

Company number: 5870623

Charity Number: 1152499

Commonword Enterprises Limited

Report and financial statements
For the year ended 31st March 2018

TUESDAY



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Commonword Enterprises Limited
Reference and administrative information
for the year ended 31st March 2018

Company number 5870623

Charity number 1152499

Registered office and operational address No. 3 Planetree House, 21-31 Oldham Street
Manchester, M1 1JG

Management committee The members of the management committee, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Kirit Patel Chair (Elected 17 November 2017)

Uzma Tariq Chaudhry Treasurer

Julia Davis

Zahra Alijah

Sivamohan Valluvan Secretary

Dr Shahireh Sharif (Appointed 30 November 2017)

Jennifer Makumbi-Morris (Resigned 16 March 2018)

Bankers Bank of Scotland
The Mound
Edinburgh, EH1 1YZ

Independent Examiner James Gore-Langton FCCA DChA
Slade & Cooper Limited,
46-50 Oldham St,
Manchester, M4 1LE

Commonword Enterprises Limited
Management committee's annual report
for the year ended 31st March 2018

The management committee presents their report and the unaudited financial statements for the year ended 31st March 2018. Included within the management committee's report is the directors' report as required by company law.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Objects

The Objects of the charity as set out in its Memorandum of Association are:

To advance education for the benefit of the public in the subject of creative writing, literature and the Arts; to formulate, prepare and establish schemes therefore; and to co-operate with other charitable organisations having similar objects and to establish, promote or assist such charitable organisations.

Our Vision

- Help new writers in the North West of England and beyond become more successful
- Seek to enable everyone to participate in creative writing
- Organise writers' development programmes for communities and young people. Commonword also runs mentoring programmes, conferences, courses, participatory events, festivals, workshops and public readings
- Give information and advice to individuals and groups on the craft of writing
- Keep writers up to date on publishing opportunities and writing networks
- Link local and regional writers with national and international writers
- Assist writers in the setting up and running of their own organisations
- Work with Black & Minority Ethnic communities and individuals developing their creative writing

Mission

Our mission is to help new writers become more successful.

Our Charitable Activities

The management committee reviews the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The management committee reports the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the management committee ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The management committee has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the management committee considers how planned activities will contribute to the aims and objectives that have been set.

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Activities undertaken for public benefit in relation to objects

Commonword continues to build its writing development programme for black writers, fine tuning the programme in response to feedback and the evolving aspirations of the writers.

Commonword has had a productive year, continuing development programmes from the previous year and starting new initiatives. The focus of our mentoring and hothousing of black writers this year was on new and unpublished talent, with two of our poets being selected for our own biennial publishing programme and several writers being published for the first time in our crime flash fiction anthology, *Shots in the Dark*. Our special focus on Diversity in Children's literature has continued to pay fulsome dividends with national exposure and general acceptance that too few black writers and black characters are featured in UK children's literature. Our diversity-led approach continues to reap dividends through our partnership with Penguin Books and it is pleasing to see writers inspired by our programme forging ahead within Penguin's own development programme.

Our Women in the Spotlight programme continues to support and advance the careers of the women taking part. This year's strand culminated in the publication and launch of *sounds that exceed 80 decibels*, an anthology of work by 14 of the women who are taking part in the programme.

Our flash fiction development initiative for black writers continues, with the publication of *Shots in the Dark*, our anthology of crime flash fiction. Featuring the work of 31 BAME writers, all of whom have been mentored by Commonword.

Superheroes of Slam, our biennial slam competition, significantly expanded its reach, adding an international dimension with a heat in Berlin, as well as new heats in Bristol and Birmingham. With slam competitions in general having experienced a significant decline in diversity we were extremely pleased that this year's Superheroes attracted our highest ever number of female participants and reversed the decline in BAME participants.

We have continued to show firm financial discipline in getting the whole of the artistic programme delivered on time and within budget and have continued to firm up our reserves, including by increasing the amount of income obtained via private income generation.

The strong results of our artistic programme against a background of sensible financial management together suggest the company has maintained excellent standards and achieved well in its goal of helping new writers to become more successful.

