

Company registration number: 12002661

Charity registration number: 1189456

Manchester City of Literature

(A company limited by
guarantee) Annual Report and
Financial Statements for the
Period Ended 31 March 2021



A UNESCO City
of Literature

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Reference and Administrative Details

Trustees

Zahid Hussain (Chair)
Professor Sharon Handley
Professor Alessandro Schiesaro (resigned June 2021)
Professor John McAuliffe (appointed September 2021)
Cllr Emma Taylor (resigned June 2021)
Hafsah Aneela Bashir (appointed March 2021)
Jo Yee Cheung (appointed March 2021)
Mike Murphy (appointed March 2021)
Katie Popperwell (appointed March 2021)
Chandan Shergill (appointed March 2021)
Karline Smith (appointed March 2021)

Senior Management Team

Ivan Wadeson, Executive Director

Principal Office

First Floor, Town Hall
Extension,
PO Box 532,
Manchester, M60 2LA

Company Registration Number

12002661

Charity Registration Number

1189456

Independent Examiner

Catherine Hall FCCA DchA
Slade & Cooper
Beehive Mill
Jersey Street
Ancoats
Manchester
M4 6JG

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 period ended 31 March 2021.

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 17th May 2019. 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 period 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 Manchester 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 eleven individuals comprised as follows: up to one Local Authority Director; one Director appointed by the University of Manchester; one Director appointed by Manchester Metropolitan University and up to eight Community Directors. Two of the eight Community Directors may have an association with the City of Manchester or the two universities provided that at all times Community Directors with no such associations shall at all times be in the majority of the Directors. 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.

Organisational structure

The company is administered by its Directors, who are its trustees for the purposes of charity law. There are currently 9 Directors. There are usually quarterly 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

Public benefit

1.1 The charity has been established for the public benefit for the following purposes:

- (1) The advancement of education and the arts, by providing or assisting in the provision of opportunities to discover, access, engage in, learn about, understand and enjoy literature, writing, creativity, culture and heritage; and
- (2) Such other charitable purposes that benefit the public consistent with the object above as the trustees shall determine.

1.2 In support of the objects, it is envisaged that the charity will work with partners to:

- (1) celebrate literature and writing in their broadest sense;
- (2) celebrate the rich diversity of voices and languages in Manchester;
- (3) encourage reading, boost literacy and promote cultural expression;
- (4) widen access to – and engagement in – literary activity;
- (5) strengthen international connectivity through active engagement in the UNESCO Creative Cities Network, particularly with regards to the value of creativity and culture in sustainable development.

The trustees confirm that they have complied with the requirements of section 4 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

Reserves Policy

The Trustees have set a reserves policy so that they can comply with their legal duties to protect and safeguard the assets of the charity. The charity will hold designated funds, or unrestricted reserves, for the following purposes:

- To allow the Trustees to prepare for an unexpected drop in income or other change of circumstances in a volatile environment. This will be a sum not less than three months' operating costs and will allow the charity to respond to sudden change and manage the impact in an orderly manner.
- To set aside funds for the charity's employment commitments. This will be the sum relating to the Executive Team's fixed term contracts which extend beyond the end of the current confirmed grant agreements
- To invest in specific activity to advance the charitable objectives that would not otherwise happen.

To meet these commitments, the target for reserves is a minimum of £61,245 (this is calculated by

adding three months' operating costs excluding salary payments together with the total salary commitment beyond the confirmed funding period). At 31 March 2021, the figure for free reserves was £66,919, designated funds were £60,000 and restricted reserves were £7,840. The Trustees will review and approve the reserves policy in May each year as part of the preparation of the annual report and independently examined accounts.

Executive Director's Report

Our Vision and Values

Our Vision is for an innovative, distinctive, equitable, globally connected city of reading and writing, where diverse voices are celebrated, creative talent and industries are nurtured and where literary activity changes lives.

Manchester City of Literature's core values are:

- **Distinctive** – creating distinctive cultural experiences inspired by Manchester's unique, radical character and rich cultural heritage whilst looking to the future.
- **Inclusive** – celebrating the rich diversity of voices in the city, building on the strengths of Manchester's people and widening participation in literary activity.
- **Transformative** – developing skills, nurturing creative talent and transforming lives.
- **Connected** – linking and supporting literary activity and enabling collective advocacy for Manchester's literary community and international collaborations.
- **World-leading** – a beacon for high quality, culturally democratic, truly diverse literary activity.

