

Charity registration number SC037984 (Scotland)

Company registration number SC317495 (Scotland)

WIGTOWN FESTIVAL COMPANY
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

WIGTOWN FESTIVAL COMPANY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs A. McDowall Ms P K Cochrane Dr N P Walker Mr R Davis Mrs C Agnew Mr S D Bythell Ms B Goodyear Mr P Heald Ms G Brown Ms K Carden Mr E Hocknell	(Appointed 10 November 2022) (Appointed 14 April 2022) (Appointed 10 September 2023) (Appointed 10 September 2023) (Appointed 10 September 2023) (Appointed 10 November 2022)
Secretary	Dr N Walker	
Key management personnel	Miss A Barclay - Operational Director Mr A Turpin - Strategic & Artistic Director	
Charity number (Scotland)	SC037984	
Company number	SC317495	
Registered office	11 North Main Street Wigtown Newton Stewart DG8 9HN	
Auditor	Farries, Kirk & McVean Chartered Accountants Dumfries DG1 3SJ	
Bankers	Bank of Scotland 37 Albert Street Newton Stewart DG8 6EF	
Accountants	Montpelier Chartered Accountants 1 Dashwood Square Newton Stewart DG8 6EQ	

WIGTOWN FESTIVAL COMPANY

CONTENTS

	Page
Trustees' report	1 - 4
Independent auditor's report	5 - 8
Statement of financial activities	9
Balance sheet	10
Statement of cash flows	11
Notes to the financial statements	12 - 27

WIGTOWN FESTIVAL COMPANY

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

The trustees present their annual report and financial statements for the year ended 31 March 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Mission

Our mission is to produce the UK's most vibrant book festival and develop the literary and cultural wealth of Scotland's National Book Town and its region. In doing so, we will also deliver social and economic benefits for the people of our region.

Vision

Our vision is that a prosperous and confident Wigtown will be nationally and internationally renowned for its annual book festival, and celebrated as a hub for literary and artistic activity and a destination for cultural tourism.

In pursuit of this vision, the charity holds the following values:

- A vibrant, original, intelligent and popular literary festival is the foundation on which our activities rest.
- We value literature and other art forms for their own sakes while seeking to maximise social and economic benefits they may bring.
- Our roots are in our local community and place: we will listen to and be responsive to those around us.
- The arts can transform young people's sense of what is possible: we will create opportunities for them to be involved as creators, organisers and audience.
- Volunteers are vital to our organisations: we will respect them and their skills and make volunteering as rewarding as possible.
- We respect the wealth of Dumfries & Galloway's creative talent and will seek partnerships with individuals and organisations.

The charity does not distribute grants.

WIGTOWN FESTIVAL COMPANY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

In 2022 Wigtown Festival Company programmes began to return to pre-pandemic format with more in-person gatherings.

From 23 September until 2 October, the Company hosted the 24th Wigtown Book Festival. The programme featured 241 events for adults, young people and children, welcoming an in-person audience of 15,200 people. Retaining the new accessibility established in 2020 and 2021, 20 events within the programme were also live-streamed, reaching a further 696 people.

The Festival programme featured more than 50 events as part of Scotland's Year of Stories 2022 theme including two new commissions: Into the Night, a 75-minute immersive Dark Skies walk celebrating our relationship with the night sky; and The Bookshop Untold, a site-specific theatre piece telling the story of a magic bookshop that revealed the story of an early love affair of Sir Walter Scott.

The audience survey received positive responses. 32% of respondents were attending the Festival for the first time, and 97% described their overall experience as good, very good or excellent.

Our commitment to supporting writers and readers was sustained through our year-round programme which saw the continuation of Wigtown Poetry Prize, Wigtownshire Young Writers, Book Bridge young readers group, Compass mentoring programme for regional writers, Reading Teachers = Reading Pupils book group for teachers, and Big DoG Children's Festival in Dumfries.

A new Education Tour was launched, reaching 5535 children from more than 40 schools across Dumfries and Galloway.

The Open Book opened more regularly with 33 guests taking up the bookshop holiday experience.

The gift and bookshop Number 11 continued to trade both in person and online throughout the year.

Financial review

The financial statements have been prepared in accordance with current statutory requirements and the charity's memorandum and articles of association.

