

NEW WRITING NORTH

(COMPANY LIMITED BY GUARANTEE)

REPORT AND UNAUDITED FINANCIAL STATEMENTS

31 MARCH 2021

Company number 03166037

Charity number 1062729

**JOSEPH MILLER
Chartered Accountants
Newcastle upon Tyne**

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

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REFERENCE AND ADMINISTRATIVE INFORMATION

Registered charity name	New Writing North
Charity number	1062729
Company registration number	03166037
Date of incorporation	29 February 1996
Board of trustees	C Alexander Y Battle-Felton (appointed 9 December 2020) J Boakes (appointed 6 May 2020) M Cannam M Chaplin (resigned 9 December 2020) M Dobson A Devine Treasurer J Ellis C Harington (appointed 6 May 2020) S Lloyd (appointed 6 May 2020) Dr C Murphy Vice Chair D O'Neil N Orleans-Amissah (appointed 9 December 2020) M Parker (resigned 26 October 2020) D Roche Chair J Seager (resigned 13 April 2021) D Stone K Tserkezie (appointed 9 December 2020)
Chief executive	Claire Malcolm
Secretary	Fiona Melvin
Telephone number	0191 204 8850
Website	www.newwritingnorth.com
Registered office	3 Ellison Terrace Ellison Place Newcastle upon Tyne NE1 8ST
Accountants	Joseph Miller Chartered Accountants Milburn House Dean Street Newcastle upon Tyne NE1 1LE
Bankers	Lloyds Bank plc 102 Grey Street Newcastle upon Tyne NE99 1SL

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CHAIR'S REPORT

YEAR ENDED 31 MARCH 2021

Chair's introduction

New Writing North (NWN) celebrates its 25 birthday in 2021 and has grown to become a charitable company of national importance in that short time. The financial year 2020/21 itself was an extraordinary period for individuals, businesses and nations alike, without exception. From March 2020 the world changed almost overnight as a result of the Covid-19 pandemic and this was a huge test for everyone. New Writing North demonstrated its admirable resilience and agile leadership by finishing the year in decent shape financially, and in a great position of influence, with its reputation further enhanced and its reach and impact extended wider. Not only was the welfare of the NWN team a priority at all times but consideration and care were also directed to our freelancers, artists and practitioners. It's a testament to the senior management team and staff that they have ridden through such a difficult period with strength and I would also like to thank my fellow trustees for giving up their additional time as necessary, with other demands made on them.

Following New Writing North being both shortlisted for, and winning, awards in 2019, we were shortlisted for the National Charity Awards for our work with young people. In summer 2021 our podcast series, *New Narratives for the North East*, was shortlisted for Audio Production of the Year in the Prolific North Champions Awards. Our Chief Executive, Claire Malcolm, has been shortlisted twice for Non-Executive Director of the Year at the Institute of Directors Awards for the North East and Yorkshire, and was awarded an MBE for Services to Literature in the Queen's Birthday Honours in summer 2021. Our Trustees would like to congratulate Claire for this well-deserved honour. It is also rewarding that one of our younger members of staff, programme manager Grace Keane, was a winner in London Book Fair's national Trailblazer Awards that identifies high-flying achievers under 30 in the wider publishing industry. Such recognition right across NWN's team only adds to our reputation as an organisation that punches above its weight in our contribution to the cultural landscape. Our executive team continued to provide regional leadership with both Claire Malcolm and Anna Disley (Executive Director, Programmes and Impact) taking on key roles across a variety of Newcastle cultural and educational boards and partnerships.

The vast majority of our core activities continued despite the pandemic restrictions and where this was not possible, we managed to re-think our offer for our audiences and stakeholders in innovative ways beyond the most obvious re-delivery of content digitally. We commissioned new work such as Tony Walsh's uplifting 'post-lockdown' poem *The Sum of Us*, and *New Narratives for the North East* was a fantastic centrepiece for the Durham Book Festival, where every event was captioned and all podcasts transcribed, and feedback from disabled artists and audiences was extremely positive. Our Climate Writer in Residence Linda France created a collaborative poem, *Murmuration*, with contributions from 300 members of the public. This project was an example of New Writing North taking an increasing leadership role across critical areas such as the Climate Emergency and inclusivity.

We continue to review everything that we do through these panoramic lenses and explore our values and vision for creative work in relation to the new Arts Council England strategy *Let's Create*. We ensure that our business change planning is robust and our fundraising plan acute and appropriate. A large amount of time and attention has been invested in delivering detailed fundraising bids and this has been a major factor in NWN's relatively stable financial condition given the external circumstances. We continue to be successful at attracting new partners and in building relationships of value, and our fundraising achievements are significant for an organisation of our scale and location.

Our partnerships have proved fruitful in the year, with ground breaking work produced with Northumbria University's Katy Shaw on the *Common People* project and the resulting *Breaking the Class Ceiling in UK Publishing* report. We will also be developing an MA in Publishing with Northumbria University and Hachette UK in 2021/22. We launched *A Writing Chance* in February 2021 to new and aspiring storytellers from under-represented backgrounds across the UK; fronted and co-funded by the actor Michael Sheen, in conjunction with the Joseph Rowntree Foundation, this was supported by media partners Daily Mirror and New Statesman. Our partnerships with major publishing companies is stronger than ever with initiatives in place with Hachette UK,

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Faber & Faber, and HarperCollins. We continue to grow our networks and funding partnerships and in 2022 will be working with a range of new partners including the Architectural Heritage Fund, the North of Tyne Combined Authority, Sky Studios, the Granta Trust, the National Trust, York University and others on major projects, and continuing our relationships with partners such as the British Council, Channel 4 and the Kavli Trust.

In line with our stated aim to open a Centre for Writing in our home city Newcastle, we have now identified the building that we wish to develop and are at the beginning of exciting times as our plans progress towards the key project milestones. What is clear is that the pandemic, and the change in working habits that it may make in the long term, underlines the need for what New Writing North can offer with such an ambitious and visionary project. Our project will regenerate a neglected area of the city and create a space that is safe, welcoming and inspirational for the whole community. Our discussions with potential local and national partners have confirmed to us that this is a valid, viable, much needed and welcomed development. Such a plan is not without risk, but the Board of Trustees has been strengthened in 2020 and the new members provide greater expertise and representation as we progress our plans. We also are lucky to have a growing roster of partners and consultants that are well placed to help us succeed.

The Trustees pass on our thanks to the New Writing North team and our many partners for what has been achieved over its first 25 years and we look forward to the next 25 with confidence and ambition.

David Roche

Chair of the board of trustees

8 December 2021

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REPORT OF TRUSTEES
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The trustees present their report and the unaudited financial statements of the charity for the year ended 31 March 2021 which is also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

Reference and administrative information on page 1 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the memorandum and articles of association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Trustees

The trustees, who are also directors for the purposes of company law and are members of the charity, are as follows:

C Alexander	
Y Battle-Felton	(appointed 9 December 2020)
J Boakes	(appointed 6 May 2020)
M Cannam	
M Chaplin	(resigned 9 December 2020)
M Dobson	
A Devine	Treasurer
J Ellis	
C Harington	(appointed 6 May 2020)
S Lloyd	(appointed 6 May 2020)
Dr C Murphy	Vice Chair
D O'Neil	
N Orleans-Amissah	(appointed 9 December 2020)
M Parker	(resigned 26 October 2020)
D Roche	Chair
J Seager	(resigned 13 April 2021)
D Stone	
K Tserkezie	(appointed 9 December 2020)

Structure, governance and management

Governing document and constitution

New Writing North is a registered charity and a company limited by guarantee (and therefore has no share capital). Its memorandum and articles of association govern the charity.

Governance

The board averaged a total of 14 trustees during the year. We have three appointed roles to the board: Chair, Vice Chair and Treasurer and other trustees take the lead in sub-groups and working groups to develop and monitor areas of our work such as diversity and digital. Joanna Ellis is our lead trustee for Safeguarding.