Our Aims:

- To place words, language and stories at the centre of Manchester's diverse cultural life.
- To support learning, well-being and employability by cultivating the joys of reading and writing.
- Stimulating creative writing for all
- To connect and collaborate with international partner cities and global programmes.

An overview of our achievements and performance

Manchester City of Literature was constituted in May 2019 and recruitment undertaken for a Chair and an Executive Director during that financial year. 2020-21 was therefore the first full year of operation for this new organisation. In March 2020, the team of three were in place for just a few short weeks before the COVID-19 pandemic led to national lockdown. Despite the disruptive impact of the pandemic, Manchester City of Literature was able to deliver a new programme of activity to support the literary sector in lockdown and to engage with residents experiencing isolation; whilst also working on planning and fundraising for collaborative events such as International Mother Language Day and the inaugural Festival of Libraries. Also in this period Manchester City of Literature became a registered charity, created a three year business plan and expanded the Board from four to ten. In 2020-21, Manchester City of Literature secured over £100K of additional funding for literature in the city from Arts Council England and British Council.

Responding to the Global Pandemic

In March 2020, Manchester went into the first national lockdown, and would remain in a state of restrictions or lockdown until the following year. At that time, the Manchester City of Literature Executive team of three had only been working together for a matter of weeks. In response to the state of crisis that our city, along with its communities, their libraries, bookshops, schools, and favourite places to read and write found themselves in, we created a large-scale project to support Manchester's Literature scene as best we could: A City Connects.

In response to the need identified by our partners to amplify their digital offer, in April 2020, in just over a week, we created the A City Connects website to support any and all activity from the partnership network as it moved online.

From its launch to the retirement of the site in December 2020, there were over 150 events listed from our publishers, spoken word nights, book launches, readings and more. In that time, more than 4000 visitors used the site as a way to find out how to stay connected with the world of literature in Manchester from home.

We can find community in stories, in conversation and in learning that we are not as isolated as we thought. Literature can be the heart of this connectedness- it's what brings us together. In a world that is changing at break-neck speed, where we carry out social distancing for the good of public health, how do we stay connected? Manchester City of Literature is inspired by the possibilities that still exist for our city to bring people together. You'll find everything that's going on at the A City Connects site, whether you're a reader, a writer, you want to support independent publishers or are looking for something to entertain you or young children. [From The introduction to the original A City Connects website]

The A City Connects site connected with local residents and the wider City of Literature network, attracting people from Russia, Australia, Canada, South America, all across Europe, South Africa, New Zealand and beyond. We hosted key events on there too, including:

- Slam-o-vision global spoken word competition, when poet Jardel Rodrigues brought the joint crown home to Manchester along with Quebec City of Literature.
- For South Asian Heritage Month July-August we interviewed seven writers of South Asian heritage on their writing practice and created a reading list of their favourites to accompany the celebrations
- We launched the first Manchester Book Fair in November 2020 to support book sales direct from independent publishers, featuring twelve Manchester publishers to guide us through their insider knowledge and insight into the best reads and recommendations. The videos are available to view on our YouTube channel.
- The Hook project where we paired up contemporary writing groups with a text local to Manchester to create new work, which you can still watch exclusive discussions with partners like Commonword and the International Anthony Burgess Foundation on the Manchester City of Literature website.

A City Connects was always much more than just a website. As well as featuring events on the site, there were projects born out of our desire to join up the literature offering in the city during such a difficult time, many of which were developed around the idea of writing for wellbeing. These included:

- Creative writing workshops for vulnerable adults in partnership with The Men's Room by writer and therapist Jane Bradley
- Workshops on resilience with writer and coach Shamshad Khan for female writers of South Asian Heritage
- Commissions for three creative writing activity packs by writers Nicole May, James Varney and Cheryl Martin
- Literature activities were distributed across the city as part of the GMCA Creative Care Kits
- Spoken word night Our City Speaks in partnership with Contact Theatre, Young Identity and United We Stream, fundraising to support Manchester's nightlife as it closed during the pandemic and reaching a global audience.
- Connectedness Through Comics: we commissioned local comic artist Ian Bobb to create a comic strip that was used in workshops with 42nd Street as part of a project to discuss the effects of the pandemic on young people in partnership with MMU. The same comic was workshopped with young people in Nanjing City of Literature to show how we are all connected in our feelings of isolation during this time.

