

**REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

**FOR
DERBY BOOK FESTIVAL
(A Charitable Incorporated Organisation)**

Registered Charity Number: 1159763

**Dains LLP
Chartered Accountants
Charlotte House
Stanier Way
Derby
DE21 6BF**

DERBY BOOK FESTIVAL
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FOR THE YEAR ENDED 31 AUGUST 2020

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DERBY BOOK FESTIVAL
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Reference and Administrative Information

Charity Number: 1159763

Correspondence Address: 13 Lavender Row
Darley Abbey
Derby
DE22 1DF

Trustees: Andrew Flack
Elizabeth J Fothergill CBE
Lisa E Richards
Professor Keith A J McLay
Adam L Buss
Narinder K Sharma
Jenny M Denton
Fiona M K Aphorpe
Katherine Henshaw

Independent Examiner: Adam Dominey FCCA
ADS Accountancy Limited
Bezant House
Bradgate Park View
Chellaston
Derby
DE73 5UH

Accountant : Dains LLP
Chartered Accountants
Charlotte House
Stanier Way
Derby
DE21 6BF

Bankers: HSBC Bank plc
1 St Peter's Street
Derby
DE1 2AE

DERBY BOOK FESTIVAL
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Report of the Trustees for the year ended 31 August 2020

The Trustees are pleased to present their report together with the Financial Statements of the Charity for the year ended 31 August 2020. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP 2015 FRS102) in preparing the annual report and financial statements for the charity.

The reference and administrative information set out on page 1 forms part of this report.

Structure Governance and Management

Governing Document

Derby Book Festival is a Charitable Incorporated Organisation (CIO), which was registered with the Charity Commission on 5 January 2015. Its governing document is a constitution dated 3 September 2014.

Membership

The members of the CIO are its Trustees.

In the event of the Charity being wound up members have no liability to contribute to its assets and no personal liability for settling its debts and liabilities.

Recruitment and Appointment of Trustees

The constitution provides for the appointment of a minimum of three and a maximum of twelve trustees. Trustees are appointed by resolution at a meeting of the Trustees. All Trustees are appointed to serve for a period of three years. In selecting individuals for appointment as appointed charity trustees, the charity Trustees must have regard to the skills, knowledge and experience needed for the effective administration of the CIO.

Trustee Induction and Training

When a new Trustee is appointed they are provided with a pack which contains:

- a copy of the CIO constitution;
- a copy of the most recent Annual Report and Accounts;
- copy Minutes of previous Trustees' Meetings;
- a copy of the Charity Commission Guidance 'The Essential Trustee' and 'Charities and Public Benefit'.

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Report of the Trustees for the year ended 31 August 2020 (Continued)

Objects

The objects of the CIO are the advancement of education for the benefit of the public by the promotion of literature, language and the arts in particular through a book or literature festival in Derby and such other activities as the charity trustees shall from time to time determine.

Achievements and Performance

The original aim for 2020 was to deliver two Festivals during the year. Unfortunately, due to the Covid-19 pandemic, neither of these were able to be delivered. Despite this, the Festival continued to make progress again and maintained partnerships which have remained strong and productive.

The 2020 programme was set to be the strongest Festival to date, offering one hundred live events. Due to the pandemic, this Festival had to be quickly reinvented online; setting up online interviews and events and engaging audiences via new technology.

Despite all of the challenges, the 2020 Festival successes include:

- 10 virtual events on the Festival's YouTube channel providing wider geographic reach
- Production of a Book Quiz with over 600 downloads
- Record number of entries for Flash Fiction writing competition including entries from the Royal School for the Deaf
- 6 live, virtual Zoom visits to schools giving 690 pupils across 23 classes opportunity to meet an author and illustrator
- Twice weekly slots on BBC Radio Derby discussing books
- Two thousand poetry postcards sent to isolated and vulnerable people

Financial Review (including reserves policy)

Reserves at the 31 August 2020 totalled £37,658. This falls within the range agreed by the trustees.

Risk Review

The Trustees have examined the major internal and external risks which the charity faces and confirm that systems and procedures are in place to mitigate exposure to major risks.

DERBY BOOK FESTIVAL
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Report of the Trustees for the year ended 31 August 2020 (Continued)

Public Benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and have complied with their duties under the Charities Act 2011.

The public benefit provided by the Charity include:

- promoting artistic appreciation
- bringing a diverse and high quality range of authors and artists to Derby audiences

The beneficiaries are all members of the public and access is enabled as follows:

- through concessionary ticket schemes
- all areas of the festival are wheelchair accessible.

Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 in the Charities SORP2015 (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charities (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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.

Approved by the Trustees on 28 May 2021 and signed on their behalf by:



Lisa Richards
Trustee

DERBY BOOK FESTIVAL
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Independent Examiner's Report to the Trustees of Derby Book Festival

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020 which are set out on pages 6 to 11.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirement of the Charities Act 2011 ("the Act").