The income of the charity for the year was £614,135 as compared to £489,402 the previous year. Overall the charity had a deficit of £32,781 (2022: deficit £12,686), this includes a deficit on restricted funds of £35,667. The charity made an unrestricted surplus of £2,886 in the year. The directors continue to explore ways of reducing costs in the future.

The charity is primarily funded by sponsorship, ticket sales, donations and grants from EventScotland, Dumfries & Galloway Council, Creative Scotland, Holywood Trust and Kilgallioch Community Fund.

Reserves Policy

Under the requirements of charity law the trustees are obliged to define the charity's policy for holding reserves. The intention in establishing this reserves policy is to ensure the continuation of the charity's activities. The policy will enable the charity to meet its legal objectives, provide confidence to supporters and donors seeking to give financial support to a prudently controlled charity and to ensure that the reserves are at a level sufficient to discharge all the charity's obligations in the event that it should cease operations. A large proportion of the charity's reserves are held in bank accounts. It is the trustees considered opinion that in the event of the charity having to cease its operations there should be sufficient reserves available to allow the charity's obligations to be discharged. The reserves which the charity is required to maintain are those needed to fund ongoing monthly costs and further development. To this end the trustees have decided that the charity should seek to have unrestricted reserves which are not invested in fixed assets (free reserves) of a sum equal to not less than £60,000.

The general fund represents the unrestricted funds available from past operating results. At present the free reserves excluding fixed assets, which amount to £157,178 are above the level required to operate in the event of a significant drop in funding. The directors may look at increasing the reserves policy in the future. In addition the Charity had restricted reserves of £7,409 at the year end.

WIGTOWN FESTIVAL COMPANY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Under the memorandum and articles of association, the charity has the power to make any investments which the trustees see fit.

The Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Future Plans

In 2023, Wigtown Book Festival will celebrate its 25th anniversary from 22 September - 1 October and plans are underway for a slightly bigger programme with Lee Randall as guest programmer . There will be opportunities to spotlight Dumfries & Galloway-based authors, celebrate Scottish debuts, explore aspects of the human body and celebrate and explore the country around Wigtown.

The Anne Brown Essay Prize closed for entries in late March, and the annual Wigtown Poetry Prize closes at the end of May and the winners will be announced at special prize giving events during this year's Festival, before each reopen for entries for 2024. The Compass, writer mentoring programme will relaunch for regional writers.

Structure, governance and management

The Wigtown Festival Company is a company limited by guarantee and a Scottish charity governed by its memorandum and articles of association. Charity number: SC037984. Company number: SC317495. The liability of each of its members being limited to £1 each. Principle office address: 11 North Main Street, Wigtown, DG8 9HN.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs A. McDowall	
Ms P K Cochrane	
Ms B Cochrane	(Resigned 15 February 2023)
Dr N P Walker	
Ms S C Nyland	(Resigned 15 February 2023)
Mr R Davis	
Professor G L Hassan	(Resigned 15 February 2023)
Mrs C Agnew	
Mr S D Bythell	(Appointed 10 November 2022)
Ms B Goodyear	(Appointed 14 April 2022)
Mr P Heald	(Appointed 10 September 2023)
Ms G Brown	(Appointed 10 September 2023)
Ms K Carden	(Appointed 10 September 2023)
Mr E Hocknell	(Appointed 10 November 2022)

The directors of the charitable company are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association, the chairman of the trustees is nominated by the trustees, who are elected annually by the members of the charity attending the Annual General Meeting and serve a term of 3 years retiring by rotation.

The charity's strategy and objectives are set and reviewed by the trustees. The trustees have delegated the day to day management of the charity to the Operational Director and the Strategic & Artistic Director. The trustees are appointed by the members. Their induction is handled by selected trustees and involves discussions in respect of the current and future activities of the charity and a review of the accounts and minutes of meetings.

In February 2024 the charity changed its name to Wigtown Festival Company. At that time Articles of Association were also amended.

WIGTOWN FESTIVAL COMPANY

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2023

Statement of trustees' responsibilities

The trustees (who are also directors of Wigtown Festival Company for the purposes of company law) are responsible for preparing the Trustees' Annual 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. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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 trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- 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 charitable company will continue in operation.

The trustees are responsible for keeping adequate 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.

Auditor

Farries, Kirk & McVean were appointed during the year.

