

Company registration number: 09144072

Charity registration number: 1161161

Nottingham City of Literature

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

Community Accounting Plus
Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Nottingham City of Literature

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Nottingham City of Literature

Reference and Administrative Details

Trustees	Patrick Limb
	Rosemary Healy
	William Gregory
	Barbara Matthews
	Jenny Swann
	Barbara Cathcart
	Claire Bale
	Emily York
	Helen Lawrenson
	Khaya Ayomide Job
President	Stephen Lowe
Senior Management Team	Sandeep Mahal, Executive Director
Principal Office	Lakeside Arts University of Nottingham University Park Nottingham NG7 2RD
Company Registration Number	09144072
Charity Registration Number	1161161
Independent Examiner	John O'Brien, employee of Community Accounting Plus Units 1 & 2 North West 41 Talbot Street Nottingham NG1 5GL

Nottingham City of Literature

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 March 2021.

Trustees

Patrick Limb

Rosemary Healy

William Gregory

Barbara Matthews

Jenny Swann

Barbara Cathcart

Claire Bale (appointed 30 October 2020)

Emily York (appointed 31 October 2020)

Helen Lawrenson (appointed 1 July 2021)

Khaya Ayomide Job (appointed 30 October 2020)

David Belbin (resigned 6 October 2021)

David Hallett (resigned 30 June 2021)

Ravinder Bhattal (resigned 26 October 2020)

Structure, governance and management

Nature of governing document

The charity is a company limited by guarantee and registered charity. It is operated under the rules of its memorandum and articles of association dated 23/7/14 and most recently amended 07/10/2020. It has no share capital and the liability of each member in the event of winding-up is limited to £1.

Recruitment and appointment of trustees

The Directors who served during the year are listed in this document. Directors are appointed by the members at the annual general meeting or by resolution of the Directors. The City of Nottingham has a right to appoint one director ("the Local Authority Director") and decide their period of appointment. Unless otherwise determined by the Company, the Board shall consist of at least three and not more than nine individuals comprised as follows: up to one Local Authority Director; and up to nine Community Directors (ie not a member or officer of the Local Authority). The Community Directors shall at all times be in the majority. The Memorandum of Association provides that no director shall be required to retire at an annual general meeting during the first five years of the Company.

Induction and training of trustees

New Directors meet the Chairman before being appointed at which time all aspects of the charity, including its management arrangements, are discussed and explained. Usually prospective directors attend a board meeting as an observer before being officially appointed. The Board is satisfied that its existing members understand their legal obligations, the charity's constitution and all relevant financial matters.

Nottingham City of Literature

Trustees' Report

Organisational structure

The company is administered by its Directors, who are its trustees for the purposes of charity law. There are currently 11 directors. There are usually bi-monthly formal board meetings. Between formal meetings the board will discuss any relevant matters as and when they arise. The Directors delegate the day to day management to the executive director. During the period there have been no material changes in the policies pursued by the Board.

Objectives and activities

Objects and aims

In pursuit of our mission and vision, we have four objectives:

LEADERSHIP: to provide leadership for the city through our role as strategic catalyst, helping help cultural organisations to work together more effectively;

LEARNING: To make an impact on long-term literacy levels by growing diverse audiences for reading and writing in collaboration with Nottingham's universities, literacy hub, libraries, schools, arts and literary organisations;

PLACE: to animate the city's UNESCO designation and positively impact placemaking, the position and promotion of Nottingham's international reputation as a creative city;

INTERNATIONAL: to strengthen international partnerships by providing access to new knowledge and creative exchange opportunities between individuals and organisations in Nottingham's creative sectors.

Objectives, strategies and activities

The onset of Covid-19 in March 2020 had implications for Nottingham City of Literature's (NUCoL) business planning. The pandemic coincided with significant period of growth and development of NUCoL's programmes during which we expected to see an increase in our income to support the amplification of our flagship programme: Young City Reads. The impact was severe and immediate. We lost £150.7k in April 2020 and another £48k in a very warm pipeline of previous funders; totalling nearly 80% loss of turnover on the previous year (2019/20) published accounts. In addition, 1/3 of our core funding due in September 2020 from Nottingham City Council (NCC) was suspended as a result of NCC's decision to pause the Central Library capital programme. Individual giving was adversely affected too: a planned event to cultivate prospective donors had to be postponed. Many trusts and foundations put their funding programmes on hold and so we were not able to proceed with some major grant applications.

