

THE LITERARY AND PHILOSOPHICAL
SOCIETY OF NEWCASTLE UPON TYNE
FOUNDED 1793



VIRES ACQUIRIT EUNDO

TWO HUNDRED AND TWENTY NINTH
ANNUAL REPORT
WITH STATEMENT OF ACCOUNTS
NEWCASTLE UPON TYNE 2022

THE LITERARY AND PHILOSOPHICAL
SOCIETY OF NEWCASTLE UPON TYNE
23 Westgate Road
Newcastle upon Tyne
NE1 1SE

Registered Charity Number: 1120948
Registered Company Number: 6220953
Telephone: 0191 232 0192
VAT: GB 177 5737 19
www.litandphil.org.uk

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS BOARD AND
ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2021**

Board

Robin Campbell, Chair of the Board until July 2021
Dr. Katherine I. Baxter
Jeremy P.T. Bell
Alex Buchan
Chris Calver
Judy Carrick
Mary J. Durkin
Hazel Fleming
Paul Gallunas
Andrew Harvey, Chair of the Board from August 2021
Patricia A. Lowery
Katharine C. Morley

Company registered number

06220953

Charity registered number

1120948

Registered office

23 Westgate Road
Newcastle upon Tyne
NE1 1SE

Honorary President

Alexander Armstrong

Accountants

Kinnair Associates Limited
Chartered Accountants
Aston House
Redburn Road
Newcastle upon Tyne
NE5 1NB

Bankers

Lloyds
102 Gray Street
Newcastle upon Tyne
NE99 1SL

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS BOARD AND
ADVISERS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021**

Solicitors

Muckle LLP
32 Gallowgate
Newcastle upon Tyne, NE1 4BF

Hay & Kilner
30 Cloth Market
Newcastle upon Tyne, NE1 1EE

Stockbrokers

Brewin Dolphin
Time Central
Gallowgate
Newcastle upon Tyne
NE1 4SR

Staff

Librarian - Kay Easson, M.A. (Hons), Dip. Lib., M.C.L.I.P.
Music Librarian - James Smith, B.Sc (Hons)
Systems Librarian - Carole A. McGivern, B.A. (Hons), Dip.Lib.

Assistants

Karen Burns
Shima Banks, H.N.D (Assistant and Graphic Designer)
Caroline Grove, B.A. (Hons)
Alison Gunning
Christine Parmley
Laura Wills, B.A. (Hons)
Jeff Watson B.A. (Hons), M.A.

Financial Controller

Simon Alderson, B.A. (Hons), M.A., FMAAT

Marketing Manager

Marianne Abbott, M.A. (Hons) (to October 2021)

Caretakers

Jim Gilmour
Phil Stewart (to July 2021)
Nick Banks (from July 2021)

Cleaners

Jane McDowell
Nick Banks (to July 2021)
Deborah Robinson
Fiona Rebar (from July 2021)

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE
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**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The chairman presents his statement for the year.

Despite the year beginning in depressing and all too familiar fashion with the library doors once again well and truly closed to all comers, by the spring we were able to take very cautious steps toward the much anticipated resumption of normal services, and by October the library was once again fully operational. It very much felt like the gradual reawakening of a much loved institution, one which plays such an important part in many of our lives.

Although for much of the year few of us could meet as much as we may have wished, thanks to the ubiquity of the internet the Society was still able to keep in touch with many of its supporters and members. Indeed over the year the Lit & Phil website had 45,000 visitors and the free online talks on our YouTube channel covering a great range of subjects were very well received and rightly popular. And it was thanks to the internet that by using Zoom, the board of trustees was still able to meet and fulfil many of its functions for a substantial part of the year.

The Board also began a series of Strategy Meetings to look at ways in which the Society might best look to and prepare for its future. The work is still ongoing and members will be made aware of the outcomes in due course.

The Grand Reopening in September, itself officially opened by our Honorary President Alexander Armstrong, had the air of a new beginning and a great opportunity not only for members and guests to meet for the first time in a long while, but also an opportunity to refresh old connections and contacts and make new ones. In that way it was a timely reminder that the Lit & Phil is first and foremost a members' Society with a great history of making and encouraging contacts and developing ways of working together both at individual and institutional levels.

Once those big wooden doors were again swinging open, Society members, visitors, audiences for all manner of events and attendees at classes were again able to enjoy all that our remarkable Society has to offer. And for those using the Lecture or Loftus rooms they could enjoy those rooms' much needed redecoration in a tasteful shade of green.

Alongside the growing number of events, The Society of Bookbinders' exhibition and the Dante celebration brought new visitors to the library, the film shown during the latter being the first time a full length feature film has been shown in the library for quite some time. The celebration also brought in welcome new sponsorship.

Of course being a members' Society with its income substantially coming from members' subscriptions, for much of the year membership fell and with it much needed income too. Financially the future has some worrying aspects, from the considerable increases in the cost of energy to considerable global uncertainties that affect the income from our investments, to the sharp rise in the rate of inflation. It is for those reasons that the board has decided to make a small increase in most subscriptions from April 2022, although fees for existing members will be frozen, and members who resigned or were struck off after March 2020, may rejoin at the old rate until October 2022.

Despite the travails of the past two years, the Society continues to play an important part not only in the life of its members, but in the cultural life of Newcastle. The Society has thus far survived some very difficult times. Now it needs to show how it can once again flourish.

Andrew Harvey
Chair of the Board
Date: 13 April 2022

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021

The Trustees present their annual report together with the financial statements of the charitable company for the year from 1 January 2021 to 31 December 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the charitable company qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

OBJECTIVES AND ACTIVITIES

• **POLICIES AND OBJECTIVES**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit (available on the Charity Commission's website) and in particular to supplementary public benefit guidance on fee charging charities when reviewing the aims and objectives of the Society, and in planning future activities. The ongoing provision and development of a public reference library, as well as the provision of a wide range of educational activities including lectures, readings and workshops, provide clear and demonstrable public benefit in line with the Society's objects. More details of how our activities provide public benefit are included throughout this report.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

• **ACTIVITIES UNDERTAKEN TO ACHIEVE OBJECTIVES**

The Society achieves its educational objectives principally by the maintenance and development of a library of books, periodicals, printed and recorded music. It also promotes the study of a broad range of subjects by providing classes, workshops and lectures throughout the year. In addition, other cultural activities such as literary readings, concerts and performances form part of the regular programme of events.

