

Company Registration Number - 4369668

The Charity Registration Number is :- 1121276

Manchester Literature Festival Limited

Report and Accounts

31 March 2021

Manchester Literature Festival Limited

Report and accounts for the year ended 31 March 2021

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Manchester Literature Festival Limited

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Trustees' Annual Report for the year ended 31 March 2021

The Trustees present their Report and Accounts for the year ended 31 March 2021, which also comprises the Directors' Report required by the Companies Act 2006.

Reference and administrative details

The charity name.

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

The charity's areas operation and UK charitable registration.

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

The charity does not operate in any overseas jurisdictions.

Legal structure of the charity

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

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

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

The trustees are all individuals.

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

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

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

Manchester Literature Festival Limited

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Trustees' Annual Report for the year ended 31 March 2021

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

Afshan Tania D'souza-Lodhi

Christine Ann Gaskell

Ed Farrelly

Peter Mearns (CHAIR)

Karl Jackson

Eleanor Manson-Sawko

Anne-Marie Nugnes

Bonnie Julia Turnbull

Andrew Peter Westle

The following persons served as Trustees during the year ended 31 March 2021 :-

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

Name	Appointed	Resigned/Retired
Afshan Tania D'souza-Lodhi		
Jerome de Groot		30/11/2020
Ed Farrelly		
Peter Mearns (CHAIR)		
Karl Jackson		
Eleanor Manson-Sawko		
Christine Ann Gaskell	18/01/2021	
Anne-Marie Nugnes	18/01/2021	
Matthew Jonathan Frost		18/01/2021
Punam Ramchurn		30/11/2020
Bonnie Julia Turnbull	18/01/2021	
Andrew Peter Westle	18/01/2021	

Objects and activities of the charity

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

Manchester Literature Festival's Charitable objectives are:

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

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Due to the impact of the Covid 19 pandemic, we moved the 15th edition of the Manchester Literature Festival online. Our first digital iteration featured 17 events over the weekend 23 - 25 October 2020. Almost 5,000 people from 53 countries attended #MLF20 events. In addition to streamed events we also partnered on a "Your Local Arena" project attracting an additional viewing audience of 871 across 5 films, and 6 people had one to one-sessions with the Poetry Exchange.

The programme mirrored the quality and diversity of our usual 'in-person' festivals, featuring special conversations with leading national and international authors, poets, artists and activists; and showcased the literary stars of tomorrow alongside renowned and award-winning writers. This year's Manchester Literature Festival also reflected on collective moments of protest and resilience including the #BlackLivesMatter and #MeToo movements; platforming, voices that call for change and other messages of hope for the future.

Programme strands included Culture (Angela Davis, Torri Amos, Kae Tempest, Slay in Your Lane presents Loud Black Girls, New Daughters of Africa), Fiction (Maaza Mengiste, Nick Hornby, Ali Smith, Tayari Jones & Brit Bennet, Daisy Johnson & Sophie Mackintosh), Poetry (Picador and Manchester Poetry Library showcases, Cabaret for Freedom), World Literature (Andrés Neuman, Najwan Darwish), Young Readers (Mischief and Mystery in Moominvalley, Don't Worry Little Crab puppet adaptations) and New Commissions (Ella Otomewo and Cheryl Martin responding to the archive Arena documentary: The Ballad of Ewan MacColl).

70 Writers and other artists took part in #MLF20 including 41 writers of colour, ten LGBTQ+ and two Disabled/Deaf artists. Ten events featured writers of colour (representing 52% of the festival programme). The programme featured 11 international artists, including North American, Spanish, and Palestinian writers. All events were available on a Pay What You Can basis and the majority of events were made freely available via the Festival's You Tube channel post-festival to enable further engagement.

We were able to reach a much more socially diverse and geographically dispersed audience than normal: 13% identified as being of mixed, Asian or Deaf (compared to 8% in 2019), 20% identified as being Disabled or Deaf (compared to 10% in 2019), and 18% of the audience joined us from overseas - a huge increase from the usual 1%. Many of our audience members expressed gratitude to MLF for providing access to such rich cultural content during these challenging times and many hoped that we will continue to provide digital access to events moving forward.

With support from the Cultural Recovery Fund we also programmed a series of online spring events featuring prominent writers of colour and including three special poetry commissions by Roger Robinson, Caleb Femi and Natalie Diaz responding to current times.

