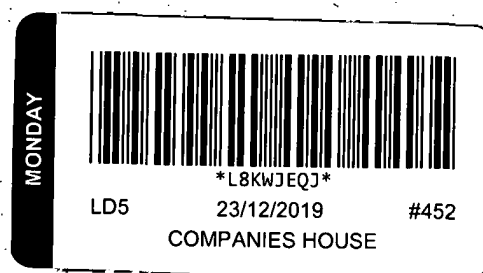


BOOK WORKS (UK) LTD
(Company limited by guarantee no. 03190880
registered charity no. 1104148)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2019



REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2019

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BOOK WORKS (UK) LTD

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS For the year ended 31 March 2019

Management Committee	Karen Brown Teresa Drace-Francis (appointed 25 June 2019) Ronald Henocq Lisa Le Feuvre Michael Mack Katrina Palmer (resigned 17 May 2018) Reema Stephenson (resigned 31 July 2019) Isadora Tharin Gerrie van Noord (appointed 5 March 2019)
Secretary	Jane Rolo (resigned 2 September 2019) Gavin Everall (appointed 2 September 2019)
Co-Directors	Rob Hadrill Jane Rolo (resigned 2 September 2019) Gavin Everall (appointed 2 September 2019)
Company reg. no.	03190880
Charity reg. no.	1104148
Registered office	19 Holywell Row London EC2A 4JB
Independent Examiner	Delta Accountancy Advice Ltd 8 Margaret Avenue St Albans AL3 5TE
Bankers	Lloyds Bank plc Finsbury Square Branch PO Box 1000 BX1 1LT

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2019

The Management Committee, who are also directors of the Company for the purposes of the Companies Act, and trustees for charity law purposes, submit their annual report and the financial statements of Book Works (UK) Ltd for the year ended 31 March 2019. The Management Committee confirms that the annual report and financial statements of the Company comply with the Charities Act 2011, the Companies Act 2006, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (FRS 102)'.

Principal activities and review of activities

The company is established with the object 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. As an arts organisation we aim to benefit the public through our programme of publishing and educational events, and through our distribution of our books to a wide cross section of the public. The Management Committee have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken during the year.

The company commissions new work in collaboration with artists and writers, publishing, producing and printing books, multiples, limited editions, and new media projects. It also organises exhibitions, installations, time-based and performance works, 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 funding from Arts Council England towards its core publishing programme.

Activities

Book Works has had a productive year in terms of the work that has been generated through commissioned works, and work produced through the Studio's activities.

Book Works has completed the first year of our current four-year programme (2018-2022), with a new funding agreement with Arts Council England as a National Portfolio Organisation, to deliver stimulating and challenging publications and projects and to establish a coherent, nationwide approach to the development of artistic talent. Our ongoing commitment to working with and benefiting artists, from diverse backgrounds, at all stages of their career, and to promoting and distributing the work we produce to a wide and varied/readership/audience is outlined in our new business plan.

This year we have been continuing our partnerships to include: a library residency and new work by Simon Grennan at Chetham's in Manchester, and co-publishing initiatives with The Common Guild, Glasgow on a series of publications *Dialecty*; and M. HKA, Antwerp, working with Laure Prouvost. We have also seen the completion of two of our open call series, *Semina* and *Common Objectives*, and the initiation of a new series *Contact*, guest edited by Hannah Black, and introducing the work of 3 diverse young new talents – Momtaza Mehri, Derica Shields and Hashimi Farah. We have been able to introduce all our artists to new audiences and readers across the UK at book fairs, libraries and bookshop outlets. We have also continued to develop our programme of exhibitions, talks, events and participatory projects alongside the new publications.

We continued to work on our new funding initiative Catalyst Evolve Project (Arts Council England 3-year incentive award to match fund money raised by Book Works, 2016-19), in order to further diversify and develop our fundraising strategies and to build up support from the general public, new supporters and partners. This project will finish in Summer 2019 and has provided a step change in how we address fundraising issues for the future at Book Works.