Feedback from Users and Partners:

@yolandamercy tweeted on 5 May 2017:

At our book launch @cultureword in Manchester. So honoured to have my spoken word published

@JoBrandonPoet tweeted on 6 May 2017:

Amazing event last night for @cultureword 'Sounds that exceed 80 decibels' Brilliant work & performances!

@arvonfoundation tweeted on 2 Jun 2017

Replying to @cultureword

Initiatives such as this are so important at this time. We wish you the best of luck and shout if we can help in anyway

@thepoetdominic tweeted on 5 Sep 2017

Nice one @cultureword - Lovely to be your Writer of the Month

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#poetry #spokenword

@clancym123 tweeted on 12 Oct 2017

Excellent night at the #SuperherosofSlam grand final with @cultureword, so many talented poets!

@BlueBirdTail tweeted on 13 Dec 2017

Man, Mr Kalu, my original writing workshop leader. Big up @cultureword Manchester, evening workshops and slams while I was studying Food Tech, introducing me to the work of @lemnsissay. Thanks!

@QaisraShahraz tweeted on Feb 2 2018

Thank you @cultureword- wful memories of my connection with Commonword recalled- helped me with start of my #writing career- ie #stories with @lemnsissay & @peterkalu celebrating new book 'The Concubine & Slave Catcher'

@anjummalik tweeted on Feb 23 2018

What a great afternoon- thank you Pete Kalu and Commonword

A few quotes from our slam competition Superheroes of Slam:

'Fun, lively, exciting'

'Good fun. Relaxed friendly vibe suited the performances. Thoroughly enjoyable'

'Entertaining and informative'

'A fantastic range of talent nestled in a warm and enthusiastic surrounding'

'Headliner was ace'

'My first poetry event – was so good, enjoyed it so much'

Achievements and performance

The charity's main activities and who it tries to help are described below. All its charitable activities focus on writer development and are undertaken to further Commonword Enterprise Limited's charitable purposes for the public benefit. The following are our eight main achievements:

1 Superheroes of Slam 2017

This year's Superheroes of Slam competition significantly expanded the competition's reach, adding an international dimension with a heat in Berlin, as well as new heats in Bristol and Birmingham. In total there were 8 heats across the North and the Midlands, and 1 heat in Berlin.

With slam competitions in general experiencing a significant decline in diversity as many spoken word performers disengage from competition, Superheroes foregrounded our core strengths as an organisation: we achieved the highest ever number of female participants and reversed the decline in BAME participants. We also achieved our highest ever total audience for the competition, and experienced significant engagement on social media.

In organising the competition we were able to raise with our partner organisations the question of who participates in popular spoken word and how we find and develop new audiences. Marketing for the competition specifically targeted black and female audiences and sought engagement through face to face networking alongside social media. The conversations generated created spaces for black and female spoken word performers to re-engage with the slam format. The final attracted a sell out audience and was very well received by our Relationship Officer at the Arts Council.

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2 Diversity Young Adult Fiction Prize

In 2017-18 the Diversity Writing for Children Prize was rebranded as the Diversity Young Adult Fiction Prize. This was due to the growing interest from writers in writing for young adult audiences. The focus remained on telling narratives from a black perspective. In order to ease the transition from the previous prize market, and to highlight Commonword's continued dedication to developing writing for children, the Prize still accepts entries aimed at middle grade readers.

This year also saw the release of Bridget Blankley's novel, *The Ghosts and Jamal*, which was the winner of the Diversity Writing for Children Prize 2016/17. Her novel was published by Hope Road and has received coverage from The Book Trust and the National Autistic Society. One other writer from the 2016/17 shortlist has also been offered a publishing deal for her shortlisted entry.

Due to formatting issues the anthology featuring extracts from the best entries to the prize was delayed until later in 2018.

3 Mentoring

Our mentoring programme continues to pay dividends. Two of the poets we are mentoring have reached a standard where they are able to progress onto our publishing programme. One of our poets, Hafsa Bashir, who we have mentored for several years, took part in Women in the Spotlight and subsequently achieved a book deal with Burning Eye Press. Alumni from our mentoring programme continue to come to Commonword for advice and support, including Jennifer Makumbi, whose novel *Kintu* was extensively workshopped at Commonword and was published by Transit Books in the US and by One World in the UK.

