

**LITERATURE WORKS**  
**(A company limited by guarantee)**  
**UNAUDITED**  
**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**



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**LITERATURE WORKS**  
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**CONTENTS**

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	Page
<b>Reference and administrative details of the charitable company, its Trustees and advisers</b>	1
<b>Trustees' report</b>	2 - 8
<b>Independent examiner's report</b>	9
<b>Statement of financial activities</b>	10
<b>Balance sheet</b>	11 - 12
<b>Notes to the financial statements</b>	13 - 28

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITABLE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Trustees**

H Norman-Soderlind, Chair (until 1 January 2022)  
M Krishnan  
P Warin, Chair (from 1 January 2022)  
K Murray  
A Caleshu  
S P Ariaratnam  
P Bradley-Cong

**Company registered number**

06858956

**Charity registered number**

1132586

**Registered office**

Plymouth University  
Roland Levinsky Building  
Plymouth  
Devon  
PL4 8AA

**Chief executive officer**

H Chaloner

**Key management**

H Chaloner, Chief Executive Officer

**Accountants**

Griffin  
Chartered Accountants  
165 High Street  
Honiton  
EX14 1LQ

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The Trustees present their annual report together with the financial statement of the charitable company for the year 1 April 2021 to 31 March 2022. The Trustees confirm that the Annual Report and financial statements of the company comply with the current statutory requirements, the requirements of the 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 (FRS 102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective 1 January 2015).

Since the charitable company qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**Objectives and activities**

**a. Policies and objectives**

Literature Works is the regional literature development agency for South West England, a registered charity and an Arts Council England National Portfolio Organisation. We are dynamic writer and reader development experts, an agile organisation at the centre of regional networks engaging communities with creative self-expression through words and stories. Our vision is a vibrant, connected and sustainable literature ecology, where inclusion is prioritised, diversity celebrated and opportunity available to all; the literature art form, in all its varied expressions, enriches lives, strengthens communities, enhances wellbeing and explores pressing issues such as climate change; ambition and innovation nurture the forms which literature can take - including publishing and digital – enabling new voices to be heard.

We are committed to diversity and the socially engaged use of literature to strengthen communities and enhance wellbeing. We achieve all this through writer training, live events, advice sessions, workshops, writing courses, talent development, nurturing new initiatives, and connecting writing professionals with communities. We work in partnership with a broad range of organisations and we run residencies in settings from care homes to a clay mining museum at inner city, rural and in-between locations. During the year we further developed a range of sustained core offers with regional reach, to ensure support which is not time-limited or project-dependent.

We offer hands-on opportunity and develop writers, readers and audiences across our demographic and geography with a view to enriching lives, improving social cohesion and enhancing health and wellbeing. We organise our work into high-profile partnership programmes, alongside continuous core activity, such as our Annual Fund scheme, our SW Writers' Community and our dynamic website that showcases opportunities and activity across our region. We continually raise support through trusts and foundations, grant-giving organisations, corporate sponsorship and public donations. We are dynamic and always investigating opportunities for commercial income generated through our programme and artform expertise, for reinvesting in socially engaged work with underserved communities.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

**b. Main activities undertaken to further the charitable company's purposes for the public benefit**

We use a combination of digital and place-based delivery to achieve broad reach via secure and supportive networks. We developed dynamically with the pandemic, working with digital communities and spaces, and using the opportunity to connect internationally. In-person work is delivered through core offers and projects, working in partnership to target locations from N Somerset, to Wiltshire and Gloucestershire.

We are a small organisation, working in strategic partnerships which extend our reach, enrich our work, enable us to deliver more, and support inclusion. We have over 26 partners in 2022-23, from the Alzheimer's Society, to Little Toller Books, and Wheal Martyn Clay Works. Speaking Volumes Live Literature have supported our ambition to connect with the full amazing breadth of writing talent in the UK today. They are also one of five partners this year for our new Word Space Talent Development Programme, an alliance selected for their combined focus on equality, diversity, inclusion and writer development. Together, we are creating a network of opportunity for emerging writers and underrepresented voices. Literature Works' role on the steering group for Exeter's ambition to become a UNESCO City of Literature led us to tender for the bid writing contract. The case we then developed on behalf of Exeter - all the research and consultation that went into it - was successful and Quay Words is now an established pillar of the city's UNESCO offer.