Programme of Activity and Key Achievements

To place words, language and stories at the centre of Manchester's diverse cultural life.

Following the work on A City Connects between April and October 2020, Manchester City of Literature launched its new website in November 2020. This is as **a platform to bring together and profile all the diverse literary activity in the city**. This website launch was accompanied by an eight-minute video showcasing the literary assets of Manchester that had supported the UNESCO designation and a refreshed brand identity.

Manchester City of Literature used social media to profile events and activity from over thirty partner organisations as well as collaborative calendar celebrations such as International Mother Language Day and World Poetry Day.

Social media growth for 20/21:

- Twitter – 3408 followers with a 103% increase of 1651 followers, 901 posts with impressions of 2,081,200
- Facebook – 570 followers with a 68% increase of 253 followers, 250 posts with impressions of 47,733 and engagement from 3374 followers
- Instagram – 955 followers with an increase of 955, 46 feed posts and 312 stories shared
- YouTube – 55 subscribers with an increase of 55, 50 videos listed with combined views of 2630

In January 2021, we successfully applied to work with four PHD researchers from the NW universities programme **Collaborative Labs**. The researchers will gather evidence from across the Manchester City of Literature partnership in order to illustrate the collective impact of the those working within the network since the UNESCO designation in 2017. The results of this work will be available in the first half of 2021-22.

International Mother Language Day February 2021

2021 was the fifth consecutive year that Manchester has celebrated this UNESCO calendar event. IMLD is a celebration of the nearly 200 languages spoken in Manchester and of the cultural diversity that is one of the city's strengths. The events involve libraries, cultural venues, community groups, universities, schools, poets and writers.

Between 16 and 28 February, over 18 films and online events took place celebrating language diversity. Community groups took part with The Sebene Project (who celebrate Congolese culture), the Polish Saturday School and Language and Culture of Bangladesh all making films. New cultural partners were involved in this year's celebrations including Community Arts North West, Institute Cervantes and the Centre for Chinese Contemporary Art alongside regular partners such as Manchester Libraries, Comma Press, the Confucius Institute, Multilingual Manchester and Manchester Poetry Library. This year also saw two UNESCO cities of Literature take part.

Over the period of 1st February and 1st March 2020 there were a total of 5,156 users on Manchester City of Literature's website. Within the 5,156 users, 85% of the users were new visitors. The press campaign to promote IMLD 2021 led to 51 pieces of coverage across radio, print and online media with a potential reach of over 8 million people.

We also worked with Multilingual Manchester and Manchester Libraries to create a public archive of all the projects to celebrate language diversity in Manchester between 2015 and 2019.

World Poetry Day 21 March 2021

This year we worked in partnership with Manchester Poetry Library to commission poets to create new work on the theme of 'doors as portals' and create a poetry film, featuring iconic doors from around the city, which was broadcast at 11am on Sunday 21st March 2021.

Carnegie and Greenaway nominated writer Dom Conlon explored the unassuming and forgotten doorways; poet and theatre-maker Roma Havers who has previously been commissioned by MIF, MLF, Manchester Histories and HOME wrote about survival and joy; poet, producer and translator Ali Al-Jamri cast a light on the gates at Albert Park and

belonging; and Jerwood-Arvon nominee, writer and journalist Andrew Oldham created a piece 'I have become the Green Man', all about the greening of urban spaces.

The film also includes new work from poet, artist and video film-maker Imtiaz Dharker. Dharker was awarded the Queen's Gold Medal for Poetry in 2014 and has been commissioned by Manchester Poetry Library, only the fourth such library in the UK, to create a series of poems to celebrate its opening this year, with the first of these shared in the film. Also featured are other UNESCO Creative Cities, Granada City of Literature in Spain and Slemani City of Literature in Iraq.

To support learning, well-being and employability by cultivating the joys of reading and writing.

In 2020/21 we ran five **campaigns to promote reading or writing**.