The board meets five times a year to administer the charity and a Chief Executive is appointed by the board to manage the day-to-day operations. The Chair, Vice Chair and Treasurer meet regularly with the Chief Executive and other members of the Executive Team to discuss strategy and to support the organisation.

During the year the organisation established a series of new and restructured sub-committees to manage the growing complexity of our work. We now operate the following:

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- Finance and Risk Sub-Committee (Chaired by Treasurer, Anthony Devine)
- HR & People Sub-Committee (Chaired by Dominica O'Neil)
- Environmental Sustainability Sub-Committee (Chaired by Vice Chair, Caroline Murphy)
- Diversity and Inclusivity Sub-Committee (Chaired by Vice Chair, Caroline Murphy)
- Capital Sub-Committee (Chaired by Mark Dobson)
- Data and Impact Sub-Committee (Chaired by Joanna Ellis)
- Communications Sub-Committee (Chaired by Clare Harington)

The sub-committee structure allows trustees to encounter our work and operations at a deeper level and helps the organisation to take forward significant areas of work on a more formal basis. During the year the groups all established or reviewed Terms of Reference and met quarterly. The frequency of meetings will be reviewed in 2021/22 to ensure that the right balance is achieved and that administrative demands on the small team are manageable.

Over the past two years we have expanded our board of trustees to bring on new skills and experience and to improve representation. We operate a structured trustee succession, recruitment, and induction process, and run open recruitment drives for new trustees.

During 2021 we will establish the process for creating a trading subsidiary of the charity which will manage the commercial elements of our capital development project. In autumn 2021 the board participated in a facilitated two-day away day to consider change and organisational development in relation to our capital ambitions and bring together the full board of trustees for face-to-face team building. The board completed a self-assessment process and trustee appraisals in early 2021.

Recruitment and appointment of new trustees

In 2020 we undertook a recruitment drive to expand and improve the diversity and inclusivity of our board and successfully appointed three new trustees. We are continuing to consider and plan how to further diversify the board especially in relation to younger people and local community representation and will undertake further work on this during the year. In 2021/22 we will recruit a new Treasurer, a key post for us during a year in which our business will begin to transform. In 2021/22 we will also be further developing our Capital Sub-Committee to invite external professionals who can support our capital development visions with their expertise.

We operate a Trustee Recruitment Policy and associated framework for recruiting trustees. An appointed sub-group of trustees, led by the Chair, considers applications, interviews candidates, and makes recommendations to the board for appointments. Recruitment is guided by a survey of the current skillset and lived experiences of the current board and the skills, knowledge, and life experience that the organisation will need in the future. We monitor the diversity of our trustees, and this benchmarking also informs decision-making as we look to create balanced and representative governance for the organisation.

Trustees serve up to three three-year terms of office, participate in an annual effectiveness survey, and each undertake an annual appraisal with the Chair of the Board, who in turn is appraised by his peers.

During the year we welcomed six new trustees.

Our board of trustees is made up of leaders from the publishing, legal, cultural, and creative industries, and business professionals whose networks cross many sectors, nationally and internationally.

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Induction and training of trustees

Potential trustees are invited to attend a board meeting as an observer prior to being invited to become a trustee. Trustees are offered a two-day induction process during which they are briefed on the operating context of the organisations, our finances and business operations and meet with staff at senior and executive team level to learn about our creative work. Trustees are encouraged to attend New Writing North events and to gain direct experience of our work.

Trustees are provided with an introductory pack of information and supporting documents and policies, which introduce them to the role of trusteeship and signpost them to good practice guides produced by the Charity Commission and other organisations. The basis of trusteeship at New Writing North is set out in a trustee job description and a code of conduct.

All trustees undertake an annual skills audit and appraisal with the Chair and outcomes from this are presented and discussed by the Chair and the Chief Executive and brought to the board for discussion, if relevant.

When appointed, trustees are offered training opportunities to build their governance knowledge and throughout their term of office they are offered access to professional development activities. We have encouraged and supported many trustees to take their first steps into charity governance.

Organisational structure

The organisation is led by an Executive Team of three women: Chief Executive Claire Malcolm (company founder); Executive Director (Programme & Impact) Anna Disley; and Director of Finance and Administration Fiona Melvin.

A Senior Management team of five specialist managers covers work with young people, festivals, and events, writing development and awards, finance, and marketing and communications. A Digital & Data Manager, Festival and Events Manager, two Participation Managers, a Digital Production Manager and a Finance & Administration Assistant support the teams. Alongside these permanent posts, we also have an annual internship that pays the Real Living Wage.

Staff undertake an annual away-day and participate in externally and internally facilitated workshops to develop operational plans and strategy. We undertake annual appraisals, and staff are offered individual development opportunities to grow and develop the professional skills that align with the needs of the business and the changing landscape and context of our work.

Working during the pandemic has asked a great deal of our staff and most of the team have worked full-time during the pandemic to continue the delivery of our work. We have focused on monitoring wellbeing and mental health during this period. To build our capacity to respond, we have trained up a member of staff to be a mental health first aider and have signed up to a new programme for staff support, counselling, and wellbeing. A new People Sub-Committee of the board will continue to look more deeply at staff wellbeing and development as we transition back into the workplace.

Pay and remuneration of the charity's key management personnel

The pay and remuneration of key management personnel is agreed by the board during the annual budgeting process. Pay is benchmarked against similar jobs in the arts and charitable sectors regionally. The organisation operates pay scale models for all posts, and reviews both pay and cost of living increases on an annual basis. A pay review process will be undertaken in autumn/winter 2021 to inform the budget for 2022/23 which was postponed due to the pandemic. All staff were awarded a Cost of Living increase of 2% during 2020/21.

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Membership of a wider network

New Writing North is part of an informal national network with six other writing agencies in England. We engage with both regional and national and international networks to develop opportunities for writers and to promote writing from the North of England further afield. We work with many literary organisations across the country and internationally including publishers of all scales, festivals and event promoters.

We maintain strong working relationships, peer relationships and mutual support with a range of other arts, culture, charity, and educational organisations in the North of England, which strengthen our work and widen our knowledge. During the pandemic staff have been active in supporting our wider networks and giving time to sector developments and groupings to address recovery has been supported.

Relationships with other groups, charities and individuals

Our major stakeholder is our core supporter, Arts Council England. Their core funding through our National Portfolio Organisation multi-year agreement is key to our resilience as an organisation. Pre-Covid, Arts Council England income represented around a third of our turnover, which benchmarks us as being a high-performing organisation in our sector.

We have significant financial relationships with Durham County Council and Durham University for the commissioning of *Durham Book Festival*, and with Northumbria University, who we work with annually on a range of activities and research. In recent years the John S Cohen Foundation, the Kavli Trust and the Newcastle Culture Investment Fund have also been significant funders of our activities through multi-year grants.

Our business model is built on working in partnership and on making connections, both within and outside of the region. We are skilled at creating multi-partner collaborations and at working across and opening charity, arts, public, private, and commercial partnerships to make things happen and to create value.

We currently undertake contractual work and partnerships with all five of the North East's universities. We have relationships with many fellow national literature organisations and partner with them on many activities and events. We work with major national publishers and broadcasters, supporting them to work with us on regional projects.

We work in partnership with national broadcasters such as the BBC, Channel 4, and Sky; major international publishers such as Hachette UK, Faber & Faber, Penguin Random House, and HarperCollins; and leading higher education institutes. We have large-scale partnership projects with several universities in the North and are engaged with industry-led teaching and research that helps us to understand how our activities impact on the sector, industry, and individuals.

Regionally, we work collaboratively and generously with other arts organisations and participate in local arts and culture networks and events. Executive and Senior staff give time to many arts and educational boards and networks, including the North East Culture Partnership, the Newcastle Cultural Compact and the regional ELCEP and boards including the Community Foundation for Tyne and Wear, BookTrust, Unfolding Theatre and Skimstone Arts.

Risk management

Our risk management system is created using the methodology of the Charity Commission's good practice guide for identifying and quantifying and scoring risks. Our system also indicates the direction of travel of risks, to aid board evaluation.

