

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

CONTENTS

	Page
Report of the Trustees	1-6
Independent Auditor's Report	7-8
Statement of financial activities	9
Balance sheet	10
Notes forming part of the financial statements	11-15

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee and Registered as a Charity)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

Registered Number 4339438
Charity Number 1128620

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THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2014

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

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

Secretary: G Benson

Bankers: HSBC Bank plc
65 Cornmarket Street
Oxford
Oxfordshire
OX1 3HY

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 2014 (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 confirm that they have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

Page 3

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE

FT Weekend became the title sponsor for the 2014 Festival which had some 500 speakers from 20 countries over 9 days all staged in historic University or college buildings. The major initiatives introduced were:

- i. The development of the new association with the Bodleian Library as the Festival's cultural partner.
- ii. A new festival marquee and bookshop run by Blackwell's situated between the Sheldonian Theatre and the Bodleian Library.

Among the highlights of the 2014 festival were:

- The Chancellor's Lecture given by Orhan Pamuk
- The presentation of the Festival's honorary fellowship to Jan Morris
- The Bodley Lecture delivered by Ian McEwan who received the Bodley Medal from Bodley's Librarian
- The 6th five day residential creative writing course at Corpus Christi College
- The launch of our leadership programme with HSBC
- Two weekends of major events for children and young people featuring Michael Morpurgo, Philip Pullman, and Malorie Blackman
- Margaret Atwood speaking at the festival closing dinner

The Board wish to record their warm appreciation and thanks to:

- i. The ever increasing number of long-standing and new sponsors, donors and partners whose generosity makes the Festival possible. No state or public funding of any kind is received by the Festival.
- ii. The Bodley Librarian and the Director of the Oxford Martin School for their new support for the festival.
- iii. FT Weekend and the Financial Times for their extensive promotion, advertising and coverage of the Festival.
- iv. The volunteers and helpers throughout the year and at the Festival who seek to provide a warm and informed welcome for the general public.

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

Page 4

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

ACHIEVEMENTS AND PERFORMANCE (continued)

FINANCIAL REVIEW

In the year ended 30 June 2014, the Festival's Income from donations, sponsorship and other receipts fell to £187,580 from £214,303 in 2013 due to an increase in donors to the Literary Festival. Revenues from the Literary Festival and events held in March 2014 fell by 11.7% to £272,976. The 2014 revenues included ticket sales of £231,493 (net of commission), 11.1% lower than those of the previous year. Costs, which largely relate to the 2014 Festival, reduced by 1.8%.

As a result, the Festival saw a net outflow of funds of £18,535 in the 2014 financial year compared with an inflow of funds of £34,319 in the previous year. At 30 June 2014, 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 - especially given the strong level of existing scholarship and new negotiations in hand, together with the fact that the 2014 Festival will have made a surplus.

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

The Festival's national and international programmes are being expanded, and it is anticipated that record levels of advertising and promotional support will be achieved.

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

Page 5

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2014 (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



Bruce Thew (Director/Trustee)

24-03 2015

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

Page 6

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30 JUNE 2014 (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

24-03-2015

Bruce Thew (Director/Trustee)



2015

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 2014 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 6, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 30 June 2014 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

THE OXFORD LITERARY FESTIVAL

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE OXFORD LITERARY FESTIVAL
(continued)**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 incurred a deficit for the year ended 30 June 2014 of £18,535 (2013: surplus of £34,319) and consequently net assets have reduced from a £125,409 deficit in 2013 to a deficit of £143,944 as at 30 June 2014. 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.

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

27/3/2015

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30 JUNE 2014

	Note	Unrestricted Fund £	2014 £	2013 £
INCOMING RESOURCES				
Incoming resources from generated funds				
Voluntary income:				
Donations, grants and similar incoming resources	2	187,580	187,580	214,303
Incoming resources from charitable activities				
	3	272,976	272,976	309,028
Other incoming resources				
		<u>11,186</u>	<u>11,186</u>	<u>10,172</u>
Total incoming resources		471,742	471,742	533,503
RESOURCES EXPENDED				
Cost of generating funds:				
Costs of generating voluntary income	4	30,000	30,000	31,250
Cost of charitable activity:				
Literary festival and events	4	458,322	458,322	466,256
Governance costs	4	<u>1,955</u>	<u>1,955</u>	<u>1,678</u>
Total resources expended		490,277	490,277	499,184
Net movement in funds		(18,535)	(18,535)	34,319
Reconciliation of funds				
Funds as at 30 June 2013		<u>(125,409)</u>	<u>(125,409)</u>	<u>(159,728)</u>
Funds as at 30 June 2014		(143,944)	(143,944)	(125,409)

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. Net movement in funds is also the charitable company's net expenditure for the year.