In accordance with the company's articles, a resolution proposing that Farries, Kirk & McVean be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees' report was approved by the Board of Trustees and signed on its behalf by:

Mrs C Agnew(Chair)

Trustee

Dated: 27 March 2024

WIGTOWN FESTIVAL COMPANY

REPORT OF THE INDEPENDENT AUDITOR'S

TO THE TRUSTEES AND MEMBERS OF WIGTOWN FESTIVAL COMPANY

Qualified opinion

We have audited the financial statements of Wigtown Festival Company (the 'charitable company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. 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).

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, 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 Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for qualified opinion

We were not appointed as auditor of the company until after 31 March 2023 and thus did not observe the counting of physical shop stock at the end of the year. We were unable to satisfy ourselves by alternative means concerning the stock quantities held at 31 March 2023, which are included in the Balance Sheet at £17,616, by using other audit procedures. Consequently, we were unable to determine whether any adjustment to this amount was necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Except for the matter described in the basis for qualified opinion section, we have determined that there are no key audit matters to be communicated in our report.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

WIGTOWN FESTIVAL COMPANY

REPORT OF THE INDEPENDENT AUDITOR'S (CONTINUED)

TO THE TRUSTEES AND MEMBERS OF WIGTOWN FESTIVAL COMPANY

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the basis for qualified opinion section of our report, we were unable to satisfy ourselves concerning the stock quantities of £17,616 held at 31 March 2023. We have concluded that where other information refers to the stock balance or related balances such as cost of sales, it may be materially misstated for the same reason.

Opinions on other matters prescribed by the Companies Act 2006

Except for the possible effects of the matter described in the basis for qualified opinion section of our report, in our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

Except for the matter described in the basis for qualified opinion section of our report, in the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

Arising solely from the limitation in scope of our work relation to stock, referred to above:

- we have not obtained all of the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept.

We have nothing to report in respect of the following matters in relation to which the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

WIGTOWN FESTIVAL COMPANY

REPORT OF THE INDEPENDENT AUDITOR'S (CONTINUED)

TO THE TRUSTEES AND MEMBERS OF WIGTOWN FESTIVAL COMPANY

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we have assessed the susceptibility of the charitable company's financial statements to material misstatement as being low risk. The trustees are involved in the day-to-day management of the business and have a focus on controls to address potential fraud and error.
- the nature of the charitable company's activities are not significantly regulated. We have discussed the legal and regulatory framework the charitable company operates under with the trustees. This has enabled us to gain an understanding of those applicable to the charitable company and the procedures they operate to ensure compliance.
- we have obtained an understanding of the charitable company's policies and procedures on fraud risk through two-way communication with the management and have no knowledge of any actual, suspected or alleged fraud.
- the Senior Statutory Auditor is satisfied that the engagement audit staff were competent to and capable of recognising non-compliance with laws and regulation. No details of any non-compliance were communicated to us and no such potential instances were noted during the audit process.

We have reached these conclusions following enquiries made of those charged with governance and senior staff and following audit testing procedures and review of financial statements.

We do not believe the Covid-19 pandemic has significantly impacted the risk of detecting irregularities, including fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Other matters which we are required to address

The prior year was not audited as the charitable company was eligible for exemption under the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

WIGTOWN FESTIVAL COMPANY

REPORT OF THE INDEPENDENT AUDITOR'S (CONTINUED)

TO THE TRUSTEES AND MEMBERS OF WIGTOWN FESTIVAL COMPANY

Rodney Palmer BA CA (Senior Statutory Auditor)

27 March 2024

for and on behalf of Farries, Kirk & McVean

Chartered Accountants

Statutory Auditor

Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006

Heathhall

Dumfries

DG1 3SJ

WIGTOWN FESTIVAL COMPANY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	66,594	336,507	403,101	54,826	259,448	314,274
Charitable activities	4	171,357	-	171,357	119,509	-	119,509
Other trading activities	5	39,529	-	39,529	55,598	-	55,598
Investments	6	148	-	148	21	-	21
Total income		277,628	336,507	614,135	229,954	259,448	489,402
Expenditure on:							
Raising funds	7	32,360	-	32,360	36,087	-	36,087
Charitable activities	8	261,684	352,872	614,556	177,739	288,262	466,001
Total expenditure		294,044	352,872	646,916	213,826	288,262	502,088
Net expenditure		(16,416)	(16,365)	(32,781)	16,128	(28,814)	(12,686)
Transfers between funds		19,302	(19,302)	-	(24,034)	24,034	-
Net movement in funds		2,886	(35,667)	(32,781)	(7,906)	(4,780)	(12,686)
Reconciliation of funds:							
Fund balances at 1 April 2022		172,900	43,076	215,976	180,806	47,856	228,662
Fund balances at 31 March 2023		175,786	7,409	183,195	172,900	43,076	215,976