ACHIEVEMENTS AND PERFORMANCE

• **REVIEW OF ACTIVITIES**

STAFF

The year began with the third lockdown of the pandemic, which meant that the library had to remain closed after the Christmas break until 12th April. During this time a few staff worked in the building for a few hours each week, but most remained furloughed or worked from home. The flexibility of the Job Retention Scheme was a great benefit to the Society.

Mrs Christine Parmley, who had worked on the Development Appeal in the 1980s, and subsequently as Cashier, retired at the end of March. Job-share Caretaker, Mr Phil Stewart, also left the employment of the Society for family reasons. Mr Nick Banks replaced him, and the resulting cleaning vacancy was filled by Ms Fiona Rehair. At the beginning of October, Mrs Marianne Abbott, who had been the Society's Marketing Manager since 2019, moved to a new position as Communications Manager at the Centre for Life.

The staff once again showed great resilience throughout the year, and the Board extends its sincere thanks to them. The library and staff returned to full hours from October.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

VOLUNTEERS

As Covid-19 restrictions eased, volunteers gradually returned to assist the Society by leading guided tours, greeting visitors, serving in the hatch and helping with events. During the year, volunteers also delivered and collected books from several members who were not able to visit the building. Mrs P. Lowery produced a volunteers' newsletter for a few months of the year while restrictions were still in place in order to keep volunteers engaged with the Society. A social evening was held for volunteers during November. The Board thanks the Society's volunteers for their important contribution to the success of the Lit & Phil.

THE MEMBERSHIP

The number on the roll at 31st December 2021 was 1,816 of whom 1,407 were Ordinary members. At the same time last year the figures were 1,754 and 1,390. Of the Ordinary members 229 were Family members, compared with 233 in 2020. A Family member consists of two adults and any children under the age of eighteen.

Members who died during the year and have been on the roll for more than 25 years were:

Vera Bolter (1990)
Trevor Hardy (1986)
Sheila Jeffreys (1992)
Daphne Strange (1987).

THE LIBRARY

During 2021, 467 volumes were added to the Permanent Library, 102 to the Music Section (including scores), 7 to the "H" section (popular non-fiction), 31 to the Children's and Young Adult section and 153 to the Fiction section, making a total of 760 books added to the library.

BOOKBINDING

From the end of November, bookbinding classes were able to recommence on a few occasions before the end of the year with safety measures in place.

GRAMOPHONE LIBRARY

During the year 1,278 compact discs were borrowed. Of those 61 were jazz, 33 folk and 69 spoken word. 30 long playing records and 32 DVDs were also borrowed.

At the end of the year membership of the Gramophone section was 208 of whom 180 were book members of the Society.

The subscription to the Naxos streaming service for Gramophone members continued, and these members listened to 22,145 pieces of music over the course of the year.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

MUSIC EVENTS

During 2021 there were 21 musical events. Despite the pandemic causing issues for performers, as well as limiting the capacity in the building, the attendance of 1141 people at these events was very encouraging.

A generous donation by a member has allowed the Society to continue to engage high quality musicians, and in 2021 we welcomed many performers, including harpsichord player John Treherne, cellist Lucy Hoile and jazz harpist Alina Bzhezinska.

The Lit & Phil took an active part in the Newcastle Festival of Jazz and Improvised Music along with Jazz North East, which allowed the Society to present performers such as Zoe Rahman, Pat Thomas, Helen Anahita Wilson and Shahbaz Hussain.

In partnership with Community Music Wickham & Swalwell, the Society continued to support the William Shield Festival with its mixture of amateur and professional performers.

CONCERT HIGHLIGHTS

Lucy Hoile (cello) performed: Bach: Cello suite No. 3 and Britten Cello Suite No.3.

Kate Halsall (piano) and Jack McNeill (Clarinet) performed:
Hildegard Von Bingen, Antiphonae; John Dowland, If my complaints could passions move;
Barbara Strozzi, Op. 8 che si puo fare; Ryoko Akama, con.de.structurin; Kate Halsall,
Habitation; Jack McNeill, there is a buzzard in the top wood and it's filling up with rain; Edmund Finis, 4 Duets
No.1 after Josquin Des Prez; Laurence Crane, Sparling; Colin Riley, Selections from Shenanigans.

LECTURES, EVENTS AND OTHER EDUCATIONAL ACTIVITIES

From February 2021, the Society organised several lectures and readings via Zoom. Most were free, recorded and made available on the Society's YouTube channel. Topics included:

Citizen's Advice Cases in 1950s Tyneside with Margaret Bozic.
A Pint of your Best Please, Landlord with Pat Lowery.
Newcastle Gael with Dr Shane McCorristine.
The Golden Age of Crime Fiction with Martin Edwards.
Are We in a Sleep Crisis? with Dr Diletta Cristofaro.

We were also delighted that eminent art historian Andrew Graham-Dixon gave 4 online talks during the year, including an Armchair Travel series which explored Barcelona, Naples and Berlin.

From September live events began to take place once more.

A series of events specifically to celebrate reopening was organised, beginning with a "Grand Reopening Party" on Thursday 9th September for members and special guests, with Honorary President Alexander Armstrong. Chi Onwurah, MP for Newcastle upon Tyne Central, also spoke and musical entertainment was provided by duo Hand to Mouth.