Until Covid-19, NUCoL was in a good financial shape because of our ability to operate on a mixed economy model: we had core funds of £120K confirmed for 2020/21 from Nottingham City Council and the two local universities & had raised £217k in restricted grants during 2019/20 to fund an ambitious creative programme for young people. That hard-won success was put in great peril and as a result, we took the following steps to address the drop in income:

- We used the government's Coronavirus Jobs Retention Scheme (CJRS) to furlough the Communications Coordinator for 20 weeks.
- Our Director elected to reduce her hours and pay from May 2020 to October 2020.
- We were not able to take further advantage of CJRS as we needed all our staff and team to deliver the high-profile events and projects from April - September 2020.
- We removed from the budget the costs of a new post for a Business Manager.
- We significantly reduced the marketing and communications budget.
- There were weekly online meetings between the Director and the Chair, Vice-Chair and de facto Treasurer.

Nottingham City of Literature

Trustees' Report

Covid-19 presented us with significant challenges. It also demonstrated NUCoL's resilience and flexibility, the advantage of being a small, non-venue-based organisation with relatively low overheads - and the growing demand for our work. We invested in digital training and development so we could more effectively connect a wider range of people engaged in reading and creative writing. Despite the difficult income-generation climate, in 2020 we successfully delivered the following programmes thanks to a one-off Emergency Response Fund grant of £25,052 from Arts Council England, additional funding of £3,000 from Thomas Farr Charity, 49,000 (euros) from Erasmus+ and £10,000 from NCC's Covid Discretionary Fund.

This funding enabled us to keep NUCoL going as a viable charity, cover all essential overheads, while maintaining our partnerships, re-designing and delivering our programmes to vulnerable young people, and connecting to local and international audiences. We continued to chair the UNESCO Cities of Literature Network and supported them to exchange advice and share knowledge and impact of Covid-19 on their institutions and programmes. We also continued to find ways to reduce isolation and connect with audiences, giving them practical creative outlets.

2020/21 Creative Programme

Our mission is 'Building a Better World with Words'. It was the title of our 2020 flagship lockdown programme, comprising of:

A series of 4 virtual author events involving 12 commissioned authors (40% international) including: Ann Patchett, Emily Pine, Kate Mosse, Phillippe Sands, S.J Watson, Stefan Collishaw, Tayari Jones amongst others. These events were curated and produced in collaboration with Five Leaves Bookshop, the Women's Prize Trust, Iowa City and Dublin Cities of Literature, and reached a global audience of 1,900. We ensured the events were accessible by commissioning a BSL interpreter and captioned video access via YouTube.

"Felt like we were in the same room as the authors. The format with an interviewer for each author worked so well. Gave us a mix of voices. I appreciated how prepared each of the interviewers were. I was inspired by all the authors and their stories."

Audience member from Galway, Ireland.

Writers in Lockdown: We featured ten local writers on our blog page, asking them to reflect on their experiences during Lockdown:

- #1 Graham Caveney
- #2 Michael Easton
- #3 Kim Slater
- #4 William Ivory
- #5 Catherine Arnold
- #6 Mhairi McFarlane
- #7 Mahendra Solanki
- #8 Susan Finlay
- #9 Panya Banjoko
- #10 Brick

Tales from Cities of Literature

We showcased a series of features from our fellow UNESCO Cities of Literature around the world. The articles focused on how our sister cities continued to build a better world with words while the COVID-19 crisis continues. We featured video articles from four cities: Slemani (Iraq); Granada (Spain); Ljubljana (Slovenia); and Krakow (Poland). All together, these four posts have had 603 unique page views.