MANAGEMENT COMMITTEE'S REPORT

For the year ended 31 March 2019

In addition to Arts Council funding (NPO and project funds), we have secured funding from commercial galleries for individual titles, for example, Galerie Polaris and ADN for Bouchra Khalili's book; and Third Line Gallery for Sophia Al-Maria; from our co-publishing partners; from our raffle ticket campaign; through trusts and foundations such as the Elephant Trust for Dialecty, and Art on the Underground/TFL for forthcoming title with Nina Wakeford; as well as individual supporters to The List.

The Studio has worked on many collaborations with artists and galleries over the year, designing and producing books, boxes and multiples to the highest of standards. We have also maintained our educational programme focusing on one-day courses for University and College students, and continuing to offer a series of evening classes on bookbinding which remain very popular.

We continue to focus on addressing issues of audience development: participation and public benefit; diversity and access; publishing and new technology and sustainability, and how we might develop our longer term strategy as a national resource for artists' books, and continue to act as a key player in the fields of art publishing and studio production through collaborations with the art/cultural sector, academia, libraries and special collections, and the wider publishing/print community.

Programme of activities

Book Works programme for the year reflects our commitment to commissioning and producing new publications and artworks, and presenting a public programme of exhibitions, events and workshops.

This year we have seen the successful publication of 14 titles/editions, again expanding our work with co-publishing partners, arts organisations, libraries and guest editors. We are publishing more than ever, with another 15 new titles commissioned and/or underway during the course of the year, due to be published in 2019/20; and will continue to reprint some of our titles, such as *Shy Radicals* by Hamja Ahsan, to keep them in circulation, due to popular demand.

As part of our commitment to bringing our artists' work to wider audiences our collaborations with libraries continues this year, working with Chetham's Library, Manchester and a further 5 libraries in the Greater Manchester area. These library partnerships have been very fruitful in trying to situate artists' books in the context of a general public lending library or a specialist collection in an academic institution. Equally presenting the artists' work in galleries/other spaces – such as Bouchra Khalili's book launch and film screening of *The Tempest Society* in The Showroom gallery, London, or the reading event for *Dialecty* at The Common Guild, Glasgow – gives us an opportunity to introduce new audiences to our artists' work, and to build up relationships with local bookshops, libraries etc and forge new partnerships across the UK.

Book Works published 11 new titles, and 3 reprints/special editions

Common Objectives II, guest edited by Nina Power

Counsel of Spent by Inventory (Adam Scrivener and Paul Claydon), designed by Modern Activity.

Semina series, guest edited by Stewart Home

Aliasing by Mara Coson, designed by Fraser Muggeridge.

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2019

Co-Series

Legsicon by Laure Prouvost, co-published with M HKA, Antwerp Editor Nav Haq, and contributions by Celidor Aikvost, Nuar Alsaïd, Paul Becker, Dodie Bellamy, Paul Buck, Sophie Collins, Marie Darrieussecq, Bart De Baere, Melissa Gronlund, Nicoline van Harskamp, Alistair Hudson, Elisa Kay, Martha Kirszenbaum, Brian Kuan Wood, Peter Kubelka, John Latham, Huw Lemmey, Kathy Noble, Elizabeth Price, Bernard Prouvost, Laure Prouvost, Natasha Soobramanien, Jonas Staal, Barbara Steveni, Abdellah Taïa, Maija Timonen, Murtaza Vali, Anne-Mie Van Kerckhoven, Agnès Varda, Timothy Vermeulen, Emily Wardill, Marina Warner, Mark Webber, and Lawrence Weiner. Designed by Julie Peeters.

Dialecty series - edited by Maria Fusco, co-published with the Common Guild, Glasgow, through open submission* and invitation, designed by Traven T Croves.

- *New Minstrelsy of the Scottish Border* by Harry Josephine Giles & Martin O'Leary*
- *Skrubolz Garbillkore* by Robert Herbert McClean*
- *It Disappears in Blue and Red and Gold* by Helen Nisbet*
- *Enn Gramaten* by Natasha Soobramanien & Luke Williams*
- *Notes on Just Back from Los Angeles: A Portrait of Yvonne Rainer* by Adam Pendleton

You Must Locate A Fantasy

Chetham's Library residency and commission selected from open call.

