

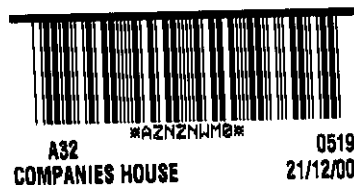
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**BOOK WORKS (UK) LTD**

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**MANAGEMENT COMMITTEE REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2000**

Company Number: 03190880



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**BOOK WORKS (UK) LTD**

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**Company Information**

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**Management Committee**

Robert Hadrill  
Jane Rolo

**Secretary**

Jane Rolo

**Company Number**

03190880

**Registered Office**

240 High Holborn  
London WC1V 7DN

**Business Address**

19 Holywell Row  
London EC2a 4JB

**Auditors**

John Ellis & Company  
Chartered Accountants  
240 High Holborn  
London WC1V 7DN

**Bankers**

Lloyds Bank plc  
Moorgate Branch  
34 Moorgate  
London EC2R 6PL

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# BOOK WORKS (UK) LTD

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*The following pages do not form part of the statutory accounts:*

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**MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31 MARCH 2000**

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The management committee present their report and the financial statements for the year ended 31 March 2000.

**Principal activities and review of activities**

The company is established to advance education of the public in the visual arts and in particular in the context of books, through printing, publishing and exhibitions of artists' books.

The company commissions new work in collaboration with artists and writers, publishing, producing and printing books, multiples, limited editions, videos, CD Roms and new media projects. It also organises exhibitions, installations, time-based and performance works, symposiums/ workshops and educational events in a variety of different locations including galleries, libraries, museums, retail spaces and on the internet. It acts as a national resource for artists' books and those involved in publishing in the arts, and aims to distribute its work to a wide and varied audience. It receives fixed term (revenue) funding from the Arts Council of England and the London Arts Board, and is currently in receipt of an Arts For Everyone (A4E) Lottery Award from the Arts Council of England for a 3 year programme of new work.

**Activities**

Book Works has had a productive year in terms of its publishing and projects programme, and its marketing and sales achievements.

The artistic programme has reflected Book Works aim to commission both younger and more established artists, and to collaborate with other organisations on co-publishing ventures; and this year has seen the publication of 8 new titles and two special editions. During the year Book Works also published its first catalogue which has had an enormous effect, both in terms of raising Book Works profile, and in securing new orders.

The binding and printing studio, formerly Books Works partnership and now amalgamated with the company, had a busy and productive year, taking on commissions and jobs for a variety of different people, ranging from galleries, museums, designers, photographers, architects, artists to students.

**Financial review**

The company made a surplus of £51,632 for the year compared with a surplus of £24,741 in the previous year.

**Company status**

The company is limited by guarantee and registered at Companies House.

**Management committee**

The members of the management committee perform the role of directors in company law. Those who served during the year, except where indicated, were :

Robert Hadrill

Jane Rolo

**Statement of the management committee's responsibilities**

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 company and of the surplus or deficit of the company for that period. In preparing those financial statements, the management committee is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31 MARCH 2000

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The management committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Auditors**

The auditors, John Ellis & Company, will be proposed for reappointment in accordance with section 385 of the Companies Act 1985.

This report was approved by the management committee on 22 November 2000 and signed on its behalf by:

*Jane Rolo.*

Jane Rolo  
Secretary

**AUDITORS' REPORT TO THE MEMBERS OF BOOK WORKS (UK) LTD**

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We have audited the financial statements on pages 4 to 12 which have been prepared under the historical cost convention and the accounting policies set out on page 7.

**Respective responsibilities of the management committee and auditors**

As described on pages 1 and 2 the company's management committee is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

**Basis of opinion**

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the management committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Opinion**

In our opinion, the financial statements give a true and fair view of the state of the company's affairs as at 31 March 2000 and of its incoming resources and application of resources, including income and expenditure, for the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.