Nottingham City of Literature

Trustees' Report

A Letters of Solidarity creative writing campaign was developed and delivered in partnership with local cultural education partners, ChalleNGe, Nottingham Trent University and Food Bank Networks to support young people and help them process the 'moment through which they were living'. We provided free resources in the form of a print activity pack distributed to over 200 homes via Nottingham's Food Bank networks. The packs contained a welcome guide to the project, writing prompts, 5 letter templates, stationary and the Speak Up! Anthology of Nottingham's Young Voices. We shared inspiration from local writers and poets include Amanda Whittington, Adam Penford, Ty Healy, Leanne Moden, Jamie Thrasivoulou, Josh Pickering amongst others. We supported young people with crafting their letters through 3 online creative writing workshops involving 3 writers - Eve Makis, Ioney Smallhorne and Panya Banjoko. We published 49 letters on the Letters of Solidarity website and a special print anthology.

"When lockdown hit, we were plunged into the darkness. Not as a creeping shadow, we did not get the luxury of time, but rather a plunge into an icy lake with rocks around our feet. Rocks that were built out of our fear of the unknown, the loss of loved ones and the loss of ourselves."

Emani, Age 19

To A New Dawn - the Letters of Solidarity anthology was published in February 2021 as an act of solidarity, capturing a singular moment in history and reflecting the irrepressible spirit of youth. The anthology is a wonderfully unique collection of letters exclusively written and edited by young people. We have letters to and from COVID. Letters of appreciation to mums, friends and key workers. One writer escaped lockdown through literature, another through her obsession with online maths. An NHS father wrote to his unborn son. Many young people expressed concerns about racism, the environment and the prospect of joblessness. We received letters about depression, loneliness and a funeral in lockdown, the healing power of Facetime with friends. In these pages you will find empathy, humour and wise words in abundance. Letters of Solidarity was showcased worldwide via the UNESCO Networks and during NTU's Online Language Festival curated by Dr Clare Wood from the Psychology department at NTU.

Virtual conference of the UNESCO Cities of Literature - We maintained an infrastructure for collaboration and chaired the UNESCO Cities of Literature Network virtual conference; an exciting opportunity for cultural leaders from the 37 international Cities of Literature to meet digitally for the network's first online meeting in September 2020 hosted via Zoom. The UNESCO Cities of Literature network brings together 39 cities across 6 continents. While the designation marks existing literary excellence within a city, becoming a UNESCO City of Literature also gives cities a place within a supportive network who share and collaborate with each other. It calls upon cities to nurture creativity, support freedom of speech, and ensure literature reaches as wide and diverse an audience as possible. During the 2020 digital conference, the Cities of Literature showcased best practice and workshopped a range of collaborative projects, as well as launching their new shared website: www.citiesoflit.com

Nottingham was represented by the Network Chair, Sandeep Mahal, as well as staff members from the Nottingham UNESCO City of Literature office. A key focus at the meeting was work being done to support recovery, resilience, and sustainability for the creative community in each city, as well as working to effect positive change in the context of important social movements, such as Black Lives Matter and the global climate crisis. We actively progressed our priority areas: to improve pathways for writers, commit to translation projects and collaborate on future book fairs and festivals, and in particular to conceive solutions to worldwide challenges exacerbated by COVID-19 such as improving literacy and social mobility and promoting equality.

"While an online meeting cannot recreate the joyous coming together of our network members, the cultural exchange and the stimulation of creativity that a gathering of people in our beautiful city of Prague would have brought, we hope the spirit of the annual meeting will live on in this new virtual format."

Kateřina Bajo, Director, Prague UNESCO City of Literature

Nottingham City of Literature

Trustees' Report

Story Valley

In July 2020, we successfully secured our first international Erasmus+ grant which will enable NUCoL to collaborate with Edinburgh, Ljubljana, and Leeuwarden UNESCO Cities of Literature to use oral histories and languages as a way to build literacy skills and celebrate sanctuary and inspire hope for all migrant, refugee and sanctuary seeking young people in Nottingham. Over the next two years, we will work together to deliver three outputs:

- Student Programme and Teacher Pack designed and delivered by National Literacy Trust will provide teachers and students with all that is needed to reach the objectives. It's the training programme for school teachers including the methodology, lesson plan and evaluation plan, loaded with practical tools.
- Online Community and Platform designed and delivered by Leeuwarden (Netherlands) will provide a teaching, learning and collaborative network for students, teachers and specialist in the field of literature, literacy and the creative industry. A virtual place where everything comes together and is also the main legacy of the project.
- Nottingham is specifically tasked with producing a Story Valley Policy Framework and Toolkit to ensure that VET (Vocation Educational Training) is at the forefront of development in the language & literacy sector, specifically targeted at the 39 UNESCO Cities of Literature organisations worldwide. It will give VET institutions better access to these networks they can reach out to in order to improve their curriculum in the fields of literacy, multilingualism and cultural heritage (oral history). We will showcase how the Story Valley approach to literacy & language learning, culture, citizenship and inclusion could be implemented in other UNESCO Cities of Literature (from 2023 onwards when we expect to have completed the pilot and evaluation).