Drawing in Drag by Marie Duval by Simon Grennan, designed by Alan Ward

Single title

The Tempest Society by Bouchra Khalili

With contributions from Hendrik Folkerts, Abdellali Hajjat, Pothiti Hantzaroula, Philippe Tancelin, Omar Berrada, Alexandre Kauffmann, and Isavella Alopoudi, Giannis Sotiriou, Elias Kiama Tzogonas - the performers in *The Tempest Society*, and designed by APFEL.

Reprints and special edition

- *Special reprint as raffle ticket for our 2nd fundraiser campaign:*
No Image Available by Fiona Banner
- *The Bureau...* - special edition print, and reprint of book (2nd edition) by Mark Dion
- *Shy Radicals* by Hamja Ashan, 2nd edition (and 3rd edition April 2019 - see below)

13 new/ongoing commissions and 3 reprint/special editions
(due to be completed in 2019/20)

The Happy Hypocrite

Silver Bandage, issue 11, guest edited by Erica Scourti

Contributors to date include: Invited contributions by CA Conrad, Daniella Valz Gen, Hypatia Vourloumis & Wu Tsang, Adam Gallagher, Natasha Papadopoulou, Joseph Buckley, Alexandrina Hemsley, and Patrick Staff; and open submission selected artists - Jessa Mockridge, Rebecca Jagoe, and Parsa Sanjana Sajid.

Title tbc, *The Happy Hypocrite issue 12*, guest edited by Maria Fusco

Single titles

Sad Sack (Collected Writings) by Sophia Al-Maria

Much Obligated by Stephen Sutcliffe

The Bitter Cup by Joanne Tatham and Tom O'Sullivan co-published with Hospitalfield, Scotland

Social Script by Sarah Tripp

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2019

Co-Series

Our Pink Depot by Nina Wakeford, co-published with Art on the Underground

Contact – guest edited by Hannah Black

Selected from open call

Airport Love Theme by Hamishi Farah

Doomsday Gossip by Momtaza Mehri

Bad Practice by Derica Shields

Interstices series, guest edited by Bridget Penney

Licorice by Bridget Penney

2 x open call submissions to be selected Autumn/Winter 2019

Special editions and reprints

Laure Prouvost special print edition from Legsicon

Shy Radicals by Hamja Ahsan, 3rd edition

Raffle no. 3 print – artist tbc

Projects and exhibitions

Library residencies: You Must Locate A Fantasy

Continuation of programme of artists' residencies in libraries in the UK as part of Book Works public-facing programme

- Simon Grennan at Chetham's Library, Manchester including an exhibition and Strange Perfume book fair, with talks and workshops; and a library exhibition tour and workshops in 5 libraries in Greater Manchester area

Outreach and educational programme/national resource

During the year Book Works has delivered a programme of activities and events to local, national and international audiences. We gave several talks, workshops and lectures throughout the year, and taught day and evening bookbinding courses at Book Works Works. We curated exhibitions at Hull Central Library and (WISE) Wilberforce Centre for the study of Slavery and Emancipation, as well as taking part in several group exhibition on art publishing.

Book Works free, one-to-one artists' surgeries are attended by artists, designers, writers and students, and they continue to be popular and are always fully booked. In addition we take a keen interest in artists we've worked with, nurturing new talent and offering continued mentoring and advice to them.

Book Works provides training for new and existing staff, offers help to artists and students wanting to produce and publish books, teaches workshops on bookmaking to students from art schools and universities, and through its studio collaborates on numerous book projects across the fields of art, design, and media

We took part in art and book fairs in London, New York, Manchester, Turin, Sharjah, Amsterdam, Dublin and Edinburgh, and have presented displays in bookshops, libraries and galleries over the course of the year. We continue to develop our website and online digital archive and shop, and social media networks – Facebook, Instagram and Twitter, increasing access to our projects, the artists we work with, and the larger art/publishing community as well as the wider general public

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2019

Financial review

The company had a surplus on unrestricted funds, of £13,487 for the year. Together with the accumulated surplus brought forward from previous years, the company now has an accumulated surplus on unrestricted funds of £339,864. Restricted funds carried forward at 31 March 2019 amounted to £17,500 (2018 - £38,137).