Other events arranged as part of the reopening series included David Almond and Julia Green discussing Writing for Children in a post Covid-19 world, and Professor Mary Herbert's lecture, Getting off to a good start: from Fertility Treatment to Disease Prevention.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

The events programme in the final third of the year also included:

14 September Gail-Nina Anderson Lecture: Poussin - Classical Form, Modernist Ideas.
21 October Peter S. Chapman Book Launch: A Tyneside Heritage.
12 November Birlinn Limited Book Launch: Mapping the City - Newcastle upon Tyne.
22 November Robert Colls Lecture: This Sporting Life. (Part of Winter Words Week).
25 November Ursula Buchan Lecture: Beyond the Thirty-Nine Steps: a Life of John Buchan. (Part of Winter Words Week).
26 November Dr Robert M. McKenzie and Dr Andrew McNeill, Northumbria University Accent Prejudice in Northern and Southern England. (Part of Winter Words Week).
8 December Sean O'Brien: Crossing the Styx (part of the Dante Godfather of Italy series of events and exhibition).

Despite the difficulties of the pandemic, the Lit & Phil's Young Writers Awards continued during 2021, with 23 entries received. The theme of the competition was "The Library" and the overall winner was young poet Bethany Faulds from Kings Priory School. The Awards were once again generously supported by the Pen & Palette Club, and will continue into 2022. Many thanks are due as ever to the judges and to Awards co-coordinator Jessica Wortley.

EXHIBITIONS

Two exhibitions took place during the year:

Bindings in the North: an exhibition of new bindings of "Art Treasures in the North" by Anne French by members of the Society of Bookbinders, North East region.

Dante: The Godfather of Italy (2 - 23 December).

This exhibition celebrating the life and work of Dante Alighieri took place in the main library, and included several books from the Lit & Phil's collection. A series of related events ran throughout the month. The exhibition was devised, created and designed, and the events arranged by Chairman of the Board, Andrew Harvey. Invaluable sponsorship and support was obtained from Helena Biosciences, The British Italian Society, Guest Wines and Cavavin (Newcastle).

CLASSES AND GROUPS

From September classes and groups started to meet once again and room bookings were possible.

TOURS AND VISITORS

From the summer the Lit & Phil's group of volunteer guides offered tours including during Heritage Open Days. A newly devised tour by Pat Lowery, An 18th Century Meander Through Newcastle, was also offered, as well as the ever popular Haunted Lit & Phil tours.

The Society took part in NE1's 24 Doors of Christmas initiative on 8th December, offering guided tours that day, as well as the Walking Nativity event organised by St Nicholas's Cathedral on 17 December.

Once again the Visitors' Book showed the wide geographical spread of visitors to the library. During the spring and early summer visitors mainly came from cities and towns in the United Kingdom, such as Exeter, London, Brighton, Rugby, Edinburgh and Glasgow. As the year progressed, and restrictions were further eased, the Society welcomed people from many countries including Denmark, Germany, Greece, Italy and Russia.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

MARKETING

Much of the marketing activity during the year was via online communications. A printed Members' magazine was produced in the spring, however. After the departure of the Marketing Manager in the autumn, staff were able to take over social media and updating the website, as well as continuing to communicate with members and others via Mailchimp updates. A winter newsletter was produced in house, designed by Mrs S. Banks. Freelance journalist Dave Whetstone was commissioned to write several articles about forthcoming events and these appeared in the Journal in print and electronically. They were also published on the Cultured North East website. From the summer onwards, membership figures increased in a very encouraging way as events, tours and other activities resumed.

THE BUILDING

During August the Lecture and Loftus Rooms were repainted and the front doors varnished. Some basic roof repairs were carried out by staff and volunteers. Consideration was given to finding a suitable cost-effective and green alternative to the current gas heating system. This will be explored further in 2022.

LOOKING BACK

1825

On Tuesday, September 6, the Society held its first Meeting in its New Apartments, James Losh, Esq., V.P., in the chair, when the Senior Secretary read an Address to the Society, on its Origin, Progress, and Present State, including a Vindication of Public Libraries from the objections of Dr. Whitaker, by the Rev. J.G. Robberds, which was unanimously ordered to be printed. Mr. R.R. Rankin, moved the thanks of the Meeting to Messrs. Adamson, Hutton, and the other gentlemen who had favoured the Society with presents.

DONATIONS

The following members and friends of the Society donated books, periodicals and recorded music:

David Almond, Nick and Shima Banks, Alan Beale, Ann Blenkinsop, Bloodaxe Books, Colin Braithwaite, Frank Bray, Mr Callan, Chris Calver, Richard Carr, Michael Chaplin, Heather Cheung, Ian D. Connacher, Paul Connolly, Irene Dunn, Alan England, Hazel Fleming, Louise Freeman, Paul Gailunas, Ken Grey, Caroline Grove, Christine Hawkins, Roger Hawkins (the Frank Graham Collection), Derek Healy, Bill Heel, Dr A. Henfrey, Peter Hetherington, Keith Jewitt, David Kidd, Chris Kilkeny, Chris Lester, Martin Lowe, Carole McGivern, Elizabeth Maguire, M. Makepeace, Lewis H. Mates, Judith Menes, Colin Monson, North East Methodist History Society, Joyce Parvin, W. Ring, David Saunders, Richard Sharp, Smokestack Books, Adrian Spooner, J. Stephenson, Terence Telford, Geoffrey Thoburn, Michael Turner, Tyne Bridge Publishing, P. Wallace, Susan Walton, Sue Ward, Steve Watson, A.H. Wilson.

The Society was pleased to be the recipient of a painting of a local scene, believed to be the work of Thomas Hair. This was presented by Revd. Ben Hopkinson.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

ACHIEVEMENTS AND PERFORMANCE (continued)

• **INVESTMENT POLICY AND PERFORMANCE**

There are no restrictions on the Charity's power to invest. The investment strategy is set by the Trustees, taking into account regular financial advice from professional advisors and any demand for funds. Factors considered include income requirements, risk profile and the advisor's view of market prospects in the medium term. The overall policy requires funds to be invested in low and medium risk investments with a long term aim of obtaining capital appreciation that exceeds inflation. Our Society's brokers currently have the Society's holdings invested across a range of fund types.