NUCoL also participated in a wide range of international projects including:

- International Writer Residencies - Andrew Graves was selected as one of six writers undertaking the Nanjing Digital Residency, and Rory Waterman was selected as the only writer for the residency which took place in Bucheon on October 2020.
- Mega Poetry Happening - we created a poetry mixtape video featuring Nottingham poets which was shown online as part of the La Grande Traversée Poétique in Québec City of Literature. It showcased poetry from Nottingham poets: Aly Stoneman, Georgina Wilding, Becky Cullen, Manjit Sahota, Revelle-Sadé Freeman, Ty Healy, Andrew Graves, Daron Carey, Panya Banjoko and Jai Verma. The festival was broadcast live on facebook in October, and it was the first time Nottingham had participated in an online international literary festival.
- Read PL! - Nottingham participated in Krakow City of Literature's promotion of Polish language e-books, which are available for free via their website, to help Polish language readers in cities across the world to enjoy reading and to promote the positive power of words. In August 2020, we shared the posters and social media assets with the University of Nottingham and Nottingham Trent University's Polish societies, as well as with the Polish club in Sherwood and local Polish churches in the city.

NUCoL's 5th birthday

In December 2020, we celebrated NUCoL's 5th birthday. In the run up to this special anniversary, we released a series of films via our Youtube channel and across social media, including an excerpt from Robert Macfarlane's breath-taking UNESCO lecture delivered at the 2019 Cities of Literature meet-up in Nottingham, Nottwich. Dealing with issues that currently affect us all and will demand great change from society, culture and business, it was a message of hope to take forward into the next half decade. We commissioned six Nottingham writers to consider what the new Nottingham central library means for our city and how it might be an agent of change for children and young people. This collection of stories, poems, essays celebrates the power of libraries, the ways that libraries can help people connect and interact.

On 11th December, we hosted a virtual party to celebrate and look back at where we've come from, consider where we are now, and plan to do our best with the years that are still ahead of us. We'll heard from special guests and a specially commissioned birthday poem from Young Poet Laureate, Georgina Wilding.

Nottingham City of Literature

Trustees' Report

"I'm proud of the many things we've achieved in our first five years as a UNESCO Creative City, particularly our work with young people. I hope we've become a kind but tough, resilient, flexible and ambitious organisation that's embedded in the heart of our great, international city. There are enormous challenges ahead after the pandemic, but we're ready to take them on, with the support of our terrific team of staff and trustees, along with our many partners throughout Nottingham."

David Belbin, Chair, NUCoL Board.

In a time of great disconnect between people, ensuring we continue to play an active and inspirational role for young people in Nottingham is a key priority. We have ongoing discussions with young people about how Nottingham UNESCO City of Literature can use the power of literature as a way for everyone to better understand each other and change the world we live in. We have a responsibility to not only provide young people with opportunities but with adequate representation and a voice within our organisation. We maintained relationships with our Young Ambassadors and extended our youth co-production work by launching a new Youth Advisory Board and embedding youth governance in our organization. The Youth Advisory Board meet bi-monthly to share ideas, review feedback and try and instigate positive change and exciting ideas within Nottingham City of Literature.

Resilience, governance, and income diversification

As we confront the devastating fallout from Covid-19 and face up to a future of huge economic uncertainty, we are committed to the following:

- Building on the exceptional creative work and ensuring NUCoL becomes more relevant, diverse and impactful.
- Responding to the shifting world and needs of young people in Nottingham.
- Ensuring we build a robust organisation, infrastructure, governance and business model.
- Strengthening our strategic partnerships with Nottingham City Council, Nottingham Trent University and University of Nottingham and developing the profile of NUCoL to enable it to reach out to a broader diversity of people.