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

WIGTOWN FESTIVAL COMPANY

BALANCE SHEET

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	13		18,608		4,201
Current assets					
Stocks	14	17,616		15,152	
Debtors	15	29,267		86,999	
Cash at bank and in hand		134,327		126,873	
		181,210		229,024	
Creditors: amounts falling due within one year	16	16,623		17,249	
Net current assets			164,587		211,775
Total assets less current liabilities			183,195		215,976
The funds of the charity					
Restricted income funds	18		7,409		43,076
Unrestricted funds			175,786		172,900
			183,195		215,976

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under the Charities Accounts (Scotland) Regulations 2006 .

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 27 March 2024 and signed on their behalf by:

Mrs C Agnew
Trustee and Chair

Company registration number SC317495 (Scotland)

WIGTOWN FESTIVAL COMPANY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	23		26,361		(23,053)
Investing activities					
Purchase of tangible fixed assets		(19,054)		(2,122)	
Investment income received		148		21	
Net cash used in investing activities			(18,906)		(2,101)
Financing activities					
Repayment of bank loans		-		(50,000)	
Net cash used in financing activities			-		(50,000)
Net increase/(decrease) in cash and cash equivalents			7,455		(75,154)
Cash and cash equivalents at beginning of year			126,873		202,027
Cash and cash equivalents at end of year			134,327		126,873

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Wigtown Festival Company is a private company limited by guarantee incorporated in Scotland. The registered office is 11 North Main Street, Wigtown, Newton Stewart, DG8 9HN.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. We are however dependent, as a going concern, on the continuing support of external funders, especially Creative Scotland. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Where there are terms or conditions attached to grants, then these terms or conditions must be met before the income is recognised as the entitlement condition will not be satisfied until that point. Where terms or conditions have not been met or uncertainty exists as to whether they can be met then the relevant income is not recognised in the year but deferred and shown on the balance sheet as deferred income.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered.

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	20% on reducing balance
---------------------	-------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Government Grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Income from donations and legacies

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Donations and gifts	66,594	10,600	77,194	32,659	-	32,659
Grants	-	325,907	325,907	22,167	259,448	281,615
	<u>66,594</u>	<u>336,507</u>	<u>403,101</u>	<u>54,826</u>	<u>259,448</u>	<u>314,274</u>

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

3 Income from donations and legacies

(Continued)

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Grants receivable for core activities						
Event Scotland	-	35,000	35,000	-	40,000	40,000
D&G Council - Strategic Events Fund	-	30,000	30,000	-	30,000	30,000
Creative Scotland Regular Funding	-	86,000	86,000	-	86,000	86,000
The Holywood Trust	-	35,000	35,000	-	25,000	25,000
Creative Scotland Recovery Fund	-	101,465	101,465	-	-	-
Kilgallioch Community Fund	-	-	-	-	9,730	9,730
Annandale & Nithsdale Community Benefit Company	-	6,667	6,667	-	-	-
South of Scotland Enterprise	-	20,775	20,775	-	-	-
Wigtown Community Shop	-	-	-	1,000	-	1,000
Creative Scotland D&G Employer Recruitment	-	5,000	5,000	-	-	-
-	-	6,000	6,000	-	-	-
Northern Periphery and Arctic Programme (NPA)	-	-	-	-	39,352	39,352
D&G Council Area Committee & Joint Marketing	-	-	-	-	1,400	1,400
HMRC - Coronavirus Job Retention Scheme	-	-	-	2,367	-	2,367
D&G Council - Covid 19	-	-	-	14,000	-	14,000
DG Unlimited	-	-	-	-	-	3,000
Creative Scotland Book Festivals Network	-	-	-	-	-	15,000
Kickstart - Third Sector	-	-	-	-	-	6,626
SPIFOX	-	-	-	-	-	1,840
The Booksellers Association	-	-	-	1,300	-	1,300
Cheltenham Festivals	-	-	-	1,500	-	1,500
The WS Wilson Charitable Trust	-	-	-	2,000	-	2,000
Book Week Scotland	-	-	-	-	-	500
D&G Science Festival	-	-	-	-	-	1,000
	-	325,907	325,907	22,167	231,482	281,615

