

STRATFORD LITERARY FESTIVAL

A charitable incorporated organisation
no.1164662

TRUSTEES' REPORT & FINANCIAL STATEMENTS for the year ended 31 December 2020

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Stratford Literary Festival
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TRUSTEES' REPORT
for the year ended 31 December 2020

The trustees submit their report and financial statements for the year ended 31 December 2020.

AIMS, OBJECTIVES & ACTIVITIES

The aims and objectives of the charity are:

- to advance education by promoting and providing opportunities for the appreciation, understanding and enjoyment of literature and the arts, in particular through promoting and running a literary festival and educational outreach activities primarily in the Stratford-upon-Avon area.
- to provide relief to those at a social disadvantage because of age or ill health through literary related activities which are designed to relieve loneliness or isolation and encourage a sense of purpose and self-worth.

The Trustees confirm that they have referred to the Charity Commission's guidance on Charities and Public Benefit when reviewing the charity's aims and objectives.

ACHIEVEMENTS & PERFORMANCE

The Stratford Literary Festival's charitable aim is to inform and educate through the promotion of books, writing and reading. The Festival celebrated 13 years in 2020 but due to the Covid 19 pandemic we had to change the way we worked. Our programme for the May festival was on sale when lockdown was announced in March and we had to cancel all live events. We were fortunate enough to bid for and receive a grant from Arts Council England to cover costs we had already paid out including programme printing to cover our losses, and to cover loss of revenue from activities such as our schools week which we had to cancel. We replaced the festival with a digital offering of only 11 events. Arts Council also covered an element of our free authors online offering to schools and children being home taught, and our recorded videos with children's authors received over 8.5k views.

We replaced our normal winter festival with 23 digital events including events for children and a discussion with leading figures in the arts about the impact of Covid on theatre and live events.

Despite only being able to hold two meetings before lockdown, the charity continued to run our monthly book group, Books with Friends, which is aimed at older and socially isolated people in the community, via Zoom. The meetings bring significant well-being benefits to members and even more so during the necessity for social isolation.

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Our other outreach work including workshops in prisons and bedtime story parties in schools had to be suspended, though we did provide a storytelling writing guide for prisoners to enable them to write their own stories for their children.

The Festival continues to explore ways to bring the benefits of reading, books and writing to people to encourage well-being, literacy and connection.

FINANCIAL REVIEW

The results for the year are set out in the annexed Statement of Financial Activities. There was a surplus of £11,479 on the year's activities. The balance sheet at the end of the year is satisfactory. The unrestricted reserves in hand are £18,716 which represents 11% of income in a normal year. The trustees believe that it is prudent to hold reserves of up to 10% of income to provide a contingency against unexpected shortfalls in income, which is the primary risk faced by the charity.

As a result of the pandemic, the 2020 Spring and Winter Festivals were presented online. Although income was significantly lower than in a normal year, costs were also reduced. All our major donors, sponsors and grant-givers provided their financial support at the start of the 2020 financial year and did not seek any return of their funding. The charity also received a grant of £25,685 from the Arts Council England Emergency Fund.

The Trustees have considered the ongoing effect of the COVID-19 crisis on the charity's business. The Trustees believe that the charity can continue to adjust the level of its expenditure to meet any ongoing disruption resulting from the crisis. The charity presented its main Festival in May 2021 and plans to present an Autumn Festival in November 2021, subject to guidance from HM Government. Income from donors, sponsors and grant-givers will be reduced in 2021, except for the support from Baillie Gifford, our Principal Sponsor, who have increased their funding. The Trustees believe that these measures enable the charity to continue as a going concern for at least the next twelve months and that, as a result, no changes need to be made to this Report and Financial Statements.

The charity's sources of funds are:

Ticket and book sales	10,132
Sponsorship	34,505
Grants	32,660
Donations	9,093
Total	86,390

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STRUCTURE, GOVERNANCE & MANAGEMENT

Constitution

Stratford Literary Festival is a charitable incorporated organisation governed by its Constitution.