- **'17 Books for 17 Sustainable Development Goals'**. With this digital campaign delivered in December 2020, we highlighted a book each day on our social media platforms which ties in with a UNESCO SDG.
- During **South Asian Heritage Month** in July 2020, we highlighted the work of South Asian writers Anjum Malik, Haamid Sharif, Nasima Begum, Reshma Ruia and Qaisra Shahraz. We conducted interviews with these writers and highlighted literature they'd recommend for others to read. The interviews were shared on our website and via our social media platforms.
- We partnered with Contact to deliver the **iReadMe** project. A free event for families. Co-curated with Maia, 9 years old, the event was inspired by her letter to her Headteacher asking for her school to include more 'Black books by Black authors' in their reading lists and on the curriculum. Maia invited her favourite authors Nathan Bryon, Hannah Lee and Peter Kalu to read their books and have a conversation with Manchester school children, in front of a live digital audience of children and their families.
- In partnership with 42nd Street and MMU, we delivered the **Connectedness Through Comics** project. We commissioned Ian Bobb to create an interactive comic, to inspire the young people of Manchester and Nanjing to explore their experiences of social isolation brought on by the Covid pandemic.
- As part of A City Connects, Manchester City of Literature delivered two digital events to encourage reading under the umbrella title of **The Hook**. We hosted an in-conversation with Shirley May, Pete Kalu, Cheryl Martin, Mike Garry and Segun Lee-French to commemorate the life and work of the late Manchester poet Dike Omeje. We also hosted an in-conversation between Michael Schmidt, Rachel Mann and Andrew Biswell to celebrate the 40th anniversary of the publication of Anthony Burgess ground-breaking novel *Earthly Powers*.

To offer leadership in strengthening the agility and resilience of our network of writers, readers and organisations.

We launched the first **Online Manchester Book Fair** in November 2020 to support book sales direct from independent publishers, featuring twelve Manchester publishers to guide us through their insider knowledge and insight into the best reads and recommendations.

During this period we hosted 23 **Fortnightly Partnership Calls** and 5 project working groups were set up: Pathways and Progression, Evaluation, Fundraising, Festival of Libraries and IMLD.

To learn from the twenty creative writing projects that were delivered during the first phase of the pandemic, we commissioned Emma Parsons to interview project leads for these programmes to understand better the impact of **creative writing on wellbeing**. This led to a workshop for partners on the benefits and practicalities of shared evaluation including documenting methodologies and approaches.

In June 2020 we submitted a report on behalf of the partnership to the DCMS call for evidence on the impact of COVID-19 on Manchester's literary sector.

The Executive Director represented the partners and the literary sectors in cultural networks in the city including Cultural Leaders Group and sitting on the COVID-19 Board for Cultural Recovery. The Executive Director also contributed to the Creative Manchester Deep Dive Creative Industries Aspect research project and to the UKRI COVID-19 research study on behalf of partners.

The Partnerships and Communications Manager gave advice to three partners on website development including on writing tender documents.

We engaged several undergraduate and post-graduate students in placements and internships. Four RISE students from MMU reviewed the Our City of Languages event and another RISE student undertook data analysis on the social media reach of IMLD. Two MA students from the University of Manchester undertook placements on the Festival of Libraries creating digital content including bespoke tours and trails for families.

In this period we submitted five funding bids and supported two artist-led bids for International Mother Language Day events. Three bids were successful bringing an additional £105K into Manchester's literary sector. Many of our partners were also able to use the UNESCO designation to support and strengthen their individual fundraising efforts. The Executive Director also advised three writers on applying for hardship funding: one decided not to apply, the other two were successful in securing emergency grants.

To connect and collaborate with international partner cities and global programmes.

