

Company Registration Number - 4369668

The Charity Registration Number is :- 1121276

Manchester Literature Festival Limited

Report and Accounts

31 March 2018



Manchester Literature Festival Limited

Report and accounts for the year ended 31 March 2018

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Manchester Literature Festival Ltd

Company Registration Number - 4369668

Trustees' Annual Report for the year ended 31 March 2018

The Trustees present their Report and Accounts for the year ended 31 March 2018, 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:-

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

The following persons served as Trustees during the year ended 31 March 2018 :-

Martin Alexander Carr (resigned 5 March 2018)
Katherine Elizabeth Jane Beacon
Jerome de Groot (Chair)
Ed Farrelly
Matthew Jonathan Frost
Punam Ramchurn
Stella Marie Bowdell
Janice Bradley

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 2017/18, the Charity organised and promoted the Manchester Literature Festival 6-22 October 2017.

The 2017 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 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 12th edition of the Manchester Literature Festival featured 71 live events (including bookend events) spread across 25 venues, attracting a total audience of 11,697 people. In addition to live events we also produced a number of digital legacies as part of our Manchester Commission series.

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 231 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 (71%) or good (24%), 95% of the audience rated their overall experience of the festival as very good (68%) or good (27%), and 90% of the audience rated the value for money of events as very good (68%) or good (22%). 53% of attendees were visiting the festival for the first time and 81% 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 Things I would Tell You: British Muslim Women Write*, *Protest: Stories of Resistance*, *Know Your Place: essays on the Working Class* by the Working Class, and *Ten: Poets of the New Generation* (presenting British poets from diverse backgrounds) anthologies, to a Comedy Club for Kids workshop, purposefully reached out to new and diverse audiences.

The programme incorporated some very popular non-fiction events including environmental activist George Monbiot, historian Simon Schama, feminist author and essayist Rebecca Soinit, and comedian Sarah Millican. Events featuring well-known names such as Roddy Doyle, Nigella Lawson, Armistead Maupin, Sarah Millican and Will Self were predictably popular, and most events in our Young Readers and Literary Reputations strands attracted capacity audiences. In all 36 (51%) of this year's events sold out and the overall attendance was 84% of capacity.

The Festival also featured a number of new commissions:

New North and South Commission - Imitaz Dharker was co-commissioned by MLF and Manchester Art Gallery to write a sequence of new poems responding to the series of solo exhibitions from South Asian artists Neha Choski, Risham Syed, Mehreen Murtaza, Waqas Khan and Hetain Patel.

Whitworth Commission - Zaffar Kunial was co-commissioned by MLF and the Whitworth Art Gallery to write a sequence of poems responding to the work of artist Raqib Shaw.

Midland Hotel Commission – as part of the seventh writer in residence project at the Midland Hotel, novelist **Tessa Hadley** 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.

Royal Literary Fund Lecture - Malika Booker was commissioned by MLF and RLF to write a series of poems responding to a topical issue of the day. She chose four speeches made by prominent politicians in 2016 and 2017 as her subject, and composed a series of 'couplings' and poetic interventions.

This year's Castlefield Manchester Sermon with Michael Morpurgo had to be postponed due to health reasons but we are currently rescheduling for October 2018.

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 a Six Minute Read project delivered in partnership with the Writing Squad and Read Manchester, supporting students from local secondary schools to develop their creative writing and performance skills; delivery of monthly Story Time sessions at Central, Longsight, Levenshulme, Moss Side, Old Trafford and Wythenshawe libraries; and supporting Alma park Primary School's week long Writing and Reading Festival.

The University of Manchester became our official Higher Education Partner. We received support from Children in Need and the People's Postcode Trust to expand our Story Time project. Castlefield , Weightmans and Squire Patton Boggs continued their corporate Festival Friends support. Our annual box office increased by 8% and we increased the Festival's reserves by £1656.

Using the freelance services of Lethal Communications, the festival conducted an extensive media campaign. Our media sponsor continues to be Big Issue North who covered the festival in news, major features and interviews. The Festival launch announcement was covered in detail by *The i* (formerly The Independent), The Bookseller , Manchester Wire, Creative Tourist, Cheshire Life and Manchester Evening News. We were featured in the Guardian Guide's the 10 and talks sections. We also featured in a number of national magazines including *Woman and Home* and *John Lewis Magazine* . We had reviews from The State of the Arts, The Mancunion, Write Out Loud and Northern Soul. Our strong relationship with BBC national and local radio continued with a number of interviews on BBC 5 Live and a preview feature on BBC Radio Manchester. There was also extensive coverage of Manchester's successful bid to become a UNESCO City of Literature which was announced at our Rebecca Soinit event, including features on the BBC, Guardian and Bookseller.