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Income from charitable activities

	Festival income	Year round activity	Total	Festival income	Year round activity	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Festival income	125,556	-	125,556	100,613	-	100,613
Charitable rental income	735	-	735	540	-	540
Open book income	-	37,757	37,757	-	9,213	9,213
Other charitable income	-	7,309	7,309	-	9,143	9,143
	<u>126,291</u>	<u>45,066</u>	<u>171,357</u>	<u>101,153</u>	<u>18,356</u>	<u>119,509</u>
Analysis by fund						
Unrestricted funds	<u>126,291</u>	<u>45,066</u>	<u>171,357</u>	<u>101,153</u>	<u>18,356</u>	<u>119,509</u>

Festival income

Charitable trading income from the delivering of the festival is as detailed below:

	2023	2022
Sponsorship	9,372	48,367
Ticket sales	78,968	37,561
Book sales	31,745	14,685
Book shop sales	5,471	-

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Income from charitable activities (Continued)

Other charitable income

Charitable trading income from the delivering of year round activities is as detailed below:

	2023	2022
Ticket sales	2,968	1,433
Poetry competition entry fee	3,405	5,583
Poetry competition sponsors	-	1,500
Donations	136	23
Southlight	152	138
Writers gathering	-	466
Education outreach	648	-

5 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Trading income	6,253	4,990
Shop income	33,276	50,608
	<u> </u>	<u> </u>
Other trading activities	39,529	55,598
	<u> </u>	<u> </u>

6 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	148	21
	<u> </u>	<u> </u>

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Trading costs		
Costs of trading income	32,360	36,087

8 Expenditure on charitable activities

	Running of festival 2023 £	Year round activity 2023 £	Total 2023 £	Running of festival 2022 £	Year round activity 2022 £	Total 2022 £
Direct costs						
Staff costs	129,206	73,500	202,706	112,412	66,000	178,412
Bookshop expenses	18,562	-	18,562	7,795	-	7,795
Writers fees	50,179	13,845	64,024	25,457	2,959	28,416
Writers travel & subsistence	41,081	-	41,081	22,182	-	22,182
Staff & volunteer travel & expenses	8,982	-	8,982	9,460	-	9,460
Advertising & promotion	30,079	19,431	49,510	6,901	11,966	18,867
Sundry event costs	68,688	61,355	130,043	59,427	56,510	115,937
Consultancy fees	-	-	-	7,604	7,300	14,904
Venue hire	28,424	-	28,424	5,232	-	5,232
Repairs & renewals	2,070	-	2,070	-	-	-
	<u>377,271</u>	<u>168,131</u>	<u>545,402</u>	<u>256,470</u>	<u>144,735</u>	<u>401,205</u>
Share of support and governance costs (see note 9)						
Support	62,888	-	62,888	58,411	-	58,411
Governance	6,266	-	6,266	6,385	-	6,385
	<u>446,425</u>	<u>168,131</u>	<u>614,556</u>	<u>321,266</u>	<u>144,735</u>	<u>466,001</u>
Analysis by fund						
Unrestricted funds	238,664	23,020	261,684	149,198	28,541	177,739
Restricted funds	207,761	145,111	352,872	172,068	116,194	288,262
	<u>446,425</u>	<u>168,131</u>	<u>614,556</u>	<u>321,266</u>	<u>144,735</u>	<u>466,001</u>

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

9 Support costs allocated to activities

	2023 £	2022 £
Staff costs	-	8,769
Depreciation	4,647	1,052
Rent & rates	17,256	16,216
Bookkeeping	9,778	8,079
Telephone	2,996	2,286
Postage & stationery	1,447	1,430
Office costs	8,467	5,804
General insurance	1,722	1,688
Bank charges	5,819	5,422
Interest	-	140
Electricity	5,662	5,833
Repairs & maintenance	2,844	1,692
HMRC penalties & interest	2,250	-
Governance costs	6,266	6,385
	<u>69,154</u>	<u>64,796</u>
Analysed between:		
Running of festival	69,154	64,796
	<u>69,154</u>	<u>64,796</u>
	2023	2022
Governance costs comprise:	£	£
Audit fees	2,825	(375)
Accountancy	3,441	6,760
	<u>6,266</u>	<u>6,385</u>

10 Trustees

None of the trustees (or any persons connected with them) received or waived any remuneration or benefits from the charity during the year.