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The Festival continued to deliver a year-round education programme encouraging children and young people to develop a passion for reading and creative writing. Activities included the expansion of our Little Reads story time activities delivered on Zoom in partnership with libraries in Manchester, Salford, Stockport and Trafford; completion of our young creatives project, RE(verb), and an online World Book Day event featuring popular *Supertato* authors Sue Hendra and Paul Linnet, which was accessed by 15,000 children from across 190 Greater Manchester Primary Schools.

Due to lack of budget, we were not able to produce any print marketing this year but our design agency Mark Studio created a very stylish brand identity that was applied across all the MLF digital channels as well as our Evenrbrite box office page and Crowdcast streaming channel.

The Festival was featured in a Big Issue North article promoting online literary festivals and we received shout outs for the Festival on Radio 2's Zoe Ball Breakfast Show and the Radio 6 Radcliffe and Maconie show. We also received online coverage of the Festival in Manchester Evening News, Manchester Wire, Creative Tourist and About Manchester. Northern Soul published very positive reviews of our Angela Davis and Nick Hornby events. Our social media followers continued to grow: Twitter (6%+), Facebook (7%+) and Instagram (36%+).

With Cultural Recovery Funding we were able to appoint consultants from Cultural Oxford Associates to help us develop a new 5 Year Strategic Plan for the organisation. We appointed four new trustees to the board with a further three set to join in July 2021.

Public Benefit

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

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

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

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Trustees' Annual Report for the year ended 31 March 2021

The Year Ahead

Due to the ongoing uncertainties around what social distancing restrictions will be in place and audience appetite for attending indoor events in the autumn, we are taking a cautious approach to programming this year and are planning to produce a hybrid festival of in-person and digital events. We expect the scaled down nature of the festival to have a negative impact on box office returns.

We will be delivering a number of new commissioning projects including a Carbon Landscape Poet in Residence in partnership with Lancashire Wildlife Trust, and two Virtual Writers in Residence in partnership with the Manchester UNESCO City of Literature and Manchester Festivals of Libraries.

With support from the GMCA Culture Fund we plan further expansion of our CYP activities across Greater Manchester and hope to return to delivering face to face sessions by September. We will also be delivering our pilot Young Producers Project funded by the Postcode Community Trust.

In partnership with local performance group Young Identity and the LiteratureXchange and Ordkraft festivals in Denmark, we plan to initiate the Cities Untold project, providing artist residency and commissioning opportunities for six young writers from Manchester, Aarhus and Aalborg

The trustees bankers and advisers

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

Manchester Literature Festival Limited

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Trustees' Annual Report for the year ended 31 March 2021

Financial review

The charity's financial position as at the year ended 31 March 2021

The financial position of the charity at 31 March 2021 and comparatives for the prior period, as more fully detailed in the accounts, can be summarised as follows:-

	2021 £	2020 £
Net income	54,159	(37,684)
Called up share capital	-	-
Unrestricted Revenue Funds available for the general purposes of the charity	88,281	34,121
Total Funds	88,281	34,121

Financial review of the position at the reporting date, 31 March 2021 and Policies on reserves

The Festival currently holds £88,281 in reserves. We expect we will need to use some reserves to replace reduced box office income but aim to retain a minimum of 25% annual turnover (approximately £60,000) in reserve. This will enable us to smooth out peaks and troughs in funding and box office income and to cover any one-off additional expenditure such as office moves. The Trustees may choose to invest any excess reserves in activities that will help to secure the continued growth of the festival, such as fundraising or marketing, or to seek out low risk investment banking options.

Availability and adequacy of assets of each of the funds

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

Details of The Independent Examiner

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

Manchester Literature Festival Limited

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Trustees' Annual Report for the year ended 31 March 2021

Statement of the Directors Trustees' Responsibilities

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

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

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

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

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

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

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Trustees' Annual Report for the year ended 31 March 2021

Method of preparation of accounts - Small company provisions

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

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

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

This report was approved by the board of trustees on 29 November 2021.



Peter Mearns
Director and Trustee

Manchester Literature Festival Limited

Report of the Independent Examiner to the Trustees of the charitable company on the accounts for the year ended 31 March 2021

I report to the Trustees on my examination of the financial statements of the charitable company on pages 12 to 25 for the year ended 31 March 2021 which have been prepared in accordance with the Charities Act 2011 (the Act) and with the Financial Reporting Standard 102, (effective 1st January 2016) as modified by FRS 102 SORP (Statement of Recommended Practice for Accounting and Reporting by Charities) 2015, (as amended by the Bulletin issued in October 2018 and applicable to all accounting periods beginning on or after 1st January 2019), (The SORP), published by the Charity Commission in England & Wales (CCEW) , and under the historical cost convention and the accounting policies set out on page 16.