Reserves policy

Book Works now have free reserves of £184,587. These are the unrestricted funds less the designated funds and the unrestricted fixed assets. The management committee has established a reserves policy based on the need to hold funds as identified in Book Works' risk reviews. The reviews identified that it would be prudent to hold the equivalent of four months expenditure on salaries and support costs in reserves. This amounts to approximately £150,000. The charity reviews the reserves policy on a yearly basis.

Risks

The management committee has considered the risks to which the charity is exposed and has taken steps to mitigate those risks. Risks include fluctuation in book sales and studio income, applications to public funds and trusts and foundations, and are included in our business plan; as well as decline in funding being mitigated in our reserves policy. The management committee review the risks on a quarterly basis and the Risk Management Register is updated as necessary.

Principal funding sources

Book Works generated funding from its own sources and also receives core revenue funding from the Arts Council England. Its own sources include earned income through studio bookbinding/printing sales, book sales from our published titles, support from trusts and foundations, crowdfunding and other fundraising initiatives.

Plans for future periods

Book Works key objectives over the next year will be in line with our charitable aims 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 (see page 4 for forthcoming programme). These objectives are defined in our business plan (updated on an annual basis), setting out our vision for the short and longer term objectives of our charitable works.

Structure, governance and management

Book Works (UK) Ltd is a company limited by guarantee and a registered charity. It is established with the objects as noted above. These objects are set out in its governing instrument, which is its Memorandum and Articles of Association.

The governing body is the management committee whose members are non-executive and unpaid. Members perform the role of directors in company law and trustees in charity law. The management committee meets regularly, retains full and effective control over the company and monitors the Co-directors. The management committee is involved in major strategic decisions and has ultimate responsibility for the conduct and financial stability of Book Works.

The management committee appoints and delegates to the Co-directors the artistic control of Book Works. 'Director' is the traditional title used for this post though the holders are not directors under the Companies Act.

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2019

The management committee regularly reviews its composition to ensure it has the skills necessary for its continued good management, cultural diversity and gender balance. In light of the review, potential new members are invited to join. A Co-director provides appropriate induction and training.

Statement of Management Committee's responsibilities

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

Company and charity law applicable to charities in England/Wales 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 Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements the Management Committee have:

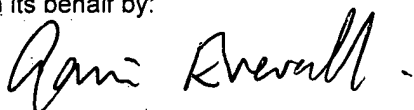
- selected suitable accounting policies and applied them consistently,
- observe the methods and principles of the Charities SORP (FRS 102)
- made judgements and estimates that are reasonable and prudent,
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a 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 which disclose with reasonable accuracy at any time the financial position of the Charity 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 Charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Small company exemptions

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

This report was approved and authorised for issue by the Management Committee on 28 October 2019 and signed on its behalf by:



Gavin Everall

Secretary

**Independent examiner's report to the Management Committee of
Book Works (UK) Ltd**

I report on the financial statements for the year ended 31 March 2019 set out on pages 9 to 20.

This report is made solely to the Management Committee, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the Management Committee matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Management Committee for my independent examination work, for this report, or for the statement I have given below.

Responsibilities and basis of report

As the Management Committees of the charity (and 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').

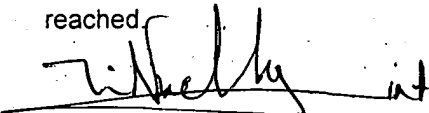
Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act').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

Since the Charity's income exceeded £250,000, I confirm that I am qualified to undertake the examination because I am a member of the Chartered Association of Certified Accountants, which is one of the listed bodies. I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act;
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.



