - Statement of Financial Activities for the year ended 31 March 2017

**Manchester Literature Festival Ltd
Income and Expenditure Account for the year ended 31 March 2017 as required by the
Companies Act 2006**

	2017 £	2016 £
Income		
Income from operations	254,552	225,541
Investment income		
Interest receivable	17	22
Gross income in the year before exceptional items	254,569	225,563
Gross income in the year including exceptional items	254,569	225,563
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	220,519	192,415
Depreciation and amortisation	500	668
Fundraising costs	16,500	17,000
Governance costs	2,690	2,800
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	240,209	212,883
Net income before tax in the financial year	14,360	12,680
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	14,360	12,680
Retained surplus for the financial year	14,360	12,680

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 17 to 24 form an integral part of these accounts.

Manchester Literature Festival Ltd - Balance Sheet as at 31 March 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	7	1,503	2,003
Current assets			
Cash at bank and in hand		92,095	89,363
Creditors: amounts falling due within one year	8	<u>(6,291)</u>	<u>(18,417)</u>
Net current assets		85,804	70,946
The total net assets of the charity		<u>87,307</u>	<u>72,949</u>

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

Restricted funds			
Restricted Revenue Funds	11	2,313	2,313
Unrestricted Funds			
Unrestricted Revenue Funds	11	84,994	70,636
Designated Funds			
Total charity funds		<u>87,307</u>	<u>72,949</u>

Manchester Literature Festival Ltd - Balance Sheet as at 31 March 2017

The 'SORP Ref' indicated above is the classification of Balance Sheet items as set out in the formal SORP documents. As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the SOFA..

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 10.

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.



Jerome de Groot

Trustee

Approved by the board of trustees on 27 September 2017

The notes attached on pages 17 to 24 form an integral part of these accounts.

Manchester Literature Festival Ltd

Notes to the Accounts for the year ended 31 March 2017

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 February 2016) published by the Charity Commission in England & Wales (CCEW) ,effective January 2016, (The SORP), 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 February 2016) 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.

Policies relating to categories of income and income recognition.

Membership subscriptions

The income and any associated Gift Aid or other tax refund from a membership subscription received by the charity in the nature of a gift, is accounted for on the same basis as a donation.

The income from a membership subscription received by the charity where the subscription purchases the right to services or benefits is recognised as income from charitable activities.

Policies relating to expenditure on goods and services provided to the charity.

Recognition of liabilities and expenditure

A liability, and the related expenditure, is recognised when a legal or constructive obligation exists as a result of a past event, and when it is more likely than not that a transfer of economic benefits will be required in settlement, and when the amount of the obligation can be measured or reliably estimated..

Liabilities arising from future funding commitments and constructive obligations, including performance related grants, where the timing or the amount of the future expenditure required to settle the obligation are uncertain, give rise to a provision in the accounts, which is reviewed at the accounting year end. The provision is increased to reflect any increases in liabilities, and is decreased by the utilisation of any provision within the period, and reversed if any provision is no longer required. These movements are charged or credited to the respective funds and activities to which the provision relates.

Tangible 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 estimated useful lives.

Plant and machinery	20 % reducing balance
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Creditors and provisions

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

Manchester Literature Festival Ltd

Notes to the Accounts for the year ended 31 March 2017

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.

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 Net surplus before tax in the financial year

	2017	2016
	£	£
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	500	668

5 Staff costs and emoluments

Salary costs	2017	2016
	£	£
Gross Salaries excluding trustees and key management personnel	68,761	63,655
Employer's National Insurance for all staff	3,476	5,426
Trustees Remuneration as detailed in Note 6	-	-
Total salaries, wages and related costs	72,237	69,081

Numbers of full time employees or full time equivalents	2017	2016
The average number of total staff employed in the year was	2.5	3
The average number of part time staff employed in the year was	1.5	2
The average number of full time staff employed in the year was	1	1
The estimated full time equivalent number of all staff employed in the year was	2.5	3

The estimated equivalent number of full time staff deployed in different activities in the year was:-

Engaged on publicity activities	1	1
Engaged on fundraising activities	1	1
Engaged on management and administration	0.5	1
The estimated full time equivalent number of all staff employed as above	2.5	3

Neither the trustees nor any persons connected with them have received any remuneration from the charity or any related entity, either in the current or prior year.

No employees received emoluments (excluding pension costs) in excess of £60,000 per annum.

Manchester Literature Festival Ltd

Notes to the Accounts for the year ended 31 March 2017

6 Remuneration and payments to Trustees and persons connected with them

No trustees or persons connected with them received any remuneration from the charity, or any related entity.

7 Tangible fixed assets

	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 April 2016	-	11,248	-	11,248
At 31 March 2017	-	11,248	-	11,248
Depreciation				
At 1 April 2016	-	9,245	-	9,245
Charge for the year	-	500	-	500
At 31 March 2017	-	9,745	-	9,745
Net book value				
At 31 March 2017	-	1,503	-	1,503
At 31 March 2016	-	2,003	-	2,003

8 Creditors: amounts falling due within one year

	2017	2016
	£	£
Accruals	2,620	3,080
PAYE, NIC VAT and other taxes	2,275	2,254
Other creditors	1,396	13,083
	6,291	18,417

9 Income and Expenditure account summary

	2017	2016
	£	£
At 1 April 2016	72,948	60,268
Surplus after tax for the year	14,360	12,680
At 31 March 2017	87,308	72,948

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

At 31 March 2017	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	1,503	-	-	1,503
Investments at valuation:-				
Current Assets	89,782	-	2,313	92,095
Current Liabilities	(6,291)	-	-	(6,291)
	84,994	-	2,313	87,307