Literature Works delivers its charitable mission with the support of a number of strategic partners. Chief amongst these in the year were:

- An informal network of regional literature development agencies in England, delivering as Arts Council England National Portfolio organisations
- The Alzheimer's Society – Poetry Cares poet training
- The Bookery, Crediton
- Dialect Writers, Gloucestershire
- Exeter Canal and Quay Trust – Quay Words
- Exeter Culture (at University of Exeter) – Exeter UNESCO and Quay Words
- Kernow Education Arts Partnership – teacher training and schools' place-based creative writing at Quay Words
- Library services and individual libraries around the region, notably Bristol Library Service and Libraries Unlimited in Devon
- Little Toller Books
- 'Out on the Page' – sitting on the advisory group
- Paper Nations (at Bath Spa University) – sitting on Advisory Group, liaising over shared priorities
- Plymouth Culture – Plymouth Young City Laureate, Plymouth Laureate of Words, Plymouth Cultural Recovery Fund
- South Western Regional Library Service (SWRLS) – matched funder for our recent live literature tour of regional libraries; our CEO is also a Trustee
- Speaking Volumes – diversity advisers and programme partners
- Take A Part Plymouth
- TLC – Free Reads scheme
- Torbay Culture – Recovery Writing
- University of Exeter – through Quay Words, Exeter UNESCO and Exeter Heritage Partnership
- The University of Plymouth – hosted organisation and partnering with the Publishing MA.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Objectives and activities (continued)**

**Achievements and performance**

**a. Key performance indicators**

During the year the charity received funding amounting to £241,852 [2021 - £201,658]. Expenditure of £223,848 [2021 - £179,935] was incurred, delivering the charitable objectives. As at 31 March 2022 Literature Works holds total funds amounting to £133,083 [2021- £115,079] of which £44,496 [2021 - £19,288] is allocated to Restricted Funds.

**b. Review of activities**

Literature Works was able to move back gradually to in-person programme delivery, combining remote home-working with regular team days in our office at the University of Plymouth and, on occasion, at Exeter Custom House. We permanently adopted the hybrid model of live-streaming and in person audiences for Quay Words at Exeter Custom House.

**Governance and Inclusion** - The Trustee Board worked closely on developing strategy that is aligned to the ACE ten-year strategy, Let's Create. At four dedicated sessions during the year, we developed and planned both creative and policy plans for delivery over the next four years. We appointed Trustees with lead responsibility for each of the Let's Create Investment Principles, to support the executive team with strategy and planning.

**Quay Words at Exeter Custom House ([www.quaywords.org.uk](http://www.quaywords.org.uk))** - We were able to move this unique, place-based programme of live literature in a UNESCO City of Literature back into its historic home at Exeter Custom House. A further three seasons framed the year, themed around Heritage, Maritime and Science. We continued to receive very high levels of interest in the residency opportunities and each month hosted readings with writers attracting steadily building audiences. A particular highlight of the year was the Trading Places Young Writers' prizegiving in July, with prizes presented by Sir Michael Morpurgo and a special outdoor performance by Paddleboat Theatre on Exeter Quayside. We are grateful to both Exeter Canal and Quay Trust and Arts Council England for their support of Quay Words.

**'Recovery Writing'** - This new Community Writing strand, funded by the Sigrid Rausing Trust, began in earnest during the year. It builds on similar work at Quay Words in Exeter to deliver co-created writing courses and activities with community groups in Plymouth and Torbay, led by experienced local writers. It is about the socially engaged use of writing, story, and spoken word for wellbeing, self-care, community building, and recovery. In Plymouth, we are delivering this work with our partners at Take A Part, experts in co-created and embedded creative work with communities.

