

REGISTERED COMPANY NUMBER: 1494221 (England and Wales)
REGISTERED CHARITY NUMBER: 510670

LANCASTER AND DISTRICT FESTIVAL LIMITED
REPORT OF THE TRUSTEES AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

Foster & Co Ltd
Unit 16 Eastway Business Village
Olivers Place
Fulwood
Preston
PR2 9WT

LANCASTER AND DISTRICT FESTIVAL LIMITED

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LANCASTER AND DISTRICT FESTIVAL LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2023. The trustees have adopted the provisions of the Statements of Recommended Practice (SORP) applicable to Charities preparing their accounts.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

1494221 (England and Wales)

Registered Charity Number

510670

Registered Office

The Storey
Meeting House Lane
Lancaster
LA1 1TH

Trustees/(Directors)

J Bell (Chair)
J Hope
N S Charlesworth
WJG Swainson
S M Argent
O R Egdell-Page
E R Crighton
M J Lounds (Resigned 30 April 2022)

Company Secretary

N S Charlesworth

Accountants

Foster & Co Ltd
Unit 16 Eastway Business Village
Olivers Place
Fulwood
Preston
PR2 9WT

Solicitors

Oglethorpe, Sturton & Gillibrand
16 Castle Park
Lancaster
LA1 1YG

The full name of the Charity is Lancaster & District Festival Ltd. We operate under the name of, and are hereafter referred to as, 'Litfest'.

LANCASTER AND DISTRICT FESTIVAL LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

OBJECTIVES AND ACTIVITIES

Objectives and activities

The objects for which the Company is established are to promote, maintain, improve and advance public education, appreciation and understanding of the Arts. With particular reference to literature, Litfest exists to develop, challenge and celebrate literary excellence, and the organisational aims are as outlined below.

Organisational aims

- a. develop, challenge and celebrate literary excellence through participative reading and writing projects.
- b. be a regionally and nationally significant organisation.
- c. achieve audience and readership for the promotion and publication of writers.
- d. invest in the professional development of writers.
- e. create opportunities for writers, in particular those from the North West, and the sub region.
- f. broaden and enhance the education, appreciation and understanding of literature among writers and readers.
- g. underpin the ambitions stated above by being an artistically, operationally and financially robust organisation with effective governance.
- h. operate at a capacity which allows for opportunistic or reactive partnerships or projects to be developed and pursued.

STRUCTURE AND GOVERNANCE

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Recruitment and appointment of new trustees

The new trustees are appointed by the board of trustees.

The organisation seeks to recruit trustees with skills appropriate to the charities objectives and organisational requirements. Suitable candidates are invited to board meetings prior to being voted onto the board.

Induction and training of new trustees

Newly elected trustees are provided with copies of the written constitutions of the charity and a written copy of the aims and objectives of the charity.

Organisation structure and how decisions are made

The Board of Trustees (Directors) meet every three months. The board establishes small working parties as and when necessary to deal with particular issues. Working parties report back to the full meetings of the board. The Finance Officer provides the management accounts to the board on a quarterly basis. Decisions are made with reference to the charity's aims and objectives.

Relationship with other groups, charities and individuals

Litfest receives core support annually from Lancaster City Council and the Arts Council.

Public Benefit

The Trustees have complied with their duty under Section 17 (5) of the Charities Act 2011 to pay due regard to the Charities Commission guidance concerning public benefit in deciding what activities the charity should undertake.

RISK MANAGEMENT

The trustees have a duty to identify and review the risks to which the charity is exposed. A risk assessment is carried out by the Trustees each year, which identifies the major risks faced by the company and reviews the systems and procedures in place to manage those risks.

LANCASTER AND DISTRICT FESTIVAL LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

PERFORMANCE MANAGEMENT

In recognition of Litfest's status as an organisation both led and run by volunteers, we have developed robust systems to maximise efficiency and to maintain and improve our ongoing standards of delivery. During the course of the coming year we will continue to revised and update all operational systems and continue to develop practices and policies, which will include:

- An updated Equal Opportunities and Diversity Policy
- Grievance procedures and policies
- Health and Safety Policy
- Monitoring and evaluation systems for all staff, volunteers, audiences, participants and stakeholders.
- Independently examined accounts

EQUAL OPPORTUNITIES STATEMENT

Equality of opportunity is extremely important to all the work undertaken by Litfest. We value the diversity of individuals and do not discriminate on grounds of race, faith, disability, gender, sexuality, age or any other. As the cultural landscape changes we recognised the benefits to be gained by tapping into the potential and strengths in all social groups.

As an arts organisation we fully understand the need to have an equal opportunities / cultural diversity approach at the heart of our working practices. We have in place an Equal Opportunities and Diversity Policy and Action Plan that is regularly revised and developed.