**John Ellis & Company**

Chartered Accountants  
and Registered Auditors  
240 High Holborn  
London WC1V 7DN

23 November 2000

**BOOK WORKS (UK) LTD**

**STATEMENT OF FINANCIAL ACTIVITIES**  
For the year ended 31 March 2000

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2000 £	Total Funds 1999 £
<b>Income and Expenditure</b>					
<b>Incoming Resources</b>					
Grants receivable	2	71,500	88,300	159,800	180,313
Net deferred income	2	13,500	-	13,500	(9,500)
Investment income		5	-	5	4
Other income		203,066	8,708	211,774	29,462
<b>Total Incoming Resources</b>		<b>288,071</b>	<b>97,008</b>	<b>385,079</b>	<b>200,279</b>
<b>Resources Expended</b>					
Direct expenditure	3	237,648	93,047	330,695	173,188
Management and administration	4	2,752	-	2,752	2,350
<b>Total Resources Expended</b>		<b>240,400</b>	<b>93,047</b>	<b>333,447</b>	<b>175,538</b>
<b>Net Incoming/(Outgoing) Resources</b>		<b>47,671</b>	<b>3,961</b>	<b>51,632</b>	<b>24,741</b>
Fund balances brought forward at 1 April 1999					
As previously stated		1,386	-	1,386	302
Prior year adjustment	8	-	43,717	43,717	20,060
As restated		1,386	43,717	45,103	20,362
<b>Fund balances carried forward at 31 March 2000</b>		<b>£ 49,057</b>	<b>£ 47,678</b>	<b>£ 96,735</b>	<b>£ 45,103</b>

The balance on restricted funds represents the amount of funds available for specific projects or activities which were not finished at the year end. These funds are therefore necessary to complete the project or activity and are not a surplus available for other purposes.

All the company's activities are classified as continuing.

The notes on pages 7 to 12 form part of these financial statements.

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**BOOK WORKS (UK) LTD**

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**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**For the year ended 31 March 2000**

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	Note	2000 £	1999 £
Total gains and losses relating to the year		51,632	<u>£ 24,741</u>
Prior year adjustment	8	<u>43,717</u>	
Total gains and losses recognised since last annual report		<u>£ 95,349</u>	

The notes on pages 7 to 12 form part of these financial statements.



**BOOK WORKS (UK) LTD**

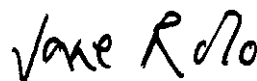
**BALANCE SHEET**  
As at 31 March 2000

	Note	£	2000 £	£	1999 £
<b>FIXED ASSETS</b>					
Tangible fixed assets	9		3,027		5,098
<b>CURRENT ASSETS</b>					
Stocks	10	31,614		19,953	
Debtors	11	43,701		29,533	
Cash at bank and in hand		53,031		19,392	
		<u>128,346</u>		<u>68,878</u>	
<b>CREDITORS: amounts falling due within one year</b>	12	<u>(34,283)</u>		<u>(15,018)</u>	
<b>NET CURRENT ASSETS</b>			<u>94,063</u>		<u>53,860</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>97,090</u>		<u>58,958</u>
<b>ACCRUALS AND DEFERRED INCOME</b>			<u>(355)</u>		<u>(13,855)</u>
<b>NET ASSETS</b>			<u>£ 96,735</u>		<u>£ 45,103</u>
<b>RESERVES</b>					
Restricted funds	13		47,678		43,717
Unrestricted funds			49,057		1,386
	14		<u>£ 96,735</u>		<u>£ 45,103</u>

The financial statements were approved by the management committee on 22 November 2000 and signed on its behalf by:



Robert Hadrill



Jane Rolo

The notes on pages 7 to 12 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2000**

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**1. ACCOUNTING POLICIES**

A summary of the principal accounting policies, all of which have been applied consistently throughout the year, is set out below.

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Statement of Recommended Practice 2 "Accounting by Charities" and with applicable accounting standards. The financial statements include the results of the company's operations which are described in the Management Committee Report and all of which are continuing.

The company has taken advantage of the exemption in Financial Reporting Standard No.1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

**1.2 Turnover**

Total incoming resources as shown in the Statement of Financial Activities is the turnover of the company. It represents the value of fees, grants and donations receivable in the ordinary course of activities. It includes the total amount of capital grants receivable in the year.