Our website attracted an 8% increase in unique visits from 2016. Our Twitter followers grew by 17% and Facebook likes by 16%. 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 13th edition of the Manchester Literature Festival will feature a packed programme of internationally renowned authors and special commissions including collaborations with Quarry Bank, Manchester Art Gallery and The Whitworth. We have also teamed up with Northern to produce a new poetry commission by Helen Mort, inspired by the train route between Manchester Victoria and Hebden Bridge, as well as two new Literary Landscape Walking Tours of Manchester and the Calder Valley.

We will be expanding our year round programme of Bookend and preview events, featuring internationally renowned authors such as Jasmine Ward and Barbara Kingsolver.

MLF was part of a consortium of organisations, including Manchester City Council, University of Manchester and Manchester Metropolitan University, who successfully applied to UNESCO City of Literature status. We are looking to form relationships with other Creative Cities across the network with a view to developing collaborative programming and commissioning projects over the next 5 years.

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 2018

The financial position of the charity at 31 March 2018 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2018	2017
	£	£
Net Income in the financial year	1,655	14,360
Unrestricted Revenue Funds available for the general purposes of the charity	86,650	84,994
Restricted Revenue Funds	2,313	2,313
Total Restricted Funds	2,313	2,313
Total Funds	88,963	87,307

Financial Review & Policies on reserves.

The Festival currently holds £88,963 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;
- 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 10 to 23.

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 12 November 2018.

Jerome de Groot
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 2018

I report to the Trustees on my examination of the financial statements of the charitable company on pages 10 to 23 for the year ended 31 March 2018 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), (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 7, 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

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.

Manchester Literature Festival Limited

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 February 2016), (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

Institute of Chartered Accountants in England and Wales

171 Bury New Road
Whitefield
Manchester
M45 6AB

This report was signed on 12 November 2018

Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2018

Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 March 2018, as required by the Companies Act 2006)

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2018 £	2018 £	2018 £	2017 £
Income & Endowments from:				
Donations & Legacies	138,399	-	138,399	186,385
Charitable activities	73,878	-	73,878	68,167
Investments	15	-	15	17
Total income	212,292	-	212,292	254,569
Expenditure on:				
Raising funds	18,000	-	18,000	16,500
Charitable activities	192,637	-	192,637	223,709
Total expenditure	210,637	-	210,637	240,209
Net income for the period	1,655	-	1,655	14,360
Net income after transfers	1,655	-	1,655	14,360
Net movement in funds	1,655	-	1,655	14,360
Reconciliation of funds:-				
Total funds brought forward	84,994	2,313	87,307	72,949
Total funds carried forward	86,649	2,313	88,962	87,309

As required by paragraph 4.60 of the SORP, the brought forward and carried forward funds above have been agreed to the Balance Sheet.

All activities derive from continuing operations

The notes attached on pages 16 to 23 form an integral part of these accounts.

Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2018

Manchester Literature Festival Limited - Analysis of prior year total funds, as required by paragraph 4.2 of the SORP

	Prior Year Unrestricted Funds 2017 £	Prior Year Restricted Funds 2017 £	Prior Year Total Funds 2017 £
Income from:			
Donations & Legacies	186,385	-	186,385
Charitable activities	68,167	-	68,167
Investments	17	-	17
Total income	254,569	-	254,569
Expenditure on:			
Raising funds	16,500	-	16,500
Charitable activities	223,709	-	223,709
Total expenditure	240,209	-	240,209
Net income for the period	14,360	-	14,360
Net income after transfers	14,360	-	14,360
Other recognised gains/(losses)	-	-	-
Net movement in funds	14,360	-	14,360
Reconciliation of funds:-			
Total funds brought forward	70,636	2,313	72,949
Total funds carried forward	84,996	2,313	87,309

All activities derive from continuing operations

The notes attached on pages 16 to 23 form an integral part of these accounts.

Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2018

Manchester Literature Festival Limited - Resources applied in the year ended 31 March 2018 towards fixed assets for Charity use:-

	2018 £	2017 £
Funds generated in the year as detailed in the SOFA	1,655	14,360
Net resources available to fund charitable activities	1,655	14,360

Movements in revenue and capital funds for the year ended 31 March 2018

Revenue accumulated funds

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last year Total Funds 2017 £
Accumulated funds brought forward	84,994	2,313	87,307	72,949
Recognised gains and losses before transfers	1,655	-	1,655	14,360
	86,649	2,313	88,962	87,309

Closing revenue funds	86,649	2,313	88,962	87,309
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Revaluation Reserve Fund

	Unrestricted Funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last year Total Funds 2017 £
At 1 April	-	-	-	-
At 31 March	-	-	-	-

Summary of funds

	Unrestricted and Designated funds 2018 £	Restricted Funds 2018 £	Total Funds 2018 £	Last Year Total Funds 2017 £
Revenue accumulated funds	86,649	2,313	88,962	87,309

The notes attached on pages 16 to 23 form an integral part of these accounts.

Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2018

**Manchester Literature Festival Limited
Income and Expenditure Account for the year ended 31 March 2018 as required by the Companies Act 2006**

	2018 £	2017 £
<i>Income</i>		
Income from operations	212,277	254,552
Interest receivable	15	17
Gross income in the year before exceptional items	212,292	254,569
<i>Exceptional items:</i>		
Gross income in the year including exceptional items	212,292	254,569
<i>Expenditure</i>		
Charitable expenditure, excluding depreciation and amortisation	188,846	220,519
Depreciation and amortisation	351	500
Fundraising costs	18,000	16,500
Governance costs	3,440	2,690
Total expenditure in the year	210,637	240,209
Net income in the financial year	1,655	14,360

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 23 form an integral part of these accounts.

Manchester Literature Festival Limited - Balance Sheet as at 31 March 2018

	Notes	2018 £	2017 £
Fixed assets			
Tangible assets	7	1,152	1,503
Current assets			
Cash at bank and in hand		110,710	92,095
Creditors: amounts falling due within one year	8	<u>(22,900)</u>	<u>(6,291)</u>
Net Current Assets		87,810	85,804
The Total net assets of the charity		<u>88,962</u>	<u>87,307</u>
The Total net assets of the charity are funded by the funds of the charity, as follows:-			
Restricted funds			
Restricted Revenue Funds	10	2,313	2,313
Unrestricted Funds			
Unrestricted Revenue Funds	10	86,650	84,994
Designated Funds			
Total charity funds		<u>88,962</u>	<u>87,307</u>

Manchester Literature Festival Limited - Balance Sheet as at 31 March 2018

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 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.

Jerome de Groot

Trustee

Approved by the board of trustees on 12 November 2018

The notes attached on pages 16 to 23 form an integral part of these accounts.

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2018

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), (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 February 2016), (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 2019, 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.

Policies relating to assets, liabilities and provisions and other matters.

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 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.

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2018

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. Value Added Tax is not recoverable by the charity, and is therefore included in the relevant costs in the Statement of Financial Activities.

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

	2018 £	2017 £
The net surplus in the accounts is stated after charging		
Depreciation of owned fixed assets	351	500
Pension costs	1,901	-

5 Staff costs and emoluments

Salary costs	2018 £	2017 £
Gross Salaries excluding trustees and key management personnel	63,361	68,761
Employer's National Insurance for all staff	3,492	3,476
Employer's operating costs of defined contribution pension schemes	1,901	-
Total salaries, wages and related costs	68,754	72,237

Numbers of full time employees or full time equivalents	2018	2017
The average number of total staff employed in the year was	2	3
The average number of part time staff employed in the year was	1.5	1.5
The average number of full time staff employed in the year was	2	2
The estimated full time equivalent number of all staff employed in the year was	2	2

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

Engaged on charitable activities		
Engaged on publicity activities	1	1
Engaged on fundraising activities		
Engaged on management and administration	1	1
The estimated full time equivalent number of all staff employed as above	2	2

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.

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2018

7 Tangible fixed assets

	Land and Buildings	Plant & Machinery	Motor Vehicles	Total	Total
	£	£	£	£	£
Cost					
At 1 April 2017	-	11,248	-	11,248	11,248
At 31 March 2018	-	11,248	-	11,248	11,248
Depreciation					
At 1 April 2017	-	9,745	-	9,745	9,745
Charge for the year	-	351	-	351	351
At 31 March 2018	-	10,096	-	10,096	10,096
Net book value					
At 31 March 2018	-	1,152	-	1,152	1,152
At 31 March 2017	-	1,503	-	1,503	1,503

8 Creditors: amounts falling due within one year

	2018 £	2017 £
Accruals	2,825	2,620
PAYE, NIC VAT and other taxes	3,676	2,275
Other creditors	16,399	1,396
	22,900	6,291

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

At 31 March 2018	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £	Total Funds £
Tangible Fixed Assets	1,152	-	-	1,152	1,152
Current Assets	108,397	-	2,313	110,710	110,710
Current Liabilities	(22,900)	-	-	(22,900)	(22,900)
	86,649	-	2,313	88,962	88,962
At 1 April 2017	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £	Total Funds £
Tangible Fixed Assets	1,503	-	-	1,503	1,503
Current Assets	89,782	-	2,313	92,095	92,095
Current Liabilities	(6,291)	-	-	(6,291)	(6,291)
	84,994	-	2,313	87,307	87,307

10 Change in total funds over the year as shown in Note 9 , analysed by individual funds

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Notes to the Accounts for the year ended 31 March 2018