The past year has given the NUCoL board the chance to review every aspect of its working, undertake training and refresh both its strategic priorities and its leadership. The speed of or pivot to digital was driven by necessity, it has opened up new ways to work collaboratively and internationally, which we will explore more fully in 2021.

We welcomed three new trustees: Claire Bale, Khaya Job and Emily York. The trustees have adopted the going concern basis in preparing these accounts because they believe the charity has adequate resources to continue in operational existence for the foreseeable future, and will be well placed to mark a significant milestone to apply for Arts Council England's NPO portfolio status in 2021. An annual assessment of the Board's strengths and weaknesses, with accent on governance issues and the composition of the Board was carried out.

We continue to strengthen sustainability through the development of a new Fundraising & NPO sub-committee to lead on income generation activities and NUCoL's business planning process, enabling us to develop a robust framework on which to build financial plans and manage risks in-line with our mission & new business plan. The Trustees and staff undertook an away day in October 2020; reflecting on the purpose of NUCoL, its audiences and offer and how best we could build both within the new post-Covid landscape. This session was extremely valuable in supporting the Trustees in concluding:

- That NUCoL would carry out a major strategic review of its core mission and values in 2021, and a radical rethink in the way we work; focusing on the priorities of local communities and young audiences;
- That the mission and impact of the work to date has been considerable on a limited budget;
- That NUCoL's creative programme offer should evolve to reflect our shifting world. We will ensure that we put young people at the heart of NUCoL, in a sustainable manner.

Nottingham City of Literature

Trustees' Report

To ensure we remain inclusive and encourage involvement from the reading and writing communities in Nottingham, we recruited a team of 3 freelance producers, provided 3 student placements and 1 Creative Pathways internship from a widening participation background. Our core team and volunteers have worked tirelessly to engage with broad and diverse audiences from across the city and beyond. As ever, I'd like to take this opportunity to thank all our core partners, Nottingham City Council, Nottingham Trent University, University of Nottingham and Arts Council England for their support. It's so appreciated and is needed now more than ever.

Diversity & Inclusion

The tragic events of George Floyd's death and the subsequent Black Lives Matter protests made us pause and reflect on our own privileges; and to think very deeply about the power and voice that we have and how we can use it. In response to BLM: we created a list of book recommendations to inspire action, deep understanding of race and help build a better world with words. We evaluated how effective our programming and partnerships are when it comes to creating a more authentically accessible and inclusive environment, and to further identify how we can impact meaningful and lasting change in our organisation and city. We commit to prioritising inclusivity across everything we do and listening to new ideas to reimagine the future.

Our diversity and inclusion plan includes:

- Advocating for more inclusive and diverse children's books in our school and public libraries.
- Continuing to monitor our programmes to help us track and increase the number of Black writers we commission and promote.
- Access and inclusion to become a key component of our annual reviews, ensuring we are held accountable for the work we do towards making NUCoL a truly inclusive place to work.
- Ensuring the voices and experiences of Black young people are showcased and celebrated in the work we do.
- Working through new partnerships and networks to openly recruit Black trustees.
- Commissioning Black writers and develop pipelines for Black talent.
- Welcome a range of Black community voices and use the power of words to really drive the change we want to see for a more inclusive and fairer society.

Future developments

2019/20 taught us how reading and creative activities are valued; with the closure of theatres, galleries and concert halls, that imaginative space for creativity has become more precious than ever. As we emerge from Covid-19, we are in a strong position to take our creative programmes deeper into communities by nurturing vital partnerships and finding new ways of working and sharing resources, supporting diverse talent, bringing in new investment into Nottingham while building stronger international connections through the UNESCO Creative Cities Network. Together, we will harness the synergy we create to help rebuild and regenerate after the pandemic, but to also make Nottingham an even better, bolder, more outward-looking international creative city.

Our existing partners and stakeholders - from libraries, schools to individual writers and universities - continue to look to us to link them each other as never before, and new national partners, including English PEN and Pop Up Projects who actively sought us out when experimenting with new ways of engaging audiences with their national programmes.