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The Risk Register is reviewed in detail by the Executive Team and the Finance, Audit and Risk Sub-Committee and board. An annual review of risks is managed through a systematic review of the procedures that are in place to mitigate the risks and a consideration of the most appropriate mitigating actions.

Our risks are divided into the categories of governance, operational, managerial, financial and compliance. They range from fundraising falling out of step with operational needs, to a failure to meet the legislative requirements of charities. Our top risks as we head into 2022 are in income generation, capital development and safeguarding.

Each year our main stakeholder, Arts Council England, gives organisations a risk rating based on their detailed assessment of our operations and delivery. Our rating for 2021 was 6, which represents a minor level of risk on a band that considers Major risks to be 9-11.

During the early stages of the pandemic the Risk Register was reviewed by the Executive Team and trustees to reflect emerging new risks around, health and wellbeing, financial resilience, and the volatility of the fundraising environment.

During the year risk management and risk assessments of key projects and staff working practices, office management and other pandemic-specific needs were actively managed by the Executive Team operationally and reported to the board.

Our top identified risks remain child protection and the safeguarding of vulnerable people within our work. We acknowledge this on-going risk even with good management processes, policies, and insurances in place. We operate a coherent framework of training and support for staff and freelancers who work in this area in our policies and procedures and in wider good practice guidance. A nominated Lead Trustee for Safeguarding oversees a detailed review of safeguarding policies and procedures annually. During the year with work transitioning to digital delivery our protection policies were reviewed to encompass new ways of working and delivery.

The company has developed an annually reviewed suite of policies and policy framework documents covering Health and Safety, HR, Governance, Equalities, Remote Working and Working from Home, Digital, Procurement, Risk and Environmental Actions. Policies are monitored and developed by the Executive Team with relevant board sub-committees and reviewed annually by the board. We develop new policies when we identify operational gaps or develop new areas of work that require us to do so. In autumn 2021 we will be confirming a new Equality and Inclusivity Policy which associated actions. This has been developed by the Diversity and Inclusivity Sub-Committee.

Objectives and activities

Vision

We believe that our work can have a positive influence on social justice, the climate crisis and civic dialogue, and that we can raise the voices of young people and those whose experiences and ideas are not yet heard in the mainstream. We recognise that to do our work we may need to take risks, to be pre-disposed to action, to learn by doing, and, if necessary, disrupt the systems that have perpetuated inequality. Writing is a powerful tool for social change and has a role to play in rebuilding communities and encouraging civic dialogue.

We aim to make the North a centre of excellence for literature by creating a physical centre for writing in Newcastle upon Tyne which will expand and develop our work and that of others and help to rebalance the national picture of who gets to write.

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Mission

Our mission is to bring people together through writing, reading, and engaging in ideas, deepening mutual understanding, and encouraging creative habits. We find and support talented people from all backgrounds to access creative opportunities and to enable them to flourish.

Values

We are relationship builders. Whether working one-to-one with a writer or in partnership with a large institution, relationships are our greatest asset. We pride ourselves on being good partners. We understand that building good relationships takes time and effort. We take a human-centred approach and work with everyone in a way that meets their individual needs.

We are a learning organisation. We like learning new things, both as individuals and as a team. We'll learn from our experiences, listen, respond, and adapt. We will be candid with each other and our partners and be courageous in holding each other to account to improve what we do. We are audacious and tenacious, and we will reach high, take creative risks, and not be scared to work in new ways to reach our goals.

Our creativity and leadership go together. We are creatively restless and energised by new ideas and are not afraid to strike ahead of the pack. We see ourselves as creatives and leaders, and we encourage all those that work with us to feel the same. We work transparently and fairly, building trust and delivering on our promises.

Activities

Since 2017 we have been planning our work through a Theory of Change approach. Theory of Change works by identifying the desired long-term goals of a programme or organisation and then works back from these to identify the outcomes that will lead us to achieve the goals and how these relate to each other causally. The plan also identifies the conditions (mechanisms of change) that must be in place for goals to be reached. We delivered our mission this year through activities aligned with our Theory of Change as follows:

Theory of Change Goal	Approach	Key projects
<i>New Talent Pathways</i> innovative programmes and partnerships that increase access to opportunities for writers especially those currently historically excluded in the mainstream	Developing the next generation of writing talent from the North through well-designed opportunities and partnerships with industry and communities. Supporting young people to develop their talents and to find pleasure and connection via writing groups, embedded school and community partnerships, festivals, events and through investing in talented people and new ideas.	Northern Writers' Awards Words First Sky Writes A Writing Chance Young Writers' City Young Writer's Groups Newcastle Writing Conference/Digital Workshops

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<p><i>Connecting People and Communities:</i> more people access reading and writing activities to deepen their curiosity, develop mutual understanding and to feel happier.</p>	<p>Supporting people and communities to flourish and find wellbeing through engagement with reading and writing.</p> <p>Building audiences for books and reading via live and digital literature events, festivals, prizes, reading campaigns and community mass-reading activities.</p> <p>Connecting the region to the world by enabling international residencies, creative exchanges, and translation projects.</p>	<p>Well Read</p> <p>Newbiggin Hall Residency work</p> <p>Big and Little Read at Durham Book Festival</p> <p>Read Regional</p> <p>Gordon Burn Prize and David Cohen Literature Award</p> <p>Translations projects</p> <p>Durham Book Festival</p> <p>Digital Book Club</p>
<p><i>Make the North a Centre of Excellence:</i> improving infrastructure and investment in the North so that people can access jobs, opportunities, resources, and activities in the field of literature.</p>	<p>Developing a new centre for writing in Newcastle upon Tyne supported by cross-sector partnerships.</p>	<p>Partnership with Northumbria University/new MA in Publishing</p> <p>Capital development</p> <p>Partnerships with major publishers</p>

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<i>More Writers Engage in Big Public Issues:</i> more writers from a diverse range of backgrounds play a role in society, engaging with big public issues, bringing new perspectives and ideas to challenge dominant narratives.	Producing original work by writers and artists at all scales across all forms of writing from books and podcasts to live literature and digital	Climate Writer in Residence and associated work Durham Book Festival Commissions A Writing Chance Northern Writers' Awards
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Strategies for achieving the stated objectives

New Writing North was 25 years old in 2021 and continues to lead the field in our sector.

We are recognised as leaders in our field nationally for the ambition and innovation that is demonstrated by projects such as *Common People*, *Climate Writer in Residence*, the *Northern Writers' Awards* and *A Writing Chance*, ground-breaking programmes that pioneer new ways of developing talent and impact and which draw support from individual sponsors, media companies and a range of private and public supporters.

Through our work on the *Common People: Breaking the Class Ceiling in Publishing* report (2020) and *A Writing Chance* (2021), we have become known for our work supporting and advocating for writers from low socio-economic and working-class backgrounds. We are involved in national advocacy and work with more than one All Parliamentary Group and other stakeholders to improve the balance of opportunity for writers in the North.

Our work with young people and our associated impact evaluation work, where we pioneer ethnographic research to observe impact, is of the highest standard and is unique amongst our peers. Our approach to the depth and duration of work and how our place-based focus links young people to their local communities, sets us apart in scale of ambition from many of our contemporaries.

Our embedded partnership work with schools, charities and communities supports experimentation and new ways of working in this area, and our significant fundraising achievements demonstrate the value that others see in our work and approaches.

We are building a reputation for high-quality international project management and support for translation work. This area of our work has grown over the past three years, and we have regular partnerships with Jordan and Sweden, as well as relationships with organisations across the world. A growing relationship with the British Council and a regional partnership with the West of Sweden underpins this work.

The development of our new centre for writing will demonstrate how a literature organisation can scale up to be an effective lever for investment to create a nationally significant centre for the arts, business, and education in Newcastle upon Tyne. This new development draws on our years of experience and partnership development and will be the way that New Writing North steps up to the next stage of our development, playing a broader and more public role in our city and region and, through this, creating new ways of thinking about what literature and writing can do for a place.