Trustees

Anna Ashworth

David Fletcher

Suzanne James

Archie G Kane

Graham Spalding

Hannah Warner (appointed 20 February 2020)

Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees. In selecting individuals for appointment as charity trustees, the charity trustees must have regard to the skills, knowledge and experience needed for the effective administration of the charity. The charity trustees will make available to each new charity trustee, on or before his or her first appointment, a copy of the charity's latest Trustees' Annual Report and Financial Statements, the Charity Commission booklet about their legal obligations under charity law, and copy of the Constitution.

Remuneration to Anna Ashworth is given for her services as the Director of the Festival, not for her duties as a trustee. No expenses are paid to trustees for the fulfilment of their duties as trustees. Anna Ashworth receives reimbursement of expenses incurred as the Director.

Chief Executive

Anna Ashworth is Festival Director and Chief Executive.

Auditors

Cooper Adams Chartered Accountants, Registered in England & Wales, Company number 03861448.

Bankers

Lloyds Bank plc, 25 Gresham Street, London EC2V 7HN. Registered in England and Wales no. 2065.

Charity's principal address

33 Sanctus Road, Stratford-upon-Avon, CV37 9AE.

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SUPPORTERS

Stratford Literary Festival is very grateful to the following organisations for their support for our activities in the financial year:

Lead Sponsor: Baillee Gifford.

Partner Sponsors: Ladders Solicitors; Inspired Villages.

Sponsors: David Hunt Lighting; Salts Healthcare; Persimmon; The Healthy Bag Company.

Media Partner: This Week.

Sponsors-in-kind: Setsquare; Prontaprint.

Thanks also to: Knight Frank; Waterstones.

Trusts: Allen Lane Foundation; Felix Dennis Estate; Souter Trust; Kissing it Better; Storybook Dads; W.G. Edwards Charitable Foundation; Sir Jules Thorne Charitable Trust; Cadbury.

and

Arts Council England.

TRUSTEES' REPORT
for the year ended 31 December 2020

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Statement of Trustees' responsibilities in respect of the Financial Statements

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial period 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 of the Charities SORP 2019 (FRS 102)
- 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 accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (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 Board on 29 September 2021



Signed by David Fletcher on behalf of the Board of Trustees

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INDEPENDENT AUDITORS' REPORT
for the year ended 31 December 2020

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF STRATFORD LITERARY FESTIVAL (A CHARITABLE INCORPORATED COMPANY)

Opinion

We have audited the financial statements of Stratford Literary Festival (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Statement of Financial Position and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at [date], and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the trustees' report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the Trustees' Report & Financial Statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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INDEPENDENT AUDITORS' REPORT
for the year ended 31 December 2020

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- the charity has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 145 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

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for the year ended 31 December 2020

Because of the Inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



David C Cooper FCA (Senior Statutory Auditor)
For and on behalf of Cooper Adams Ltd
Chartered Accountants
And Statutory Auditors
12 Payton Street
Stratford upon Avon
Warwickshire
CV37 6UA
Date:

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STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 31 December 2020

		Unrestricted funds	Restricted income funds	Total 2020	Total 2019
	<i>Notes</i>	£	£	£	£
Incoming resources	3				
Donations and legacies		30,853	10,900	41,753	35,564
Charitable activities		42,637	2,000	44,637	131,664
Total		73,490	12,900	86,390	167,228
Resources expended	5				
Raising funds		6,876	1,500	8,376	9,540
Charitable activities		53,897	12,638	66,535	156,769
Total		60,773	14,138	74,911	166,309
Net income/(expenditure)		12,717	(1,238)	11,479	919
Transfers between funds		0	0	0	0
Net movement in funds		12,717	(1,238)	11,479	919
Reconciliation of funds:					
Total funds brought forward		5,999	2,500	8,499	7,580
Total funds carried forward		18,716	1,262	19,978	8,499

The notes on pages 12 to 17 form part of these financial statements.