	Funds brought forward from 2017	Movement in funds in 2018	Transfers between funds in 2018	Funds carried forward to 2019	Funds carried forward to 2019
	£	£	£	£	£
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	84,994	1,655	-	86,649	86,649
Total unrestricted and designated funds	84,994	1,655	-	86,649	86,649
Restricted funds:-					
General restricted fund	2,313	-	-	2,313	2,313
Total restricted funds	2,313	-	-	2,313	2,313
Total charity funds	87,307	1,655	-	88,962	88,962

11 Analysis of movements in funds over the year as shown in Note 10

	Income	Expenditure	Other Gains & Losses	Movement in funds	Movement in funds
	2018	2018	2018	2018	2018
	£	£	£	£	£
Unrestricted and designated funds:-					
Unrestricted Revenue Funds	212,292	(210,637)	-	1,655	1,655

12 The purposes for which the funds as detailed in note 10 are held by the charity are:-

Unrestricted and designated 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.

13 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 2018 as required by the SORP 2015

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

38 Donations and Legacies

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Revenue grants from government and public bodies				
Small grants individually less than £1000	626	-	626	750
Arts Council England	76,661	-	76,661	75,313
Post Code Lottery	3,925	-	3,925	-
Manchester City Council	12,500	-	12,500	12,500
Manchester City Council - 6 minute reading fund	1,950	-	1,950	-
BBC Children In Need	3,866	-	3,866	-
Others	-	-	-	20,145
Total public sector revenue grants	99,528	-	99,528	108,709
Revenue grants and donations from non public bodies				
Small grants individually less than £1000	5,688	-	5,688	1,503
Madeline Mabey Trust	2,000	-	2,000	2,000
Ernest Cook Trust	-	-	-	2,937
Total private sector revenue grants	9,178	-	9,178	6,440
Sponsorship				
Sponsorship Income	29,693	-	29,693	71,236
Total sponsorship income	29,693	-	29,693	71,236
Total Donations and Legacies	138,399	-	138,399	186,385

Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

39 Income from charitable activities - Trading Activities

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Primary purpose and ancillary trading				
Sale of goods and services in accordance with the charity's objects	73,878	-	73,878	68,167
Total Primary purpose and ancillary trading	73,878	-	73,878	68,167

40 Total Income from charitable activities

	Current year Unrestricted Funds £ 2018	Current year Restricted Funds £ 2018	Current year Total Funds £ 2018	Prior Year Total Funds £ 2017
Total income from charitable trading	73,878	-	73,878	68,167
Total from charitable activities	73,878	-	73,878	68,167

41 Investment income

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Bank Interest Receivable	15	-	15	17
Total investment income	15	-	15	17

Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

43 Expenditure on charitable activities - Direct spending

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Gross wages and salaries - charitable activities	63,361	-	63,361	68,761
Employers' NI - Charitable activities	3,492	-	3,492	3,476
Defined contribution pension costs - charitable activities	1,901	-	1,901	-
Travel and Subsistence - Charitable Activities	4,522	-	4,522	13,200
Marketing and advertising of charitable services	23,561	-	23,561	29,395
Artists Costs	40,301	-	40,301	48,806
Venue Costs	11,692	-	11,692	17,462
Total direct spending	148,830	-	148,830	181,100

44 Support costs for charitable activities

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
<i>Premises Expenses</i>				
Rent payable under operating leases	7,384	-	7,384	7,964
<i>Administrative overheads</i>				
Telephone, fax and internet	2,351	-	2,351	2,751
Postage	2,544	-	2,544	2,530
Stationery and printing	330	-	330	386
Liability and contents insurance	1,243	-	1,243	967
Sundry expenses	13	-	13	13
Equipment, repairs, expenses and maintenance	-	-	-	150
Licences & Permits	263	-	263	35
<i>Professional fees paid to advisors other than the auditor or examiner</i>				
Consultancy fees	24,914	-	24,914	23,854
Other legal and professional	612	-	612	300
<i>Financial costs</i>				
Bank charges	362	-	362	469
Depreciation & Amortisation in total for the	351	-	351	500
Support costs before reallocation	40,367	-	40,367	39,919
Total support costs	40,367	-	40,367	39,919

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

Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2018 as required by the SORP 2015

45 Other Expenditure - Governance costs

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Independent Examiner's fees	3,440	-	3,440	2,690
Total Governance costs	3,440	-	3,440	2,690

46 Total Charitable expenditure

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Total direct spending	148,830	-	148,830	181,100
Total support costs	40,367	-	40,367	39,919
Total Governance costs	3,440	-	3,440	2,690
Total charitable expenditure	192,637	-	192,637	223,709

47 Expenditure on raising funds and costs of investment management

	Current year Unrestricted Funds 2018 £	Current year Restricted Funds 2018 £	Current year Total Funds 2018 £	Prior Year Total Funds 2017 £
Agent's costs for fundraising	18,000	-	18,000	16,500
Total fundraising costs	18,000	-	18,000	16,500