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Significant activities that contribute to the achievement of the stated objectives

We will continue to build partnerships which help us to delivery outstanding programmes of work that develop talented writers of all ages and from all backgrounds, building on relationships with Hachette UK, Channel 4, Sky Studios, and supporters such as Michael Sheen and the Joseph Rowntree Foundation. Our work and associated research and advocacy for historically excluded voices continues to speak to a national audience and have significant impact.

Our innovative and high-quality work with young people and communities demonstrates our ability to shape responsive and relevant work with a wide variety of groups, allowing their voices to shine and their ambitions to shape the direction of work.

As our city and region recover post-Covid we are committed to supporting our communities to recover through the creation of useful programmes and activities. This means that we will be working in a place-based way more deeply on young people and community projects, especially in County Durham, Gateshead, and Newcastle upon Tyne where our work is already embedded.

To respond to growing needs post-Covid we are developing and already delivering new programmes of work that use reading and writing to support mental health and wellbeing, and are developing new partnerships with communities, health services and social change charities which will help to embed us into the fabric of communities and to be part of social prescribing offers in the city.

Through our capital development ambitions we have a role to play in helping the city centre and our high streets to recover, and in animating cities and towns with activities. Our capital ambitions offer a major opportunity to contribute to the economic and social recovery of Newcastle upon Tyne and to benefit many people locally.

Our commitment to equality and inclusivity is a golden thread running through our organisation and creative work. During 2020 we made good progress in establishing shared learning, language, and action plans to speed up change in this area. We established a board Sub-Committee for Equality and Inclusivity and with them have created a new Equality and Inclusivity Policy which was signed off by the board in autumn 2021. In early 2022 we will appoint our first Creative Associates, new diverse roles at a senior level in our organisation which we have fundraised to create during 2021.

We will ensure that the views and ideas of young people permeate throughout our organisation by creating a youth voice policy and framework. This will enable us to consider how we can work with young people as leaders across our work and how we can support young trustees to join our board to broaden representation. We will appoint at least one young trustee to our board in 2022.

Our business model has proved to be resilient throughout the pandemic and we have continued to deliver new partnerships and fundraising at significant levels during this period without any cultural recovery grants. Our budget and business planning was agile during this period and our ability to digitally pivot work and create new projects to respond to the pandemic demonstrates the strength and resilience of the organisation.

We believe that culture has a profound and powerful role to play in helping people transition to a low-carbon economy. We aspire to centre New Writing North at the heart of creative climate thinking regionally and to play a central role in initiating debate, learning, and commissioning in this area.

In September 2019 New Writing North declared a Climate Emergency and, as part of our organisational response to this global issue, created the post of Climate Writer in Residence. We are working closely with Linda and with our partner on the initiative, Newcastle University, to develop new activities, position her as a leader regionally and to engage with local activities. We developed new public engagement activities in the run up to COP26 in

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November and will be launching a podcast series, *In Our Element*, supported by Arts Council England and the Content Development Fund that will be broadcast across the UK on independent radio stations.

This year we will train our staff, trustees, and freelance workforce to become climate literate and to promote climate literacy across our work. By the end of 2021 our staff, board and freelancers will have all undertaken climate literacy training.

Our new Environmental and Sustainability Sub-Committee will begin the process of accounting for our carbon impact and identifying benchmarking and processes that will see us embark on the journey to be Net Zero by 2030.

We take a human-centred approach to programme design and projects so that participants are involved with shaping approaches and activities. Working this way enables us to respond to the needs of individuals and to address any barriers experienced by the people that we work with. A priority for us this year is developing new work with historically excluded communities, deepening our relationships and partnerships with community groups and individuals on Tyneside. We will continue to co-design work with young people and to thread this way of working through our work across programming and talent programmes.

Achievements and performance

Achievements

In 2021 we were shortlisted for the National Charity Awards for our work with young people. In summer 2021 our podcast series, *New Narratives for the North East*, was shortlisted for Audio Production of the Year in the Prolific North Champions Awards. Our Chief Executive has been shortlisted twice for Non-Executive Director of the Year at the Institute of Directors Awards for the North East and Yorkshire and was awarded an MBE for Services to Literature in the Queen's Birthday Honours in summer 2021.

Performance and self-evaluation

We monitor performance by linking the delivery of objectives outlined in our annual operational plan to our Theory of Change. This allows us to ensure that, at a macro level, all developments are aligned with core mission and, at a micro level, to ensure that day-to-day delivery is monitored and if necessary recalibrated in line with external changes and challenges.

We use evaluation and feedback to help us improve our work and user experiences. Across our work we invest in processes and staffing expertise to allow us to accurately gather evaluation data and produce impact assessments of our work. This ranges from embedded researchers in our young people's programmes, to research partnerships with universities that allow us to work with experts to review our work.

We undertake several formal evaluation and feedback processes as part of our funding agreement with Arts Council England, including the analysis of audience data via Audience Finder and the gathering of quality assessment data from event attendees via the Impact and Insight Toolkit. The evaluation of our work with young people is wide-ranging and long-term and adheres to Arts Council England's good practice for evaluating work with this age group.

We evaluate all our public programmes both directly and via independent assessment, such as for Durham Book Festival where each year we commission a significant external economic and quality impact assessment.

In 2021 we have established a time-limited sub-committee to evaluate and review our data and impact reporting processes and are working with Durham University Business School on a data analytics project to help us structure data reporting.

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)

REPORT OF TRUSTEES
YEAR ENDED 31 MARCH 2021

The self-assessment of our work and operations takes place both formally and informally across the organisation. We operate a very open and reflective culture and encourage everyone who works for and with us to contribute ideas, raise issues and to seek improvements in our delivery and operations.

During 2020 staff and trustees undertook some work in the area of anti-racist learning and planning. This process was reflective, challenging and has brought about the creation of new plans of work and new perspectives that will inform future thinking and actions. We are proud of being a learning organisation and to be active in taking what we learn and utilising it to inform our work. In autumn 2021 we confirmed a new Diversity and Inclusivity Policy and associated action plan for the company and plan to share this publicly. In early 2022 we will appoint two new staff posts, Creative Associates, who will enrich the diversity and inclusivity of our work and organisation.

Demand and reach

Demand for our work, expertise, and resources, and for the opportunities that we offer, continues to grow both regionally and nationally.

We aim for our work to reach more people and we work hard to engage new audiences and participants with and in our activities. We seek to understand and act to remove any barriers to attendance and participation, whether real or imagined, that exist for participants. To ensure that our public engagement processes deliver success we will focus on the following:

- Sustaining and deepening existing programmes to serve committed audiences
- Offering a range of 'light touch' and 'deeper' free and low-cost opportunities for audiences to engage with our work and to support 'everyday creativity'
- Delivering our opportunities for writers across the region and offering resources and advice and guidance digitally for free
- Finding a range of funding partners to support our work, thus helping to ensure that price isn't a barrier for participants and attendees
- Learning more about our users and audiences and equipping ourselves to manage and use this information efficiently
- Pursuing new partnerships to improve the reach of our activities
- Evaluating our work well and identifying research opportunities
- Investing in digital communications, staff training and infrastructure
- Developing appropriate communications strategies to attract and target audiences
- Producing materials that clearly demonstrate the public benefit of our work
- Providing a range of points of entry to our work for audiences and participants, which will be targeted and open access, and designed to reduce barriers
- Identifying progression routes for audiences and participants to move through our work.

Public benefit

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit.

All New Writing North's talent programmes and our work with young people are free to apply for and to attend.

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Where ticket prices or conference fees are charged, these payments contribute directly to the cost of delivering the event. When ticket prices are charged the organisation always offers reduced ticket prices for the elderly, disabled people, the unemployed and those on a low wage. Free tickets for carers are offered where this is in line with the policies of the host venue. For specific projects that aim to attract new audiences, ticket prices are adjusted to as little as £1 to enable everyone to benefit from our work. This year we have begun to offer free bursary places for conferences and training events for those on very low levels of income or benefits.

