

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee and Registered as a Charity)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011

Registered Number 4339438

Charity Number 1128820

WEDNESDAY



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**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

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**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2011**

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

Registered Name	The Oxford Literary Festival
Company Number	04339438
Registered Charity Number	1128820
Date of Incorporation	13 December 2001
Registered Office Address	Greyfriars Court Paradise Square Oxford OX1 1BE
Directors and Trustees	J G Harris (President) B Thew (Chairman) G Benson B Hardy C I M Jones (resigned 29 June 2011) D J McLaren (resigned 29 June 2011) M R Patten (resigned 29 June 2011) Dame M Richardson (resigned 29 June 2011)

The directors of the charitable company (the charity) are also its trustees for the purpose of charity law

Secretary	G Benson
Bankers	NatWest Bank 16 Market Place Woodstock Oxfordshire OX20 1TB
Independent Auditors	Critchleys LLP Greyfriars Court Paradise Square Oxford OX1 1BE

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)**

GOVERNANCE AND MANAGEMENT

Governing Document

The Oxford Literary Festival is a company limited by guarantee and is governed by its Memorandum and Articles of Association. As at 26 March 2010 the company, The Oxford Literary Festival became a charity and is registered with the Charity Commission (registered number 1128820)

Trustees

The Board of Trustees appoint new members of the Board either to fill a casual vacancy or by way of addition to the Board. Particular emphasis is placed upon the appointment of trustees with knowledge and experience relevant to the charity's activities.

Organisational structure and how decisions are made

Day to day administration of the charity is delegated to Sally Dunsmore, as Chief Executive, under the supervision of the Board of Trustees. Decision-making powers are retained by the Trustees and exercised at their regular meetings.

Risk Management

The Trustees have identified the major risks which may affect the charity and have taken reasonable steps to mitigate those risks.

OBJECTIVES AND ACTIVITIES

The objective of the charity is 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 Oxford.

The Trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)**

ACHIEVEMENTS AND PERFORMANCE

The Sunday Times Oxford Literary Festival continued to build on its reputation for innovative programming and distinguished national and international speakers. The quality of the testimonials from authors and writers were the most complimentary received.

The major initiatives introduced at The 2011 Festival were -

- a) The extension of The Festival site to include Merton College (alongside Christ Church and Corpus Christi College)
- b) The introduction of two half day conferences at The Festival
- c) A celebration of William Golding with the author's daughter, Judy Golding
- d) A new programme of Science events with The University's Oxford Martin School for The 21st Century organized by Science Writer and author, Georgina Ferry
- e) A World Class series of Food and Cookery writers brought to The Festival by Oxford Gastronomica at Oxford Brookes University including –
 - Madhur Jaffrey
 - Ken Hom
 - Professor Jessica Harris
 - Pru Leith
- f) HSBC have become The Festival's Global Banking Partner with a major series of speakers sponsored by HSBC Premier

Among the highlights of the 2011 Festival were –

- 1 The Launch of the Festival's new African Literature and Culture strand at The Sheldonian Theatre by HRH The Princess Royal with Ben Okri
- 2 The presentation of The Festival's Honorary Fellowship to Kazuo Ishiguro
- 3 The presentation of The Sunday Times Award for Literary Excellence to Michael Frayn
- 4 The fourth five day residential Creative Fiction Writing Course at Corpus Christi College

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)**

ACHIEVEMENTS AND PERFORMANCE (continued)

The Board wish to record their warm appreciation and thanks to

- 1 The record number of long-standing and new sponsors, sponsors and partners who make the Festival possible – whose generosity is greatly valued
- 2 The Dean and Governing Body of Christ Church, the Governing Body of Corpus Christi College and all the employees of the Colleges for providing all the facilities and support to stage the Festival in such beautiful and historic surroundings
- 3 The Sunday Times for its extensive promotion, advertising and coverage of the Festival
- 4 The voluntary staff and helpers throughout the year – and at the Festival itself, who do so much to make the general public feel so welcome

FINANCIAL REVIEW

In the year ended 30 June 2011, the Festival's income from donations, sponsorship and other receipts fell to £169,701 from £248,845 in 2010 due to the difficult current environment for fundraising. Revenues from the Literary Festival and events held in March 2011 rose by 22% to £287,867. The 2011 revenues included ticket sales of £231,639 (net of commission), 15% higher than those of the previous year. Costs, which largely relate to the 2011 Festival, on the other hand, increased by only 8%.