**Word Online** - We continue to work with libraries around the region, supporting reader development through initiatives such as live literature tours of libraries in underserved locations. In 2021-22, we produced Word Online, a virtual tour of diverse writers to 16 library locations delivered in partnership with SWRLS (The South Western Regional Library Service). A library service acted as digital 'host' for each date. We were invited to create Word Online for our digital know-how and because we could connect local library service users with some of the UK's most diverse contemporary writing talent.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Achievements and performance (continued)**

**Poetry Cares** – This project trains clusters of local poets around the region to run dynamic poetry and reminiscence sessions at Memory Cafés with people living with memory loss and their carers. Poetry Cares has trained 61 local poets since 2017 to run interactive and dynamic Memory Café sessions (60 to date) in clusters around the region, from Bristol, to Cornwall, Devon, Gloucestershire, North Somerset, Plymouth, and Wiltshire. It has reached 1,088 people living with memory loss and their carers, together exploring, enjoying and creating poetry. It provides professional development and paid employment for freelance poets. We target delivery strategically around the region, raising funds from local grant making trusts to support the project. In early 2022 we extended Poetry Cares into poetry residencies in care homes in Plymouth and Torridge.

Key core programme activity included:

**Word Space Talent Development Programme (new)** - We prepared during 2021-22 to launch Word Space, our first ever annual inclusive talent development programme, delivered online. It is led by Literature Works, with a group of partners engaged in ongoing knowledge sharing that creates connected networks - around the region and beyond - to support new writers.

**Literature Works Free Advice Surgeries** - We continue to develop these free, bookable online sessions with members of our team and they are very popular. During the year, we delivered some the sessions in partnership with other organisations, each of was able to promote the opportunity to people beyond our usual networks. Partners included Artful Scribe in Southampton, Lyra Poetry Festival in Bristol, Cultivator Cornwall, the North Cornwall Book Festival

**Literature Works Annual Fund** - we repurposed the Literature Works Annual Fund as The Seed Bed, a core offer that nurtures community-based literature initiatives exploring the climate and ecological crises. It provides grants, advice, connection and support.

**Literature Works South West Writers Community** - Our website hosts a vibrant online community of writers throughout the South West. The community features both emerging writers, whom we can signpost to support and mentoring opportunities and established writers with a commitment to supporting others. We offer opportunities to the latter and development to the former.

**Literature Works Annual Membership** - Our free annual membership, offering priority booking periods and special offers for events and activities, now has over 280 members and we have plans to expand the scheme, introducing a paid option and further benefits. This income will support our ongoing work with underserved and underrepresented groups.

**Literature Works Website** - We make use of our website as a key tool to compensate for the dispersed nature of our region and to increase our reach. This is based on an early strategic decision that it should be a resource for readers and writers, rather than a simple promotional tool for our organisation. Functioning as a virtual support network, we are proud that the site is rich with constantly renewing opportunities, news, events, interviews, courses, information and advice. We are relaunching the website in 2022-23.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Financial review**

**a. Going concern**

After making appropriate enquiries, the trustees have 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.

**b. Reserves policy**

Reserves Policy – We have reviewed and revised our reserves policy in line with guidance issued by the Charities Commission for England and Wales. We require reserves in order to:

1. Meet notice period and statutory redundancy liabilities should the charity be wound up
2. Ensure there are sufficient cash reserves in the current account to cover day to day running costs for a period of 3 months
3. Ensure that existing writer and practitioner freelance contracts may be honoured up the end of any 3-month wind-down period
4. Ensure continuity of business provision by meeting unexpected costs such as a cover for illness (recruiting interim executive cover)
5. Covering running costs during periods of lower income, such as a fall in fundraising; major projects terminating or Literature Works' project pipeline stalling.

In July 2020, we estimated the full extent of reserves required for the above at a minimum of £90,300. For reserves above this minimum, the Board of Trustees has discretion over their transfer to a Designated Fund known as the Development Fund. Any such transfer requires a quorate decision by Trustees and will be recorded in the minutes of the meeting.

**c. Principal risks and uncertainties**

The Trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The board maintains a risk register which is reviewed as a statutory element of our quarterly board meetings.

**Structure, governance and management**

**a. Constitution**

The charity is a company limited by guarantee, governed by its Memorandum and Articles of Association. It is managed by its Trustees, however the day to day running of the organisation is delegated to the Chief Executive (CEO) and Company Secretary.

The company was incorporated on 25 March 2009, company registration number 6858956, and registered as a charity on 7 November 2009, charitable registration number 1132586..