Notable projects that offer free access include:

- All our work with young people is free to access and for many programmes we provide bursaries, travel costs and other support to enable those that need it to engage.
- All our talent and professional development programmes for writers are free to enter and are open to everyone.
- We support people to engage with reading by distributing 5,000 copies of books via our Big and Little Read projects, with associated activities and events to encourage engagement.
- The events that we deliver with libraries across the North are very low cost or free, as is the ability to access books and reading support materials.
- This year we have produced more digital content than ever before and in 2020 produced Durham Book Festival with 99% of the programme made available for free.
- Our Northern Writers' Awards Roadshows were delivered for free digitally and are available online to support people to enter.

Fundraising Activities

The charity relies on grant aid from the donors identified in the financial statements, whose support is valued. There have been no other fundraising activities.

Factors relevant to the achievement of the objectives

During 2020 re-budgeting and detailed financial assessments were undertaken throughout the year responding to the volatile nature of the context. We expect the year to be a little more stable, but equally financially challenging.

We are grateful for the on-going support of project sponsors such as Arts Council England whose financial support allows us to continue to develop strategic regional projects that reach a wide and diverse audience. This year we have received significant partnership, co-funding and on-going support from Durham County Council, Northumbria University and Durham University.

Summary of the main achievements during the year

Throughout the pandemic we have taken our position of relative security seriously, reaching out and supporting others where we could, and giving time and energy to supporting wider regional initiatives, whether that's undertaking work on the new Newcastle Cultural Compact or leading on climate and culture for the North East Culture Partnership.

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)

REPORT OF TRUSTEES
YEAR ENDED 31 MARCH 2021

On many levels 2020/21 was a very successful creative year for New Writing North. Our mass-participation poetry film *Murmuration*, by Linda France, has reached over 12,000 people; our Covid-themed commissioned poem, *The Sum of Us*, written by Tony Walsh, has been watched over 10,000 times and appeared on ten billboards in Manchester city centre during the pandemic; a digital Durham Book Festival reached over 25,000 people; and our work with young people has blossomed online, supporting schools and young people to keep writing and keep in contact and offering a way to process the challenges that we have all encountered. We found ways to deliver 90% of our work during the year, keeping financial support for writers and freelance practitioners going and supporting all our networks.

The past 18 months have been transformative for us in the field of digital adaptation. We pivoted a great deal of work to digital and built our skills as an organisation quickly to enable successful transitions. This change brings wonderful opportunities to work more internationally and to reach more people, but it also brings practical and financial challenges for us as we seek to invest in new technology and build capacity and skills in our team to deliver our ambitions.

We have continued to stretch and reach as an organisation, which has seen us working on nationally significant projects such as the national *High Street Tales* project for Historic England, supporting the network of writing agencies that we connect with to bid together to provide work for writers and to deliver a national programme. Early this year we followed up our nationally significant work on support for working-class writers with *A Writing Chance*, a high-profile national project for new journalists in partnership with the Daily Mirror, New Statesman, and the Joseph Rowntree Foundation; and launched a new partnership with Sky Studios for new writers across the North.

Financial review

The statement of financial activities on page 22 shows net income for the year on unrestricted funds of £148,212 and a net deficit of £58,727 on restricted funds, making total net income of £89,485. The trustees are pleased with the performance of the charity during the year and the position at 31 March 2021. 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.

Trustees are grateful for income and funding support (including the Coronavirus Job Retention Scheme, Esmée Fairbairn Foundation, and Covid-19 Discretionary Business Grant) during an unprecedented situation with the coronavirus pandemic all of which contributed to a net surplus of £89,485. Trustees however are mindful of the future financial and fundraising challenges which exist due to Covid-19 and this remains a significant risk as NWN heads into 2022.

Reserves

Reserves are those funds not invested in fixed assets and designated and restricted funds. In line with best practice and Charity Commission guidance the reserves policy is reviewed annually in line with budget setting. The level of reserves is based on a review of salary and accommodation overheads for a three-month period. The charity's target reserves remain as 2019 at £115,000. The trustees believe that this level of reserve would adequately cover the costs for the charitable company if it had to be dissolved.

The reserves at the year end amounted to £241,483 (2020: £114,481) The reserve figure is unusually high due to the impact of the Covid-19 pandemic on programmes and the suspension of face-to-face delivery during 2020. As Government restrictions are lifting and face-to-face programme delivery has resumed, the trustees expect 2021/22's reserves figure to be more in line with 2020's figure of £114,481. We are also carrying forward project

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funds of £120,042 (2020: £91,242) intended for use in ongoing activities and £74,600 of designated funds (2020: £80,000).

Trustees remain mindful of the potential impact to income streams (including traditional fundraising methods and trading (significantly impacted in 2021) and will continue to assess risk to income in 2021/22.

The Finance and Risk Sub-Committee will make recommendations to the board regarding the expenditure or designation of up to £126,483 (£241,483 excluding £115,000) in line with the furtherance of the charity's objectives at their next meeting in March 2022.

The Finance and Risk Sub-Committee will also review the target reserve of £115,000 at their next meeting in March 2022 making recommendations to the full board.

Designated funds

The organisation now has three designated funds, which exist to offer contingencies against fundraising plans and to enable the organisation to plan new areas of work. The current status of these funds is as follows:

Core Projects Contingency: This fund which stands at £45,000 and can be used to support and underwrite the costs of the delivery of core programmes should fundraising targets not be met or other circumstances put the delivery of work at risk.

Organisational Development: A small fund of £10,000 is available to support the charitable company to undertake time limited organisational development activities and consultancies.

Capital Development: £25,000 is designated to support capital development. During the year, expenditure of £5,400 was incurred.

The board will review the progress of spend of designated funds annually so that changes to areas of spend can be modified if necessary. The lifespan of the designated funds is as follows:

- Core Projects Contingency: indefinite as a contingency to counteract risk to delivery of programme as New Writing North operates in a challenging economic climate;
- Organisational Development: expected to be allocated and defrayed by 2023 with the undertaking of research and development activities for new programme and venue development; and
- Capital Development: expected to be allocated and spent by 2025. This fund is to support expected professional fees e.g. consultancy, fundraising, feasibility study, architecture fees to support the planning of a new physical space.

Principal funding sources

Arts Council England, North East provided a revenue grant of £338,234 (this includes an inflationary contribution of £6,111).

Income is generated through public grants and contracts, sponsorships, and private funding and investment. A small element of our income is generated from earned income from live events and publications. We have a good reputation with many funders and a strong track record for fundraising which outstrips many other organisations of our size.

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We have established several major new project grants that are in place for the coming year including new projects with Sky, the Granta Foundation, ACLS, the Joseph Rowntree Foundation and a personal donation for a project that we are creating in partnership with the actor Michael Sheen. Secured income from these totals was £120,000 for 2021.

A fundraising plan to support delivery of the targets in the budget exists and progress this year has been strong. However, our ongoing challenge is always to cover the core costs of our staff and overheads through project grants as many funders do not want to cover these costs to the level that we require to continue to grow and to cover rising overheads. The company works to a Full Cost Recovery process to establish a working system throughout the organisation for reclaiming core costs from funding bids. This enables all staff involved with planning and fundraising to be empowered to build in realistic costs when planning projects and bids.

In 2020/21 were able to make use of furlough for a limited amount of time for five members of staff and other smaller business support schemes and are currently in the process of bidding for recovery funding. We have a £50,000 'bounce back' loan in-hand to support our work in 2021/22 should this be required.

The context for income generation in 2022/23 remains hard to predict. We are confident that we can continue to be competitive in the challenging environment of securing both public and private grants and awards.

Other funds during the year:

Access Reach Fund

Amazon UK Services Limited

Authors' Licensing and Collections Society

British Council

Channel Four Television Corporation

Community Foundation Tyne and Wear

Culture Bridge North East

Durham County Council

Esmée Fairbairn Foundation

Historic England

Kavli Trust

Newcastle Culture Investment Fund

North East Cultural Partnership

Northumbria University

Sky Studios Limited

Youth Music Foundation

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)

REPORT OF TRUSTEES
YEAR ENDED 31 MARCH 2021

Funds held as custodian trustee on behalf of others

The Andrea Badenoch Award

This award was set up in memory of the North East novelist Andrea Badenoch who died in 2005. The award is supported by New Writing North and by donations from friends and family of Andrea.