In 2021, NUCoL will make an application to Arts Council England to become a National Portfolio Organisation in their next funding round. 2021 will be a pivotal moment to become 'NPO ready' and to consider how NUCoL's creative programme aligns with Arts Council England's Investment Principles. Being an NPO is not an end in itself, but a means to an end. NUCoL have a unique contribution to bring to all four investment principles, as well as to Nottingham City Council's Strategic Plan, the Universities for Nottingham strategic priorities for culture and creativity, and the UN's Global Goals - both through community engaged practice and international collaborations. Therefore 2021 marks a pivotal time for Nottingham to enter an era of transformational development.

Nottingham City of Literature

Trustees' Report

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Financial review

Policy on reserves

The Charity has not planned a material surplus or ongoing liabilities, and accordingly the Directors consider it premature for the Charity to have developed a formal reserves or investment policy.

Statement of Trustees' Responsibilities

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

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 apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 6/10/2021 and signed on its behalf by:


Patrick Limb
Trustee

PATRICK LIMB

29/10/2021

Nottingham City of Literature

Independent Examiner's Report to the trustees of Nottingham City of Literature

Independent examiner's report to the trustees of Nottingham City of Literature ('the Company')

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2021.

Responsibilities and basis of report

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

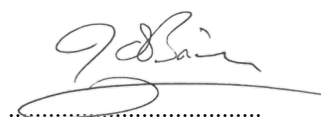
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act').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

Independent examiner's 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 that in any material respect:

1. accounting records were not kept in respect of the 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.



John O'Brien MSc, FCCA, FCIE, employee of Community Accounting Plus
Fellow of the Association of Charity Independent Examiners

Units 1 & 2 North West
41 Talbot Street
Nottingham
NG1 5GL

Date: 10/11/2021

Nottingham City of Literature

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	2	160,323	-	160,323	128,962
Charitable activities	3	<u>424</u>	<u>39,067</u>	<u>39,491</u>	<u>117,151</u>
Total Income		<u>160,747</u>	<u>39,067</u>	<u>199,814</u>	<u>246,113</u>
Expenditure on:					
Charitable activities	5	<u>(101,133)</u>	<u>(57,909)</u>	<u>(159,042)</u>	<u>(296,882)</u>
Total Expenditure		<u>(101,133)</u>	<u>(57,909)</u>	<u>(159,042)</u>	<u>(296,882)</u>
Net income/(expenditure)		59,614	(18,842)	40,772	(50,769)
Transfers between funds		<u>1,581</u>	<u>(1,581)</u>	<u>-</u>	<u>-</u>
Net movement in funds		61,195	(20,423)	40,772	(50,769)
Reconciliation of funds					
Total funds brought forward		<u>32,306</u>	<u>20,423</u>	<u>52,729</u>	<u>103,498</u>
Total funds carried forward	15	<u><u>93,501</u></u>	<u><u>-</u></u>	<u><u>93,501</u></u>	<u><u>52,729</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for the period is shown in note 15.

Nottingham City of Literature

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

These are the figures for the previous accounting period and are included for comparative purposes

	Note	Unrestricted funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	128,962	-	128,962
Charitable activities	3	<u>1,942</u>	<u>115,209</u>	<u>117,151</u>
Total Income		<u>130,904</u>	<u>115,209</u>	<u>246,113</u>
Expenditure on:				
Charitable activities	5	<u>(146,918)</u>	<u>(149,964)</u>	<u>(296,882)</u>
Total Expenditure		<u>(146,918)</u>	<u>(149,964)</u>	<u>(296,882)</u>
Net expenditure		(16,014)	(34,755)	(50,769)
Transfers between funds		<u>9,409</u>	<u>(9,409)</u>	<u>-</u>
Net movement in funds		(6,605)	(44,164)	(50,769)
Reconciliation of funds				
Total funds brought forward		<u>38,911</u>	<u>64,587</u>	<u>103,498</u>
Total funds carried forward	15	<u><u>32,306</u></u>	<u><u>20,423</u></u>	<u><u>52,729</u></u>