4 Shots in the Dark

We have continued to cultivate and develop black flash fiction writers. Following on from the success of last year's *Elevator Fiction*, we published an anthology of black crime flash fiction, *Shots in the Dark*. Featuring 31 BAME writers it was launched at the Three Minute Theatre to a full house. As with *Elevator Fiction*, all of the writers in the anthology are currently or previously mentored by Commonword staff. A number of the writers are regular attendees of the Identity and Advanced Fiction groups. Identity writers brought their pieces to Wednesday night workshops prior to submission to get constructive feedback from the group. Writers were encouraged to submit three pieces of which up to two of were selected.

5 Women in the Spotlight - Sounds Exceeding 80 Decibels

The anthology, *Sounds exceeding 80 decibels*, was published. The launch event sold out and generated a lot of positive social media responses. Subsequent to the launch one of the women taking part secured a book deal with Burning Eye Press, and another gained funding from the Arts Council to develop their monologue.

6 National and International Platforms and Networks

Our Superheroes of Slam competition included a sell out Berlin heat. Three of our poets/performers following this were invited over to perform at Berlin Spoken Word as the headline act. This was one of many events at which Commonword staff were invited to on national and international platforms to

Commonword Enterprises Limited
Management committee's annual report
for the year ended 31st March 2018

promote North West writers, black writing and to disseminate the findings of our on-going diversity in literature research.

7 Young Identity

We are now in the sixth and final year of our Big Lottery Commonword Young Identity Project. From a small base in one South Manchester district, the project has spread out to engage young people across Manchester in spoken word poetry. It has also grown some remarkable young poets. One of the poets, Isaiah Hull continues to advance his career. He has appeared on BBC Radio and is regularly booked for events.

The outstanding, quarterly One Mic Stand nights continued to deliver entertaining poetry to appreciative audiences. As the project prepared for independence they scaled down their commitments. Nevertheless they continued to perform nationally, including at the Hay Festival, the BBCs Contains Strong Language, HATCH at HOME, and Cabaret For Freedom as part of Manchester Literature Festival.

Financial review

The Charity's unrestricted liquid reserves at year end stand at £90,967.

Reserves policy

Reserves are required to cover any disparity between spending on our programme and the income we generate through grants and private income generation and to ease transitions between one source of funding and another. Reserves are also maintained to guard against exceptional, unplanned expenditure. The reserves also function as a means to mitigate main risks to the organisation such as the withdrawal of a main funder.

In reaching our target reserve amount we took into account the following:

1. forecasts for levels of income in future years, taking into account the reliability of each source of income and the prospects for opening up new sources
2. forecasts for expenditure in future years on the basis of planned activity
3. analysis of future needs, opportunities, contingencies and risk
4. assessment, on the best evidence reasonably available, of the likelihood of each of those needs and risks arising and the potential consequences for the organisation of not being able to meet them
5. consideration of wind up arrangements and the financial consequences arising from this

Based on these considerations our policy is to maintain sufficient free reserves to provide cover for 6 months in relation to known liabilities, along with a smaller additional provision of 1 month free reserves for unforeseen liabilities.

Our total target reserve therefore amounts to 7 months running costs. On this basis our target reserve is £80,905.

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for the year ended 31st March 2018

Structure, governance and management

Recruitment and Appointment of Management Committee

The management committee makes wide general appeal to find those who are willing to serve as members on the Committee. The recruitment strategy takes cognisance of the particular skill sets of existing members and attempts to ensure a well-rounded, diverse membership with excellent expertise who can individually and collectively assist the charity in furthering its aims.

New management committee members are appointed by ordinary resolution according to articles 34 to 38 of Commonword Enterprise Ltd's constitution. There is no upper limit to the number of management committee members but there is a minimum threshold of 3.

The organisation is a charitable company limited by guarantee having no share capital. It was incorporated on 10th July 2006 and registered as a charity on 19 June 2013. The company is established under a Memorandum of Association which establishes the object and powers of the charitable company and is governed under its Articles of Association.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31st March 2018 was 7 (2017:5). The members of the management committee are members of the charity but this entitles them only to voting rights. The members have no beneficial interest in the charity.