Voluntary income received by way of donations and gifts to the company is included in full in the Statement of Financial Activities when received. Intangible income is not included unless it represents goods or services which would otherwise have been purchased. Gifts in kind are valued and brought in as income and the appropriate expenditure.

**1.3 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Office equipment	-	25%	Straight line
Fixtures & fittings	-	25%	Straight line

**1.4 Operating leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to income and expenditure account as incurred.

**1.5 Stocks and work in progress**

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.6 Restricted funds**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets this criteria is identified to the fund, together with a fair allocation of overheads and support costs.

**1.7 Unrestricted funds**

Unrestricted funds are donations and other incoming resources received or generated for the company's purposes.

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2000

**1.8 Staff costs and overheads**

Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

**1.9 Deferred grants**

Government and local authority grants for the purchase of fixed assets are credited to restricted incoming resources when receivable. Depreciation on fixed assets purchased with such grants is charged against the restricted fund over the expected useful life of the asset.

Grants of a revenue nature are credited to incoming resources in the period in which they are receivable. Grants received in advance for specified future periods are carried forward as deferred income.

**2. GRANTS AND DEFERRED INCOME**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2000</b>	<b>Total Funds 1999</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b><u>Receivable in year</u></b>				
Arts Council of England				
Open House	-	66,000	66,000	60,000
Commissions of new works	-	14,800	14,800	-
Revenue	25,000	-	25,000	15,000
Feasibility Study	-	-	-	19,951
London Arts Board	46,500	-	46,500	73,500
Henry Moore Foundation	-	4,000	4,000	6,000
National Maritime Museum	-	3,500	3,500	3,500
Other	-	-	-	2,362
	<u>£ 71,500</u>	<u>£ 88,300</u>	<u>£ 159,800</u>	<u>£ 180,313</u>
<b><u>Deferred grants</u></b>				
<b><u>Brought forward from previous year</u></b>				
London Arts Board	13,500	-	13,500	-
Prudential	-	-	-	4,000
	<u>13,500</u>	<u>-</u>	<u>13,500</u>	<u>4,000</u>
<b><u>Carried forward to next year</u></b>				
London Arts Board	-	-	-	13,500
	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,500</u>
<b>Net deferred grants</b>	<u>£ 13,500</u>	<u>£ -</u>	<u>£ 13,500</u>	<u>£ (9,500)</u>
<b>Total for the year</b>	<u>£ 85,000</u>	<u>£ 88,300</u>	<u>£ 173,300</u>	<u>£ 170,813</u>

# BOOK WORKS (UK) LTD

## NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2000

### 3. DIRECT EXPENDITURE

	Unrestricted Funds	Restricted Funds	Total Funds 2000
	£	£	£
Open House	-	74,697	74,697
Studio	112,899	-	112,899
Commissions of New Works	124,749	18,350	143,099
	<u>£ 237,648</u>	<u>£ 93,047</u>	<u>£ 330,695</u>

### 4. MANAGEMENT AND ADMINISTRATION

	Unrestricted Funds	Restricted Funds	Total Funds 2000
	£	£	£
Auditors remuneration	2,652	-	2,652
Grant administration charge	100	-	100
	<u>£ 2,752</u>	<u>£ -</u>	<u>£ 2,752</u>

### 5. NET INCOMING/(OUTGOING) RESOURCES

Net incoming/(outgoing) resources is stated after charging:

	2000 £	1999 £
Depreciation of tangible fixed assets		
- owned by the company	2,612	2,484
Auditors' remuneration	2,652	2,200
	<u>2,612</u>	<u>2,200</u>

### 6. STAFF COSTS

Staff costs, including management committee's remuneration, were as follows:

	2000 £	1999 £
Wages and salaries	116,039	62,875
Social security costs	10,324	6,288
	<u>£ 126,363</u>	<u>£ 69,163</u>

The average monthly number of employees, including the management committee, during the year was as follows:

	2000	1999
Direct costs	7	4

### 7. MANAGEMENT COMMITTEE' REMUNERATION

	2000 £	1999 £
Salaries and other emoluments	£ 49,108	£ 22,471

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2000

**8. PRIOR YEAR ADJUSTMENT**

The company has adopted the Statement of Recommended Practice 2 "Accounting by Charities". The management committee consider that the new policy provides a fairer presentation of the result and of the financial position of the company because it more accurately reflects the nature and objectives of the company. The comparative figures in the primary statements and notes have been restated to reflect the new policy.

