

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

**REPORT AND FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2020**

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

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**REPORT AND FINANCIAL STATEMENTS****For the year ended 31 March 2020**

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY,  
ITS TRUSTEES AND ADVISERS**  
**For the year ended 31 March 2020**

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<b>Management Committee</b>	Teresa Drace-Francis (Chair) (appointed 25 June 2019) Karen Brown Ronald Henocq Lisa Le Feuvre (resigned 31 March 2020) Michael Mack Reema Stephenson (resigned 31 July 2019) Isadora Tharin (Chair) (resigned 31 March 2020) Gerrie van Noord
<b>Secretary</b>	Gavin Everall (appointed 2 September 2019) Jane Rolo (resigned 2 September 2019)
<b>Co-Directors</b>	Rob Hadrill Gavin Everall (appointed 2 September 2019) Jane Rolo (resigned 2 September 2019)
<b>Company reg. no.</b>	03190880
<b>Charity reg. no.</b>	1104148
<b>Registered office</b>	19 Holywell Row London, EC2A 4JB
<b>Independent Examiner</b>	Delta Accountancy Advice Ltd 8 Margaret Avenue St Albans, AL3 5TE
<b>Bankers</b>	Lloyds Bank plc Finsbury Square Branch PO Box 1000 BX1 1LT

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**MANAGEMENT COMMITTEE'S REPORT**

**For the year ended 31 March 2020**

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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 2020. 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 organization, 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 second year of the current four-year programme (2018-2022), with funding from 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 business plan.

During this year there have been significant changes in the organisation. In September 2019, founding Director Jane Rolo, left Book Works, and the board appointed Gavin Everall as the new Co-Director joining Rob Hadrill. Following this there was a restructuring of publishing to appoint two new positions: Lizzie Homersham as Editor and Tamar Shlaim as Public Programme and Communications Manager. The main focus of the year has been research and development of a new business plan and programme, the delivery of commissioned projects, and development of our audiences through our activities. Despite the impact of the Covid Pandemic at the end of the year, much of our programme was delivered.

The first half of the year saw publications with Sophia Al-Maria, and Stephen Sutcliffe, and the second, the penultimate issue of The Happy Hypocrite, and new works by Joanne Tatham and Tom O'Sullivan, Nina Wakeford, Hamishi Farah, and Bridget Penney.

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## MANAGEMENT COMMITTEE'S REPORT

For the year ended 31 March 2020

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We continued to give opportunities through open submission with the publication of the first book in the Contact series, Airport Love Theme by Hamishi Farah, and the launch of two new open submission opportunities: Interstices series, guest edited by Bridget Penney, which will see two titles commissioned from open submission to follow the publication of her own work Licorice; and the launch of an open call for the final issue of The Happy Hypocrite which will be selected entirely from open submission and published in 2020-21.

This year we have been continuing our partnerships to include: co-publishing initiatives with Hospitalfields and Art on the Underground. We have also continued to develop our programme of exhibitions, talks, events and participatory projects alongside the new publications, working with a number of different organisations to launch the books and develop audiences, including: Pages Bookshop, Hackney, Flat Time House, Burley Fisher Books, MayDay Rooms, Pump House Gallery, Hospitalfields, South London Gallery, Whitechapel Gallery, Lux, Matt's Gallery, the Horse Hospital and Peer. We have been able to introduce all our artists to new audiences and readers across the UK at book fairs, libraries and bookshop outlets.

Our international presence has continued with events for Bouchra Khalili in Barcelona, and for both Bouchra Khalili and Sophia Al-Maria in New York, and have also seen an Italian edition of Shy Radicals published.

In addition to Arts Council funding (NPO and project funds), we secured funding from commercial galleries for individual titles, and new funding partnerships through the two published titles, *Our Pink Depot* by Nina Wakeford that was made possible with funding from Art on the Underground, and *The Bitter Cup* by Joanne Tatham and Tom O'Sullivan co-published and funded by Hospitalfields. We also developed new partnerships with The Mosaic Rooms, and with DACS for projects scheduled for 2020.