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STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

		Unrestricted funds	Restricted income funds	Total 2020	Total 2019
	<i>Notes</i>	£	£	£	£
Current Assets					
Debtors & Prepayments	9	0	0	0	24,530
Cash at bank	11	48,142	1,262	49,404	25,247
Total		48,142	1,262	49,404	49,777
Creditors: amounts falling due within one year	10	29,426	0	29,426	41,278
Net current assets/(liabilities)		18,716	1,262	19,978	8,499
Total net assets		18,716	1,262	19,978	8,499
Funds of the Charity	13				
Restricted income funds		0	1,262	1,262	2,500
Unrestricted funds		18,716	0	18,716	5,999
Total funds		18,716	1,262	19,978	8,499

The notes on pages 12 to 17 form part of these financial statements.

Approved by the Board on 29th September 2021



Signed by David Fletcher on behalf of the Board of Trustees

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

NOTE 1 – BASIS OF PREPARATION

The financial statements are prepared on a going concern basis under the historical cost convention, with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The charity constitutes a public benefit entity as defined by FRS 102. 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The charity has taken advantage of the following disclosure exemption in preparing these financial statements as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland': the requirements of Section 7 Statement of Cash Flows.

NOTE 2 – ACCOUNTING POLICIES

2.1 Income

- Income is included in the Statement of Financial Activities when the charity becomes entitled to the resources, and when it is more likely than not that the trustees will receive the resources, and when the monetary value can be measured with sufficient reliability.
- There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 or SORP.
- Grants and donations are only included in the SoFA when the general income recognition criteria are met.
- Contractual income and performance related grants are only included in the SoFA once the charity has provided the related goods or services or met the performance related conditions.
- Donated services and facilities that are consumed immediately are recognised as income with an equivalent amount recognised as an expense under the appropriate heading in the SOFA.
- The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

2.2 Expenditure and Liabilities

- Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.
- The charity has creditors which are measured at settlement amounts less any trade discounts.

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NOTES TO THE FINANCIAL STATEMENTS
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2.3 Assets

- Debtors are measured on initial recognition at settlement amount after any trade discounts. Subsequently, they are measured at the cash or other consideration expected to be received.

2.4 Funds

- Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity 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 charity for particular purposes. The cost 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.

	Unrestricted funds £	Restricted income funds £	Total 2020 £	Total 2019 £
NOTE 3 – ANALYSIS OF INCOME				
Donations and legacies				
Donations and gifts	5,168	3,725	8,893	6,708
General grants provided by government/other charities	25,685	6,975	32,660	26,956
Donated goods, facilities and services	0	200	200	1,900
Total	30,853	10,900	41,753	35,564
Charitable activities				
Ticket and book sales	10,132	0	10,132	88,265
Sponsorship	31,605	2,000	33,605	32,800
Advertising	900	0	900	2,700
Schools programme	0	0	0	7,704
Prisons programme	0	0	0	0
Other	0	0	0	195
Total	42,637	2,000	44,637	131,664

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	Unrestricted funds £	Restricted Income funds £	Total 2020 £	Total 2019 £
NOTE 4 – DONATED GOODS, FACILITIES AND SERVICES				
Use of property	0	200	200	1,400
Website support	0	0	0	500
	0	200	200	1,900

Donated goods, facilities and services are valued at market rates.