Tin Myint FCCA
Delta Accountancy Advice Ltd
8 Margaret Avenue
St Albans AL3 5TE
Date: 28 October 2019

BOOK WORKS (UK) LTD

STATEMENT OF FINANCIAL ACTIVITIES

(incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)
For the year ended 31 March 2019

	Note	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	Total Funds 2018 £
INCOME FROM:					
Donations and legacies	2	177,316	-	177,316	177,523
Charitable activities	3	389,356	54,073	443,429	508,369
Investments	5	778	-	778	273
TOTAL INCOMING RESOURCES		567,450	54,073	621,523	686,165
RESOURCES EXPENDED					
Studio		320,830	-	320,830	349,615
Commission of new work		233,133	74,710	307,843	290,414
Charitable activities		553,963	74,710	628,673	640,029
TOTAL RESOURCES EXPENDED	6	553,963	74,710	628,673	640,029
NET INCOME/(EXPENDITURE)		13,487	(20,637)	(7,150)	46,136
Reconciliation of funds:					
TOTAL FUNDS AT 1 APRIL 2018		326,377	38,137	364,514	318,378
TOTAL FUNDS AT 31 MARCH 2019		£ 339,864	£ 17,500	£ 357,364	£ 364,514

The annexed notes form part of these financial statements

BOOK WORKS (UK) LTD (company limited by guarantee)
(Company limited by guarantee no. 03190880)

BALANCE SHEET
As at 31 March 2019

	Notes	£	2019 £	£	2018 £
FIXED ASSETS					
Tangible assets	11		6,277		5,859
CURRENT ASSETS					
Stocks	12	65,753		69,506	
Debtors	13	87,765		96,768	
Cash at bank and in hand		241,371		239,268	
			<u>394,889</u>	<u>405,542</u>	
CREDITORS: amounts falling due within one year	14	(43,802)		(46,887)	
NET CURRENT ASSETS			<u>351,087</u>		<u>358,655</u>
NET ASSETS			<u><u>£ 357,364</u></u>		<u><u>£ 364,514</u></u>
FUNDS					
Restricted funds	15		17,500		38,137
Unrestricted funds:					
Designated funds	15	149,000		149,000	
General fund	15	190,864		177,377	
			<u>339,864</u>	<u>326,377</u>	
			<u><u>£ 357,364</u></u>		<u><u>£ 364,514</u></u>

For the year ended 31 March 2019 the charity was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The Management Committee member's responsibilities:

The members have not required the charity to obtain an audit if its accounts for the year in question in accordance with section 476;

The Management committee acknowledges its responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. They were approved, and authorised for issue, by the Management Committee on 28 October 2019 and signed on their behalf by:-

TERESA DRACE-FRANCIS Trustee



The annexed notes form part of these financial statements

BOOK WORKS (UK) LTD**STATEMENT OF CASH FLOWS**
For the year ended 31 March 2019

	Notes	2019 £	2018 £
Net cash flow from operating activities	19	5,255	20,663
Cash flows from investing activities			
Interest received		778	273
Purchase of tangible fixed assets		(3,930)	(5,222)
Proceeds from sale of tangible fixed assets		-	1,483
Net cash provided by (used in) investing activities		<u>(3,152)</u>	<u>(3,466)</u>
 Increase in cash and cash equivalents in the year		 2,103	 17,197
Cash and cash equivalents at the beginning of the year		239,268	222,071
Total cash and cash equivalents at the end of the year		<u>£ 241,371</u>	<u>£ 239,268</u>

The annexed notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

1. ACCOUNTING POLICIES

Basis of preparation of financial statements

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 on 2 February 2016, (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice as it applies from 1 January 2016.

Book Works (UK) LTD meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

Company status

Book Works (UK) Ltd is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office is 19 Holywell Row, London EC2A 4JB.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Statutory grants which are given as contributions towards the Charity's core services are treated as unrestricted.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grants are recognised when the charity has entitlement after any performance conditions have been met. It is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income received in advance of a book publication or other specified service is deferred until the criteria for income recognition are met.

Investment income is recognised on a receivable basis.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties. It is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are included within support costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

Leashold buildings	-	8%	Straight line
Fixtures and fittings	-	25%	Straight line
Office equipment, plant and machinery	-	25%	Straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

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 discount due. Any losses arising from impairment are recognised in expenditure.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short period.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

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 at their settlement value.

Leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated, at the rate of exchange ruling at the balance sheet date.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Judgements

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have a significant effect on amounts recognised in the financial statements.