All members of the management committee give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

Commonword Enterprises Limited
Management committee's annual report
for the year ended 31st March 2018

Statement of responsibilities of the management committee

The members of the management committee (who are also directors of Commonword Enterprises Limited for the purposes of company law) are responsible for preparing the management committee's annual 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 management committee 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 period. In preparing these financial statements, the management committee is 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 and statements of recommended practice 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 management committee is responsible for keeping proper accounting records that 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.

The management committee is responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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 management committee's annual report has been approved by the members of the management committee on 22/11/2018 and signed on their behalf by



Kirit Patel

Chair

Independent examiner's report
to the trustees of
Commonword Enterprises Limited.

I report to the charity trustees on my examination of the accounts of the company for the year ended 31st March 2018 which are set out on pages 10 to 22.

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').

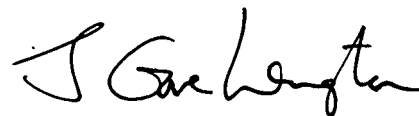
Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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.



James Gore-Langton FCCA DChA
Slade & Cooper Limited
Green Fish Resource Centre, 46-50 Oldham Street
Manchester, M4 1LE
Date: 29/11/2018

Commonword Enterprises Limited
Statement of Financial Activities
(including Income and Expenditure account)
for the year ended 31 March 2018

	Note	Unrestricted funds £	Restricted funds £	Total funds 2018 £	Total funds 2017 £
Income from:					
Donations	3	-	-	-	181
Charitable activities	4	99,671	141,347	241,018	188,886
Total income		99,671	141,347	241,018	189,067
Expenditure on:					
Charitable activities	5	100,693	94,618	195,311	170,703
Total expenditure		100,693	94,618	195,311	170,703
Net income/(expenditure) for the year	7	(1,022)	46,729	45,707	18,364
Transfer between funds		-	-	-	-
Net movement in funds for the year		(1,022)	46,729	45,707	18,364
Reconciliation of funds					
Total funds brought forward		129,557	29,433	158,990	140,626
Total funds carried forward		128,535	76,162	204,697	158,990

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

Commonword Enterprises Limited
Company number 5870623

Balance sheet as at 31 March 2018

	Note	2018	2017
		£	£
Fixed assets			
Tangible assets	12	3,727	51,926
Total fixed assets		3,727	51,926
Current assets			
Stock		-	127
Debtors	14	39,915	4,917
Investments	13	35,000	
Cash at bank and in hand		129,024	105,118
Total current assets		203,939	110,162
Liabilities			
Creditors: amounts falling due in less than one year	15	(2,969)	(3,098)
Net current assets		200,970	107,064
Total assets less current liabilities		204,697	158,990
Net assets		204,697	158,990
The funds of the charity:			
Restricted income funds	16	76,162	29,433
Unrestricted income funds	17	128,535	129,557
Total charity funds		204,697	158,990

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 12 to 22 form part of these accounts.

Approved by the management committee on 22/11/2018 and signed on their behalf


Kirit Patel (Chair)

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018

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) issued on 16 July 2014 (as updated through Update Bulletin 1 published on 2 February 2016) - (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.

Commonword Enterprises Limited 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 Preparation of the accounts on a going concern basis

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

No key judgments which the management committee has made which have a significant effect on the accounts.

The members of the management committee 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 2018 (continued)

c 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.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

d 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 management committee's 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.

e 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.

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

f 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 management committee has 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.

g 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. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

h 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.

i Tangible fixed assets

Individual fixed assets costing £250 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold property	2% straight line
Improvements to freehold property	10% straight line
Computer equipment	25% straight line
Office furniture & equipment	20% straight line
Improvements to premises	20% straight line

Notes to the accounts for the year ended 31 March 2018 (continued)

j Stock

Stock is included at the lower of cost or net realisable value. In general, cost is determined on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

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.

k Current asset investments

The charity's current asset investments comprise investment property held for sale. The investment properties were initially recognised at transaction value and are subsequently measured at their fair value at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation at the balance sheet date.

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.

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

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 10. There were £62 outstanding contributions at the year end.