NOTE 5 – ANALYSIS OF EXPENDITURE

Raising funds

Director's salary costs	6,480	0	6,480	5,680
Fundraising costs	396	1,500	1,896	3,860
Total	6,876	1,500	8,376	9,540

Charitable activities

Authors and performers	4,850	0	4,850	41,909
Venue Hire	1,149	0	1,149	16,498
Box office costs	8	0	8	304
Book purchases	2,175	0	2,175	3,747
Staff costs	3,904	0	3,904	10,021
Other Festival costs	2,017	0	2,017	11,202
Schools programme	1,343	0	1,343	4,603
Prisons programme	0	4,464	4,464	10,030
Books with friends	0	1,412	1,412	6,238
Other Projects	0	2,908	2,908	3,099
Director's salary costs	8,220	1,500	9,720	8,520
Marketing and PR	22,564	500	23,064	27,621
Overheads	7,667	1,854	9,521	12,977
Total	53,897	12,638	66,535	156,769

NOTE 6 – DETAILS OF CERTAIN ITEMS OF EXPENDITURE

Audit fee	2,575	0	2,575	2,575
Total	2,575	0	2,575	2,575

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

	2020	2019
	£	£
NOTE 7 – PAID EMPLOYEES		
Staff Costs		
Salaries and wages	17,100	16,300
Social security costs	0	0
Total staff costs	<u>17,100</u>	<u>16,300</u>

No employees received employee benefits (excluding employer pension costs) for the reporting period of more than £60,000

Total amount paid to key management personnel (includes trustees and senior management) for their services to the charity	17,100	16,300
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Average head count in the year	1	1
The parts of the charity in which the employees work		
Fundraising	0	0
Charitable Activities	1	1
Total	<u>1</u>	<u>1</u>

NOTE 9 – DEBTORS AND PREPAYMENTS

Trade debtors	0	23,880
Prepayments and accrued income	0	650
Total	<u>0</u>	<u>24,530</u>

All amounts fall due within one year

NOTE 10 – CREDITORS AND ACCRUALS

Trade creditors	0	0
Payments received on account for contracts or performance-related grants	15,865	27,725
Accruals and deferred income	6,724	7,730
Taxation and social security	6,837	5,823
Total	<u>29,426</u>	<u>41,278</u>

All amounts fall due within one year

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

	2020	2019
	£	£
NOTE 11 – CASH AT BANK AND IN HAND		
Cash at bank and on hand	49,404	25,247
Total	49,404	25,247

Note 12 – FAIR VALUE OF ASSETS AND LIABILITIES

Debtors are less than £1,000 and there are no financial instruments or investments so the charity carries no risk in these areas.

NOTE 13 – CHARITY FUNDS

<i>Fund names</i>	<i>Fund balances brought forward</i>	<i>Income</i>	<i>Expen- diture</i>	<i>Transfers</i>	<i>Fund balances carried forward</i>
	£	£	£	£	£
Restricted funds					
Books with Friends	2,500	1,950	4,450	0	0
Felix Dennis Prize	0	1,500	1,500	0	0
Prisons Project	0	5,725	4,463	0	1,262
Other outreach projects	0	3,725	3,725	0	0
	2,500	12,900	14,138	0	1,262
Unrestricted funds	5,999	73,490	60,773	0	18,716
Total	8,499	86,390	74,911	0	19,978

Restricted funds:

Book with Friends is a monthly book group for older and socially isolated people in the community.

Felix Dennis Prize funds the Young Poets Competition.

Prisons Project sends authors into prisons to help inmates write bedtime stories for their children.

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 December 2020

NOTE 14 – TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES

Trustee remuneration and benefits

<i>Trustee name</i>	<i>Legal authority</i>	<i>Remuneration</i>	<i>Pension</i>	<i>Other</i>	<i>TOTAL</i>
		£	£	£	£
Annie Ashworth	Governing document	17,100			17,100

Remuneration to Anna Ashworth is made for her services as the Director of the Festival, not for her duties as a trustee. No expenses are paid to trustees for the fulfilment of their duties as trustees. Anna Ashworth receives reimbursement of expenses incurred as the Director.

Transactions with related parties

<i>Name of the trustee or related party</i>	<i>Relationship to charity</i>	<i>Description of transaction(s)</i>	<i>Amount</i>
None			

Occasionally donations are given by trustees. No benefits are given in return for these donations.