FINANCIAL REVIEW

Incoming resources for the year were £80786 (2022 £73719)

Resources expended for the year were £86674 (2022 £75338)

Reserves policy

The charity works to maintain an operation reserve equivalent to the cost of running the organisation for 3 full months (an amount in the region of £3,000).

Funds in deficit

The charity does not have any funds which are materially in deficit.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards applicable law).

The financial statements are required by law to give a true and fair view of the state of affairs of the charitable company and of its surplus or deficit of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to 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.

LANCASTER AND DISTRICT FESTIVAL LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The Chair's Annual Report

This year we celebrated our 44th Annual Festival in March 2023. Litfest delivers two festivals a year now, the Spring festival in March which is the main festival, supported by the Autumn Weekend in October.

The Autumn Festival which was held 6th to the 12th October 2022 was very well received. We had good audience take up both through our online offer and our in-person offer. Our livestreaming of each event is proving really popular and we are able to engage with a wider audience who may be local to the district or live in different parts of the UK or abroad. We will continue to offer both options to our audiences as we go forward.

We ran our digital 'Poetry Mosaic' project again in the autumn and we did get more schools engaging. The school pack we had created was sent to 5 schools in total. It was brilliant to have young people who provided video readings at our National Poetry Day event hosted by poet Claire Shaw, alongside the twelve adults. Over 200 people were included in the poetry mosaic which included school children.

Litfest 2023 had 50 participating artists and speakers, 3 beautiful exhibitions, 6 welcoming venues, 2 high schools and 1,400 wonderful audience members in person, while a further 438 watched as we livestreamed the events. All of which was the culmination of months of planning. All of the festival events were available on www.YouTube/litfest until the end of April 2023 and over 2,180 people have caught up online. The audience figures were very good for the Spring Festival and for some events the auditorium reached capacity. Feedback shows that a good percentage of the audience were attending for the first time, so it is good to see we have been able to achieve a wider reach this year. The festival has included workshops in schools with the poet Katy Hale and we also liaised with the RSPB to provide two walks for year 8 students around Leighton Moss nature reserve with ornithologist and Professor Tim Birkhead. There were also two walks for the public to attend which focused on the Lancaster and the Atlantic Slave Trade.

Litfest continues to promote the Big Read Challenge. This part of the Litfest programme does need further thought and energy as we move forward in 2023/24. The authors chosen this year were popular with children and young adults. Cynthia Murphy's *Last One to Die* on the 17 March, 'a supernatural terror-fest' highly recommended for 11-15 years and Frank Cottrell-Boyce's *Noah's Gold*: perfect for those aged 8-11.

Litfest continues to deliver the monthly International Fiction Book Club throughout the year and has included many outstanding writers and translators.

Partnerships and the development of activities alongside events have been a key part of the organisation's work throughout 2022–23. This year we have worked successfully with more departments at Lancaster University (9 altogether), Lancaster Arts, Lancashire County Library Service, Lancashire Museum Service (Judges Lodgings), Lancaster City Museum, Bay Leadership Academy, Ripley St Thomas and three other schools, RSPB Leighton Moss, The Storey, The Herbarium, The Wordarium and The Sewing Café Lancaster. Lancaster City Council continue to be both a valuable partner and funder of LitFest, we are indebted to them for their continued support. We continue to develop the partnership with Lancaster University, jointly presenting the Lancaster Environment Lecture (George Monbiot) and The Lancaster International Fiction Lecture (Geetanjali Shree, winner of the 2022 International Booker Prize), working particularly with the English Language and Creative Writing department, whose events we support in The Storey by providing both PR and a bookshop.

In the light of the cost of living crisis, the board took the decision to make all events free this year but to ask for donations instead of people paying for tickets. This strategy has paid off in terms of people giving what they could afford and at the same time making the festival more accessible. This approach will need to be considered for future festivals alongside the development of more grant applications and other funding streams such as the bookshop and setting up a Friends of Litfest group.

We received funding grants this year from the National Heritage Lottery Fund, the Granada Foundation, Elizabeth and Richard Wilson Charitable Trust, the Michalski Foundation and the Areti Charitable Trust. The Bookshop also provides income towards the festival and has proved very popular at events.

Throughout the year we had good coverage on the radio and press. This year we took the decision to promote the festival with a banner in Market Square and at St Nic's Arcade, which raised awareness, as did our website and the physical brochures we mailed out and promoted in different locations in the city and beyond. Litfest uses social media to its full advantage and the board and members of staff have worked hard to promote the festivals on several platforms.

LANCASTER AND DISTRICT FESTIVAL LIMITED
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2023

The Litfest board is ambitious for the future and this year has shown we are definitely on the right path.