In 2020/21 we have run produced and participated in a number of international projects:

- As part of International Mother Language Day in February 2021, the livestream event Our City of Languages included specially commissioned films from other UNESCO Creative Cities: Tartu City of Literature and Nottingham City of Literature.
- Our World Poetry Day 2021 film in partnership with Manchester Poetry Library included poems from Azucena G. Blanco from Granada City of Literature (Spain) and a reading of Mahwi (a classical Kurdish poet) courtesy of Slemani City of Literature alongside Greater Manchester Poets.
- English-Kurdish Poetry Translation: A new programme sharing expertise in poetry translation between Manchester and Slemani in the Kurdistan Region of Iraq has received funding from the British Council Working Internationally fund. Both cities are UNESCO Cities of Literature, designated in 2017 and 2019 respectively, and this one-year project will be the start of wider cooperation between the two cities.
- The Manchester City of Literature team attended the annual UNESCO Cities of Literature Conference, hosted by Prague City of Literature, and delivered on for five days in September 2020. The conference brought together the 39 Cities of Literature to discuss individual and collective progress against the sustainable development goals and to explore partnership working and best practice. Manchester City of Literature shared presentations on our collaborative approach to setting up the charity and on the twenty creative writing for wellbeing projects delivered during the first phase of the pandemic.
- The Community Engagement Manager spoke at an online conference for literary professionals in Lviv talking about our approach to community engagement and inclusion.
- Manchester City of Literature created a virtual study tour for Dutch Arts Academy students with online presentations from a range of partners including Read Manchester and Manchester Libraries. This study tour will support the students to create a series of recommendations to Utrecht Library and Utrecht City of Literature on reader development strategies in Utrecht based on their research.

- Manchester City of Literature took part in the Literary Ice Rink project co-ordinated by Ulyanovsk City of Literature. This project took audio recordings of international poets and played them on the speakers as members of the public used the ice skating rink in Ulyanovsk in November 2020. Manchester-based poet Shamshad Khan's poetry was presented and read as part of the project.
- Manchester City of Literature took part in a similar project with Tartu City of Literature. Elizabeth Gibson, a Manchester-based poet was one of 13 international poets each representing a City of Literature, who had their work displayed on the buses in Tartu.
- Manchester City of Literature was successfully selected as one of 6 Cities of Literature to take part in the Mega Poetry Happening, a 24 hour stream of international poetry, co-ordinated by Quebec City of Literature in September 2020. 10 poets: Shirley May, Chris Jam, John McAuliffe, Malika Booker, Afshan d'souza Lohdi, Esther Koch, Reece Williams, Nicole May and Jonathan Kinsman each recorded a video which were broadcast as part of the event.
- Manchester City of Literature participated in the Slam O Vision project in November 2020, hosted by Tartu City of Literature. 7 other Cities of Literature participated in the digital slam, where each city put forward a poet. The poets were judged in a Eurovision-style slam, with Manchester's Jardel Rodrigues coming in at joint first place alongside the representative of Quebec.
- We secured the participation of 13 Cities of Literature to mark the opening year of the Manchester Poetry Library by contributing poems and images from their city for the Poetry Cities digital exhibition. In addition 16 Cities donated physical books to the permanent collection.

Governance

In this period, the company became a charity in May 2020. In autumn 2020 an open recruitment campaign was launched to recruit new Trustees to expand the Board. Six Trustees were appointed to the Board in March 2021.

Partners

Manchester City Council, Manchester Metropolitan University, the University of Manchester, the Ahmed Iqbal Ullah RACE Centre, the International Anthony Burgess Foundation, Carcanet, Central Library, Centre for New Writing, Chetham's Library, Commonword, Comma Press, Creative Manchester, Dead Ink Books, Dostoyevsky Wannabe, Elizabeth Gaskell's House, Flapjack Press, Fly On The Wall Press, John Rylands Library, Manchester Children's Book Festival, Manchester Libraries, Manchester Literature Festival, Manchester Poetry Library, Manchester University Press, Manchester Writing School, Manchester Muslim Writers, Pariah Press, Poets & Players, Read Manchester, Ripples of Hope, Rochdale Literature & Ideas, Saraband Press, The Portico Library, Working Class Movement Library and Young Identity.

Financial Review

The Trustees are pleased with the progress on organisational set-up, operational delivery and the financial health of Manchester City of Literature in its first year of operation. The Trustees are grateful to the three funders, Manchester City Council, the University of Manchester and Manchester Metropolitan University, for their commitment to the vision of Manchester City of Literature and their funding to establish the charity. Despite the global health crisis and the pressures this will bring, the Trustees can face the next financial period with confirmed annual funding from these three stakeholders and plans in development to grow this resource from additional sources.

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Manchester 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 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.

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime of the Companies Act 2006.