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

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

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

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

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

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

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

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

Manchester Literature Festival Limited

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

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

Independent Examiner's Statement, Report and Opinion

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

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

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

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

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

the financial statements do not accord with those records; or

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

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

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

Signed:-

Michael J Rubinstein - Independent Examiner

Fellow of the Institute of Chartered Accountants

Brentwood
171 Bury New Road
Whitefield
Manchester
M45 6AB

This report was signed on 29 November 2021

Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2021

Statement of Financial Activities (including the Income and Expenditure Account for the year ended 31 March 2021, as required by the Companies Act 2006)

	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
Income & Endowments from:				
Donations & Legacies	208,489	12,128	220,617	145,595
Charitable activities	12,942	-	12,942	94,895
Investments	15	-	15	62
Total income	221,446	12,128	233,574	240,552
Expenditure on:				
Raising funds	7,250	-	7,250	17,250
Charitable activities	160,037	12,128	172,165	260,986
Total expenditure	167,287	12,128	179,415	278,236
Net income for the year	54,159	-	54,159	(37,684)
Net income after transfers	54,159	-	54,159	(37,684)
Net movement in funds	54,159	-	54,159	(37,684)
Reconciliation of funds:-				
Total funds brought forward	34,121	-	34,121	71,804
Total funds carried forward	88,280	-	88,280	34,120

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

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

All activities derive from continuing operations

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

Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2021

Manchester Literature Festival Limited - Resources applied in the year ended 31 March 2021 towards fixed assets for Charity use:-

	2021 £	2020 £
Funds generated in the year as detailed in the SOFA	54,159	(37,684)
Net resources available to fund charitable activities	51,913	(37,684)

Movements in revenue and capital funds for the year ended 31 March 2021

Revenue accumulated funds

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Last year Total Funds 2020 £
Accumulated funds brought forward	34,121	-	34,121	71,804
Recognised gains and losses before transfers	54,159	-	54,159	(37,684)
	88,280	-	88,280	34,120
(From) / To unrestricted revenue funds	-	-	-	-
Closing revenue funds	88,280	-	88,280	34,120

Summary of funds

	Unrestricted and Designated funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Last Year Total Funds 2020 £
Revenue accumulated funds	88,280	-	88,280	34,120

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

Manchester Literature Festival Limited - Statement of Financial Activities for the year ended 31 March 2021

Manchester Literature Festival Limited
Income and Expenditure Account for the year ended 31 March 2021 as required by the Companies Act 2006

	2021 £	2020 £
Income		
Income from operations	233,559	240,490
Investment income		
Interest receivable	15	62
Gross income in the year before exceptional items	233,574	240,552
Gross income in the year including exceptional items	233,574	240,552
Expenditure		
Charitable expenditure, excluding depreciation and amortisation	167,940	257,603
Depreciation and amortisation	724	216
Fundraising costs	7,250	17,250
Governance costs	3,500	3,167
Realised losses on disposals of social investments which are programme related	-	-
Total expenditure in the year	179,414	278,236
Net income before tax in the financial year	54,160	(37,684)
Tax on surplus on ordinary activities	-	-
Net income after tax in the financial year	54,160	(37,684)
Retained surplus for the financial year	54,160	(37,684)

All activities derive from continuing operations

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

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

Manchester Literature Festival Limited
Balance Sheet as at 31 March 2021

	Notes	2021 £	2020 £
Fixed assets			
Tangible assets	7	2,170	648
Total fixed assets		<u>2,170</u>	<u>648</u>
Current assets			
Cash at bank and in hand		122,037	57,363
Creditors: amounts falling due within one year	8	<u>(35,926)</u>	<u>(23,890)</u>
Net current assets		86,111	33,473
The total net assets of the charity		<u>88,281</u>	<u>34,121</u>

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

Unrestricted Funds

Unrestricted Revenue Funds	9	88,281	34,121
		88,281	34,121
Total charity funds		<u>88,281</u>	<u>34,121</u>

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

Manchester Literature Festival Limited
Balance Sheet as at 31 March 2021

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

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

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

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

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



Peter Mearns

Trustee

Approved by the board of trustees on 29 November 2021

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

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2021

1 Accounting policies

Policies relating to the production of the accounts.