Our 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 finished in Summer 2019 and provided a sustained period of research and development for our fundraising to develop from.

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 technologies, 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.

During this year we have successfully published, seven new titles, two of which were selected as part of our open call series, two as co-publications and one, a new issue of our magazine The Happy Hypocrite. Under the new Director we are developing and expanding the programme, to include new publishing partners, guest editors and some new directions including the development of a new magazine.

A new guest-editor Bridget Penney was commissioned for the new Open Submission series, titled Interstices, which was launched in February, and accompanied the publication of her novel, Licorice, the first in this series.

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**MANAGEMENT COMMITTEE'S REPORT**

**For the year ended 31 March 2020**

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Maria Fusco was invited back to edit the final issue of *The Happy Hypocrite – Without Reduction* which will be published in 2020-21, with 30 commissions drawn from the open call published in December 2019.

We continue to reprint some of our titles, including a third edition of *Shy Radicals* by Hamja Ahsan, with plans to reprint 2 other titles in 2020.

The scheduled development of our website has been extended in order for the Studio elements to be properly developed, re-photographed and edited, and we are now planning to launch this in April 2020, alongside an audience development campaign that will aim to collect audience data that can feed into the further development of our diverse programme strands.

**Publishing**

In 2019-20 we published 7 new titles, and 1 reprint and 2 special editions

*Sad Sack* by Sophia Al-Maria

*Much Obligated* by Stephen Sutcliffe

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

*Our Pink Depot: The Gay Underground* FLO-N202- 236000000-TRK-MST-00002-SAY-HELLO-WAVE-GOODBYE-KEN-NIE-BPS by Nina Wakeford and co-published with Art on the Underground

*Airport Love Theme* by Hamishi Farah, a recent commission for Contact, our Open Submission series guest- curated by Hannah Black

*Licorice* by Bridget Penney

The penultimate issue of our journal, *The Happy Hypocrite – Silver Bandage*, No. 11, was guest-edited by Erica Scourti, commissioned 13 artists or writers, and was published in October.

**Special Editions**

*Legiscon Drawing* by Laure Prouvost

*The Watchie* by Joanne Tatham and Tom O'Sullivan

**Reprint**

*Shy Radicals* by Hamja Ahsan

**New ongoing projects due to be completed in 2020-21\***

**Co-publishing projects due 2020-21**

*Anamorphosis* by Praneet Soi (The Mosaic Rooms)

*The Stuart Brisley Interview* (DACS),

*Guitar!* by Sarah Tripp with Creative Scotland

*Practice Makes Perfect* by Rosa Johan Uddon (Focal Point Gallery and Bluecoats)

*Battles Vol 1* a new commission with Francesco Pedraglio

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**MANAGEMENT COMMITTEE'S REPORT**

**For the year ended 31 March 2020**

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**Single titles due for publication in 2020-21**

A new publishing project with Phyllis Christopher, funded through a Kickstarter crowdfunding platform

A new publication with Lucy Skaer

**Open Submission series**

Contact Series: *Bad Practice* by Derica Shields

\* Note all of these publications are subject to delays caused by COVID-19

A new guest-editor Bridget Penney was commissioned for the new Open Submission series launched in February, and has selected, Harun Morrison and Diana Georgiou for commissions (due 2021-22)

**The Happy Hypocrite**

*Without Reduction – The Happy Hypocrite*, issue 12 the final issue of the journal, was announced in December 2019, edited by Maria Fusco, with 30 commissions to be drawn from open submission-

**Reprints:**

*Shy Radicals* by Hamja Ahsan (fourth edition)

*Ur...A Practical Guide to Unconscious Reasoning* by Marcus Coates

*The Night* by Michèle Bernstein

**In development**

Projects with Sofia Niazi, Jesse Darling and a new review-based magazine developed with Isabel Waidner

**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.

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. We have expanded the reach of these to include schedules of surgeries as part of our participation in book fairs. 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, Chicago, 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.