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2019 £	<i>Unrestricted Funds 2018 £</i>
Grants - Arts Council of England	176,512	176,512
Donations	804	1,011
	£ 177,316	£ 177,523

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2019 £	Restricted Funds 2019 £	Total Funds 2019 £	<i>Total Funds 2018 £</i>
Studio	334,397	-	334,397	335,409
Commissions of new work	54,959	54,073	109,032	172,960
	£ 389,356	£ 54,073	£ 443,429	£ 508,369

Restricted income from charitable activities in 2018 was £107,182.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2019

4. GRANT INCOME AND DONATIONS	2019	2018
	£	£
Arts Council of England	176,512	176,512
Arts Council of England - Catalyst	6,825	53,175
Museum van Hedendaagse Kunst Antwerpen	25,898	-
Creative Scotland	-	2,000
The Common Guild	4,393	-
The Elephant Trust	-	1,200
Art On The Underground	12,500	-
Henry Moore Foundation	-	-
Freedom Festival Arts Trust/James Reckitt Library Fund	-	35,520
Galérie Polaris	-	4,193
ADN Galeria	2,117	2,124
Bouchra Khalili/Documenta	-	6,970
Other	2,340	2,415
	£ 230,585	£ 284,109

Of the £230,585 received in 2019 (2018 - £284,109) £54,073 was restricted funds (2018 - £107,182).

5. INVESTMENT INCOME	2019	2018
	£	£
Bank interest receivable	778	273
	£ 778	£ 273

6. RESOURCES EXPENDED

	Staff costs	Activities under-taken directly	Support Costs	Total 2019	Total 2018
	£	£	£	£	£
Studio	170,215	91,350	59,265	320,830	349,615
Commissions of new work	119,611	123,751	64,481	307,843	290,414
	£ 289,826	£ 215,101	£ 123,746	£ 628,673	£ 640,029

Restricted expenditure from resources expended in 2018 was £95,456.

Resources expended include:

	2019	2018
	£	£
Operating lease rentals - Land and buildings	30,952	30,051
Depreciation - on owned assets	3,512	2,529
	£ 34,464	£ 32,580

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

7. SUPPORT COSTS

	Staff	Premises	Other Administration	Total 2019	Total 2018
	£	£	£	£	£
Studio	19,619	22,692	16,954	59,265	67,283
Commissions of new work	15,396	22,213	26,872	64,481	45,775
	<u>£ 35,015</u>	<u>£ 44,905</u>	<u>£ 43,826</u>	<u>£ 123,746</u>	<u>£ 113,058</u>

Support costs including governance have been allocated as follows - Staff costs have been allocated to activities on a time basis. Premises and other costs have been allocated on the basis of costs directly attributable to each activity, costs not directly attributable to an activity have been allocated on a 50:50 basis except for rent which has been allocated on the basis of floor space.

8. GOVERNANCE COSTS

	2019	2018
	£	£
Independent examiners remuneration	3,700	3,650
Trustee' expenses	450	73
	<u>£ 4,150</u>	<u>£ 3,723</u>

9. STAFF NUMBERS AND COSTS

	2019	2018
	£	£
Wages and salaries	296,752	296,473
Social security costs	24,374	24,133
Pension costs	3,538	1,860
	<u>£ 324,664</u>	<u>£ 322,466</u>

The average monthly head count was 12 staff (2018 - 12 staff).

No employee received remuneration of more than £60,000.

10. MANAGEMENT COMMITTEE AND KEY MANAGEMENT PERSONNEL

During the year, no Management Committee received any remuneration (2018 - £NIL). No member of the Management Committee received reimbursement of expenses (2018 - £NIL).

During the year, Key Management Personnel, defined as the management committee and the co-directors, received remuneration of £87,539 (2018 - £82,452).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

11. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixture and fittings £	Office equipment £	Total £
Cost				
At 1 April 2018	32,226	6,897	16,463	55,586
Additions	-	-	3,930	3,930
At 31 March 2019	<u>32,226</u>	<u>6,897</u>	<u>20,393</u>	<u>59,516</u>
Depreciation				
At 1 April 2018	32,226	4,885	12,616	49,727
Charge for the year	-	671	2,841	3,512
At 31 March 2019	<u>32,226</u>	<u>5,556</u>	<u>15,457</u>	<u>53,239</u>
Net book value				
At 31 March 2018	£ Nil	£ 2,012	£ 3,847	£ 5,859
At 31 March 2019	<u>£ Nil</u>	<u>£ 1,341</u>	<u>£ 4,936</u>	<u>£ 6,277</u>

