

Charity registration number 1168860

**BERWICK LITERARY FESTIVAL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

BERWICK LITERARY FESTIVAL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Canon Christopher M. Smith	
	The Rt Revd Dr Stephen Platten	
	Mr Michael Gallico	
	Miss Lindsay Dalgliesh	
	Mr Nolan Dalrymple	
	Miss Helen Wright	(Appointed 24 August 2022)
	Mr Andrew Deuchar	(Appointed 24 August 2022)
	Mrs Valerie Bistram	(Appointed 25 November 2022)
	Ms Lucy Baxandall	(Appointed 25 November 2022)
	Mr Scott Sherrard	(Appointed 12 December 2022)
Charity number	1168860	
Principal address	14 Ravensdowne Berwick upon Tweed TD15 1HX	
Independent examiner	Laurence Pearson FCA 5 Tweed Street Berwick upon Tweed TD15 1NG	
Bankers	TSB 47 Hide Hill Berwick upon Tweed Northumberland TD15 1EQ	

BERWICK LITERARY FESTIVAL

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BERWICK LITERARY FESTIVAL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The trustees present their report and accounts for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the CIO's Constitution, the Charities Act 2011 and "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)".

Objectives and activities

The CIO's objects are to advance education by promoting and providing opportunities for the appreciation, understanding and enjoyment of literature and the arts, in particular through the promotion and running of a literary festival in Berwick upon Tweed and the surrounding area, and such other activities as the trustees shall from time to time determine.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the CIO should undertake.

Achievements and performance

The 9th Festival ran continuously from Monday 10th until Sunday 16th October 2022 in four distinct parts:

The Schools & Young Peoples' programme, commencing with Macbeth workshops in four middle schools from Monday to Wednesday, the Calamity Climate Change plays in the Guildhall on Thursday, the BLF-sponsored 'Poet for a day' in high schools on Friday, and on Saturday the Rotary Short Story competition awards and two workshops in the Library. A separate summary of the Schools programme has been circulated and its success owes much to the newly-formed SYP group under Colin Fleetwood's leadership.

Writing workshops for adults, tours of Martins the Printer (also on Friday), and the opening night Patrons' talk on Thursday.

On Friday five speaker events delivered by Zoom and the Dyad Productions joint event with the Maltings;

22 speaker events delivered live across five venues on Saturday and Sunday, of which four were sold out.

The live events were the first since 2019 and despite concern about post-covid reluctance, with the help of deliberately low ticket pricing (£5) audiences were strong and committed at even the smaller events. Book sales at events were the highest on record: on average, 29% of attendees bought a book.

Innovations in 2022 included the use for the first time of two informal venues (Pier Red and the Black and Gold Club) and for larger events the Baptist Church. All were considered a success for the events held there, although potential improvements in their technical set-up have been noted.

We also used EventBrite for the first time to sell tickets and distribute Zoom log-ons. Whilst challenging to a few older customers it was broadly successful and with more time in 2023 we can benefit from its marketing features and develop our knowledge of the system's technical aspects. Demographic data from EventBrite is limited but of the ticket-buyers who assessed an event, the cumulative ranking is 4.6 out of 5, based on 167 reviews.

An in-person box office and green room were successfully established in the Corner House Café, ideas that should be extended in future, and possibly deployed during Food and Heritage festivals. Despite concerns about reluctance, volunteer stewards were willing for all events. A number of new and generally younger interviewers and event hosts were introduced this year: all found the experience enjoyable, if testing, much assisted by a training session led by Gerry Foley in September.

As in previous years, a significant proportion of registrants for Zoom events (30%) did not join the session, a possibly argument for charging in future, to ensure attraction. Zoom audiences for all events were smaller than in 2021, which in turn were smaller than 2020. That said, attendance at live events ranged from 72-100% of prebooked tickets: even for Cleeves and AMS the figure was 85% and 92% respectively. Making it possible to refund tickets until hours (rather than days) before and possibly overbooking (like an airline) are under consideration.

BERWICK LITERARY FESTIVAL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Achievements and performance continued

For whatever reason, but not least BLF's continuity in 2020 and 2021 when other festivals suspended events and in some cases folded, giving us a higher profile and with fewer opportunities for writers to speak, the newly-formed programming group assembled both many speakers of much higher profile than before and a cross-section of topics that attracted specific audiences (archaeology, military history, speedway). For the first time major publishers (e.g. Penguin, Transworld) invited us to pick from their autumn lists. We attracted significant Scottish speakers (AMS, Brookmyre, Jackson, Jamie) and need to promote more strongly to Scottish audiences in future.