As a result, the Festival saw a net outflow of funds of £40,844 in the 2011 financial year compared with an inflow of funds of £11,931 in the previous year. At 30 June 2011, the Festival had net liabilities. Notwithstanding the net liabilities shown on the balance sheet, these financial statements have been prepared on a going concern basis as the Trustees are confident that sufficient funds will be available to enable operations to continue at a sustainable level for a period of at least 12 months from the approval of the accounts by the Trustees.

Reserves policy

The Trustees have considered the sustainability of the charity and believe that a minimum reserve of £25,000 should be retained. The company is not yet in a position to achieve this objective.

PLANS FOR THE FUTURE

- 1 Ticket sales for the 2012 Festival will go on sale in December
- 2 The Festival website is being redesigned and upgraded by Gibson Media and there will be the introduction of Social Media links

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)**

SMALL COMPANY EXEMPTIONS

The financial statements have been prepared in accordance with provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

ON BEHALF OF
THE TRUSTEES

A handwritten signature in black ink, appearing to be 'Bruce Thew', written over a horizontal line.

Bruce Thew (Director/Trustee)

23 September 2012

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of The Oxford Literary Festival for the purposes of company law) 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)

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year. In preparing the financial statements, 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and which enable them to ensure that the accounts comply with the Companies Act 2006. 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.

In so far as the Trustees are aware, there is no relevant audit information of which the charitable company's auditor is unaware, and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

ON BEHALF OF
THE TRUSTEES



Bruce Thew (Director/Trustee)

23 September 2012

THE OXFORD LITERARY FESTIVAL**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OXFORD LITERARY FESTIVAL**

We have audited the financial statements of The Oxford Literary Festival for the year ended 30 June 2011 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 5, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited accounts. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2011 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 Companies Act 2006.

Emphasis of matter

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the charitable company's ability to continue as a going concern. The charitable company has generated a deficit for the year ended 30 June 2011 of £40,844 (2010 surplus of £11,931) and consequently net assets have fallen to £148,776 (2010 £107,932). These conditions indicate the existence of a material uncertainty which may cast doubt upon the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

THE OXFORD LITERARY FESTIVAL

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OXFORD LITERARY FESTIVAL
(continued)**

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Annual Report of the Trustees for the financial year for which the accounts are prepared is consistent with the accounts

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or
- the accounts are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Robert Kirtland, Senior Statutory Auditor
for and on behalf of Critchleys LLP
Statutory Auditors

Oxford

24 September 2012

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 30 JUNE 2011

	Note	Unrestricted Funds £	2011 £	2010 £
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income				
Donations, grants and similar incoming resources	2	169,701	169,701	248,845
Incoming resources from charitable activities	3	287,867	287,867	235,251
Other incoming resources		<u>16,593</u>	<u>16,593</u>	<u>5,009</u>
Total incoming resources		<u>474,161</u>	<u>474,161</u>	<u>489,105</u>
RESOURCES EXPENDED				
Cost of generating funds				
Costs of generating voluntary income	4	37,000	37,000	30,000
Cost of charitable activity				
Literary festival and events	4	477,464	477,464	445,860
Governance costs	4	<u>541</u>	<u>541</u>	<u>1,314</u>
Total resources expended		<u>515,005</u>	<u>515,005</u>	<u>477,174</u>
Net movement in funds		(40,844)	(40,844)	11,931
Reconciliation of funds				
Balance brought forward		(107,932)	(107,932)	(119,863)
Funds as at 30 June 2011		<u>(148,776)</u>	<u>(148,776)</u>	<u>(107,932)</u>

The notes on pages 11 to 15 form part of these statements

All activities are continuing. There are no gains or losses other than those recognised through the Statement of Financial Activities.