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**MANAGEMENT COMMITTEE'S REPORT**

**For the year ended 31 March 2020**

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**Financial review**

The company had a surplus on unrestricted funds, of £2,876 for the year. Together with the accumulated surplus brought forward from previous years, the company now has an accumulated surplus on unrestricted funds of £342,740. Restricted funds carried forward at 31 March 2020 amounted to £7,450 (2019 - £17,500).

**Reserves policy**

Book Works now have free reserves of £203,618. 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, with the introduction of a risk register and policy review schedule. 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. Since March 2020 and in response to the COVID-19 pandemic the Risk Register is monitored on a monthly basis.

Whilst the impact of the pandemic is yet unknown, we have taken action to mitigate the impact and risks, through the government Job Retention Scheme, revised working conditions to take account of Government COVID-19 guidance, monthly board meetings, as well as revised cashflows, and budgets.

**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.

As a National Portfolio Organisation, Book Works receives core revenue funding from Arts Council England. So as not to become dependent on any one source of funding we recognise the need to build a fundraising strategy and the necessity to diversify our funding streams to build on this core funding, and our earned income, so as to remain viable and resilient into the future. Through our fundraising strategy we can raise awareness and the profile of the organisation within the art world and to new audiences and supporters, allowing us to continue to present and expand our experimental and innovative programme.

Our fundraising strategy secures support from a variety of sources: Grants from Trusts and Foundations, either directly applied for, or secured via artists applications; Co-Publishing partnerships, through which new projects are developed with artists via funding from third party art institutions or organisations; direct fundraising through our mailing list and supporters scheme, or through target specific project fundraising – Circle of Support – and through a regular raffle event; the selling of special editions and prints donated to the organisation for this purpose by artists. We are developing a fundraising policy, publish a privacy policy on our website and are GDPR compliant. We have received no complaints about our fundraising and all funds raised support our programme, education activities and charitable aims.



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**MANAGEMENT COMMITTEE'S REPORT**

**For the year ended 31 March 2020**

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**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 5 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. A new business plan is being developed to account for changes to our working conditions, income and programme in light of the impact of COVID-19.

**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.

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.

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**MANAGEMENT COMMITTEE'S REPORT**

**For the year ended 31 March 2020**

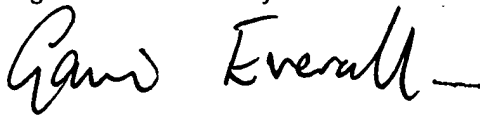
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The Management Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies 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 15 December 2020 and signed on its behalf by



Gavin Everall

Secretary

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

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I report on the financial statements for the year ended 31 March 2020 set out on pages 10 to 22.

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').

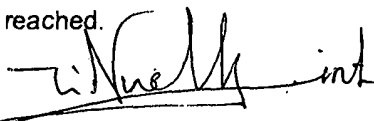
Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). 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: 22 December 2020

**STATEMENT OF FINANCIAL ACTIVITIES****(incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)****For the year ended 31 March 2020**

	Note	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £	Total Funds 2019 £
<b>INCOME FROM:</b>					
Donations and legacies	2	179,958	-	179,958	177,316
Charitable activities	3	508,466	21,796	530,262	443,429
Investments	5	876	-	876	778
<b>TOTAL INCOMING RESOURCES</b>		<b>689,300</b>	<b>21,796</b>	<b>711,096</b>	<b>621,523</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities		686,424	31,846	718,270	628,673
<b>TOTAL RESOURCES EXPENDED</b>	6	<b>686,424</b>	<b>31,846</b>	<b>718,270</b>	<b>628,673</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>2,876</b>	<b>(10,050)</b>	<b>(7,174)</b>	<b>(7,150)</b>
<b>Reconciliation of funds:</b>					
<b>TOTAL FUNDS AT 1 APRIL 2019</b>		<b>339,864</b>	<b>17,500</b>	<b>357,364</b>	<b>364,514</b>
<b>TOTAL FUNDS AT 31 MARCH 2020</b>		<b>£ 342,740</b>	<b>£ 7,450</b>	<b>£ 350,190</b>	<b>£ 357,364</b>