The annual report was approved by the trustees of the charity on 17 December 2021.

Signed on its behalf by:



Zahid Hussain

Chair of the Board

Independent examiner's report
to the trustees of
Manchester City of Literature

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2021 which are set out on pages 15 to 26.

Responsibilities and basis of report

As the charity 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 company'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.

Catherine Hall

Catherine Hall FCCA DChA

Slade & Cooper Limited
Beehive Mill, Jersey Street,
Manchester, M4 6JG

12 / 21 / 2021

Date.....

Manchester City of Literature
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income					
Donations and legacies	3	152,000	-	152,000	152,250
Grants and charitable contracts	4	-	7,840	7,840	51
Fees and other income	5	629	-	629	-
Investments	-	-	-	-	-
Total income		152,629	7,840	160,469	152,301
Expenditure					
Charitable activities	6	140,553	-	140,553	37,458
Total expenditure		140,553	-	140,553	37,458
Net income/(expenditure) for the year	8	12,076	7,840	19,916	114,843
Transfer between funds		-	-	-	-
Net movement in funds for the year		12,076	7,840	19,916	114,843
Reconciliation of funds					
Total funds brought forward		114,843	-	114,843	-
Total funds carried forward		126,919	7,840	134,759	114,843

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

Manchester City of Literature
Company number 12002661
Balance sheet as at 31 March 2021

	Note	2021	2020
		£	£
Current assets			
Debtors	13	150	-
Cash at bank and in hand		145,299	118,144
Total current assets		145,449	118,144
Liabilities			
Creditors: amounts falling due in less than one year	14	(10,690)	(3,301)
Net current assets		134,759	114,843
Total assets less current liabilities		134,759	114,843
Net assets		134,759	114,843
Funds of the charity			
Restricted income funds	15	7,840	-
Unrestricted income funds	16	126,919	114,843
Total charity funds		134,759	114,843

For the year in question, the company was entitled to exemption from an audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476,
- 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 are prepared in accordance with the special provisions of part 15 of the Companies Act 2006 relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The notes on pages 15 to 24 form part of these accounts.

Approved by the trustees on 17th December 2021 and signed on their behalf by:

Zahid Hussain

Name

Signed



1 Accounting policies

The principal accounting policies adopted, judgments and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a Basis of preparation

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) and the Companies Act 2006.

The charity has applied Update Bulletin 1 as published on 2 February 2016 and does not include a cash flow statement on the grounds that it is applying FRS 102 section 1A.

Manchester City of Literature meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b Reconciliation with previous Generally Accepted Accounting Practice

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No such restatement was required.

c Preparation of the accounts on a going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

There are no key judgments which the trustees have made which have a significant effect on the accounts.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next reporting period.

Notes to the accounts for the year ended 31 March 2021 (continued)

d Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of a provision of a specified service is deferred until the criteria for income recognition are met.

e Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

f Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

Notes to the accounts for the year ended 31 March 2021 (continued)

g Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

h Expenditure and irrecoverable VAT

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

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

j Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost, there are currently no fixed assets.

k Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

m Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

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Notes to the accounts for the year ended 31 March 2021 (continued)

N Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

O Pensions

The charity pays into a pension scheme (NEST) on behalf of its employees.

2 Legal status of the charity

The charity is a company limited by guarantee registered in England and Wales and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office address is disclosed on page 1.

3 Income from donations and legacies

	Unrestricted £	Restricted £	Total 2021 £	Unrestricted £	Restricted £	Total 2020 £
Core Grants						
Manchester City Council	50,000	-	50,000	50,250	-	50,250
Manchester Metropolitan University	50,000	-	50,000	50,000	-	50,000
University of Manchester	50,000	-	50,000	50,000	-	50,000
Donated services - MCC accountancy	2,000	-	2,000	2,000	-	2,000
Total	152,000	-	152,000	152,250	-	152,250

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Notes to the accounts for the year ended 31 March 2021 (continued)

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2021 £	<i>Unrestricted</i> £	<i>Restricted</i> £	<i>Total 2020</i> £
British Council	-	7,840	7,840			-
Other	-	-	-	51		51
Total	-	7,840	7,840	51	-	51

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Notes to the accounts for the year ended 31 March 2021 (continued)

5 Fees and other income

	2021 £	2020 £
Speaking fee	150	-
Other income	479	-
	<hr/>	<hr/>
	629	-
	<hr/>	<hr/>

All income from fees and trading is unrestricted.