Plans for the future

Our new Centre for Writing will create a unique accessible arts space for Newcastle upon Tyne. It will contribute to the economic development and the social and cultural life of the city, as well as to its national and international profile. The centre will be owned, run, and curated by New Writing North, acting as an attractor to a range of other commercial and creative businesses. It will draw on our programming flair, entrepreneurial spirit, and civic values to create a space that maximises the impact that writing can have on a city. The centre will be a hub for developing and exporting new products and services, developing the literacy of our communities, and commissioning and presenting new work. This new venture will be the first of its kind to bring together, around the theme of writing and publishing, a wide range of arts organisations, charities, universities and schools, and the creative industries with a broad and meaningful civic purpose at its heart. The centre will enable the further growth of our activities and partnerships whilst enabling us to build a financially resilient future.

We have been developing the vision and plans for the centre since early 2019. Through board and staff away-days, feasibility assessments and stakeholder engagement we have developed a vision and ambition for a new venue for writing and literature. We have begun research on intelligent building design systems that would address safe and green building operations post-Covid. The development of a building now allows us to take a fresh view of how the building might work to address arising issues such as flexible and pandemic-secure working.

We have considered several potential sites and approaches for developing the building and now have a preferred location that we hope to acquire and refurbish.

In early 2021 the Access Foundation awarded us £15,000 to begin work on the plans, in April the Architectural Heritage Fund awarded us a grant of £84,000 and in July the North of Tyne Combined Authority awarded us a business development grant of £199,950. Together, with £25,000 of our own funds this resource will allow us to undertake all the work required to build a strong business case and operational plan for the venue and to commission an architect to undertake design work on the building to progress it to RIBA Stage 3 by summer 2022.

Partnership development work with organisations and businesses who may join us in the building is active with serious partnership discussions happening now with Northumbria University, Hachette UK and Faber and Faber amongst others.

The organisation is preparing for transformation and change and beginning work on the creative programme for the building and beginning to plot how organisational change will happen.

Responsibilities of the trustees

The trustees (who are also directors of New Writing North for the purposes of company law) are responsible for preparing the report of the trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)

REPORT OF TRUSTEES
YEAR ENDED 31 MARCH 2021

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and of the income and application of resources, including the income or expenditure, of the charity for the year. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

Signed on behalf of the trustees

D Roche
Chair of the board of trustees
8 December 2021

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF NEW WRITING NORTH
YEAR ENDED 31 MARCH 2021**

I report to the charity trustees on my examination of the financial statements of the company for the year ended 31 March 2021, which are set out on pages 22 to 34.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 (the '2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's report

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the financial statements do not accord with those accounting records; or
- (3) the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities (applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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.

D R GOLD BA FCA
Independent Examiner
Joseph Miller & Co
Milburn House
Dean Street
Newcastle upon Tyne
NE1 1LE
9 December 2021

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)
YEAR ENDED 31 MARCH 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:					
Donations	3	400,087	103,782	503,869	652,987
Charitable activities	4	399,259	-	399,259	358,077
Total income		<u>799,346</u>	<u>103,782</u>	<u>903,128</u>	<u>1,011,064</u>
Expenditure on:					
Raising funds	5	82,900	-	82,900	78,019
Charitable activities	6	568,234	162,509	730,743	973,090
Total expenditure		<u>651,134</u>	<u>162,509</u>	<u>813,643</u>	<u>1,051,109</u>
Net income (expenditure)	7	148,212	(58,727)	89,485	(40,045)
Transfers between funds		-	-	-	-
Net income (expenditure) and movement in funds		148,212	(58,727)	89,485	(40,045)
Reconciliation of funds					
Total funds brought forward		289,896	188,333	478,229	518,274
Total funds carried forward		<u>438,108</u>	<u>129,606</u>	<u>567,714</u>	<u>478,229</u>

The statement of financial activities includes all gains and losses in the year.

All income and expenditure derives from continuing activities.

The notes on pages 25 to 34 form part of these financial statements.

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET
AS AT 31 MARCH 2021

	Note	£	2021 £	£	2020 £
Fixed assets					
Tangible assets	10	1,983		4,173	
Investments	11	<u>2,222</u>	4,205	<u>10,000</u>	14,173
Current assets					
Debtors	12	48,453		24,221	
Cash at bank		<u>656,409</u>		<u>487,841</u>	
		704,862		512,062	
Creditors: amounts falling due within one year	13	<u>(91,353)</u>		<u>(48,006)</u>	
Net current assets			613,509		464,056
Creditors: amounts falling due after more than one year	14		(50,000)		-
Net assets			<u>567,714</u>		<u>478,229</u>
Funds					
Restricted income funds	15		129,606		188,333
Unrestricted income funds	16		438,108		289,896
Total funds			<u>567,714</u>		<u>478,229</u>

For the year ended 31 March 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Trustees' responsibilities:

- (i) The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476; and
- (ii) The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

These financial statements were approved by the trustees and authorised for issue on 8 December 2021 and are signed on their behalf by:

D Roche
Chair of the board of trustees

Company registration number: 03166037

The notes on pages 25 to 34 form part of these financial statements.

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS

AS AT 31 MARCH 2021

		2021 £	2020 £
Cash flows from operating activities:			
Net cash provided by operating activities	(a)	<u>118,568</u>	<u>13,263</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		-	(3,177)
Net cash used in investing activities		<u>-</u>	<u>(3,177)</u>
Cash flows from financing activities:			
Cash inflows from new borrowing		50,000	-
Net cash provided by financing activities		<u>50,000</u>	<u>-</u>
Change in cash and cash equivalents in the year ended 31 March 2021		168,568	10,086
Cash and cash equivalents at 1 April 2020		487,841	477,755
Cash and cash equivalents at 31 March 2021		<u>656,409</u>	<u>487,841</u>
 (a) Reconciliation of net income (expenditure) to net cash flow from operating activities			
Net income (expenditure) for the year ended 31 March 2021 (as per the statement of financial activities)		89,485	(40,045)
Adjustments for:			
Impairment loss on joint venture undertaking		7,778	-
Depreciation charges		2,190	3,752
Decrease in debtors		(24,232)	72,456
Increase (decrease) in creditors		43,347	(22,900)
Net cash provided by operating activities		<u>118,568</u>	<u>13,263</u>

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

1. Legal status of the charity

The charity is a company limited by guarantee, has no share capital and is registered in England and Wales. The address of the registered office is 3 Ellison Terrace, Ellison Place, Newcastle upon Tyne, NE1 8ST. The liability of each member in the event of winding up is limited to £1.

2. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated. They have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and the Republic of Ireland (FRS 102) and the Companies Act 2006.

New Writing North meets the definition of a public benefit entity under FRS102.

The financial statements are prepared in sterling, which is the functional and presentational currency of the entity.

b) Preparation of the accounts on a going concern basis

The charity has reviewed its cash flow forecasts and there is a reasonable expectation that it has adequate resources to continue in operational existence for at least the next twelve months and on this basis the charity is considered to be a going concern.

c) Income recognition

All income is included in the statement of financial activities when the charity has entitlement to the income, any performance conditions attached to the item(s) of income has been met, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The following specific policies are applied to particular categories of income:

Donations are received by way of grants and donations and are included in full in the statement of financial activities when receivable.

Contract funding and grants received in advance and specified by the donor as relating to specific accounting periods or which are subject to conditions which are still to be met and which are outside the control of the charity, or where it is uncertain whether the conditions can or will be met, are deferred to the period to which they relate. Such deferrals are shown in the notes to the financial statements and are shown as creditors in the accounts.