Nottingham City of Literature

(Registration number: 09144072)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	11	441	1,292
Current assets			
Debtors	12	18,750	13,673
Cash at bank and in hand		<u>78,521</u>	<u>40,659</u>
		97,271	54,332
Creditors: Amounts falling due within one year	13	<u>(4,211)</u>	<u>(2,895)</u>
Net current assets		<u>93,060</u>	<u>51,437</u>
Net assets		<u>93,501</u>	<u>52,729</u>
Funds of the charity:			
Restricted income funds			
Restricted funds	15	-	20,423
Unrestricted income funds			
Unrestricted funds		<u>93,501</u>	<u>32,306</u>
Total funds	15	<u>93,501</u>	<u>52,729</u>

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

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 11 to 22 were approved by the trustees, and authorised for issue on ~~6/10/2021~~ and signed on their behalf by:



Patrick Limb
Trustee

PATRICK LIMB

29/10/2021

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements 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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

Basis of preparation

Nottingham City of Literature 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 notes.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Exemption from preparing a cash flow statement

The charity opted to adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company 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 to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £400 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Computer equipment	33% straight line

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

Restricted income funds are those grants for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

2 Income from donations and legacies

	Unrestricted funds	Total 2021	Total 2020
	General £	£	£
Donations and legacies;			
Donations from companies, trusts and similar proceeds	78,218	78,218	56,950
Grants, including capital grants;			
Government grants	82,105	82,105	72,012
	<u>160,323</u>	<u>160,323</u>	<u>128,962</u>

3 Income from charitable activities

	Unrestricted funds	Restricted funds	Total 2021	Total 2020
	General £	£	£	£
Grants & donations	-	39,067	39,067	115,209
Ticket sales	424	-	424	1,267
Sundry income	-	-	-	675
	<u>424</u>	<u>39,067</u>	<u>39,491</u>	<u>117,151</u>

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

4 Grants & donations

	Unrestricted funds £	Restricted funds £	Total £
Nottingham City Council	77,555	925	78,480
University of Nottingham	20,000	-	20,000
HMRC JRS	4,550	-	4,550
Arts Council England	-	30,992	30,992
Thomas Farr Charity	-	3,000	3,000
Nottingham City COFS	18,153	1,000	19,153
Nottingham Trent University	25,100	1,650	26,750
Story Valley	8,488	-	8,488
Sundry donations	5,277	1,500	6,777
Nottingham Castle Trust	1,200	-	1,200
	<u>160,323</u>	<u>39,067</u>	<u>199,390</u>

5 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Programme development	4,280	11,026	15,306	94,716
People costs	81,283	31,822	113,105	147,191
Marketing & PR	4,199	5,911	10,110	24,269
Overheads & administration	11,371	9,150	20,521	30,706
	<u>101,133</u>	<u>57,909</u>	<u>159,042</u>	<u>296,882</u>

6 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021 £	2020 £
Depreciation of fixed assets	<u>851</u>	<u>851</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

8 Fees payable to independent examiner

During the period, the fees payable (excluding VAT) to the charity's independent examiner Community Accounting Plus are analysed as follows:

	2021 £	2020 £
Independent examination	420	420
Other financial services	508	448
	<u>928</u>	<u>868</u>

9 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	72,916	88,767
Social security costs	2,428	5,188
Pension costs	2,187	2,663
	<u>77,531</u>	<u>96,618</u>

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2021 No	2020 No
Average number of employees	<u>3</u>	<u>3</u>

3 (2020 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £2,187 (2020 - £2,663).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £50,495 (2020 - £54,542).

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

10 Taxation

The charity is a registered charity and is therefore exempt from taxation.

11 Tangible fixed assets

	Computer equipment £	Total £
Cost		
At 1 April 2020	8,418	8,418
At 31 March 2021	8,418	8,418
Depreciation		
At 1 April 2020	7,126	7,126
Charge for the year	851	851
At 31 March 2021	7,977	7,977
Net book value		
At 31 March 2021	441	441
At 31 March 2020	1,292	1,292

12 Debtors

	2021 £	2020 £
Other debtors	18,750	13,673

13 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	3,194	1,850
Other creditors	1,017	1,045
	4,211	2,895

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

14 Charity status

The charity is a company limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

15 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
<i>General</i>					
General fund	32,306	160,747	(101,133)	1,581	93,501
Restricted funds					
Young City Reads	20,423	6,865	(24,842)	(2,446)	-
Building a Better World	-	32,202	(33,067)	865	-
Total restricted funds	<u>20,423</u>	<u>39,067</u>	<u>(57,909)</u>	<u>(1,581)</u>	<u>-</u>
Total funds	<u>52,729</u>	<u>199,814</u>	<u>(159,042)</u>	<u>-</u>	<u>93,501</u>

The transfer from the General fund to the Building a Better World fund is to cover the deficit on this activity. The transfer from Young City Reads to the General fund relates to activities which have ceased, and the release of any restrictions on the use of these funds.