12. STOCKS

	2019 £	2018 £
Finished goods	46,836	51,709
Raw materials	11,578	9,621
Work in progress	7,339	8,176
	<u>£ 65,753</u>	<u>£ 69,506</u>

13. DEBTORS

	2019 £	2018 £
Due within one year		
Accounts Receivable	68,293	82,373
Prepayments and accrued income	16,859	11,229
Other debtors	2,613	3,166
	<u>£ 87,765</u>	<u>£ 96,768</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	9,674	32,373
Payments on account	17,442	-
Social security and other taxes	10,543	6,451
Other creditors	734	286
Accruals	5,409	7,777
	<u>£ 43,802</u>	<u>£ 46,887</u>

15. STATEMENT OF FUNDS

	Brought Forward £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward £
DESIGNATED FUNDS					
Equipment and premises	94,000	-	-	-	94,000
Website	25,000	-	-	-	25,000
Development and Staffing	30,000	-	-	-	30,000
	<u>£ 149,000</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ 149,000</u>
RESTRICTED FUNDS					
Commissions of new work	38,137	54,073	(74,710)	-	17,500
	<u>£ 38,137</u>	<u>£ 54,073</u>	<u>£ (74,710)</u>	<u>£ Nil</u>	<u>£ 17,500</u>
SUMMARY OF FUNDS					
Designated Funds	149,000	-	-	-	149,000
General Funds	177,377	567,450	(553,963)	-	190,864
	<u>326,377</u>	<u>567,450</u>	<u>(553,963)</u>	<u>-</u>	<u>339,864</u>
Restricted Funds	38,137	54,073	(74,710)	-	17,500
	<u>£ 364,514</u>	<u>£ 621,523</u>	<u>£ (628,673)</u>	<u>£ Nil</u>	<u>£ 357,364</u>

DESIGNATED FUNDS

The funds of the company include the following designated funds which have been set aside out of unrestricted funds by the management committee for specific purposes:

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

15. STATEMENT OF FUNDS continued

Equipment and premises fund

This fund was set up to replace printing and ancillary equipment, and to enable the charity to have necessary funds available to fund upkeep of the building and increase premises available for operations over the next 5 years.

Website fund

To aid with setting up of new website and related design and programming costs involved in the year 2019/2020.

Development and Staffing fund

- To create a new position at Book Works for a development manager to oversee fundraising initiatives in order to carry out our charitable aims commencing in January 2020.
- To ensure the operations of the charity can continue in the event of either unexpected staff sickness and maternity or to allow time for the charity to find replacement funding should an existing source come to an end unexpectedly.

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:

Commission of new work - relate to contributions towards the costs of producing new book titles.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
Tangible fixed assets	-	6,277	-	6,277
Net current assets	149,000	184,587	17,500	351,087
	<u>£ 149,000</u>	<u>£ 190,864</u>	<u>£ 17,500</u>	<u>£ 357,364</u>

17. OTHER FINANCIAL COMMITMENTS

	2019 £	2018 £
At 31 March 2019 the Company had annual commitments under non-cancellable operating leases (all for land and buildings) as set out below:		
Operating leases which expire: within one year	<u>31,881</u>	<u>30,952</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2019

18. RELATED PARTY TRANSACTIONS

During the year the charity incurred expenditure of £31,881 (2018 - £30,952) with the artistic co-directors of Rob Hadrill and Jane Rolo for the rental of the property at Holywell Row.

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019 £	2018 £
Net movement in funds	(7,150)	46,136
Depreciation charge	3,512	2,529
Bank Interest Received	(778)	(273)
Loss/(profit) on the disposal of fixed assets	-	(233)
(Increase)/decrease in stock	3,753	(14,316)
(Increase)/decrease in debtors	9,003	(15,326)
Increase/(decrease) in creditors	(3,085)	2,146
Net cash flow from operating activities	<u>£ 5,255</u>	<u>£ 20,663</u>