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

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 2018 £	Total 2017 £
Donations	-	-	-	181
Total	-	-	-	181
<i>Total by fund 31 March 2017</i>	181	-	181	

4 Income from charitable activities

	Unrestricted £	Restricted £	Total 2018 £	Total 2017 £
Grants				
Arts Council England, North West	94,247	-	94,247	94,247
Big Lottery Fund	-	63,321	63,321	84,428
HLF Lottery	-	69,900	69,900	-
Awards for All	-	8,126	8,126	-
	94,247	141,347	235,594	178,675
Fees and other income				
Intern placement	-	-	-	942
Fees and other income	5,333	-	5,333	8,914
Sales of publications	91	-	91	355
	5,424	-	5,424	10,211
Total	99,671	141,347	241,018	188,886
<i>Total by fund 31 March 2017</i>	104,458	84,428	188,886	

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

5 Analysis of expenditure on charitable activities

	Total 2018 £	Total 2017 £
Salaries	103,478	101,150
Premises	21,602	22,200
Development	39,200	34,555
Marketing	959	473
Book production	1,087	493
Sundry expenses	118	242
Administration	8,588	4,856
Bank charges	-	181
IT and software	608	2,058
Depreciation	3,850	2,995
Loss on disposal of fixed assets	1,108	-
Impairment of fixed assets	13,213	-
Governance costs (see note 6)	1,500	1,500
	<hr/>	<hr/>
	195,311	170,703
	<hr/>	<hr/>
	2018 £	2017 £
Restricted expenditure	94,618	83,739
Unrestricted expenditure	100,693	86,964
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	195,311	170,703
	<hr/>	<hr/>

6 Analysis of governance costs

	Total 2018 £	Total 2017 £
Accountancy and independent examination	1,500	1,500
	<hr/>	<hr/>
	1,500	1,500
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Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

7 Net income/(expenditure) for the year

This is stated after charging/(crediting):	2018	2017
	£	£
Depreciation	3,850	2,996
Loss/(profit) on disposal of fixed assets	1,108	-
Impairment of fixed assets	13,213	-
Operating lease rentals:		
Property	12,000	12,000
Other	509	509
Independent examiner's fee		
Accountancy	1,000	1,000
Independent examination	250	250
Payroll	616	462
	<u> </u>	<u> </u>

8 Staff costs

Staff costs during the year were as follows:

	2018	2017
	£	£
Wages and salaries	99,217	96,446
Social security costs	3,483	3,639
Pension costs	628	607
Staff training	150	458
	<u> </u>	<u> </u>
	103,478	101,150
	<u> </u>	<u> </u>

No employee has employee benefits in excess of £60,000 (2017: Nil).

The average number of staff employed during the period was 7 (2017: 8).

The average full time equivalent number of staff employed during the period was 4 (2017: 4).

The key management personnel of the charity comprise the management committee and the Chief Executive Officer. The total employee benefits of the key management personnel of the charity were £16,364 (2017: £13,543).

9 Management committee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration during the year (2017: Nil).

Two members of the management committee received travel and subsistence expenses during the year of £88 (2017: £93).

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

Uzma Chaudhry was commissioned to do artwork for Mirrors book cover and was paid £100 during the year. Otherwise no members of the management committee 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 (2017: nil).

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

10 Government grants

The government grants recognised in the accounts were as follows:

	2018 £	2017 £
Arts Council England, North West	94,247	94,247
	<u>94,247</u>	<u>94,247</u>

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

11 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.

12 Fixed assets: tangible assets

Cost	Freehold property £	Fixtures and fittings £	Equipment £	Total £
At 1 April 2017	63,086	2,169	19,105	84,360
Additions	-	-	4,972	4,972
Transfer to investments	(63,086)	-	-	(63,086)
Disposals	-	(2,169)	(13,414)	(15,583)
	<u>-</u>	<u>-</u>	<u>10,663</u>	<u>10,663</u>
At 31 March 2018	-	-	10,663	10,663
Depreciation				
At 1 April 2017	13,014	2,169	17,251	32,434
Charge for the year	1,859	-	1,991	3,850
Impairment of assets	13,213	-	-	13,213
Transfer to investments	(28,086)	-	-	(28,086)
Disposals	-	(2,169)	(12,306)	(14,475)
	<u>-</u>	<u>-</u>	<u>6,936</u>	<u>6,936</u>
At 31 March 2018	-	-	6,936	6,936
Net book value				
At 31 March 2018	-	-	3,727	3,727
At 31 March 2017	50,072	-	1,854	51,926

The French property has been devalued to reflect the need for repairs to the external walls; and the continuing downwards pressure on prices subsequent to the decision of the British Parliament, in the light of the In/Out referendum result, to exit from the European Union. The valuation is also consistent with the recent revaluation of the property by a French estate agent.