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**LITERATURE WORKS**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Structure, governance and management (continued)**

**b. Methods of appointment or election of Trustees**

The management of the charitable company is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The company had a total of seven serving members as at March 31st 2022, who are also the Trustees. In the event of the company being wound up, the liability of each member is limited to £1.00.

The Board of Trustees is appointed through an open application process and by co-opting. New potential Board members are invited to observe a Board meeting with a view to become a full Trustee by the following meeting. All applications to become a member of the Board of Trustees can be approved or rejected by the Board.

**c. Organisational structure and decision-making policies**

The Board of Trustees meets quarterly in April, July, October and January. The CEO is invited to the meeting to report on the statement of accounts and general running of the charity. Other attendees are invited to Board meetings from time to time as guests or observers and to discuss relevant agenda points. The Board, or any Board member, may at any time convene a general meeting by giving at least 14 days clear notice to the other Trustees, or sooner if such notice is agreed to be shortened by the other Trustees. Notices of all Board meetings are given with at least 14 days written notice by email to all Trustees.

No business can be transacted at Board meetings with less than a quorum of members present. Quoracy is that two voting members, or twenty-five per cent of Board membership (whichever is the higher), each being a member, a proxy for a member or a duly authorised representative of a member, shall be present. If quoracy is not met then the Board meeting is adjourned to another day. The Chair will attend all meetings, and if the Chair is unable to then a Vice-Chair will either be appointed prior to the meeting, or the meeting will be adjourned to another day.

Board decisions are carried by a vote of resolution, which is given by a show of hands by those members present and able to vote. Resolutions are also able to be carried by the Chair. All resolutions and decisions taken are entered into the minutes of the meeting.

Board minutes are circulated to the Trustees to ascertain they are a true record of the meeting detail and resolutions before the minutes are signed off by the Chair at the following Board meeting.

Literature Works Patrons and honorary officers are entitled to appointment for life or for any term agreed. Unless otherwise agreed, the Board of Trustees will consist of a minimum of three and not more than nine Trustees. All Trustees are paid reasonable expenses properly incurred in connection with exercising their responsibilities for Literature Works. All expense forms and returns are made by the Trustee completing an expense claims form and attaching all original receipts to the form.

The position of Chair was reviewed at January 2022. The Board of Trustees is able to appoint advisory groups as necessary.

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**LITERATURE WORKS**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**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 and signed on their behalf by:

  
**P Warin**  
Chair of Trustees      18 Aug 2022

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**LITERATURE WORKS**  
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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**Independent examiner's report to the Trustees of Literature Works ('the charitable company')**

I report to the charity Trustees on my examination of the accounts of the charitable company for the year ended 31 March 2022.

**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**

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: 1/9/2022

Sam Reed

CA

Westerly Chartered Accountants  
24 Orchard Road  
Wrafton  
Braunton  
EX33 2DZ

**LITERATURE WORKS**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
<b>Income from:</b>					
Donations and legacies	3	124,014	25,551	149,565	137,433
Charitable activities	4	2,494	89,788	92,282	64,213
Investments	5	5	-	5	12
<b>Total income</b>		<b>126,513</b>	<b>115,339</b>	<b>241,852</b>	<b>201,658</b>
<b>Expenditure on:</b>					
Raising funds		532	-	532	432
Charitable activities	7	125,785	97,531	223,316	179,503
<b>Total expenditure</b>		<b>126,317</b>	<b>97,531</b>	<b>223,848</b>	<b>179,935</b>
<b>Net income</b>		<b>196</b>	<b>17,808</b>	<b>18,004</b>	<b>21,723</b>
Transfers between funds	14	(7,400)	7,400	-	-
<b>Net movement in funds</b>		<b>(7,204)</b>	<b>25,208</b>	<b>18,004</b>	<b>21,723</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		95,791	19,288	115,079	93,356
Net movement in funds		(7,204)	25,208	18,004	21,723
<b>Total funds carried forward</b>		<b>88,587</b>	<b>44,496</b>	<b>133,083</b>	<b>115,079</b>

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

The notes on pages 13 to 28 form part of these financial statements.