FINANCIAL REVIEW

• **GOING CONCERN**

After making appropriate enquiries, and considering the current and future impact of relevant factors, such as the ongoing COVID-19 pandemic, the increased cost of energy, and the current impacts to the cost of living, the trustees are satisfied that the Society, having maintained reserves during 2021, has a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future.

For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

• **RESERVES POLICY**

It is the decision of the board that the level of free reserves i.e. excluding tangible fixed assets, investments, restricted and endowment funds, as noted above, should be in the region of £60,000 in order to cover unexpected losses in income, unforeseen emergencies and short term deficits in cash budgets. This amount is subject to regular board review to determine whether the levels are still appropriate. At the year end the level of free reserves stood at £114,386.

• **PRINCIPAL FUNDING**

The Charity's principal funding comes from the members' subscriptions which are allocated to general costs. Other sources of funding are commercial income from merchandising, room rentals and events. Extra costs are met by donation wherever possible, and from grants for specific events.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

• **OVERVIEW**

The pandemic remained the defining event for much of 2021, and has obviously impacted the day to day operation of the Society for much of the year. However, towards the end of the year the library was able to fully reopen, with other sources of income such as room hire available again.

The Coronavirus Job Retention Scheme grant from the Treasury finished in the year, but it helped the Society through the year. As the CVJRS scheme ran out the library reopened and other income became available.

Subscription income has remained at a very good level, and gift aid has also remained at similar levels to 2020, enabling the Society to avoid any substantial losses. The deficit on unrestricted funds of £16,169 is reasonable given the circumstances. Investment revaluations of £97,604 are obviously welcome, but not something we should rely on to fund the day to day running costs.

As expected, there has been very little restricted activity in a largely closed year, the majority of the £19,233 deficit on restricted funds being the depreciation costs on previous capital outlays.

Looking ahead in 2022, we expect the library to remain fully open all year and for the Society's revenue streams to return to the pre-pandemic levels. There are some anticipated issues ahead, with the general cost of living rising and specifically the rises in energy costs, but we are looking at all available options in these areas. Hopefully though, 2022 will be a return to something resembling normality for society in general and the Society in particular.

STRUCTURE, GOVERNANCE AND MANAGEMENT

• **CONSTITUTION**

The Literary & Philosophical Society of Newcastle upon Tyne is registered as a charitable company limited by guarantee, registered number 6220953. It was constituted by a Memorandum of Association dated 20th April 2007 and is governed by Articles of Association adopted on 25th May 2016. It is also a registered charity, number 1120948.

The object of the Society is the advancement of the education of the inhabitants of Newcastle upon Tyne and the surrounding neighbourhood by promoting the study of language, literature, philosophy, science, history, music and the fine arts by the following means:

- (a) by providing and maintaining a library for the use of the said inhabitants;
- (b) by providing university extension and other educational lectures and classes for the said inhabitants;
- (c) by raising funds by charging subscriptions to its Members and otherwise, such funds to be applied exclusively for the purposes of the Society;
- (d) by such other charitable means as the Society may think fit.

• **METHODS OF APPOINTMENT OR ELECTION OF TRUSTEES**

The Society is managed by a Board of Trustees, of whom up to twelve are elected by the members of the Society and up to a further three may be co-opted by the Board. The Board meets monthly. The Trustees who have served during 2021 and since the end of that year end are as set out on page one. The Board has set up a number of Committees, which may include specialist co-optees, and which report to the Board.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

• RISK MANAGEMENT

The Trustees have assessed the major risks to which the charitable company is exposed, in particular those related to the operations and finances of the charitable company, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

PLANS FOR FUTURE PERIODS

Having committed to agreeing a strategy for the Society in 2020, the Board and some staff met twice in 2021 to discuss and begin to formulate this. Key areas discussed were physical access and refurbishment, increasing membership and developing benefits for members, partnerships and events. Further sessions will take place in 2022.

MEMBERS' LIABILITY

The Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

Approved by order of the members of the board of Trustees on 13 April 2022 and signed on their behalf by:


Andrew Harvey
(Chair of the Board)

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE
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**INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

Independent examiner's report to the Trustees of The Literary & Philosophical Society of Newcastle upon Tyne ('the charitable company')

I report to the charity Trustees on my examination of the accounts of the charitable company for the year ended 31 December 2021.

Responsibilities and basis of report

As the Trustees of the charitable company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the charitable 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 the charitable company's accounts 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 statement

Since the charitable 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 charitable company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts 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 accounts 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 accounts to be reached.

This report is made solely to the charitable company's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the charitable company's Trustees those matters I am required to state to them in an Independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the charitable company and the charitable company's Trustees as a body, for my work or for this report.

Signed:  Dated: 13 April 2022
Detlev Anderson FCA

Kinnair Associates Limited
Aston House
Redburn Road
Newcastle upon Tyne
NE5 1NB

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income and endowments from:						
Donations and legacies	3	-	2,562	26,012	28,574	70,871
Charitable activities	4	-	-	276,228	276,228	262,005
Other trading activities	5	-	-	18,572	18,572	12,800
Investments	6	-	-	18,028	18,028	16,533
Other income	7	-	-	60,170	60,170	64,542
Total income and endowments		-	2,562	399,010	401,572	426,751
Expenditure on:						
Raising funds	8,9	-	-	26,309	26,309	28,276
Charitable activities	10	-	21,795	390,870	412,665	385,104
Total expenditure		-	21,795	417,179	438,974	413,380
Net (expenditure)/income before net gains on investments						
		-	(19,233)	(18,169)	(37,402)	13,371
Net gains on investments	15	-	-	97,604	97,604	24,075
Net movement in funds		-	(19,233)	79,435	60,202	37,446
Reconciliation of funds:						
Total funds brought forward		13,000	176,325	1,049,315	1,238,640	1,201,194
Net movement in funds		-	(19,233)	79,435	60,202	37,446
Total funds carried forward		13,000	157,092	1,128,750	1,298,842	1,238,640

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

The notes on pages 16 to 39 form part of these financial statements.