During the year 4 Trustees had expenses reimbursed amounting to £1,500(2022 nil).

The charity has Trustees Indemnity Insurance in place.

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Charitable activities & admin	9	8

Employment costs

	2023 £	2022 £
Wages and salaries	188,644	172,970
Social security costs	10,025	9,484
Other pension costs	4,037	4,727
	202,706	187,181

The charity considers that its key management personnel comprise of the trustees, Operational Director and the Strategic & Artistic Director. The total employment benefits including employers National Insurance and employer pension contributions of the key personnel were £83,489 (2022: £69,188).

There were no employees whose annual remuneration was more than £60,000.

12 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

13 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 April 2022	19,090
Additions	19,054
At 31 March 2023	38,144
Depreciation and impairment	
At 1 April 2022	14,889
Depreciation charged in the year	4,647
At 31 March 2023	19,536
Carrying amount	
At 31 March 2023	18,608
At 31 March 2022	4,201

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

14	Stocks		
		2023	2022
		£	£
	Finished goods and goods for resale	17,616	15,152
		<u> </u>	<u> </u>
15	Debtors		
		2023	2022
		£	£
	Amounts falling due within one year:		
	Other debtors	29,267	86,999
		<u> </u>	<u> </u>
16	Creditors: amounts falling due within one year		
		2023	2022
		£	£
	Other taxation and social security	3,930	2,791
	Other creditors	2,585	-
	Accruals and deferred income	10,109	14,458
		<u> </u>	<u> </u>
		16,624	17,249
		<u> </u>	<u> </u>

17 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	172,900	277,628	(294,044)	19,302	175,786
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:					
	At 1 April 2021	Incoming resources	Resources expended	Transfers	At 31 March 2022
	£	£	£	£	£
General funds	180,806	229,954	(213,826)	(24,034)	172,900
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	At 1 April 2022 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2023 £
	-	-	(1)	-	(1)
Creative Scotland Regular Funding	-	86,000	(86,000)	-	-
Event Scotland	19,200	15,000	(34,200)	-	-
Kilgallioch Community Fund	7,035	-	(7,035)	-	-
The Holywood Trust	-	30,000	(30,000)	-	-
SPIFOX	1,840	-	(1,840)	-	-
Creative Scotland Book Festival Network	15,000	5,000	(20,000)	-	-
South of Scotland Enterprise	-	20,775	(2,073)	(18,702)	-
Creative Scotland Recovery Fund	-	101,465	(101,465)	-	-
Event Scotland International Fund	-	20,000	(20,000)	-	-
D&G Council - Strategic Events Fund	-	30,000	(30,000)	-	-
Holywood Trust Review	-	5,000	-	-	5,000
Annandale & Nithsdale Community Benefit Company	-	6,667	(4,257)	-	2,410
D&G Employer Recruitment Incentive	-	6,000	(6,000)	-	-
Barcaple Foundation - Donation	-	10,000	(10,000)	-	-
Nicola Wood - Donation	-	600	-	(600)	-
	<u>43,076</u>	<u>336,507</u>	<u>(352,872)</u>	<u>(19,302)</u>	<u>7,409</u>

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Restricted funds (Continued)

Previous year:	At 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2022 £
Nature Scotland: Plunge In	2,666	-	(2,666)	-	-
Creative Scotland Regular					
Funding	-	86,000	(86,000)	-	-
EventScotland	-	40,000	(20,800)	-	19,200
Kilgallioch Community Fund	-	9,730	(2,695)	-	7,035
Hollywood Trust	6,250	25,000	(31,250)	-	-
SPIFOX	-	1,840	-	-	1,840
D&G Council - Strategic Events					
Fund	-	30,000	(30,000)	-	-
D&G Council Area Committee	2,500	1,400	(3,900)	-	-
Castansa Trust	4,000	-	(4,000)	-	-
Book Week Scotland	-	500	(500)	-	-
Northern Periphery and Arctic					
Programme (NPA)	-	39,352	(63,386)	24,034	-
Scottish Borders Council -					
Feasibility Study	2,440	-	(2,440)	-	-
DG Unlimited - Together Again					
Fund	-	3,000	(3,000)	-	-
Creative Scotland Book Festival					
Network	30,000	15,000	(30,000)	-	15,000
D&F Science Festival	-	1,000	(1,000)	-	-
Kickstart	-	6,626	(6,626)	-	-
	<u>47,856</u>	<u>259,448</u>	<u>(288,262)</u>	<u>24,034</u>	<u>43,076</u>