Basis of preparation and accounting convention

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

Going Concern

The charitable activities are entirely dependent on continuing grant aid and voluntary donations as well as trading revenues. As a consequence, the going concern basis is dependent on the future flow of these uncertain funding streams. Accordingly, the Trustees have obtained forecasts and, after reviewing the financial forecasts for future periods to 31 March 2021, the Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. Other than these matters, the Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

The charity is a public benefit entity.

Policies relating to categories of income and income recognition.

Nature of income

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

Accounting for deferred income and income received in advance

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

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

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

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2021

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

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

Fixed Assets

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

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

Plant and machinery	20 % straight line
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Creditors and provisions

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

Financial instruments including cash and bank balances

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

2 Liability to taxation

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

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2021

3 Winding up or dissolution of the charity

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

4 Significance of financial instruments to the charity's position

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

5 Net surplus before tax in the financial year

	2021 £	2020 £
The net surplus before tax in the financial year is stated after charging:-		
Depreciation of owned fixed assets	724	216
Pension costs	2,759	2,706

6 Staff costs and emoluments

Salary costs	2021 £	2020 £
Gross Salaries excluding trustees and key management personnel	91,713	91,119
Employer's National Insurance for all staff	5,053	6,002
Employer's operating costs of defined contribution pension schemes	2,759	2,706
Total salaries, wages and related costs	99,525	99,827

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

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

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2021

7 Tangible fixed assets

<i>Current Year</i>	Land and Buildings	Plant & Machinery	Motor Vehicles	Total
	£	£	£	£
Cost				
At 1 April 2020	-	11,248	-	11,248
Additions for the year		2,246		2,246
At 31 March 2021	-	13,494	-	13,494
Depreciation				
At 1 April 2020	-	10,600	-	10,600
Charge for the year	-	724	-	724
At 31 March 2021	-	11,324	-	11,324
Net book value				
At 31 March 2021	-	2,170	-	2,170
At 31 March 2020	-	648	-	648

8 Creditors: amounts falling due within one year

	2021	2020
	£	£
Accruals	3,500	3,500
PAYE, NIC VAT and other taxes	1,446	2,026
Other creditors	30,980	18,364
	35,926	23,890

9 Income and Expenditure account summary

	2021	2020
	£	£
At 1 April 2020	34,120	71,804
Transfers in for the year	-	-
At 1 April 2020	34,120	71,804
Surplus/(Deficit) after tax for the year	54,160	(37,684)
At 31 March 2021	88,280	34,120

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2021

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

At 31 March 2021	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	2,170	-	-	2,170
Current Assets	122,037	-	-	122,037
Current Liabilities	(35,926)	-	-	(35,926)
	88,281	-	-	88,281

At 1 April 2020	Unrestricted funds £	Designated funds £	Restricted funds £	Total Funds £
Tangible Fixed Assets	648	-	-	648
Current Assets	57,363	-	-	57,363
Current Liabilities	(23,890)	-	-	(23,890)
	34,121	-	-	34,121

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

	Funds brought forward from 2020	Movement in funds in 2021	Transfers between funds in 2021	Funds carried forward to 2022
	See Note 12			
	£	£	£	£
Unrestricted and designated funds:-				
Unrestricted Revenue Funds	34,121	54,159	-	88,280
Total unrestricted and designated funds	34,121	54,159	-	88,280
Total charity funds	34,121	54,159	-	88,280

Manchester Literature Festival Limited

Notes to the Accounts for the year ended 31 March 2021

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

	Income	Expenditure	Other Gains & Losses	Movement in funds
	2021	2021	2021	2021
	£	£	£	£
<i>Unrestricted and designated funds:-</i>				
Unrestricted Revenue Funds	221,446	(167,287)	-	54,159
	233,574	(179,415)	-	54,159

13 The purposes for which the funds

Unrestricted and designated funds:-

Unrestricted Revenue Funds

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

14 Ultimate controlling party

The charity is under the control of its legal members.

Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2021 as required by the SORP 2015

15 Donations, Grants and Legacies

	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Revenue grants from government and public bodies				
Arts Council England	78,072	-	78,072	76,661
National Lottery	-	-	-	5,213
Manchester City Council - Event Funding	12,500	-	12,500	12,500
Manchester City Council - Other Funding	3,462	-	3,462	11,038
Greater Manchester Combined Authority	37,500	-	37,500	-
Manchester City Council Covid Discretionary Grant	10,000	-	10,000	-
Cultural Recovery Fund	33,120	-	33,120	-
HMRC JRS Grant	-	12,128	12,128	-
Post Code Lottery	3,565	-	3,565	7,599
Total public sector revenue grants	178,219	12,128	190,347	113,011
	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Revenue grants and donations from non public bodies				
Small grants individually less than £1000	6,070	-	6,070	4,224
Granada Foundation	2,000	-	2,000	1,360
Total private sector revenue grants	8,070	-	8,070	5,584
	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Sponsorship				
Sponsorship Income	22,200	-	22,200	27,000
Total sponsorship income	22,200	-	22,200	27,000
Total Donations, Grants and Legacies				
Total Donations, Grants and Legacies	208,489	12,128	220,617	145,595

Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2021 as required by the SORP 2015

16 Income from charitable activities - Trading Activities

<i>Current year</i>	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total funds 2020 £
Primary purpose and ancillary trading				
Sale of goods and services in accordance with the charity's objects	12,942	-	12,942	94,895
Total Primary purpose and ancillary trading	12,942	-	12,942	94,895

17 Total Income from charitable activities

<i>Current year</i>	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Total income from charitable trading	12,942	-	12,942	94,895
Total from charitable activities	12,942	-	12,942	94,895

18 Investment income

	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Bank Interest Receivable	15	-	15	62
Total investment income	15	-	15	62

19 Expenditure on charitable activities - Direct spending

<i>Current Year</i>	Current year Unrestricted Funds 2021 £	Current year Restricted Funds 2021 £	Current year Total Funds 2021 £	Prior Year Total Funds 2020 £
Gross wages and salaries - charitable activities	79,586	12,128	91,713	91,119
Employers' NI - Charitable activities	5,053	-	5,053	6,002
Defined contribution pension costs - charitable activities	2,759	-	2,759	2,706
Travel and Subsistence - Charitable Activities	864	-	864	8,159
Marketing and advertising of charitable services	5,000	-	5,000	27,270
Artists Costs	24,027	-	24,027	41,119
Venue Costs	4,182	-	4,182	14,790
Book Purchases	-	-	-	13,170
Total direct spending	121,471	12,128	133,598	204,335

Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2021 as required by the SORP 2015

20 Support costs for charitable activities

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
Premises Expenses				
Rent payable under operating leases	5,256	-	5,256	7,827
Administrative overheads				
Telephone, fax and internet	2,588	-	2,588	1,848
Postage	4	-	4	2,977
Stationery and printing	146	-	146	203
Courier Services	-	-	-	900
Subscriptions to periodicals	148	-	148	45
Equipment expenses	67	-	67	62
Liability and contents insurance	1,382	-	1,382	1,388
Sundry expenses	36	-	36	336
Professional fees paid to advisors other than the auditor or examiner				
Consultancy fees	23,393	-	23,393	35,785
Other legal and professional	875	-	875	1,606
Financial costs				
Bank charges	362	-	362	291
Depreciation & Amortisation in total for	724	-	724	216
Support costs before reallocation	35,066	-	35,066	53,484
Total support costs - Current Year	35,066	-	35,066	53,484

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

All the expenditure in the prior year was unrestricted.

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

21 Other Expenditure - Governance costs

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
Independent Examiner's fees	3,500	-	3,500	3,167
Total Governance costs	3,500	-	3,500	3,167

All the expenditure in the prior year was unrestricted.

Manchester Literature Festival Limited

Detailed analysis of income and expenditure for the year ended 31 March 2021 as required by the SORP 2015

22 Total Charitable expenditure

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
Total direct spending	121,471	12,128	133,598	204,335
Total support costs	35,066	-	35,066	53,484
Total Governance costs	3,500	-	3,500	3,167
Total charitable expenditure	160,037	12,128	172,164	260,986

All the expenditure in the prior year was unrestricted.

<i>Prior Year</i>	Prior Year Unrestricted Funds	Prior Year Restricted Funds	Prior Year Total Funds
	2020	2020	2020
	£	£	£
Total direct spending	204,335	-	204,335
Total support costs	53,484	-	53,484
Total Governance costs	3,167	-	3,167
Total charitable expenditure	260,986	-	260,986

23 Expenditure on raising funds and costs of investment management

<i>Current Year</i>	Current year Unrestricted Funds	Current year Restricted Funds	Current year Total Funds	Prior Year Total Funds
	2021	2021	2021	2020
	£	£	£	£
Agent's costs for fundraising	7,250	-	7,250	17,250
Total fundraising costs	7,250	-	7,250	17,250

All the expenditure in the prior year was unrestricted.