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

13 Current assets investments

	2018 £	2017 £
Market value at the start of the year	-	-
Add: reclassification from tangible fixed assets	35,000	-
	<hr/>	<hr/>
Market value at the end of the year	35,000	-
	<hr/>	<hr/>

Current asset investments consisted entirely of an investment property held for sale. The property is on the market for sale and is valued at the sale price proposed by Avenant Au Mandat Vente, less the estimated costs of sale.

14 Debtors

	2018 £	2017 £
Grants receivable	34,950	-
Accrued income	-	838
Prepayments	4,965	4,079
	<hr/>	<hr/>
	39,915	4,917
	<hr/>	<hr/>

15 Creditors: amounts falling due within one year

	2018 £	2017 £
Other creditors and accruals	2,969	3,098
	<hr/>	<hr/>
	2,969	3,098
	<hr/>	<hr/>

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

16 Analysis of movements in restricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2018 £
Big Lottery Fund	29,433	63,321	(92,754)	-	-
HLF Lottery	-	69,900	-	-	69,900
Awards for All	-	8,126	(1,864)	-	6,262
Total	29,433	141,347	(94,618)	-	76,162

Previous reporting period	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2017 £
Big Lottery Fund	28,744	84,428	(83,739)	-	29,433
Total	28,744	84,428	(83,739)	-	29,433

Name of restricted fund	Description, nature and purposes of the fund
Big Lottery Fund	Young Identity is an arts engagement and community development project for young people aged 15-25. The project develops new skills and enhances existing skills, and promotes wellbeing and community involvement, through spoken word and performance.
HLF Lottery	The Commonword Community Archive Project is an outreach, curation and engagement project based on the Commonword Archive. The project will use our archive to engage the general public in the literary activist history of Manchester, and to promote creative writing in marginalised communities. The archive will also be made available to the general public online.
Awards for All	Silence Will Not Protect You is a six month empowerment, development and advocacy project for women who are seeking asylum, are refugees, or who experience domestic violence. The project utilises drama, poetry and film to enable participants to develop the skills and confidence necessary to advocate for themselves and their communities.

Commonword Enterprises Limited

Notes to the accounts for the year ended 31 March 2018 (continued)

17 Analysis of movement in unrestricted funds

	Balance at 1 April 2017 £	Income £	Expenditure £	Transfers £	As at 31 March 2018 £
General fund	129,557	99,671	(100,693)	-	128,535
	<u>129,557</u>	<u>99,671</u>	<u>(100,693)</u>	<u>-</u>	<u>128,535</u>
	<u>129,557</u>	<u>99,671</u>	<u>(100,693)</u>	<u>-</u>	<u>128,535</u>
Previous reporting period	Balance at 1 April 2016 £	Income £	Expenditure £	Transfers £	As at 31 March 2017 £
General fund	111,882	104,639	(86,964)	-	129,557
	<u>111,882</u>	<u>104,639</u>	<u>(86,964)</u>	<u>-</u>	<u>129,557</u>
	<u>111,882</u>	<u>104,639</u>	<u>(86,964)</u>	<u>-</u>	<u>129,557</u>
Name of unrestricted fund	Description, nature and purposes of the fund				
General fund	The free reserves after allowing for all designated funds				

18 Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total £
Tangible fixed assets	3,727	-	-	3,727
Net current assets/(liabilities)	124,808	-	76,162	200,970
	<u>128,535</u>	<u>-</u>	<u>76,162</u>	<u>204,697</u>
Total	128,535	-	76,162	204,697

19 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property		Equipment	
	2018 £	2017 £	2018 £	2017 £
Less than one year	3,000	12,000	-	509
One to five years	-	3,000	-	-
	<u>3,000</u>	<u>15,000</u>	<u>-</u>	<u>509</u>