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Restricted funds

(Continued)

Creative Scotland Regular Funding

Wigtown Festival Company is a Regularly Funded Organisation and as such receives funding to support the delivery of the Company's business plan, aims and ambitions. These include delivery of the annual Wigtown Book Festival and year-round writer and audience development programmes.

Event Scotland Year of Stories Fund

To deliver a programme of events for Scotland's Year of Stories during Wigtown Book Festival 2022.

Kilgallioch Community Fund (administered by Foundation Scotland)

To deliver training and activities for young readers, writers and filmmakers.

The Hollywood Trust

To support the delivery of young people's activity including staffing, programming and training. In addition, the Trust have supported a further grant to fund the review of the young people's programme.

SPIFOX

To create Stone Soup, a story book to be utilised in schools for sensory storytelling.

Creative Scotland Book Festivals Network

To support the continued existence of the Scottish Book Festival's Network and develop sustainable practices for festivals across Scotland

South of Scotland Enterprise

To upgrade Wigtown Festival Company's ICT and audio/ visual equipment.

Creative Scotland Recovery Fund

To support the recovery of Wigtown Book Festival.

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

18 Restricted funds

(Continued)

Event Scotland International Fund

To support costs associated with infrastructure and programme for Wigtown Gardens outdoor venue; Festival Marquee at primary school and introduction of live and on-demand pay-per-view streaming.

D&G Council - Strategic Events Fund

To support staffing, marketing, photography and PR for the 2022 Wigtown Book Festival.

Annandale & Nithsdale Community Benefit Company

To support Big DoG Children's Festival and Hooked young writers' and readers' day.

D&G Employer Recruitment Incentive

Funds to support the continuation of the Administrative Assistant role.

Barcapel Foundation

To support the festival's ongoing recovery. The grant includes a contribution towards: a series of 15 events celebrating Scotland's literary heritage and showcasing the newest generation of Scottish writers; the education programme; and Big Wig Children's Festival.

Nicola Wood

This donation was for musical event(s).

Transfers between funds relate to asset purchases meeting the initial restriction conditions and also costs met through unrestricted funds.

19 Analysis of net assets between funds

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fund balances at 31 March 2023 are represented by:			
Tangible assets	18,608	-	18,608
Current assets/(liabilities)	157,177	7,409	164,586
	<u>175,785</u>	<u>7,409</u>	<u>183,194</u>
	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 31 March 2022 are represented by:			
Tangible assets	4,201	-	4,201
Current assets/(liabilities)	168,699	43,076	211,775
	<u>172,900</u>	<u>43,076</u>	<u>215,976</u>

WIGTOWN FESTIVAL COMPANY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

20 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	18,996	18,744
Between two and five years	39,717	48,077
	<u>58,713</u>	<u>66,821</u>

21 Company status

The company does not have a share capital. It is limited by guarantee by the terms the Companies Act 2006.

22 Related party transactions

During the current and previous year the charity contracted electrical services and property rental from businesses related to a trustee. All services were on normal commercial terms approved by the Board in advance.

One of the trustees is also a director of Fountainhall Trust, which gives an annual donation to the charity.

23 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(32,781)	(12,686)
Adjustments for:		
Investment income recognised in statement of financial activities	(148)	(21)
Depreciation and impairment of tangible fixed assets	4,647	1,052
Movements in working capital:		
(Increase)/decrease in stocks	(2,464)	3,022
Decrease/(increase) in debtors	57,732	(16,302)
(Decrease)/increase in creditors	(625)	1,882
Cash generated from/(absorbed by) operations	<u>26,361</u>	<u>(23,053)</u>

24 Analysis of changes in net funds

The charity had no material debt during the year.