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE

(A company limited by guarantee)

REGISTERED NUMBER: 06220953

BALANCE SHEET
AS AT 31 DECEMBER 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	16		162,525		183,889
Investments	17		982,839		877,071
			<u>1,145,364</u>		<u>1,060,960</u>
Current assets					
Stocks	18	4,656		4,656	
Debtors	19	26,724		51,522	
Cash at bank and in hand		144,911		167,010	
		<u>176,291</u>		<u>223,188</u>	
Creditors: amounts falling due within one year	20	(22,813)		(45,508)	
Net current assets			<u>153,478</u>		<u>177,680</u>
Total assets less current liabilities			<u>1,298,842</u>		<u>1,238,640</u>
Total net assets			<u>1,298,842</u>		<u>1,238,640</u>
Charity funds					
Endowment funds	22	13,000		13,000	
Restricted funds	22	157,092		176,325	
Unrestricted funds	22	1,128,750		1,049,315	
Total funds			<u>1,298,842</u>		<u>1,238,640</u>

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE
(A company limited by guarantee)
REGISTERED NUMBER: 06220953

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2021

The charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

The financial statements were approved and authorised for issue by the Trustees on 13 April 2022 and signed on their behalf by:


Andrew Harvey
(Chair of the Board)

The notes on pages 16 to 39 form part of these financial statements.

THE LITERARY & PHILOSOPHICAL SOCIETY OF NEWCASTLE UPON TYNE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

1. General information

The Literary and Philosophical Society is a private company limited by guarantee incorporated in England and Wales, registration number 06220953 and charity number 1120948. The address of the registered office which is also the principal place of business is 23 Westgate Road, Newcastle upon Tyne, NE1 1SE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Literary & Philosophical Society of Newcastle upon Tyne meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

2.2 Going concern

At the year end the Society had net current assets of £153,478, a reduction on 2020. 2021 was again a reasonable year for the Society in the context of the pandemic. Whilst all external COVID-19 support ceased within the year, the Society made use of the available measures such as the job retention scheme, and expects that the closed income streams that began to fully reopen at the end of 2021 will remain open in 2022 and replace the lost support. The trustees therefore have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. They continue to believe the going concern basis of accounting is appropriate in preparing the annual financial statements.

2.3 Income

All income is recognised once the charitable company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

The recognition of income from legacies is dependent on establishing entitlement, the probability of receipt and the ability to estimate with sufficient accuracy the amount receivable. Evidence of entitlement to a legacy exists when the charitable company has sufficient evidence that a gift has been left to them (through knowledge of the existence of a valid will and the death of the benefactor) and the executor is satisfied that the property in question will not be required to satisfy claims in the estate. Receipt of a legacy must be recognised when it is probable that it will be received and the fair value of the amount receivable, which will generally be the expected cash amount to be distributed to the charitable company, can be reliably measured.

Government grants - Coronavirus job retention scheme grants are recognised on a straight line basis over the furlough period for each relevant employee.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.3 Income (continued)

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Staff related expenditure has been allocated on the basis of time spent.

Printing, postage, stationery, telephone and sundries have been allocated based on estimated usage.

Expenditure on raising funds includes all expenditure incurred by the charitable company to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the charitable company's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

2.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charitable company; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

The Premises	- 10-50 years
Pianos	- 12 years
Mobile shelving	- 10 years
Security tagging	- 10 years
Office equipment	- 3 years
Catalogue computerisation	- 3 years
Stair lift	- 5 years

2.7 Heritage assets

In the absence of a professional valuation the policy is not to reinstate any value for the original cost of the library premises wholly written off, but to capitalise any cost, whenever considered appropriate, incurred from 1967 and onwards upon work of reconstruction or fundamental repairs to the building.

2.8 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

Investments held as fixed assets are shown at cost less provision for impairment.

2.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

2.10 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.11 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

2. Accounting policies (continued)

2.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

2.13 Financial instruments

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

2.14 Books and compact discs

These are not valued in the accounts as they are not held for resale. The cost of additional books and CDs are charged within the Statement of Financial Activities in the year of purchase.

2.15 Group accounts

The financial statements present information about the charitable company as an individual undertaking and not about its group. The charitable company and its subsidiary undertaking comprise a small-sized group. The charitable company has therefore taken advantage of the exemptions provided by section 399 of the Companies Act 2006 not to prepare group accounts.

2.16 Pensions

The charitable company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charitable company to the fund in respect of the year.

2.17 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the charitable company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

3. Income from donations and legacies

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Donations	2,562	26,012	28,574
Legacies	-	-	-
Total 2021	2,562	26,012	28,574

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Donations	3,397	27,517	30,914
Legacies	-	39,957	39,957
Total 2020	3,397	67,474	70,871

4. Income from charitable activities

	Unrestricted funds 2021 £	Total funds 2021 £
Income from charitable activities - Provision of library services	276,228	276,228

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Income from charitable activities - Provision of library services	262,005	262,005

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £
Trading Income	18,572	18,572

	Unrestricted funds 2020 £	Total funds 2020 £
Trading Income	12,800	12,800

6. Investment income

	Unrestricted funds 2021 £	Total funds 2021 £
Income from local listed investments	17,928	17,928
Other interest received	100	100
	<u>18,028</u>	<u>18,028</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Income from local listed investments	16,504	16,504
Other interest received	29	29
	<u>16,533</u>	<u>16,533</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

7. Other incoming resources

	Unrestricted funds 2021 £	Total funds 2021 £
Commissions received	111	111
Coronavirus Job Retention Scheme Grants	60,059	60,059
	<u>60,170</u>	<u>60,170</u>

	Unrestricted funds 2020 £	Total funds 2020 £
Commissions received	120	120
Other incoming resources	4,400	4,400
Coronavirus Job Retention Scheme Grants	60,022	60,022
	<u>64,542</u>	<u>64,542</u>

8. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2021 £	Total funds 2021 £
Fundraising wages and salaries	12,306	12,306
Fundraising NI	745	745
Fundraising pension costs	220	220
	<u>13,271</u>	<u>13,271</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Expenditure on raising funds (continued)

Costs of raising voluntary income (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Fundraising wages and salaries	15,354	15,354
Fundraising NI	914	914
Fundraising pension costs	274	274
	<u>16,542</u>	<u>16,542</u>

Other trading expenses

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Trading expenditure	<u>6,278</u>	<u>6,278</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

8. Expenditure on raising funds (continued)

Other trading expenses (continued)

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Trading expenditure	5,968	5,968

9. Investment management costs

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Portfolio management fees	6,760	6,760

	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Portfolio management fees	5,766	5,766

10. Analysis of expenditure on charitable activities

Summary by fund type

	<i>Restricted funds 2021 £</i>	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs - Provision of library services	21,795	390,870	412,665

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

10. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Restricted funds 2020 £</i>	<i>Unrestricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Direct costs - Provision of library services	27,933	357,171	385,104

11. Analysis of expenditure by activities

	<i>Activities undertaken directly 2021 £</i>	<i>Support costs 2021 £</i>	<i>Total funds 2021 £</i>
Direct costs - Provision of library services	214,237	198,428	412,665

	<i>Activities undertaken directly 2020 £</i>	<i>Support costs 2020 £</i>	<i>Total funds 2020 £</i>
Direct costs - Provision of library services	202,298	182,806	385,104

Analysis of direct costs

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	177,876	177,876
Books and periodicals	14,186	14,186
Gramophone costs	1,637	1,637
Lectures and meetings	19,881	19,881
Binding	857	857
	214,237	214,237

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Analysis of expenditure by activities (continued)

Analysis of direct costs (continued)

	<i>Activities 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	170,658	170,658
Books and periodicals	15,217	15,217
Gramophone costs	2,203	2,203
Lectures and meetings	13,029	13,029
Binding	1,191	1,191
	<u>202,298</u>	<u>202,298</u>

Analysis of support costs

	<i>Activities 2021 £</i>	<i>Total funds 2021 £</i>
Staff costs	62,568	62,568
Depreciation	25,805	25,805
Upkeep of premises	77,725	77,725
Printing, postage, stationery, telephone and sundries	21,900	21,900
Bank charges and interest	3,757	3,757
Professional expenses	1,500	1,500
Governance costs	5,073	5,073
Licences	100	100
	<u>198,428</u>	<u>198,428</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

11. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

	<i>Activities 2020 £</i>	<i>Total funds 2020 £</i>
Staff costs	61,640	61,640
Depreciation	26,200	26,200
Upkeep of premises	61,672	61,672
Printing, postage, stationery, telephone and sundries	21,231	21,231
Bank charges and interest	3,043	3,043
Professional expenses	2,250	2,250
Governance costs	6,194	6,194
Licences	576	576
	<u>182,806</u>	<u>182,806</u>

Governance costs included above comprise:

	<i>2021 £</i>	<i>2020 £</i>
Independent examiner's remuneration	4,290	3,200
Printing and postage	783	2,079
Auditors remuneration	-	915
	<u>5,073</u>	<u>6,194</u>

12. Independent examiner's remuneration

	<i>2021 £</i>	<i>2020 £</i>
Fees payable to the charitable company's independent examiner for the independent examination of the charitable company's annual accounts	840	915
Fees payable to the charitable company's independent examiner in respect of:		
Accountancy services	2,950	2,285
Accountancy services underprovided in prior year	500	-
	<u>3,450</u>	<u>2,285</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

13. Staff costs

	2021 £	2020 £
Wages and salaries	237,432	233,463
Social security costs	10,176	9,221
Contribution to defined contribution pension schemes	6,107	6,156
	<u>253,715</u>	<u>248,840</u>

The average number of persons employed by the charitable company during the year was as follows:

	2021 No.	2020 No.
Library services (including 8 (2020: 8) part time and cashier)	12	12
Caretaking (part time)	2	2
Cleaning (part time)	3	3
	<u>17</u>	<u>17</u>

No employee received remuneration amounting to more than £60,000 in either year.

The total remuneration and benefits for key management personnel for the year, including employer's national insurance contributions, totalled £70,901 (2020: £76,171).

14. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 December 2021, no Trustee expenses have been incurred (2020 - £NIL).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

15. Net gains on investments

	2021 £	2020 £
Gains/(Losses) on disposal of share investment assets	7,501	(4,003)
Gains on revaluations of share investment assets	90,103	28,078
	<u>97,604</u>	<u>24,075</u>

16. Tangible fixed assets

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2021	367,995	249,348	617,343
Additions	-	4,441	4,441
At 31 December 2021	<u>367,995</u>	<u>253,789</u>	<u>621,784</u>
Depreciation			
At 1 January 2021	192,535	240,919	433,454
Charge for the year	20,647	5,158	25,805
At 31 December 2021	<u>213,182</u>	<u>246,077</u>	<u>459,259</u>
Net book value			
At 31 December 2021	<u>154,813</u>	<u>7,712</u>	<u>162,525</u>
At 31 December 2020	<u>175,460</u>	<u>8,429</u>	<u>183,889</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

16. Tangible fixed assets (continued)

Heritage assets

The original cost of the Library building has been written off. The Library including the book and art collections have been valued for insurance purposes at £11,259,823 (2020 : £11,273,202).

The Society owns an extensive book collection and the library which is a listed building. The building and the book collection have been gifted to the Society to be held in perpetuity in accordance with the Trust Deed. The original cost of these assets and the costs of improvement until 1987 have not been included in the balance sheet because, in the opinion of the Trustees, the cost of professionally valuing these assets to include a value in the financial statements outweighs the benefits to the users of the financial statements.

17. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Cash held for investment £	Total £
Cost or valuation				
At 1 January 2021	1	848,744	28,326	877,071
Additions	-	128,300	-	128,300
Disposals	-	(109,373)	(3,262)	(112,635)
Revaluations	-	90,103	-	90,103
At 31 December 2021	1	957,774	25,064	982,839
Net book value				
At 31 December 2021	1	957,774	25,064	982,839
At 31 December 2020	1	848,744	28,326	877,071

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

17. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the charitable company:

Name	Company number	Registered office or principal place of business	Principal activity
The Literary & Philosophical Trading Company Limited	0899174	23 Westgate Road, Newcastle upon Tyne, NE1 1SE	To provide a cafe service in order to raise funds for the parent charitable company

Class of shares	Holding
Ordinary	100%

The financial results of the subsidiary for the year were:

Name	Net assets £
The Literary & Philosophical Trading Company Limited	1

18. Stocks

	2021 £	2020 £
Finished goods and goods for resale	<u>4,656</u>	<u>4,656</u>

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NOTES TO THE FINANCIAL STATEMENTS
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19. Debtors

	2021 £	2020 £
Due within one year		
Trade debtors	4,667	6,571
Other debtors	5,970	3,869
Prepayments and accrued income	5,447	29,471
Tax recoverable	10,640	11,611
	<u>26,724</u>	<u>51,522</u>

20. Creditors: Amounts falling due within one year

	2021 £	2020 £
Trade creditors	6,017	27,799
Other taxation and social security	3,586	7,162
Other creditors	42	-
Accruals and deferred income	13,188	10,547
	<u>22,813</u>	<u>45,508</u>

21. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through income and expenditure	<u>957,774</u>	<u>848,744</u>

Financial assets measured at fair value through income and expenditure comprise listed securities which are stated at market value.

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NOTES TO THE FINANCIAL STATEMENTS
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22. Statement of funds

Statement of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Unrestricted funds						
Designated funds						
Lit and Phil Legacy Fund	135,505	-	-	-	14,144	149,649
The Core Fund	802,984	-	(8,760)	-	83,450	879,684
The Young Writers Award fund	-	500	(3,000)	2,500	-	-
Books on Tyne	850	-	-	-	-	850
	<u>939,339</u>	<u>500</u>	<u>(9,760)</u>	<u>2,500</u>	<u>97,604</u>	<u>1,030,183</u>
General funds						
General Funds	109,976	398,510	(407,419)	(2,500)	-	98,567
Total Unrestricted funds	<u>1,049,315</u>	<u>399,010</u>	<u>(417,179)</u>	<u>-</u>	<u>97,604</u>	<u>1,128,750</u>
Endowment funds						
Alan Melk Book Fund	3,000	-	-	-	-	3,000
Charles Parish Lecture Fund	10,000	-	-	-	-	10,000
	<u>13,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,000</u>

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NOTES TO THE FINANCIAL STATEMENTS
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22. Statement of funds (continued)

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Restricted funds						
Development Appeal Fund	75,510	-	(3,292)	-	-	72,218
Members Book Fund	-	62	(62)	-	-	-
Margaret Anne Dalton Legacy	16,448	-	(1,817)	-	-	14,631
Music Librarian's fund	7,326	2,500	(959)	-	-	8,867
Charles Parish Lecture fund	2,594	-	-	-	-	2,594
Disabled Access Fund	68,010	-	(11,335)	-	-	56,675
Appeal fund	6,437	-	(4,330)	-	-	2,107
	<u>176,325</u>	<u>2,562</u>	<u>(21,795)</u>	<u>-</u>	<u>-</u>	<u>157,092</u>
Total of funds	<u><u>1,238,640</u></u>	<u><u>401,572</u></u>	<u><u>(438,974)</u></u>	<u><u>-</u></u>	<u><u>97,604</u></u>	<u><u>1,298,842</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Unrestricted funds						
Designated funds						
Lit and Phil Legacy Fund	101,844	37,457	-	-	(3,596)	135,505
The Core Fund	781,079	-	(5,766)	-	27,671	802,984
The Young Writers Award fund	-	2,000	(2,000)	-	-	-
Books on Tyne	-	1,074	(224)	-	-	850
	<u>882,723</u>	<u>40,531</u>	<u>(7,990)</u>	<u>-</u>	<u>24,075</u>	<u>939,339</u>
General funds						
General Funds	102,663	382,823	(377,457)	1,947	-	109,976
Total Unrestricted funds	<u>985,386</u>	<u>423,354</u>	<u>(385,447)</u>	<u>1,947</u>	<u>24,075</u>	<u>1,049,315</u>
Endowment funds						
Alan Melkie Book Fund	3,000	-	-	-	-	3,000
Charles Parish Lecture Fund	10,000	-	-	-	-	10,000
	<u>13,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,000</u>

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22. Statement of funds (continued)

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Restricted funds						
Development Appeal Fund	78,802	-	(3,292)	-	-	75,510
Book Sponsorship fund	-	3,397	(3,397)	-	-	-
Margaret Anne Dalton Legacy	16,448	-	-	-	-	16,448
Music Librarian's fund	7,326	-	-	-	-	7,326
Charles Parish Lecture fund	2,594	-	-	-	-	2,594
Northern Rock Foundation	7,526	-	(5,579)	(1,947)	-	-
Disabled Access Fund	79,345	-	(11,335)	-	-	68,010
Appeal fund	10,767	-	(4,330)	-	-	6,437
	<u>202,808</u>	<u>3,397</u>	<u>(27,933)</u>	<u>(1,947)</u>	<u>-</u>	<u>176,325</u>
Total of funds	<u>1,201,194</u>	<u>426,751</u>	<u>(413,380)</u>	<u>-</u>	<u>24,075</u>	<u>1,238,640</u>

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NOTES TO THE FINANCIAL STATEMENTS
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FUND DESCRIPTIONS:

The Development Appeal Fund has been fully utilised, the remaining balance shown above is fully represented by tangible fixed assets.