Manchester Literature Festival Ltd

Notes to the Accounts for the year ended 31 March 2017

At 1 April 2016	Unrestricted funds	Designated funds	Restricted funds	Total Funds
	£	£	£	£
Tangible Fixed Assets	2,003	-	-	2,003
Investments at valuation:-				
Current Assets	87,050	-	2,313	89,363
Current Liabilities	(18,417)	-	-	(18,417)
	70,636	-	2,313	72,949

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

	Funds brought forward from 2016	Movement in funds in 2017	Transfers between funds in 2017	Funds carried forward to 2018
	£	See Note 12 £	See Note 0 £	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	70,636	14,360	-	84,996
Total unrestricted and designated funds	70,636	14,360	-	84,996
Restricted funds:-				
	2,313	-	-	2,313
Total restricted funds	2,313	-	-	2,313
Total charity funds	72,949	14,360	-	87,309

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

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2017 £	2017 £	2017 £	2017 £
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	254,569	(240,209)	-	14,360
	254,569	(240,209)	-	14,360

13 The purposes for which the funds as detailed in note 11 are held by the charity are:-

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.

r their

Total

£

11,248

11,248

9,245

500

9,745

1,503

2,003

Total

Funds

£

1,503

92,095

(6,291)

87,307

Total
Funds
£
2,003

89,363
(18,417)

72,949

Funds
carried
forward to
2018

£

84,996

84,996

2,313

2,313

87,309

Movement
in funds
2017
£

14,360

14,360

Manchester Literature Festival Ltd

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

This analysis is classified by conventional nominal descriptions and not by activity.

15 Donations and Legacies

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017	2017	2017	2016
	£	£	£	£
Revenue grants from government and public bodies				
Small grants individually less than £1000	750	-	750	679
Arts Council	75,313	-	75,313	86,231
Manchester City Council	12,500	-	12,500	13,000
British Council	7,500	-	7,500	-
New Writing North	2,500	-	2,500	-
Canal & River Trust	4,870	-	4,870	-
Awards 4 All	5,276	-	5,276	-
Big Lottery	-	-	-	6,963
Total public sector revenue grants	108,709	-	108,709	106,873
Revenue grants and donations from non public bodies				
Small grants individually less than £1000	1,503	-	1,503	-
Madeline Maybe Trust	2,000	-	2,000	2,500
Ernest Cook Trust	2,937	-	2,937	2,994
Manchester Guardian Charitable Trust	-	-	-	1,000
Total private sector revenue grants	6,440	-	6,440	6,494
Sponsorship				
Sponsorship Income	71,236	-	71,236	60,510
Total sponsorship income	71,236	-	71,236	60,510
Total Donations and Legacies	186,385	-	186,385	173,877

Manchester Literature Festival Ltd

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

16 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017 £	2017 £	2017 £	2016 £
Primary purpose and ancillary trading				
Sale of goods and services in accordance with the charity's objects	68,167	-	68,167	51,664
Total Primary purpose and ancillary trading	68,167	-	68,167	51,664

17 Total Income from charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	£ 2017	£ 2017	£ 2017	£ 2016
Total income from charitable trading	68,167	-	68,167	51,664
Total from charitable activities	68,167	-	68,167	51,664

18 Investment income

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017 £	2017 £	2017 £	2016 £
Bank Interest Receivable	17	-	17	22
Total investment income	17	-	17	22

19 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017 £	2017 £	2017 £	2016 £
Gross wages and salaries - charitable activities	68,761	-	68,761	63,655
Employers' NI - Charitable activities	3,476	-	3,476	5,426
Travel and Subsistence - Charitable Activities	13,200	-	13,200	7,989
Marketing and advertising of charitable services	29,395	-	29,395	31,816
Artists costs	48,806	-	48,806	31,186
Venue costs	17,462	-	17,462	15,403
Total direct spending	181,100	-	181,100	155,475

Manchester Literature Festival Ltd

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

20 Support costs for charitable activities

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2017 £	2017 £	2017 £	2016 £
<i>Premises Expenses</i>				
Rent payable under operating leases	7,964	-	7,964	8,395
<i>Administrative overheads</i>				
Telephone, fax and internet	2,751	-	2,751	1,832
Postage	2,530	-	2,530	2,822
Stationery and printing	386	-	386	870
Health and safety costs	-	-	-	285
Liability and contents insurance	967	-	967	919
Sundry expenses	13	-	13	722
Equipment, repairs, expenses and	150	-	150	338
Licences & Permits	35	-	35	35
<i>Professional fees paid to advisors other than the auditor or examiner</i>				
Consultancy fees	23,854	-	23,854	20,338
Other legal and professional	300	-	300	-
<i>Financial costs</i>				
Bank charges	469	-	469	384
Depreciation	500	-	500	668
Support costs before reallocation	39,919	-	39,919	37,608
Total support costs	39,919	-	39,919	37,608

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

Manchester Literature Festival Ltd

Detailed analysis of income and expenditure for the year ended 31 March 2017 as required by the SORP 2015

21 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Independent Examiner's fees	2,690	-	2,690	2,800
Total Governance costs	2,690	-	2,690	2,800

22 Total Charitable expenditure

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Total direct spending	181,100	-	181,100	155,475
Total support costs	39,919	-	39,919	37,608
Total Governance costs	2,690	-	2,690	2,800
Total charitable expenditure	223,709	-	223,709	195,883

23 Expenditure on raising funds and costs of investment management

	Current year Unrestricted Funds 2017 £	Current year Restricted Funds 2017 £	Current year Total Funds 2017 £	Prior Year Total Funds 2016 £
Agent's costs for fundraising	16,500	-	16,500	17,000
Total fundraising costs	16,500	-	16,500	17,000