**LITERATURE WORKS**  
(A company limited by guarantee)

**BALANCE SHEET**  
**FOR THE YEAR ENDED 31 MARCH 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	11	<b>927</b>	<b>1,434</b>
		<b>927</b>	<b>1,434</b>
<b>Current assets</b>			
Debtors	12	<b>820</b>	<b>4,454</b>
Cash at bank and in hand		<b>137,171</b>	<b>113,002</b>
		<b>137,991</b>	<b>117,456</b>
Creditors: amounts falling due within one year	13	<b>(5,835)</b>	<b>(3,811)</b>
<b>Net current assets</b>		<b>132,156</b>	<b>113,645</b>
<b>Total assets less current liabilities</b>		<b>133,083</b>	<b>115,079</b>
<b>Total net assets</b>		<b>133,083</b>	<b>115,079</b>
<b>Charity funds</b>			
Restricted funds	14	<b>44,496</b>	<b>19,288</b>
Unrestricted funds	14	<b>88,587</b>	<b>95,791</b>
<b>Total funds</b>		<b>133,083</b>	<b>115,079</b>

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**LITERATURE WORKS**  
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**BALANCE SHEET (CONTINUED)**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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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  
and signed on their behalf by:

*Philippa A. Warin*

**P Warin**  
Chair of Trustees

*18 Aug 2022*

The notes on pages 13 to 28 form part of these financial statements.

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**1. General information**

Literature Works is registered charity domiciled in England and Wales. Its registered office address is Plymouth University, Roland Levinsky Building, Plymouth, Devon, PL4 8AA.

**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.

Literature Works 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 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.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

**2.3 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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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.

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.3 Expenditure (continued)**

Grants payable are charged in the year when the offer is made except in those cases where the offer is conditional, such grants being recognised as expenditure when the conditions attaching are fulfilled. Grants offered subject to conditions which have not been met at the year end are noted as a commitment, but not accrued as expenditure.

All expenditure is inclusive of irrecoverable VAT.

**2.4 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.

**2.5 Tangible fixed assets and depreciation**

Tangible fixed assets costing £100 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Computer equipment	- 3 years straight line
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**2.6 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.

**2.7 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.

**2.8 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.



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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**2. Accounting policies (continued)**

**2.9 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.

**2.10 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.

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.

**LITERATURE WORKS**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**3. Income from donations and legacies**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	25,181	8	25,189
Grants	98,833	25,543	124,376
	<u>124,014</u>	<u>25,551</u>	<u>149,565</u>

Included in donations is £25,000 (2021: £25,000) of donated facilities. The charity is grateful to University of Plymouth for the use of office space and facilities. The estimated value of these services is recognised within incoming resources as a donation and an equivalent charge included within rent costs.

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Donations	25,000	-	25,000
Grants	103,794	8,639	112,433
	<u>128,794</u>	<u>8,639</u>	<u>137,433</u>

**4. Income from charitable activities**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Literature development	2,494	89,788	92,282

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Literature development	3,167	61,046	64,213

**LITERATURE WORKS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**5. Investment income**

	Unrestricted funds 2022 £	Total funds 2022 £
Interest receivable	5	5

	<i>Unrestricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Interest receivable	12	12

**6. Analysis of grants**

	Grants to Institutions 2022 £	Total funds 2022 £
Grants made	2,726	2,726

	<i>Grants to Institutions 2021 £</i>	<i>Total funds 2021 £</i>
Grants made	3,879	3,879

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**6. Analysis of grants (continued)**

The charitable company has made the following material grants to institutions during the year:

	2022 £	2021 £
<b>Name of institution</b>		
The Women's Community Forum	500	-
Okehampton Community Garden	460	-
Creative Mojo	266	-
Jazz Hands	-	500
Take a Part	-	500
Somerset Libraries	-	500
The Paddleboat Theatre	-	500
Weston Writers	-	479
Outsider Writers	-	400
Art and Energy CIC	-	500
Plymouth Culture	-	500
Whitchurch Conservation Group	500	-
North Cornwall Book Festival	500	-
Storytale Book Festival	500	-
	<hr/> 2,726	<hr/> 3,879
	<hr/> 2,726	<hr/> 3,879