	Balance at 1 April 2019 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2020 £
Unrestricted funds					
<i>General</i>					
General fund	38,911	130,904	(146,918)	9,409	32,306
Restricted funds					
Young City Reads	32,961	69,759	(82,297)	-	20,423
Eastwood Comics	20,401	45,450	(66,455)	604	-
LIT Tourism	11,225	-	(1,212)	(10,013)	-
Total restricted funds	<u>64,587</u>	<u>115,209</u>	<u>(149,964)</u>	<u>(9,409)</u>	<u>20,423</u>
Total funds	<u>103,498</u>	<u>246,113</u>	<u>(296,882)</u>	<u>-</u>	<u>52,729</u>

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

The specific purposes for which the funds are to be applied are as follows:

Current year's restricted funds

Young City Reads is a year-long programme of audience and leadership development drawing on Nottingham's long tradition of free-thinking radicalism to inspire a range of collaborations across the city.

The Young City Reads programme has three main strands of activity:

- 14 Young Ambassadors who will play a fantastic role fostering and building a culture of reading for pleasure in Nottingham. They will reflect on and explore what it means to be a UNESCO City of Literature, unearth uplifting stories, attend festivals and events, interview writers and co-produce a city-wide reading campaign to inspire more people to read. They will be supported and trained by writer-mentors and expert creatives who will help them carry out their ambassadorial roles.
- The Big City Read: In partnership with Nottingham City Libraries, we will foster a positive attitude to reading through a shared exploration of uplifting books. Our Young Ambassadors will champion four young adult titles, encourage everyone in Nottingham to adopt these titles as their own, and bring all of this together with promotion across public transport, city centre and key neighbourhood sites.
- MyVoice: Young people from across Nottingham will be invited to unleash their imagination and create a story which involves or reflects on the theme of social justice and its global impact. The competition will be a test of creativity, originality, style – and of the ability to entertain and enthrall.

Building a Better World - 2020 flagship lockdown programme, comprising series of 4 virtual author events involving 12 commissioned authors (40% international) including: Ann Patchett, Emily Pine, Kate Mosse, Phillippe Sands, S.J Watson, Stefan Collishaw, Tayari Jones amongst others.

Previous year's restricted fund

Eastwood Comics - 24 talented young writers and artists will create graphic stories inspired by the life and works of world-renowned author DH Lawrence. These stories will be available to the public for free in the form of a boxed-set of six comic collections.

The young writers' research will also take in the social and cultural history of Eastwood, where Lawrence was born in 1885. Lawrence, an often controversial, fascinating and complex author, began life as the son of a barely literate miner in the former coal mining town, one of the few places where East Midlands English is widely spoken. During the project, 700 further young people will learn about the author and his birthplace by taking part in activities inspired by the young writers' research.

LIT Tourism – A programme supporting 7 SMEs with 12 hours of business support for each SME enabling greater Literary Tourism in Nottinghamshire and Derbyshire. SMEs in the D2N2 LEP region who can benefit from the development of literary tourism in relation to the UNESCO City of Literature designation for Nottingham.

Nottingham City of Literature

Notes to the Financial Statements for the Year Ended 31 March 2021

16 Analysis of net assets between funds

	Unrestricted funds		2021
	General		Total funds
	£		£
Tangible fixed assets	441		441
Current assets	97,271		97,271
Current liabilities	(4,211)		(4,211)
Total net assets	93,501		93,501

	Unrestricted funds		2020
	General	Restricted funds	Total funds
	£	£	£
Tangible fixed assets	1,292	-	1,292
Current assets	33,909	20,423	54,332
Current liabilities	(2,895)	-	(2,895)
Total net assets	32,306	20,423	52,729

17 Related party transactions

There were no related party transactions in the year.