6 Analysis of expenditure on charitable activities

	Total 2021 £	Total 2020 £
Community Engagement	11,450	-
Depreciation		
Staff costs (programme development)	69,538	21,764
Premises costs	8,050	-
Project spend	13,424	-
General running/operational costs	2,075	4,735
Professional fees	13,581	-
Marketing & PR	2,235	7,509
Monitoring and Evaluation	2,700	-
Website and social media	12,000	-
Governance costs		
Accountancy	2,800	2,000
Independent examination	1,200	1,200
Other governance costs	1,500	250
	<hr/>	<hr/>
	140,553	37,458
	<hr/>	<hr/>
	2021 £	2020 £
Restricted expenditure	-	-
Unrestricted expenditure	140,553	37,458
	<hr/>	<hr/>
	140,553	37,458
	<hr/>	<hr/>

Manchester City of Literature

Notes to the accounts for the year ended 31 March 2021 (continued)

8 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2021 £	2020 £
Depreciation	-	-
Independent examiner's remuneration		
- accountancy	-	-
- independent examination	1,000	1,000
	<hr/>	<hr/>

9 Staff costs

Staff costs during the year were as follows:

	2021 £	2020 £
Wages and salaries	66,000	18,100
Social security costs	1,471	-
Employers pension contributions	1,419	741
Payroll and pension support	648	-
	<hr/>	<hr/>
	69,538	18,841
	<hr/>	<hr/>

No employee has employee benefits in excess of £60,000 (2020: Nil).

The average number of staff employed during the period was 3 (2020: 1).

The average full time equivalent number of staff employed during the period was 2 (2020: 1).

The key management personnel of the charity comprise the trustees and the Executive Director. The total employee benefits of the key management personnel of the charity were £34,421 (2020: £15,770).

10 Trustee remuneration and expenses, and related party transactions

Neither the trustees nor any persons connected with them received any remuneration or reimbursed expenses during the year (2020: Nil).

Aggregate donations from related parties were £nil (2020: £nil).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2020: nil).

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Notes to the accounts for the year ended 31 March 2021 (continued)

11 Government grants

The government grants recognised in the accounts were as follows:

	2021 £	2020 £
Manchester City Council	50,000	50,250
	<hr/>	<hr/>
	50,000	50,250
	<hr/>	<hr/>

There were no unfulfilled conditions and contingencies attaching to the grants.

12 Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Manchester City of Literature

Notes to the accounts for the year ended 31 March 2021 (continued)

13 Debtors

	2021 £	2020 £
Trade and grant debtors	150	-
Prepayments and accrued income	-	-
	<hr/>	<hr/>
	150	-
	<hr/>	<hr/>

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors and accruals	10,690	3,301
	<hr/>	<hr/>
	10,690	3,301
	<hr/>	<hr/>

15 Analysis of movements in restricted funds

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2021 £
British Council	-	7,840	-	-	7,840
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	-	7,840	-	-	7,840
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

There were no restricted income or restricted funds in the previous year.

The balances on restricted funds are all unexpended grants for the charity's projects. Transfers from restricted funds occur when capital items are purchased and this satisfies the restriction on the funding.

Manchester City of Literature

Notes to the accounts for the year ended 31 March 2021 (continued)

16 Analysis of movement in unrestricted funds

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers £	As at 31 March 2021 £
General fund	54,843	152,629	(140,553)	-	66,919
Designated fund	60,000	-	-	-	60,000
	114,843	152,629	(140,553)	-	126,919
Previous reporting period	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers £	31 March 2020 £
General fund	-	152,301	(37,458)	(60,000)	54,843
Designated fund	-	-	-	60,000	60,000
	-	152,301	(37,458)	-	114,843

General fund The free reserves of the charity

17 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	-	-	-	-
Net current assets/(liabilities)	66,919	60,000	7,840	134,759
Total	66,919	60,000	7,840	134,759
Previous reporting period	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	-	-	-	-
Net current assets/(liabilities)	54,843	60,000	-	114,843
Total	54,843	-	-	114,843