**LITERATURE WORKS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**7. Analysis of expenditure by activities**

	Activities undertaken directly 2022 £	Grant funding of activities 2022 £	Support costs 2022 £	Total funds 2022 £
Literature development	162,326	2,726	58,264	<b>223,316</b>

	Activities undertaken directly 2021 £	Grant funding of activities 2021 £	Support costs 2021 £	Total funds 2021 £
Literature development	133,310	3,879	42,314	179,503

**Analysis of direct costs**

	Total funds 2022 £	Total funds 2021 £
Staff costs	<b>107,963</b>	97,695
Promotion of Literature	<b>23,786</b>	8,110
Writer and Poet fees	<b>30,577</b>	22,405
Contract staff	-	4,200
Consultancy	-	900
	<b>162,326</b>	133,310

**LITERATURE WORKS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**7. Analysis of expenditure by activities (continued)**

**Analysis of support costs**

	Total funds 2022 £	Total funds 2021 £
Depreciation	1,106	907
Rent	25,099	25,417
Insurance	4,123	540
Website costs	10,370	3,475
Other expenses	8,687	4,102
Travel	2,122	499
Professional fees	5,458	7,320
Governance costs	1,299	54
	58,264	42,314

**8. Independent examiner's remuneration**

	2022 £	2021 £
Fees payable to the charitable company's independent examiner for the independent examination of the charitable company's annual accounts	600	600

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**9. Staff costs**

	2022 £	2021 £
Wages and salaries	100,340	90,883
Social security costs	4,808	4,085
Contribution to defined contribution pension schemes	2,815	2,727
	<u>107,963</u>	<u>97,695</u>

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

	2022 No.	2021 No.
Employees	<u>4</u>	<u>4</u>

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

The key management personnel of the charity comprises the Chief Executive Officer. The total employee benefits of the key management personnel of the charity is £42,743 (2021 - £43,807).

**10. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, expenses totalling £278 were reimbursed or paid directly to 4 Trustees (2021 - £NIL). These expenses were for travel to and from Trustee meetings.

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**11. Tangible fixed assets**

	<b>Computer equipment £</b>
<b>Cost or valuation</b>	
At 1 April 2021	2,720
Additions	599
	<hr/>
At 31 March 2022	3,319
	<hr/>
<b>Depreciation</b>	
At 1 April 2021	1,286
Charge for the year	1,106
	<hr/>
At 31 March 2022	2,392
	<hr/>
<b>Net book value</b>	
At 31 March 2022	927
	<hr/> <hr/>
At 31 March 2021	1,434
	<hr/> <hr/>



**LITERATURE WORKS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**12. Debtors**

	2022 £	2021 £
<b>Due within one year</b>		
Trade debtors	550	3,050
Prepayments and accrued income	270	1,404
	<u>820</u>	<u>4,454</u>

**13. Creditors: Amounts falling due within one year**

	2022 £	2021 £
Trade creditors	-	1,816
Other creditors	853	555
Accruals and deferred income	4,982	1,440
	<u>5,835</u>	<u>3,811</u>

Deferred income of £3,500 represents payments received in 2022 for participation in the Word Space project for 2022-23 (2021 - £Nil).

**LITERATURE WORKS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**14. Statement of funds**

**Statement of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>					
General Funds	95,791	126,513	(123,591)	(10,126)	88,587
Annual Fund	-	-	(2,726)	2,726	-
	<u>95,791</u>	<u>126,513</u>	<u>(126,317)</u>	<u>(7,400)</u>	<u>88,587</u>
<b>Restricted funds</b>					
Quay Words 2020-22	7,028	82,792	(74,465)	2,400	17,755
Poetry Cares	6,931	-	(5,521)	-	1,410
Plymouth City Laureate	1,479	2,454	(1,310)	-	2,623
Word Online	3,850	3,400	(6,875)	-	375
Kickstart	-	5,543	(4,696)	-	847
Community Writing	-	20,000	(3,514)	5,000	21,486
Cultivator	-	1,150	(1,150)	-	-
	<u>19,288</u>	<u>115,339</u>	<u>(97,531)</u>	<u>7,400</u>	<u>44,496</u>

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**14. Statement of funds (continued)**

**Annual Fund** - This fund represents small grants provided to regional projects and organisations to help further the Charity's charitable objectives. A transfer has been made from unrestricted reserves to fund these grants in the year.