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 2020**

	Notes	£	2020 £	£	2019 £
<b>FIXED ASSETS</b>					
Tangible assets	11		3,272		6,277
<b>CURRENT ASSETS</b>					
Stocks	12	67,394		65,753	
Debtors	13	82,171		87,765	
Cash at bank and in hand		250,589		241,371	
		<u>400,154</u>		<u>394,889</u>	
<b>CREDITORS: amounts falling due within one year</b>	14	(53,236)		(43,802)	
<b>NET CURRENT ASSETS</b>			<u>346,918</u>		<u>351,087</u>
<b>NET ASSETS</b>			<u>£ 350,190</u>		<u>£ 357,364</u>
<b>FUNDS</b>					
Restricted funds	15		7,450		17,500
Unrestricted funds:					
Designated funds	15	135,850		149,000	
General fund	15	<u>206,890</u>		<u>190,864</u>	
			<u>342,740</u>		<u>339,864</u>
			<u>£ 350,190</u>		<u>£ 357,364</u>

For the year ended 31 March 2020 the charity was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

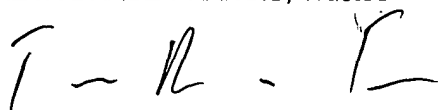
The Management Committee member's responsibilities:

The members have not required the charity to obtain an audit of 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 15 December 2020 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 2020**

	<b>Notes</b>	<b>2020</b> <b>£</b>	<b>2019</b> <b>£</b>
Net cash flow from operating activities	19	8,342	5,255
<b>Cash flows from investing activities</b>			
Interest received		876	778
Purchase of tangible fixed assets		-	(3,930)
Net cash provided by (used in) investing activities		<u>876</u>	<u>(3,152)</u>
<b>Increase in cash and cash equivalents in the year</b>		<b>9,218</b>	<b>2,103</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>241,371</b>	<b>239,268</b>
<b>Total cash and cash equivalents at the end of the year</b>		<u><b>£ 250,589</b></u>	<u><b>£ 241,371</b></u>

The annexed notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**

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**1. ACCOUNTING POLICIES**

***General information and basis of preparation of financial statements***

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. The nature of the charity's operations and principal activities are described in the Trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006\* and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

***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.

No amount is included in the financial statements for volunteer time in line with the SORP.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2020

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Investment income is recognised on a receivable basis.

***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 and creditors receivable / payable within one year***

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

***Leases***

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



## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

**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 and key sources of estimation uncertainty**

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**

	<b>Unrestricted Funds 2020 £</b>	<b>Unrestricted Funds 2019 £</b>
Grants - Arts Council of England	176,512	176,512
Donations	3,446	804
	<b>£ 179,958</b>	<b>£ 177,316</b>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds 2020 £</b>	<b>Restricted Funds 2020 £</b>	<b>Total Funds 2020 £</b>	<b>Total Funds 2019 £</b>
Studio	409,629	-	409,629	334,397
Commissions of new work	98,837	21,796	120,633	109,032
	<b>£ 508,466</b>	<b>£ 21,796</b>	<b>£ 530,262</b>	<b>£ 443,429</b>

Restricted income from charitable activities in 2019 was £54,073.

	<b>Unrestricted Funds 2019 £</b>	<b>Restricted Funds 2019 £</b>	<b>Total Funds 2019 £</b>
Studio	334,397	-	334,397
Commissions of new work	54,959	54,073	109,032
	<b>£ 389,356</b>	<b>£ 54,073</b>	<b>£ 443,429</b>

# BOOK WORKS (UK) LTD

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

### 4. GRANT INCOME AND DONATIONS

	2020	2019
	£	£
Arts Council of England	176,512	176,512
Arts Council of England - Catalyst	10,000	6,825
Museum van Hedendaagse Kunst Antwerpen	-	25,898
Creative Scotland	4,450	-
The Common Guild	-	4,393
Art On The Underground	1,330	12,500
Hospitafield	2,500	-
ADN Galeria	-	2,117
Other	4,266	2,340
	<b>£ 199,058</b>	<b>£ 230,585</b>

Of the £199,058 received in 2020 (2019 - £230,585) £17,966 was restricted funds (2019 - £54,073).