Donated services and facilities are recognised in income when the charity has control over the item, any conditions associated with the donated item has been met, the receipt of the economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market, a corresponding amount is then recognised in expenditure in the period of receipt.

d) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or projects.

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

2. Accounting policies (*continued*)

e) Expenditure recognition

Expenditure is recognised as soon as there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis, inclusive of any VAT which cannot be recovered.

Costs of expenditure on raising funds comprise the costs incurred in raising income from grants and donations and includes the relevant proportion of staff salaries appropriate to the amounts of time spent on these activities.

Charitable expenditure includes all costs in furtherance of the objects of the charity.

Support costs include the relevant proportion of staff salaries appropriate to the amounts of time spent on project development and management, promotion and marketing costs.

Governance costs include all expenditure directly related to the administration of the charity including costs incurred in the management of the charity's assets, organisational administration and compliance with charitable and statutory requirements. Governance costs include the relevant proportion of staff salaries appropriate to the amounts of time spent on these activities.

f) Fixed assets

All fixed assets are recorded at cost less depreciation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset over their estimated useful economic life as follows:

Computer equipment	- 3 years on a straight line basis
Furniture and fittings	- 5 years on a straight line basis

A regular annual review of the likelihood of asset impairment is undertaken.

g) Investments

Entities in which the charity holds an interest and which are jointly controlled by the charity and one or more other venturers under a contractual arrangement are treated as joint ventures. Joint ventures are accounted for at cost less impairment.

h) Debtors

Trade debtors and other debtors are recognised at the settlement amount due.

i) Cash at bank

Cash at bank includes a current account and an account held by the charity as an intermediary.

j) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount.

k) Financial instruments

The charity only has financial instruments and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially measured at transaction value and subsequently measured at their settlement value.

NEW WRITING NORTH
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2021

2. Accounting policies *(continued)*

l) Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

m) Pension costs

The charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable are charged to the statement of financial activities.

3. Income from donations

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Grants	385,644	99,480	485,124	623,780
Donations and in kind support	14,443	4,302	18,745	29,207
	<u>400,087</u>	<u>103,782</u>	<u>503,869</u>	<u>652,987</u>

Included in grants above is Coronavirus Job Retention Scheme grants totalling £23,010 and a Covid-19 Discretionary Business grant of £5,000 from Newcastle City Council.

4. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Contract income	342,781	-	342,781	257,289
Event support	46,000	-	46,000	61,600
Trading activities in furtherance of the charity's objects	10,478	-	10,478	39,188
	<u>399,259</u>	<u>-</u>	<u>399,259</u>	<u>358,077</u>

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5. Expenditure on raising funds

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Support costs:				
Management and support staff	82,681	-	82,681	77,642
Fundraising costs	219	-	219	377
	<u>82,900</u>	<u>-</u>	<u>82,900</u>	<u>78,019</u>

6. Expenditure on charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Charitable activities:				
Direct project costs	206,419	108,184	314,603	569,073
Support costs:				
Management and support staff	286,141	54,325	340,466	328,290
Premises	8,863	-	8,863	12,932
Marketing and communications	7,302	-	7,302	13,608
General administrative expenses	32,721	-	32,721	21,038
Impairment loss on joint venture undertaking	7,778	-	7,778	-
	<u>549,224</u>	<u>162,509</u>	<u>711,733</u>	<u>944,941</u>
Governance costs:				
Support costs:				
Management and support staff	12,838	-	12,838	15,803
Audit and accountancy fees	-	-	-	6,540
Independent examination and accountancy fees	5,280	-	5,280	-
Meeting and other costs	892	-	892	5,806
	<u>19,010</u>	<u>-</u>	<u>19,010</u>	<u>28,149</u>
Total expenditure on charitable activities	<u>568,234</u>	<u>162,509</u>	<u>730,743</u>	<u>973,090</u>

7 Net income (expenditure)

Net income (expenditure) for the year is stated after charging:	2021	2020
	£	£
Depreciation of tangible fixed assets	2,190	3,752
Audit and accountancy services (before recoverable VAT):		
Audit and accountancy fees	-	6,540
Independent examination and accountancy fees	5,280	-
Other accountancy services	<u>2,688</u>	<u>2,736</u>

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8. Staff costs and numbers

	2021	2020
	£	£
Wages and salaries	391,836	377,035
Social security costs	32,663	33,223
Pension contributions	11,486	11,477
	<u>435,985</u>	<u>421,735</u>

The average number of employees during the year was as follows;	2021	2020
	No	No
Engaged on charitable activities	11	11
Engaged on management and administration	3	3
	<u>14</u>	<u>14</u>

No employee received remuneration of more than £60,000 during the year (2020 - None).

9. Trustees' remuneration and expenses and costs of key management personnel

The trustees did not receive any remuneration in the current or prior year.

The aggregate amount of expenses paid to the trustees was £88 (2020: £1,909). These expenses were reimbursements of travelling costs. The number of trustees to whom expenses were paid was one (2020: four).

The charity considers its key management personnel comprise the trustees, the Chief Executive, the Executive Director (programme and impact) and the Director of finance and administration. The total employment benefits of the key management personnel were £131,111 (2020: £129,136).

10. Tangible fixed assets

	Furniture and fittings £	Computer equipment £	Total £
Cost			
At 1 April 2020	5,039	44,188	49,227
Additions	-	-	-
Disposals	-	(4,303)	(4,303)
At 31 March 2021	<u>5,039</u>	<u>39,885</u>	<u>44,924</u>
Depreciation			
At 1 April 2020	5,039	40,015	45,054
Charge for the year	-	2,190	2,190
Disposals	-	(4,303)	(4,303)
At 31 March 2021	<u>5,039</u>	<u>37,902</u>	<u>42,941</u>
Net book value			
At 31 March 2021	<u>-</u>	<u>1,983</u>	<u>1,983</u>
At 31 March 2020	<u>-</u>	<u>4,173</u>	<u>4,173</u>

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11. Investment in joint venture undertaking	2021	2020
	£	£
Cost		
At 1 April 2020	10,000	10,000
Additions	-	-
Impairment loss on joint venture undertaking	(7,778)	-
At 31 March 2021	<u>2,222</u>	<u>10,000</u>
Carrying value		
At 31 March 2021	<u>2,222</u>	<u>10,000</u>
At 31 March 2020	<u>10,000</u>	<u>10,000</u>

In 2017, New Writing North acquired a 50% interest in Mayfly Press LLP, which is jointly controlled by the charity and Business Education Publishers Limited who own the remaining 50% interest.

The charity's initial capital contribution in the entity was £10,000 and the charity shares in the profits and losses of the entity. The LLP ceased trading on 30 June 2021 and is to be wound up.

A summary of the results of the joint venture undertaking for the period is shown below:

	15 months ended	Year ended
	30/06/2021	31/03/2021
	£	£
Aggregate capital and reserves		
Mayfly Press LLP	<u>4,444</u>	<u>13,683</u>
(Loss) for the period		
Mayfly Press LLP	<u>(9,239)</u>	<u>(3,188)</u>
12. Debtors	2021	2020
	£	£
Trade debtors	12,012	20,078
Other debtors	2,666	3,143
Accrued income	33,775	1,000
	<u>48,453</u>	<u>24,221</u>

Included within other debtors is £1,538 due from Mayfly Press LLP.

13. Creditors: amounts falling due within one year	2021	2020
	£	£
Trade creditors	10,778	9,874
PAYE and social security	9,599	9,307
Value added tax	8,656	2,659
Other creditors	6,937	7,082
Accruals and deferred income	55,383	19,084
	<u>91,353</u>	<u>48,006</u>

Included in deferred income is £20,000 (2020: £0) received in advance for event support.

14. Creditors: amounts falling due after more than one year	2021	2020
	£	£
Bank loan	<u>50,000</u>	<u>-</u>

During the year the charity took out a £50,000 loan under the Bounce Back Loan Scheme. The loan carries interest at the fixed rate of 2.5%.