**Quay Words 2020-22** - This restricted fund represents income received from The Exeter Canal & Quay Trust which has funded consultancy services provided for the programming and research of a literature centre. This year, the Charity has held workshops and events at the Customs House which has brought in additional income by the way of ticket sales. A proportion of this fund is provided from the charities own unrestricted reserves each year.

**Poetry Cares** - This restricted fund represents income received from Charitable Trusts for the Poetry Cares project which celebrates the power of the poetry and the positive impact of creative engagement with those affected by memory loss.

**Plymouth City Laureate** - This restricted fund represents income received from local fund providers to facilitate a partnership initiative between Literature Works, Plymouth Culture and The Box for a 'Plymouth Laureate of Words' winner.

**Word Online** - This restricted fund represents income received from libraries to run an exciting programme of virtual events in celebration of the work of diverse authors including Black, Asian and minority ethnic, disabled and LGBT+ writers.

**Kickstart** - This restricted fund represents income received from the Government for the Kickstart scheme, which is in place to cover the staff costs, and create new jobs for young people.

**Community Writing** - This restricted fund represents income received from the Sigrid Rausing Trust, to support a community-based strand that explores self-expression through creative writing, words and stories with existing community groups in Plymouth and Torbay. A proportion of this fund is provided from the charities own unrestricted reserves each year.

**Cultivator** - This restricted fund represents income received from Creative Kernow that supported a package of writer development opportunities for aspiring writers in Cornwall, on behalf of Cultivator who provide business support for creative industries in Cornwall.

**LITERATURE WORKS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**

**14. Statement of funds (continued)**

**Statement of funds - prior year**

	<i>Balance at 1 April 2020 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Balance at 31 March 2021 £</i>
<b>Unrestricted funds</b>					
General Funds	82,478	131,973	(116,260)	(2,400)	95,791
<b>Restricted funds</b>					
Quay Words 2020-22	125	63,117	(58,614)	2,400	7,028
National Memory Day	7,942	-	(4,381)	(3,561)	-
Strategic Touring Fund	2,811	(2,811)	-	-	-
Poetry Cares	-	3,700	(330)	3,561	6,931
Plymouth City Laureate	-	1,829	(350)	-	1,479
Word Online	-	3,850	-	-	3,850
	10,878	69,685	(63,675)	2,400	19,288
<b>Total of funds</b>	93,356	201,658	(179,935)	-	115,079

**LITERATURE WORKS**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

**15. Summary of funds**

**Summary of funds - current year**

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
General funds	95,791	126,513	(126,317)	(7,400)	88,587
Restricted funds	19,288	115,339	(97,531)	7,400	44,496
	<u>115,079</u>	<u>241,852</u>	<u>(223,848)</u>	<u>-</u>	<u>133,083</u>

**Summary of funds - prior year**

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
General funds	82,478	131,973	(116,260)	(2,400)	95,791
Restricted funds	10,878	69,685	(63,675)	2,400	19,288
	<u>93,356</u>	<u>201,658</u>	<u>(179,935)</u>	<u>-</u>	<u>115,079</u>

**16. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	927	-	927
Current assets	93,495	44,496	137,991
Creditors due within one year	(5,835)	-	(5,835)
<b>Total</b>	<u>88,587</u>	<u>44,496</u>	<u>133,083</u>

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**LITERATURE WORKS**  
**(A company limited by guarantee)**

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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

**Analysis of net assets between funds - prior year**

	<i>Unrestricted funds 2021 £</i>	<i>Restricted funds 2021 £</i>	<i>Total funds 2021 £</i>
Tangible fixed assets	1,434	-	1,434
Current assets	98,168	19,288	117,456
Creditors due within one year	(3,811)	-	(3,811)
<b>Total</b>	<b>95,791</b>	<b>19,288</b>	<b>115,079</b>

**17. Pension commitments**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable by the charitable company to the fund and amounted to £2,815 (2021 - £2,727). £589 (2021 - £555) was payable to the fund at the balance sheet date and is included in creditors.

**18. Related party transactions**

There were no related party transactions during the year.