The Members' Book Fund was established to allow members to donate towards the purchase of books in specific subjects or genres.

The Margaret Anne Dalton Legacy is to be used to purchase books on music and on birds.

The Charles Parish Lecture Fund has been established from a gift made by Mrs Ann Parsons, Mrs Janet Fitzsimmons and Miss Margaret Norwell in memory of the late Charles Parish to establish a biennial lecture on the subject of some aspect of the western civilisation.

The grants from the Northern Rock Foundation were for the Creative Journeys project to engage disadvantaged young people from Newcastle upon Tyne with the library and its collections. All the activities relating to the grants were successfully completed and the fund has now closed.

The Disabled access fund was established to hold donations for the access works to the library building.

The Appeal Fund holds the funds raised by the current ongoing appeal, which will be used to enable the Society to secure its future by a number of means. These include updating and repairing the fabric of the library building, overhauling physical access in line with current regulations and enabling the Society to increase its revenue streams.

The Alan Melkley Book Fund was established to provide income for the purchase of books.

The Lit and Phil legacy fund was designated by the trustees to hold general legacies over £5,000, the proceeds of the future sale of Bolbec Hall and any other donations to the fund. The fund is designed to increase in size and the income from it will go to supplement the Society's general funds.

The Core Fund was set up to hold income from the sale of Bolbec Hall, as well as large legacies and other donations to provide an endowment to safeguard the future of the Society.

The Young Writers Awards Designated Fund was set up to enable young people from across the North East to develop their creative writing skills.

Books on Tyne - This fund enables the Society to run Newcastle's annual book festival in conjunction with Newcastle Libraries.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

23. Summary of funds

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2021 £
Designated funds	939,339	500	(9,760)	2,500	97,604	1,030,183
General funds	109,976	398,510	(407,419)	(2,500)	-	98,567
Endowment funds	13,000	-	-	-	-	13,000
Restricted funds	176,325	2,562	(21,795)	-	-	157,092
	<u>1,238,640</u>	<u>401,572</u>	<u>(438,974)</u>	<u>-</u>	<u>97,604</u>	<u>1,298,842</u>

Summary of funds - prior year

	Balance at 1 January 2020 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 December 2020 £
Designated funds	882,723	40,531	(7,990)	-	24,075	939,339
General funds	102,663	382,823	(377,457)	1,947	-	109,976
Endowment funds	13,000	-	-	-	-	13,000
Restricted funds	202,808	3,397	(27,933)	(1,947)	-	176,325
	<u>1,201,194</u>	<u>426,751</u>	<u>(413,380)</u>	<u>-</u>	<u>24,075</u>	<u>1,238,640</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Endowment funds 2021 £	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	131,000	31,525	162,525
Fixed asset investments	-	-	982,839	982,839
Current assets	13,000	26,092	137,199	176,291
Creditors due within one year	-	-	(22,813)	(22,813)
Total	13,000	157,092	1,128,750	1,298,842

Analysis of net assets between funds - prior year

	Endowment funds 2020 £	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	149,957	33,932	183,889
Fixed asset investments	-	-	877,071	877,071
Current assets	13,000	26,368	183,820	223,188
Creditors due within one year	-	-	(45,508)	(45,508)
Total	13,000	176,325	1,049,315	1,238,640

25. Pension commitments

The charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £6,107 (2020 - £6,156). Contributions totalling £nil (2020 - £nil) were payable to the fund at the balance sheet date.

26. Related party transactions

During the year the subsidiary company donated £Nil (2020: £1,565) of profits to the charity.

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INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2021 £	2020 £	2020 £
Income				
Subscriptions	217,211		212,503	
Gift aid	42,863		43,670	
Arts and events income	16,154		5,832	
Income from listed investments	17,928		16,504	
Bank interest received	100		29	
Commissions	111		120	
Donations	28,574		30,914	
Legacies	-		39,957	
Catering receipts	3,398		2,461	
Room hire	11,912		7,938	
Sales of merchandise etc.	3,262		2,401	
Coronavirus Job Retention Scheme Grants	60,059		60,022	
Arup rebilling	-		4,400	
		401,572		426,751
Gains on investments				
Gains on investments	97,604		24,075	
		97,604		24,075
Gross income in the reporting period		499,176		450,826
Less:				
Charitable expenditure				
Books, periodicals, records and book repairs	16,680		18,611	
Lectures and meeting costs	19,681		13,029	
Staff costs	247,608		242,684	
Pension costs	6,107		6,156	
Repairs and renewals	16,203		5,725	
Cleaning	3,909		4,478	
Heat and light	26,109		20,725	
Rates and water	7,224		8,427	
Insurance	16,385		12,587	
Telephone costs	5,865		4,693	
Postage, printing and stationery	13,643		14,057	
Advertising	1,967		3,358	
Sundry expenses	1,208		1,202	
Telecom and computing equipment	7,895		9,730	
Licences	100		576	
Bank interest and charges	3,757		3,043	
Accountancy fees	4,290		4,115	

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INCOME AND EXPENDITURE ACCOUNT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2021 £	2020 £	2020 £
Land and building depreciation	20,647		20,647	
Fixtures, fittings and equipment depreciation	5,158		5,553	
Professional fees	1,500		2,250	
Portfolio management fees	6,760		5,786	
	<u> </u>	<u>432,696</u>	<u> </u>	<u>407,412</u>
Trading cost of sales				
Catering costs	2,008		465	
Merchandise costs	267		1,390	
Other costs	4,003		4,113	
	<u> </u>	<u>6,278</u>	<u> </u>	<u>5,968</u>
Total expenditure		<u>438,974</u>		<u>413,380</u>
Net income for the reporting period		<u>60,202</u>		<u>37,446</u>
Surplus for the reporting period		60,202		37,446
Deficit brought forward at 1 January 2020		1,238,640		1,201,194
Surplus carried forward at 31 December 2021		<u>1,298,842</u>		<u>1,238,640</u>