### 5. INVESTMENT INCOME

	2020	2019
	£	£
Bank interest receivable	876	778
	<b>£ 876</b>	<b>£ 778</b>

### 6. RESOURCES EXPENDED

	Staff costs	Activities under-taken directly	Support Costs	Total 2020	Total 2019
	£	£	£	£	£
Studio	185,841	130,684	60,924	377,449	320,830
Commissions of new work	130,241	141,118	69,462	340,821	307,843
	<b>£ 316,082</b>	<b>£ 271,802</b>	<b>£ 130,386</b>	<b>£ 718,270</b>	<b>£ 628,673</b>

Restricted expenditure from resources expended in 2019 was £74,710.

	Staff costs	Activities under-taken directly	Support Costs	Total 2019
	£	£	£	£
Studio	170,215	91,350	59,265	320,830
Commissions of new work	119,611	123,751	64,481	307,843
	<b>£ 289,826</b>	<b>£ 215,101</b>	<b>£ 123,746</b>	<b>£ 628,673</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

## 6. RESOURCES EXPENDED continued

Resources expended include:

		2020	2019
		£	£
Operating lease rentals	- Land and buildings	31,881	30,952
Depreciation	- on owned assets	3,005	3,512
		<u>£ 34,886</u>	<u>£ 34,464</u>

## 7. SUPPORT COSTS

	Staff	Premises	Other Administration	Total 2020	Total 2019
	£	£	£	£	£
Studio	19,557	23,177	18,190	60,924	59,265
Commissions of new work	17,700	22,703	29,059	69,462	64,481
	<u>£ 37,257</u>	<u>£ 45,880</u>	<u>£ 47,249</u>	<u>£ 130,386</u>	<u>£ 123,746</u>

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

	2020	2019
	£	£
Independent examiners remuneration	3,700	3,700
Trustee' expenses	258	450
	<u>£ 3,958</u>	<u>£ 4,150</u>

**NOTES TO THE FINANCIAL STATEMENTS**  
For the year ended 31 March 2020

**9. STAFF NUMBERS AND COSTS**

	2020 £	2019 £
Wages and salaries	320,256	296,752
Social security costs	26,434	24,374
Pension costs	6,460	3,538
	<u>£ 353,150</u>	<u>£ 324,664</u>

The average monthly head count was 12 staff (2019 - 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 (2019 - £NIL). No member of the Management Committee received reimbursement of expenses (2019 - £NIL).

During the year, Key Management Personnel, defined as the management committee and the co-directors, received remuneration of £94,982 (2019 - £87,539).

**11. TANGIBLE FIXED ASSETS**

	Land and buildings £	Fixture and fittings £	Office equipment £	Total £
<b>Cost</b>				
At 1 April 2019 and 31 March 2020	<u>32,226</u>	<u>6,897</u>	<u>20,393</u>	<u>59,516</u>
<b>Depreciation</b>				
At 1 April 2019	<u>32,226</u>	<u>5,556</u>	<u>15,457</u>	<u>53,239</u>
Charge for the year		<u>670</u>	<u>2,335</u>	<u>3,005</u>
At 31 March 2020	<u>32,226</u>	<u>6,226</u>	<u>17,792</u>	<u>56,244</u>
<b>Net book value</b>				
At 31 March 2019	<u>£ Nil</u>	<u>£ 1,341</u>	<u>£ 4,936</u>	<u>£ 6,277</u>
At 31 March 2020	<u>£ Nil</u>	<u>£ 671</u>	<u>£ 2,601</u>	<u>£ 3,272</u>

**12. STOCKS**

	2020 £	2019 £
Finished goods	52,186	46,836
Raw materials	10,848	11,578
Work in progress	4,360	7,339
	<u>£ 67,394</u>	<u>£ 65,753</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

## 13. DEBTORS

	2020	2019
Due within one year	£	£
Accounts Receivable	64,664	68,293
Prepayments and accrued income	15,021	16,859
Other debtors	2,486	2,613
	<u>£ 82,171</u>	<u>£ 87,765</u>