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


THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

BALANCE SHEET
AS AT 30 JUNE 2014

	Note	2014 £	2013 £
Fixed assets			
Tangible assets	7	1,631	1,419
Current assets			
Debtors	8	79,280	104,666
Cash at bank and in hand		<u>23,034</u>	<u>22,948</u>
		102,314	127,614
Current liabilities			
Creditors: amounts falling due within one year	9	(147,889)	(154,442)
Net current liabilities		(45,575)	(26,828)
Total assets less current liabilities		(43,944)	(25,409)
Creditors: amounts falling due after more than one year	10	(100,000)	(100,000)
Net liabilities		(143,944)	(125,409)
Funds			
Unrestricted		(143,944)	(125,409)
Total funds		(143,944)	(125,409)

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 24/03 2015


Bruce Thew (Director/Trustee)

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (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 2014, the charity has an interest-free 2 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 2015 Festival.

2. DONATIONS, GRANTS AND SIMILAR INCOMING RESOURCES

	2014 £	2013 £
Sellers	25,000	30,000
Chartwells (Compass Group)	-	21,000
Blackwells	10,000	22,535
HSBC	95,000	90,000
Sunday Times	-	30,000
Financial Times	23,287	-
Other donations, grants and sponsorship < £10k	<u>34,293</u>	<u>20,768</u>
	187,580	214,303

3. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	2014 £	2013 £
Literary festival and events		
Ticket sales (net of commission)	231,493	260,561
Writing courses	28,929	35,967
Commissions receivable	3,783	6,933
Advertising	<u>8,771</u>	<u>5,567</u>
	272,976	309,028

THE OXFORD LITERARY FESTIVAL LIMITED
(Limited by Guarantee)

Page 13

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

4. RESOURCES EXPENDED

	Charitable Activity: Running a Literary Festival & Related Events			Governance Costs	
	Cost of Generating Funds	£	£	£	£
Salaries and wages	-	30,000	-	30,000	31,000
Employer's NI contributions	-	1,083	-	1,083	3,079
Administrative assistance	-	13,720	-	13,720	14,000
Sponsorship commission	30,000	-	-	30,000	31,250
Speakers' fees and travel	-	96,264	-	96,264	104,107
Venue costs and equipment hire	-	104,078	-	104,078	119,401
Event running costs	-	89,669	-	89,669	117,238
Insurance	-	1,707	-	1,707	1,654
Postage and stationery	-	2,523	-	2,523	1,357
Advertising	-	57,122	-	57,122	21,718
Telephone and fax	-	754	-	754	944
Printing	-	19,069	-	19,069	19,869
Travelling and subsistence	-	25,649	-	25,649	24,596
Bank charges	-	-	565	565	658
Book-keeping	-	-	1,390	1,390	620
Office running costs	-	10,837	-	10,837	4,596
Sundry expense	-	4,053	-	4,053	1,374
Charitable donations	-	1,250	-	1,250	1,250
Depreciation of office equipment	-	544	-	544	473
	<u>30,000</u>	<u>458,322</u>	<u>1,955</u>	<u>490,277</u>	<u>499,184</u>

5. NET (OUTGOING) RESOURCES

Net (outgoing) resources are stated after charging the following:

	2014 £	2013 £
Trustees' expenses reimbursed	1,053	715
Depreciation	544	473
Auditors' remuneration	<u>-</u>	<u>-</u>

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

Page 14

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

6. STAFF COSTS

	2014 £	2013 £
Salaries and wages	30,000	31,000
Social security costs	<u>1,083</u>	<u>3,079</u>
	<u>31,083</u>	<u>34,079</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 1 (2013: 1).

No Trustees received any remuneration during the year (2013: £NIL).

Two trustees were reimbursed a total of £1,053 (2013: £715) for travel and subsistence expenses.

7. FIXED ASSETS

	Office Equipment £
Cost	
As of 1 July 2013	3,356
Additions	<u>756</u>
As at 30 June 2014	<u>4,112</u>
Depreciation	
As of 1 July 2013	1,937
Charge for the year	<u>544</u>
As at 30 June 2014	<u>2,481</u>
Net book value	
At 30 June 2014	<u>1,631</u>
At 30 June 2013	<u>1,419</u>

THE OXFORD LITERARY FESTIVAL
(Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014 (CONTINUED)

8. DEBTORS

	2014	2013
	£	£
Trade debtors	56,440	84,500
Prepayments and accrued income	20,901	7,500
VAT	<u>1,939</u>	<u>12,666</u>
	<u>79,280</u>	<u>104,666</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	115,527	111,116
Taxes and social security	-	32,356
Owed to Directors	20	20
Other creditors	30,477	-
Accruals and deferred income	<u>1,865</u>	<u>10,950</u>
	<u>147,889</u>	<u>154,442</u>

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

	2014	2013
	£	£
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 2014 was £4 (2013: £4)