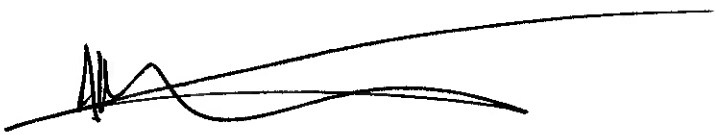
I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



Adam Dominey FCCA
ADS Accountancy Limited
Bezant House
Bradgate Park View
Chellaston
Derby
DE73 5UH

Date: 28/5/2021

DERBY BOOK FESTIVAL
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Statement of Financial Activities
For the year ended 31 August 2020

	Notes	Total Unrestricted Funds 2020 £	Total Unrestricted Funds 2019 £
Income and endowments from:			
Donations and legacies	3	156,544	209,325
Charitable activities:			
Ticket sales and hospitality packages		4,713	38,481
Other income from events		782	10,576
Total income and endowments		162,039	258,382
Expenditure on:			
Charitable activities	4	127,675	249,625
Governance costs		23,276	-
Total expenditure		150,951	249,625
Net income/(expenditure)		11,088	8,757
Reconciliation of funds			
Total funds brought forward		26,570	17,813
Total funds carried forward		37,658	26,570

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Balance Sheet as at 31 August 2020

	Notes	2020 £	2019 £
Current Assets			
Debtors	8	831	38,022
Cash at bank and in hand		74,373	51,346
		<u>75,204</u>	<u>89,368</u>
Creditors:			
Amounts falling due within one year	9	37,546	62,798
Net Assets		<u>37,658</u>	<u>26,570</u>
 The funds of the Charity:			
Unrestricted income funds		<u>37,658</u>	<u>26,570</u>

These accounts were approved by the Trustees on 28 May 2021... and signed on their behalf by:-



.....
 Lisa Richards
 Trustee

The notes on pages 8 to 11 form part of these financial statements

DERBY BOOK FESTIVAL
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Notes to the financial statements for the year ended 31 August 2020

1. Statutory Information

Derby Book Festival is a charitable incorporated organisation registered in England and Wales. The address of the charity is given in the charity information on page 1 of these financial statements.

2. Accounting policies

2.1 Basis of preparation of financial statements

The charity constitutes a public benefit entity as defined by FRS 102. The financial statement have been prepared in accordance with Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) the Charities Act 2011 and UK Generally Accepted Accounting Practice.

2.2 Income

All income is included in the statement of financial activities when the charity has entitlement to the income, certainty of receipt and the amount can be measured with sufficient reliability.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where the cost is quantifiable and measurable.

2.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure, is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

2.4 Funds

Unrestricted funds are incoming resources receivable for expenditure on the general objectives of the Charity.

2.5 Legal Status of the Charity

The charity is a charitable incorporated organisation. In the event of the Charity being wound up members have no liability to contribute to its assets and no personal liability for settling its debts and liabilities.

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Notes to the financial statements for the year ended 31 August 2020 (continued)

3. Income from donations and legacies

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Arts Council England	63,500	49,000
Charitable Trusts/Foundations	53,580	-
University of Derby Sponsorship	-	10,000
Sponsorship	2,000	28,450
Festival Funds	1,114	1,769
Donations in Kind (Note 6)	28,350	68,108
DANCOP	8,000	51,998
	156,544	209,325

4. Analysis of expenditure by activities

4.1 Direct costs

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Event expenditure	7,084	42,358
Marketing	15,673	35,413
Design and branding	-	4,000
Engagement Projects – book awards	11,503	3,810
Engagement Projects – shared reading	-	864
Engagement Projects – shared writing	861	
Engagement Projects – flash fiction	-	680
Signing and large print	-	576
Office costs	3,327	307
Insurance	879	823
Box Office and ticketing	1,084	2,199
Team costs and expenses	80,701	51,620
Books & Tote bags	363	5,450
Volunteer costs and training	200	16,707
Project assistant and intern	-	3,000
Business planning and evaluation	6,000	6,162
DANCOP	-	51,998
	127,675	225,967

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Notes to the financial statements for the year ended 31 August 2020 (continued)

Analysis of expenditure by activities (continued)

4.2 Support costs

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Independent examiner	600	600
Legal fees	1,150	1,150
Accountancy	18,132	19,908
Meeting room hire	3,394	2,000
	<u>23,276</u>	<u>23,658</u>
Total	<u>150,951</u>	<u>249,625</u>

5. Analysis of Donations in Kind

	Unrestricted Funds 2020 £	Unrestricted Funds 2019 £
Events expenditure	400	1,700
Venue hire	-	2,500
Marketing	-	6,750
Design and branding	-	4,000
Website and on-line support	2,000	5,500
Volunteer cost and training	200	15,000
Project assistant and intern	-	2,000
Business planning and evaluation	6,000	6,000
Independent examiner	600	600
Legal and profession fees	1,150	1,150
Accountancy	15,000	19,908
Room hire	3,000	2,000
Derby College	-	1,000
	<u>28,350</u>	<u>68,108</u>

6. Trustees remuneration and expenses

No remuneration directly or indirectly out of the funds of the Charity was paid or payable for the year to any trustee or to any person known to be connected with any of them.

Travelling expenses totalling £Nil (2019: £Nil) were paid to Nil (2019: Nil) trustees during the year.

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Notes to the financial statements for the year ended 31 August 2020 (continued)

7. Related party transactions

Derby Book Festival have a profit-sharing arrangement with DEDA that is in line with a normal trading relationship.

Stephen Munn is a director of Deda and is a former Trustee.

Derby Book Festival have a profit-sharing arrangement with Derby Quad that is in line with a normal trading relationship.

Adam Buss is Chief Executive Officer of Derby Quad and Liz Fothergill is a director, both are Trustees.

During the year there was event income from Geldards LLP of £Nil (2019: £2,000).

Fiona Apthorpe is a Partner of Geldards LLP and also a Trustee.

During the year there was event income from Pennine Healthcare of £Nil (2019: £500).

Elizabeth Fothergill is the Chairman of Pennine Healthcare and is also a Trustee.

During the year, Dains LLP provide services in kind to the value of £15,600 (2019: £20,508).

Lisa Richards is a partner of Dains LLP and is also a Trustee.

8. Debtors

	2020	2019
	£	£
Grant – Arts Council England	-	5,850
Trade debtors	(96)	31,246
Other debtors	926	926
Prepayments	-	-
	831	38,022

9. Creditors

	2020	2019
	£	£
Trade creditors	4,133	7,027
Other creditors and accruals	33,413	55,771
	37,546	62,798