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15. Restricted income funds	Funds as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Funds as at 31 March 2021 £
Ballinger (Young Writers)	7,970	-	(1,515)	-	6,455
Groundwork UK (Amble Young Writers)	1,000	-	(1,000)	-	-
Tarjem: Arabic-English Translation	5,934	-	-	-	5,934
Salary & consultancy (Esmee Fairbairn)	29,545	-	(29,545)	-	-
Young Writers	102	110	(212)	-	-
Young Writers Award	1,640	180	(400)	-	1,420
Durham Book Festival 2020	-	8,792	(8,792)	-	-
Gateshead Young Writers (Kavli Trust)	108,620	-	(72,913)	-	35,707
Climate Change Emergency	-	3,000	(3,000)	-	-
Young Writers Talent Fund	7,793	5,500	(4,579)	-	8,714
Proud Words	11,760	-	(883)	-	10,877
Sunderland Young Writers	4,850	-	(1,075)	-	3,775
Young Writers City - Newcastle	-	37,650	(16,596)	-	21,054
Young Writers City - Sunderland	-	21,000	(12,759)	-	8,241
Young Writers City - Durham	-	12,550	-	-	12,550
The Gillian Dickinson Trust (Young Writers - Newcastle)	5,623	-	(900)	-	4,723
Capital Development	-	15,000	(8,340)	-	6,660
N'bria University Partnership Fund	3,496	-	-	-	3,496
	<u>188,333</u>	<u>103,782</u>	<u>(162,509)</u>	<u>-</u>	<u>129,606</u>

During the year, a grant of £10,000 was received from The Community Foundation towards Young Writers City - Newcastle. A final grant of £10,000 was received from Culture Bridge North East towards Young Writers City - Sunderland. A grant of £32,500 was received from Youth Music towards the Young Writers City projects. A grant of £15,000 was received from Reach Fund towards the Capital Development project.

16. Unrestricted income funds	Funds as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Funds as at 31 March 2021 £
Young Writers groups	4,376	-	-	(2,000)	2,376
Arabic Mentoring Programme	-	20,000	(150)	-	19,850
A Writing Chance	-	-	(1,983)	-	(1,983)
Climate Change Emergency	2,647	-	(7,551)	6,500	1,596
Common People	(91)	-	(67)	158	-
Core projects	-	4,925	(5,779)	854	-
Creative Fuse: Digital Literature	4,483	360	(581)	-	4,262
Crime Story	-	-	(93)	-	(93)
Culture Forum Event (NECP)	2,872	-	-	-	2,872
Young Writers	100	20,000	(824)	(20,000)	(724)
Durham Book Festival 2019	-	-	(150)	150	-
Durham Book Festival 2020	10,067	149,279	(44,438)	(99,099)	15,809
Durham Book Festival 2021	-	-	(164)	-	(164)
Durham Young Writers	772	-	(180)	-	592
Gateshead Young Writers	-	-	-	10,000	10,000
Gordon Burn Prize 2021	-	-	(14)	-	(14)
Gordon Burn Prize 2020	-	-	(7,746)	7,746	-
Gordon Burn Writer in Residence	9,977	-	-	-	9,977
Total project funds carried forward	<u>35,203</u>	<u>194,564</u>	<u>(69,720)</u>	<u>(95,691)</u>	<u>64,356</u>

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16. Unrestricted income funds (continued)

	Funds as at 1 April 2020 £	Income £	Expenditure £	Transfers £	Funds as at 31 March 2021 £
Total project funds brought forward	35,203	194,564	(69,720)	(95,691)	64,356
High Street Tales	-	50,758	(43,054)	-	7,704
Julia Darling Travel Fellowship	(3,742)	125	-	3,617	-
NECP Culture Forum Event 2021	-	2,700	(3,025)	-	(325)
Newcastle Writers' Conference 2019	-	-	112	(112)	-
New Narratives for the North East	-	24,000	(42,138)	6,000	(12,138)
Northern Writers Awards 2019	-	-	(850)	850	-
Northern Writers Awards 2020	(5,845)	51,628	(47,824)	2,041	-
Northern Writers Awards 2021	-	455	(7,290)	-	(6,835)
Northern Heartlands	2,011	-	-	-	2,011
Northumbria Impact	(893)	6,568	(5,792)	-	(117)
Podcast	24,336	10,000	-	(34,336)	-
Podcast 2021	-	-	(4,400)	5,000	600
Read Regional 2020	4,148	310	(402)	-	4,056
Regional Powerhouse	-	8,870	-	-	8,870
Saltwater	-	-	(5,000)	-	(5,000)
Seaton Delaval Hall Residency	2,951	-	-	-	2,951
Sky Writes	-	34,088	(7,300)	-	26,788
South Shields Young Writers	1,549	4,400	(1,675)	(500)	3,774
Teacher Development	749	-	(698)	-	51
The David Cohen Prize 2021	-	-	(9,089)	1,500	(7,589)
The David Cohen Prize 2019	1,500	-	-	(1,500)	-
Tyne View	774	-	-	-	774
Writing & Enterprise Module	4,079	-	(890)	-	3,189
York University Module	3,848	-	-	-	3,848
Young Writers City - Sunderland	6,966	2,000	-	-	8,966
Young Writers City - Newcastle	13,608	5,500	-	(5,000)	14,108
	<u>91,242</u>	<u>395,966</u>	<u>(249,035)</u>	<u>(118,131)</u>	<u>120,042</u>
Total project funds	91,242	395,966	(249,035)	(118,131)	120,042
General fund	118,654	403,380	(396,699)	118,131	243,466
Designated funds:					
Capital Development	25,000	-	(5,400)	-	19,600
Core Projects Contingency	45,000	-	-	-	45,000
Organisational Development	10,000	-	-	-	10,000
	<u>289,896</u>	<u>799,346</u>	<u>(651,134)</u>	<u>-</u>	<u>438,108</u>

17. Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current assets £	Long term liabilities £	Total 2021 £
Unrestricted income funds:					
Project funds	-	-	120,042	-	120,042
General fund	1,983	2,222	289,261	(50,000)	243,466
Designated funds	-	-	74,600	-	74,600
Restricted income funds	-	-	129,606	-	129,606
Total funds	<u>1,983</u>	<u>2,222</u>	<u>613,509</u>	<u>(50,000)</u>	<u>567,714</u>

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17. Analysis of net assets between funds *(continued)*

Analysis of net assets between funds - prior year

	Tangible fixed assets	Investments	Net current assets	Long term liabilities	Total 2020
	£	£	£	£	£
Unrestricted income funds:					
Project funds	-	-	91,242	-	91,242
General fund	4,173	10,000	104,481	-	118,654
Designated funds	-	-	80,000	-	80,000
Restricted income funds	-	-	188,333	-	188,333
Total funds	4,173	10,000	464,056	-	478,229

18. Related party transactions

No transactions with related parties were undertaken such as are required to be disclosed under the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP (FRS 102)).

19. Commitments under operating leases

The total future minimum lease payments receivable under non-cancellable operating leases are as follows:

	2021 £	2020 £
Not later than 1 year	3,128	13,371
Later than 1 year and not later than 5 years	-	4,171
	3,128	17,542

20. Company limited by guarantee

The charity is a company limited by guarantee, each member having undertaken to contribute such amount not exceeding one pound as may be required in the event of the company being wound up whilst he or she is still a member or within one year thereafter.

At the balance sheet date there were twelve members of the company (2020: twelve members).

21. Resources received and paid as intermediaries for third parties

	Opening funds £	Received in the year £	Released in the year £	Closing funds £
Andrea Badenoch Fiction Award	90	1,207	(150)	1,147
Prior year	1,103	1,337	(2,350)	90

The opening and closing funds above are represented by the assets and liabilities held by the charity as an intermediary and are included in the balance sheet within cash at bank and other creditors.

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22. Post balance sheet events

The trustees have considered the continuing impact of the COVID-19 pandemic, which has not resulted in any adjustment to these financial statements.

It is impossible to estimate the longer term financial implications for the charity, but the trustees consider that the reserves and financial position of the charity mitigate any immediate risk.