Events were held in association with Berwick District Museum, Berwick Archives, and Berwick Music Series; for 2023 there is a prospect of linking with the KOSB Association.

Marketing was increasingly digital, using our own mailing list and social media. The former now includes 1431 names and 271 out of 460 2022 ticket buyers (ca 60%) were not previously on our list, which suggests we attracted a large number of first-timers, not "festival goers" but people who came to hear a specific speaker.

That said, a printed flyer is essential and beyond distribution to libraries, bookshops and museums within 50 mile radius, a number of the steering group delivered leaflets door-to-door in promising areas of the town and nearby villages (Ayton, Coldingham, East Ord, Norham). Quite possibly the banners around the town in the preceding week were as good a reminder as anything.

Financial review

The 2022 virtual Festival ran at a larger deficit than has been seen previously. Whilst income received has been similar to the previous year, the return to 'in-person' events has resulted in an increase in expenditure on contributors to both the main Festival events and the Schools programme. The CIO's funds remain adequate to support a festival for a year even if no income were received, a constant aim of the Trustees. Finally, the Trustees are grateful for the work of the Hon. Treasurer in preparing the accounts and for advice given throughout the year, and to the independent examiner of these accounts for his continued scrutiny of their correctness.

It is the policy of the CIO that unrestricted funds which have not been designated for a specific use should be held at a level equivalent to one year's expenditure in order for the Festival to be sustainable. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the CIO's current activities while consideration is given to ways in which additional funds may be raised.

The trustees have assessed the major risks to which the CIO is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

Governance

The CIO was established by a constitution on 22 August 2016.

The CIO has ten trustees who have delegated the running of the Festival to the Steering Group, of which some trustees are members.

Trustees act in a voluntary capacity and do not receive any remuneration. Trustees are appointed in accordance with the terms of the constitution.

BERWICK LITERARY FESTIVAL

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

Governance continued

The trustees who served during the year were:

Professor Michael Wright	(Resigned 16 June 2022)
Canon Christopher M. Smith	
The Rt Revd Dr Stephen Platten	
Mr Michael Gallico	
Miss Lindsay Dalglish	
Mr Michael Fraser	(Resigned 25 November 2022)
Mr Nolan Dalrymple	
Miss Helen Wright	(Appointed 24 August 2022)
Mr Andrew Deuchar	(Appointed 24 August 2022)
Mrs Valerie Bistram	(Appointed 25 November 2022)
Ms Lucy Baxandall	(Appointed 25 November 2022)
Mr Scott Sherrard	(Appointed 12 December 2022)

New trustees are recruited and appointed by existing trustees. Copies of the CIO's constitution and other documentation are available to new trustees.

The trustees are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year which give a true and fair view of the state of affairs of the CIO and of the incoming resources and application of resources of the CIO for that year.

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the CIO and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the CIO and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Future plans

The Trustees intend to continue to build on the work previously carried out provide an ongoing benefit to the town. Preparations for the 10th Festival, which will take place from 12 - 15 October 2023, are well under way.

The trustees' report was approved by the Board of Trustees.



The Rt Revd Dr Stephen Platten

Trustee

Dated:



Mr Michael Gallico

Trustee

Dated: 16/8/23

BERWICK LITERARY FESTIVAL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF BERWICK LITERARY FESTIVAL

I report to the trustees on my examination of the financial statements of Berwick Literary Festival (the CIO) for the year ended 31 December 2022.

Responsibilities and basis of report

As the trustees of the CIO you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the CIO's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 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 CIO as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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.



Laurence Pearson FCA

5 Tweed Street
Berwick upon Tweed
TD15 1NG

Dated: 14 August 2023

BERWICK LITERARY FESTIVAL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2022

		Unrestricted funds 2022	Restricted funds 2022	Total Unrestricted funds 2022	Unrestricted funds 2021	Restricted funds 2021	Total 2021
	Notes	£	£	£	£	£	£
<u>Income from:</u>							
Donations and legacies	3	2,442	2,737	5,179	7,005	1,109	8,114
Charitable activities	4	10,458	-	10,458	6,244	-	6,244
Total income		<u>12,900</u>	<u>2,737</u>	<u>15,637</u>	<u>13,249</u>	<u>1,109</u>	<u>14,358</u>
<u>Expenditure on:</u>							
Charitable activities	5	21,157	2,737	23,894	14,788	1,109	15,897
Net expenditure for the year/ Net movement in funds		(8,257)	-	(8,257)	(1,539)	-	(1,539)
Fund balances at 1 January 2022		17,054	-	17,054	18,593	-	18,593
Fund balances at 31 December 2022		<u>8,797</u>	<u>-</u>	<u>8,797</u>	<u>17,054</u>	<u>-</u>	<u>17,054</u>

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

All income and expenditure derive from continuing activities.