As a company limited by guarantee a reconciliation of shareholders' funds is not considered appropriate.

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

(Registered number: 04339438).
BALANCE SHEET
AS AT 30 JUNE 2011

	Note	£	2011 £	£	2010 £
Fixed assets					
Tangible assets	7		96		129
Current assets					
Debtors	8	128,264		80,714	
Cash at bank and in hand		<u>100,828</u>		<u>32,539</u>	
		229,092		113,253	
Current liabilities					
Creditors amounts falling due within one year	9	(277,964)		(121,314)	
Net current (liabilities)/assets			(48,872)		(8,061)
Total assets less current liabilities			(48,776)		(7,932)
Creditors amounts falling due after more than one year	10		(100,000)		(100,000)
Net liabilities			(148,776)		(107,932)
Funds					
Unrestricted			(148,776)		(107,932)
Total funds			(148,776)		(107,932)

The financial statements have been prepared in accordance with provisions applicable to companies subject to the small companies regime under the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

These accounts were approved and authorised for issue by the Board of Trustees on 23 September 2012



Bruce Thew (Director/Trustee)

The notes on pages 11 to 15 form part of these accounts

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011**

1. ACCOUNTING POLICIES

a) Basis of preparation

The accounts are prepared under the historical cost convention, with the exception of investments which are included at market value. The accounts are prepared in accordance with the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities (issued in 2005) and with the Financial Reporting Standard for Smaller Entities (effective April 2008).

b) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

(i) Donations and grants

Income from donations and grants is included in incoming resources when these are receivable, except as follows:

- When donors specify that donations and grants given to charity must be used in future accounting years, the income is deferred until those years.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions for use have been met.

(ii) Incoming resources from charitable activities are accounted for when they are earned

c) Resources expended

Resources expended are included in the statement of financial activities on an accruals basis, inclusive of any VAT which cannot be recovered and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly.

d) Fund accounting

The only funds held by the charity are unrestricted general funds, being those which can be used in accordance with its charitable objects at the discretion of the Trustees.

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)**

1. ACCOUNTING POLICIES (continued)

e) Tangible fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. The costs of minor additions are not capitalised.

Depreciation is provided on the following basis:

Office equipment - 25% reducing balance

f) Going concern

Notwithstanding the net liabilities shown on the balance sheet, these financial statements have been prepared on a going concern basis as the Trustees are confident that sufficient funds will be available to enable operations to continue at a sustainable level for a period of at least 12 months from the approval of the accounts by the Trustees. As at 30 June 2011, the charity has an interest-free 3 year loan of £100,000 in place. In addition to this, the pattern of the charity's activities is such that voluntary income will be available from major donors at stepped intervals throughout the next 12 months, enabling the Trustees and Chief Executive to manage cashflow effectively. The Trustees are also confident that sufficient funds have been pledged by key supporters to enable the charity to cover its current liabilities and embark upon its programme for the 2013 Festival.

2. DONATIONS, GRANTS AND SIMILAR INCOMING RESOURCES

	2011 £	2010 £
Chartwells	15,000	-
Blackwells	12,500	17,251
Cox & Kings	-	35,666
HSBC	50,000	-
Baile, Gifford & Co	25,000	25,000
Sunday Times	30,000	30,000
Other donations, grants and sponsorship	<u>37,201</u>	<u>140,928</u>
	<u>169,701</u>	<u>248,845</u>