In conclusion, this quote from a member of the audience sums up what we all believe is the value and purpose of Litfest.

“Litfest is such a valuable part of the life of Lancaster – thanks to all who help it continue. I really liked the breadth and variety of the festival, it was energising.”

On behalf of the board

Julie Bell
Chair of Litfest

17 October 2023

INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF LANCASTER AND DISTRICT FESTIVAL LIMITED

I report on the accounts of the charitable company for the year ended 31 March 2023, which are set out on pages 7 to 12.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 (“the 2006 Act”).

The charity’s trustees consider that an audit is not required for this year under Part 16 of the 2006 Act and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act); and
- to state whether particular matters have come to my attention.

Basis of independent examiner’s report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a ‘true and fair view’ and the report is limited to those matters set out in the statement below.

Independent examiner’s statement

In connection with my examination, no material matters have come to my attention which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 386 of the Companies Act 2006; or
- the accounts do not accord with such records; or
- the accounts do not comply with relevant accounting requirements under section 396 of the Companies Act 2006, 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
- the accounts have not been prepared in accordance with the Charities SORP (FRS102).

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.

Miss JK Foster ACA
Foster & Co Ltd
Unit 16 Eastway Business Village
Olivers Place
Fulwood
Preston
PR2 9WT

Date 17 October 2023

LANCASTER AND DISTRICT FESTIVAL LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 March 2023

Notes	2023 Unrestricted Funds	2022 Total Funds
	£	£
INCOMING RESOURCES		
Incoming resources from generated funds		
Activities for generating funds	80644	73717
Investment income	142	2
	-----	-----
Total incoming resources	80786	73719
	-----	-----
RESOURCES EXPENDED		
Charitable activities		
Human resources	3786	3498
Physical resources	2487	2126
Running costs	2523	3075
Organisational objective	76122	65569
Governance costs	1756	1070
	-----	-----
Total resources expended	86674	75338
	-----	-----
NET (OUTGOING) RESOURCES	(5888)	(1619)
RECONCILIATION OF FUNDS		
Total funds brought forward	29179	30798
	-----	-----
TOTAL FUNDS CARRIED FORWARD	23291	29179
	-----	-----

The notes form part of these financial statements

LANCASTER AND DISTRICT FESTIVAL LIMITED
BALANCE SHEET AT 31 MARCH 2023

	Notes	2023	2022
		£	£
FIXED ASSETS			
Tangible assets	9	487	609
		—	—
CURRENT ASSETS			
Stocks		1438	1917
Debtors	10	7765	6372
Cash at bank and in hand		38274	34300
		—	—
		47477	42589
CREDITORS			
Amounts falling due within one year	11	(24673)	(14019)
		—	—
NET CURRENT ASSETS		22804	28570
		—	—
TOTAL ASSETS LESS CURRENT LIABILITIES		23291	29179
		—	—
TOTAL NET ASSETS		23291	29179
		—	—
FUNDS OF THE CHARITY			
Unrestricted Funds	12	23291	29179
		—	—
TOTAL FUNDS		23291	29179
		—	—

The company was entitled to exemption from audit under s477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies' regime and in accordance with FRS102 SORP.

The financial statements were approved by the Board of Trustees on 17 October 2023 and were signed on its behalf by;

Julie Bell – Trustee

The notes form part of these financial statements

LANCASTER AND DISTRICT FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2023

1. **ACCOUNTING POLICIES**

Accounting convention

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with The Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014, and with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102 as applied to small entities by section 1A of the standard), the Companies Act 2006 and with the Charities Act 2011.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accrued for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided as the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery etc. – at varying rates on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operated leases are charged to the statement of financial activities on a straight line basis over the period of the lease.

Deferred Income

Transition funding has been deferred to match the funding to the periods in which expenditure is expected to occur.

2. **ACTIVITIES FOR GENERATING FUNDS**

	2023	2022
	£	£
Grants	28928	23935
Income from Activities	8903	14337
Other Income	42813	35445
	<hr/>	<hr/>
	80644	73717
	<hr/>	<hr/>

LANCASTER AND DISTRICT FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2023

3.	INVESTMENT INCOME	2023	2022
		£	£
	Deposit Account Interest	142	2
		<hr/>	<hr/>
4.	CHARITABLE ACTIVITIES COSTS	2023	2022
		£	£
	Human Resources	3786	3498
	Physical Resources	2487	2126
	Running Costs	2523	3075
	Organisational Objective	76000	65417
		<hr/>	<hr/>
		84796	74116
		<hr/>	<hr/>
5.	GOVERNANCE COSTS	2023	2022
		£	£
	Accountancy	1756	1070
		<hr/>	<hr/>
6.	NET INCOMING/(OUTGOING) RESOURCES		
	Net resources are stated after charging:	2023	2022
		£	£
	Depreciation – Owned Assets	122	152
		<hr/>	<hr/>

7. **TRUSTEES' REMUNERATION AND BENEFITS**

During the year ended 31 March 2023 (and 2022) the trustees have calculated a notional charge for work undertaken and have included details within organisational objective costs. Payments on normal commercial terms at an arm's length basis have also been made to a trustee for services supplied.