BERWICK LITERARY FESTIVAL

BALANCE SHEET

AS AT 31 DECEMBER 2022

	Notes	2022 £	£	2021 £	£
Current assets					
Debtors	8	1,875		783	
Cash at bank and in hand		7,322		16,821	
		<u>9,197</u>		<u>17,604</u>	
Creditors: amounts falling due within one year	9	(400)		(550)	
Net current assets			<u>8,797</u>		<u>17,054</u>
Income funds					
Unrestricted funds			<u>8,797</u>		<u>17,054</u>
			<u>8,797</u>		<u>17,054</u>

The financial statements were approved by the Trustees on

16 August 2023

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The Rt Revd Dr Stephen Platten
Trustee



Mr Michael Gallico
Trustee

BERWICK LITERARY FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Charity information

Berwick Literary Festival is a CIO, registered number 1168860.

1.1 Accounting convention

The accounts have been prepared in accordance with the CIO's Constitution, the Charities Act 2011 and "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)" (as amended for accounting periods commencing from 1 January 2016). The CIO is a Public Benefit Entity as defined by FRS 102.

The CIO has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the CIO. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.3 Income

Income is recognised when the CIO is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the CIO has been notified of the donation, unless performance conditions require deferral of the amount.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is recognised in the period to which it relates.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computer equipment

33% Straight Line

BERWICK LITERARY FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

1.7 Financial instruments

The CIO has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the CIO's balance sheet when the CIO becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the CIO's contractual obligations expire or are discharged or cancelled.

2 Critical accounting estimates and judgements

In the application of the CIO's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

BERWICK LITERARY FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2022 £	2022 £	2022 £	2021 £	2021 £	2021 £
Donations and gifts	617	-	617	2,755	-	2,755
Grants	-	2,737	2,737	2,500	1,109	3,609
Sponsorship	1,825	-	1,825	1,750	-	1,750
	<u>2,442</u>	<u>2,737</u>	<u>5,179</u>	<u>7,005</u>	<u>1,109</u>	<u>8,114</u>

4 Charitable activities

	2022 £	2021 £
Patrons	3,925	4,050
Tickets	5,564	375
Gift Aid	969	1,819
	<u>10,458</u>	<u>6,244</u>

BERWICK LITERARY FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

5 Charitable activities

	Direct charitable expenditure	Overhead expenses	Total 2022	Direct charitable expenditure	Overhead expenses	Total 2021
	2022	2022		2021	2021	
	£	£	£	£	£	£
Contributors' fees	4,176	-	4,176	3,730	-	3,730
Contributors' travel and accommodation	1,325	-	1,325	-	-	-
Patrons' events	703	-	703	143	-	143
Poetry illustration/ Children's events	4,142	-	4,142	1,282	-	1,282
Printing and advertising	-	3,278	3,278	-	3,024	3,024
Hall hire	929	-	929	-	-	-
Postage and stationery	-	10	10	-	81	81
Website and IT	-	727	727	-	1,083	1,083
Equipment hire	32	-	32	-	-	-
Ticket booking fees	901	-	901	-	-	-
Admin support	-	6,935	6,935	-	5,186	5,186
Other charitable expenditure	-	736	736	-	1,368	1,368
	<u>12,208</u>	<u>11,686</u>	<u>23,894</u>	<u>5,155</u>	<u>10,742</u>	<u>15,897</u>
	<u>12,208</u>	<u>11,686</u>	<u>23,894</u>	<u>5,155</u>	<u>10,742</u>	<u>15,897</u>
Analysis by fund						
Unrestricted funds	12,142	9,015	21,157	4,655	10,133	14,788
Restricted funds	66	2,671	2,737	500	609	1,109
	<u>12,208</u>	<u>11,686</u>	<u>23,894</u>	<u>5,155</u>	<u>10,742</u>	<u>15,897</u>

6 Trustees

One trustee was reimbursed expenses of £440 from the CIO during the year (31 December 2021 £114). None of the trustees (or any persons connected to them) received any remuneration from the CIO during the year (31 December 2021 £Nil).

7 Employees

There were no employees during the year, but two part-time freelance administrators were retained.

BERWICK LITERARY FESTIVAL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

8 Debtors

	2022	2021
	£	£
Amounts falling due within one year:		
Other debtors	1,875	-
Prepayments and accrued income	-	783
	<u>1,875</u>	<u>783</u>

9 Creditors: amounts falling due within one year

	2022	2021
	£	£
Accruals and deferred income	400	550
	<u>400</u>	<u>550</u>

10 Related party transactions

There were no disclosable related party transactions during the year.