The effects of the change in policy are summarised below :

	2000 £	1999 £
<b>Income and expenditure account</b>		
Turnover	17,810	23,807
Direct costs	(3,150)	(150)
	<u>14,660</u>	<u>23,657</u>
Increase in surplus for the year	£ 14,660	£ 23,657
<b>Balance Sheet</b>		
Stocks	(2,650)	(2,500)
Accruals and deferred income	46,367	22,560
	<u>43,717</u>	<u>20,060</u>
Increase in net assets	£ 43,717	£ 20,060

**9. TANGIBLE ASSETS**

	Office Equipment £	Fixtures & Fittings £	Total £
<b>Cost</b>			
At 1 April 1999	9,930	-	9,930
Additions	-	541	541
At 31 March 2000	<u>9,930</u>	<u>541</u>	<u>10,471</u>
<b>Depreciation</b>			
At 1 April 1999	4,832	-	4,832
Charge for year	2,477	135	2,612
At 31 March 2000	<u>7,309</u>	<u>135</u>	<u>7,444</u>
<b>Net Book Value</b>			
At 31 March 2000	£ 2,621	£ 406	£ 3,027
At 31 March 1999	<u>£ 5,098</u>	<u>£ -</u>	<u>£ 5,098</u>

**BOOK WORKS (UK) LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2000

**10. STOCKS**

	2000 £	1999 £
Raw materials	7,330	-
Finished goods	24,284	19,953
	<u>£ 31,614</u>	<u>£ 19,953</u>

**11. DEBTORS**

	2000 £	1999 £
<b>Due within one year</b>		
Trade debtors	33,975	23,594
Other debtors	6,324	5,939
Prepayments and accrued income	3,402	-
	<u>£ 43,701</u>	<u>£ 29,533</u>

**12. CREDITORS:**

**Amounts falling due within one year**

	2000 £	1999 £
Trade creditors	24,743	12,468
Social security and other taxes	1,819	-
Other creditors	7,721	2,550
	<u>£ 34,283</u>	<u>£ 15,018</u>

**13. RESTRICTED FUNDS**

The funds of the company include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

	Balance 1 April 1999 £	Movement in Incoming £	Resources Outgoing £	Balance 31 March 2000 £
Open House	29,007	78,708	(74,697)	33,018
Commission of New Works	14,710	18,300	(18,350)	14,660
	<u>£ 43,717</u>	<u>£ 97,008</u>	<u>£ (93,047)</u>	<u>£ 47,678</u>

**BOOK WORKS (UK) LTD**

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2000

**14. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted Funds	Restricted Funds	Total Funds 2000
	£	£	£
Fund balances at 31 March 2000 are represented by			
Tangible fixed assets	3,027	-	3,027
Current assets	80,668	47,678	128,346
Current liabilities	(34,283)	-	(34,283)
Accruals and deferred income	(355)	-	(355)
	<u>£ 49,057</u>	<u>£ 47,678</u>	<u>£ 96,735</u>

**RESTRICTED FUNDS**

	Tangible Fixed Assets	Current Assets	Current Liabilities	Total
	£	£	£	£
Open House	-	33,018	-	33,018
Commission of New Works	-	14,660	-	14,660
	<u>£ -</u>	<u>£ 47,678</u>	<u>£ -</u>	<u>£ 47,678</u>

**15. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

At the end of the period there were no capital commitments, contingent liabilities or other financial commitments for which full provision has not been made in these financial statements (1999 £Nil).