Trustees' Expenses

Apart from amounts paid at an arm's length transaction as detailed above no trustees expenses were paid for the year ended 31 March 2023 (2022 £nil).

LANCASTER AND DISTRICT FESTIVAL LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2023

8.	STAFF COSTS	2023	2022
		£	£
	Wages and Salaries	3786	3498
		<hr/>	<hr/>
9.	TANGIBLE FIXED ASSETS	Fixtures and	
		Fittings	Total
		£	£
	COST		
	At 1 April 2022 and 2023	15402	15402
		<hr/>	<hr/>
	DEPRECIATION		
	At 1 April 2022	14793	14793
	Charge for the Year	122	122
		<hr/>	<hr/>
	At 31 March 2023	14915	14915
		<hr/>	<hr/>
	NET BOOK VALUE		
	At 31 March 2023	487	487
		<hr/>	<hr/>
	At 31 March 2022	609	609
		<hr/>	<hr/>
10.	DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
		£	£
	Trade Debtors	7765	6372
		<hr/>	<hr/>
11.	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2023	2022
		£	£
	Income Received in Advance	6157	8766
	Trade Creditors and Accruals	18516	5253
		<hr/>	<hr/>
		24673	14019
		<hr/>	<hr/>

LANCASTER AND DISTRICT FESTIVAL LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 March 2023

12. **MOVEMENTS IN FUNDS**

	At 1/4/22	Net Movement in Funds	At 31/3/23
	£	£	£
Unrestricted Funds			
General Fund	29179	(5888)	23291
	_____	_____	_____
TOTAL FUNDS	29179	(5888)	23291
	_____	_____	_____

Net movements in funds, included in the above, are as follows:

	<u>Incoming Resources</u>	<u>Resources Expended</u>	<u>Movement in Funds</u>
	£	£	£
<u>Unrestricted Funds</u>			
General Fund	80786	86674	(5888)
	_____	_____	_____
TOTAL FUNDS	98786	86674	(5888)
	_____	_____	_____

FOR TRUSTEES USE ONLY

LANCASTER AND DISTRICT FESTIVAL LIMITED
DETAILED STATEMENT OF FINANCIAL ACTIVITIES
For the Year Ended 31 March 2023

	<u>Notes</u>	2023		2022
		£	£	£
INCOMING RESOURCES				
Activities for Generating Funds				
Grants	A	28928		23935
Income from Activities	B	8903		14337
Other Income	C	42813		35445
		—————		—————
		80644		73717
Investment Income				
Deposit Account Interest		142		2
		—————		—————
Total Incoming Resources		80786		73719
		—————		—————
RESOURCES EXPENDED				
Expenditure on Activities:-				
Books		3662	4532	
Project Costs and Artists Fees and Expenses		35000	29037	
Trustee Services Donated		37460	32000	
		—————	—————	65569
		76122		
ADMINISTRATIVE EXPENSES				
Wages		3786	3498	
Rent & Service Charges		2487	2126	
Insurance		550	432	
Telephone & Internet		240	240	
Postage and Stationery		415	496	
Bank Charges		429	453	
Sundries and Office Expenses		767	1302	
Depreciation Less Profit on Disposals on Fixtures and Fittings		122	152	
		—————	—————	8699
		8796		
Governance Costs				
Accountancy		1756	1070	
		—————	—————	1070
		1756		
Total Resources Expended		86674		75338
		—————		—————

This page does not form part of the statutory financial statements

FOR TRUSTEES USE ONLY

LANCASTER AND DISTRICT FESTIVAL LIMITED
ADDITIONAL INFORMATION RE YEAR ENDED 31 MARCH 2023

	2023	2022
	£	£
A <u>Grants</u>		
Lancaster City Council	11300	10900
Arts Council	979	10301
National Lottery	8000	-
Duchy of Lancaster Benevolent Fund	-	500
Michalski Foundation	6389	1234
Elizabeth and Richard Wilson Charitable Trust	500	1000
Granada Foundation	1000	-
Areti Charitable Trust	760	-
	-----	-----
	28928	23935
	-----	-----
B <u>Income from Activities</u>		
Book Sales	5676	4455
Project and Event Income	3227	9882
	-----	-----
	8903	14337
	-----	-----
C <u>Other Income</u>		
Donation/Gift Aid	42813	35445
	-----	-----

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