## 14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	15,049	9,674
Payments on account	-	17,442
Social security and other taxes	9,348	10,543
Other creditors	1,616	734
Accruals	7,723	5,409
Deferred income	19,500	-
	<u>£ 53,236</u>	<u>£ 43,802</u>

Deferred income

Amount deferred in the year - Fees

Balance at 31 March 2020

19,500	-
<u>£ 19,500</u>	<u>£ Nil</u>

## 15. STATEMENT OF FUNDS

## Movements in funds (current year)

	Brought Forward April 2019	Incoming Resources	Resources Expended	Transfers	Carried Forward March 2020
	£	£	£	£	£
<b>DESIGNATED FUNDS</b>					
Equipment and premises	94,000	-	-	-	94,000
Website	25,000	-	(13,150)	-	11,850
Development and Staffing	30,000	-	-	-	30,000
	<u>£ 149,000</u>	<u>£ Nil</u>	<u>£ (13,150)</u>	<u>£ Nil</u>	<u>£ 135,850</u>

## RESTRICTED FUNDS

Commissions of new work	17,500	21,796	(31,846)	-	7,450
	<u>£ 17,500</u>	<u>£ 21,796</u>	<u>£ (31,846)</u>	<u>£ Nil</u>	<u>£ 7,450</u>

## SUMMARY OF FUNDS

Designated Funds	149,000	-	(13,150)	-	135,850
General Funds	190,864	689,300	(673,274)	-	206,890
	<u>339,864</u>	<u>689,300</u>	<u>(686,424)</u>	<u>-</u>	<u>342,740</u>
Restricted Funds	17,500	21,796	(31,846)	-	7,450
	<u>£ 357,364</u>	<u>£ 711,096</u>	<u>£ (718,270)</u>	<u>£ Nil</u>	<u>£ 350,190</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

## 15. STATEMENT OF FUNDS continued

## Movements in funds (prior year)

	<i>Brought Forward April 2018</i>	<i>Incoming Resources</i>	<i>Resources Expended</i>	<i>Transfers</i>	<i>Carried Forward March 2019</i>
	£	£	£	£	£
<b>DESIGNATED FUNDS</b>					
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:

## 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

Set aside for ongoing work on the website and post-launch in 2020, maintenance and development of the site.

## Development and Staffing fund

- Following the restructure of the staff in 2019, these funds are set aside to support Book Works fundraising initiatives in order to carry out our charitable aims, through either a new position or freelance contracts.
- 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.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2020

## 15. STATEMENT OF FUNDS continued

## 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

Current Year	Unrestricted Funds			Total Funds
	Designated Funds	General Funds	Restricted Funds	
	£	£	£	£
Tangible fixed assets	-	3,272	-	3,272
Net current assets	135,850	203,618	7,450	346,918
	<u>£ 135,850</u>	<u>£ 206,890</u>	<u>£ 7,450</u>	<u>£ 350,190</u>

Prior Year	Unrestricted Funds			Total Funds
	Designated Funds	General Funds	Restricted 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

	2020	2019
	£	£
At 31 March 2020 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>32,837</u>	<u>31,881</u>

## 18. RELATED PARTY TRANSACTIONS

During the year the charity incurred expenditure of £31,881 (2019 - £30,952) with the artistic co-directors of Rob Hadrill and Jane Rolo for the rental of the property at Holywell Row.

**NOTES TO THE FINANCIAL STATEMENTS**

**For the year ended 31 March 2020**

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net movement in funds	<b>(7,174)</b>	<b>(7,150)</b>
Depreciation charge	<b>3,005</b>	<b>3,512</b>
Bank Interest Received	<b>(876)</b>	<b>(778)</b>
(Increase)/decrease in stock	<b>(1,641)</b>	<b>3,753</b>
(Increase)/decrease in debtors	<b>5,594</b>	<b>9,003</b>
Increase/(decrease) in creditors	<b>9,434</b>	<b>(3,085)</b>
Net cash flow from operating activities	<b><u>£ 8,342</u></b>	<b><u>£ 5,255</u></b>