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2011 £	2010 £
Literary festival and events		
Ticket sales (net of commission)	231,639	201,089
Writing courses	34,640	19,425
Commissions receivable	15,883	13,557
Advertising	<u>5,705</u>	<u>1,180</u>
	<u>287,867</u>	<u>235,251</u>

THE OXFORD LITERARY FESTIVAL LIMITED
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

4. RESOURCES EXPENDED

	Charitable Activity: Running a Literary Festival and				
	Cost of Generating Funds £	Related Events £	Governance Costs £	2011 £	2010 £
Salaries and wages	-	35,486	-	35,486	35,486
Employer's NI contributions	-	3,086	-	3,086	3,080
Administrative assistance	-	17,049	-	17,049	14,346
Sponsorship commission	37,000	-	-	37,000	30,000
Speakers' fees and travel	-	116,062	-	116,062	75,723
Venue costs and equipment hire	-	156,559	-	156,559	167,393
Event running costs	-	75,502	-	75,502	66,406
Insurance	-	1,466	-	1,466	1,615
Postage and stationery	-	872	-	872	621
Advertising	-	21,361	-	21,361	23,728
Telephone and fax	-	616	-	616	2,030
Printing	-	21,395	-	21,395	24,155
Travelling and subsistence	-	19,955	-	19,955	25,568
Bank charges	-	-	371	371	1,089
Book-keeping	-	-	-	-	-
Office running costs	-	4,912	-	4,912	4,736
Sundry expense	-	3,110	170	3,280	1,155
Depreciation of office equipment	-	33	-	33	43
	<u>37,000</u>	<u>477,464</u>	<u>541</u>	<u>515,005</u>	<u>477,174</u>

5. NET (OUTGOING) RESOURCES

Net (outgoing) resources are stated after charging the following

	2011 £	2010 £
Trustees' expenses reimbursed	406	164
Depreciation	33	43
Auditors' remuneration	<u>-</u>	<u>-</u>

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)

6. STAFF COSTS

	2011 £	2010 £
Salaries and wages	35,486	35,486
Social security costs	<u>3,086</u>	<u>3,080</u>
	<u>38,572</u>	<u>38,566</u>

No employee earned £60,000 or more per annum in either of the above years

The average number of full-time equivalent employees (including casual and part-time staff) during the year was 2 (2010 2)

No Trustees received any remuneration during the year (2010 £NIL)

Two trustees were reimbursed a total of £406 (2010 £164) for travel and subsistence expenses

7. FIXED ASSETS

	Office Equipment £
Cost	
As of 1 May 2010	1,536
Additions	<u>-</u>
As at 30 June 2011	<u>1,536</u>
Depreciation	
As of 1 May 2010	1,407
Charge for the year	<u>33</u>
As at 30 June 2011	<u>1,440</u>
Net book value	
At 30 June 2011	<u><u>96</u></u>
At 30 June 2010	<u><u>129</u></u>

8. DEBTORS

	2011 £	2010 £
Trade debtors	118,063	46,406
Prepayments and accrued income	-	33,510
VAT	<u>10,201</u>	<u>798</u>
	<u>128,264</u>	<u>80,714</u>

**THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2011 (CONTINUED)**

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011 £	2010 £
Trade creditors	237,836	110,833
Taxes and social security	14,608	-
Owed to Directors	20	20
Accruals and deferred income	<u>25,500</u>	<u>10,461</u>
	<u>277,964</u>	<u>121,314</u>

Deferred income

Brought forward	15,000
Released in the year	(15,000)
Deferred in the year	<u>15,000</u>

Carried forward

-

Deferred income brought forward represented payments in advance for the 2011 Oxford Literary Festival

10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Other loans	<u>100,000</u>	<u>100,000</u>

11 MEMBERS' LIABILITY

Every Trustee undertakes to contribute to the assets of the charity in the event of it being wound up while he or she is a member or within one year after he or she ceases to be a member, an amount not exceeding £1

The total amount of such guarantees at 30 June 2011 was £4 (2010 £8)