

**PENGUIN
COLLECTORS
SOCIETY**



REPORT AND ACCOUNTS

30 APRIL 2006



Company number 4261702

PENGUIN COLLECTORS SOCIETY**NOTICE OF ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the Fifth Annual General Meeting of the Penguin Collectors Society (company no 4261702, 'the company') will be held at Heaton Mount, The University of Bradford on Saturday 16 September 2006 at 1.30pm to transact the following business:-

ORDINARY BUSINESSResolution 1

THAT the company's accounts and the report of the directors thereon for the year ended 30 April 2006 be received.

Resolution 2

THAT James Mackay, a director appointed during the year, be re-appointed as a director of the company with immediate effect.

Resolution 3

THAT Jim Robinson, a director appointed during the year, be re-appointed as a director of the company with immediate effect.

Resolution 4

THAT Jo Lunt, a director retiring by rotation, be re-appointed as a director of the company with immediate effect.

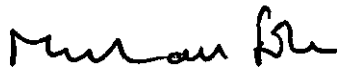
Resolution 3

THAT Jim Rayner, a director retiring by rotation, be re-appointed as a director of the company with immediate effect.

ANY OTHER BUSINESS

Including presentation, discussion and consideration of the Society's publications, meetings and website programme.

Note: Any annual member of the company whose annual subscription has been paid or who is an honorary annual member in respect of the calendar year 2006 may attend and vote at the meeting.



Michael Fowle, Secretary

14 June 2006

BRIEF DETAILS OF THE DIRECTORS AND TRUSTEES

Tim Graham

Age 60, a publisher for twenty years and a bookseller for another twenty (overlapping, not consecutive). Started collecting Penguins with his father to add to the latter's original 6d purchases and has now spread his interest to most series. Chairman since 2005 and Membership Secretary since 2000.

Michael Fowle CBE

Age 66, chartered accountant; formerly senior partner of KPMG London; now Chair of The Place2Be and director of a bank. Treasurer since 1996 and Company Secretary since 2001.

Steve Hare

Age 55. A collector for 35 years and a distinguished author on Penguin history. The Society's Editor from 1993 to 2000 and still an enthusiastic supporter as Publisher, with personal responsibility for special publications.

Jo Lunt

Age 58, former teacher and a book-dealer since 1993. Eclectic life-long collector, an enthusiastic promoter of matters Penguinary and of the well-being and growth of the Society. Editor since 2000. Retiring by rotation and standing for re-election.

James Mackay

Age 56. Former railway manager, now a consultant in that industry. Brought up in a house of post-war Penguins, and an enthusiast equally for their content and their design. Appointed on 6 January 2006 and standing for re-election.

Jim Rayner

Age 58, a teacher until 1997, joined Oxfam 1998, still working for them. Interests: sport, the arts and books about books. Retiring by rotation and standing for re-election.

James Robinson

Age 47, US lawyer, currently partner in London of Cahill Gordon & Reindel, LLP, a US law firm. A reader of Penguin Classics. Appointed on 6 January 2006 and standing for re-election.

Martin Yates

Age 63, former management consultant. A collector since the early 1970s, PCS member since the early 1980s, contributor to PCS publications since the early 1990s and Publications Officer since 2002.

PENGUIN COLLECTORS SOCIETY CHAIRMAN'S STATEMENT

As is our custom, this report is reserved for the formal financial and legal information that we need to circulate – things about study, research and books and preservation will be in the *Collector*.

The formal annual general meeting notice is the first page of this leaflet – the venue details are in the *Collector*. Please note that the time of the formal agm is 1.30pm.

Russell Edwards, who joined the Society over 30 years ago, who was an officer for 26 years, Honorary Secretary from 1993 to 2001 and thereafter our Chairman, had for some time been trying to resign as a trustee but had been persuaded by his colleagues to stay on. However last July he could no longer be persuaded and tendered his resignation. The trustees' proposal at the 2006 agm that Russell should be appointed an Honorary member and should be given two Penguin deck chairs was greeted with acclamation.

The 2006 agm approved the trustees' proposal that I should be appointed the charity's chairman. I am honoured and delighted to succeed Russell.

At the 2006 agm I asked for volunteers and suggestions for new trustees and I subsequently wrote to all members. Four names were put forward and after interviews, James Mackay and Jim Robinson were in January 2006 appointed to the board of trustees. They are standing for re-election at this year's agm.

One third of the trustees retire by rotation at the annual general meeting and are entitled to stand for re-election. Those retiring this year are Jo Lunt and Jim Rayner and they are standing for re-election.

The Society's objectives

The Society is a charity, its objectives being the advancement of education and the preservation of archive and similar historical material in public collections.

We have no intention of becoming a fundraising charity. Our funds come from three sources: the *pro bono* work of our trustees and other volunteers which does our research, creates our books, runs our events and provides our administration; members' subscriptions; and the sale of publications to members and others.

Membership

The numbers of paid up members in recent years have been:

2006	405	2001	383
2005	394	2000	325
2004	382	1999	377
2003	404	1998	406
2002	361	1997	429

There are about 30 members who paid a subscription in 2005 who have not yet rejoined for 2006.

Nearly 250 members pay their subscriptions by standing order. Many thanks. This benefits the Society, the Treasurer and themselves. The facility on our website which now enables payment of subscriptions and purchase of publications by credit card has been useful to members and seems to have improved publications sales.

Financial result

The financial outcome for the year has again been good and reflects a slightly larger membership, much improved publications sales (including the effect of credit card sales) and the 2005 Penguin Study Day. Printing costs are down because we did not circulate a Special Publication in the year – we hope there will be three this year. We invested in new IT equipment for the Editor and the costs of the internet credit card sales facility appeared for the first time.

We remain in excellent shape financially. Our cash position is good and funds not currently needed remain invested in the COIF Deposit Fund, which provides charities with money market rates.



Tim Graham, 14 June 2006

Penguin Collectors Society

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 30 APRIL 2006

This is the formal report of the Society's directors and trustees. The Society was founded in 1974 by a small band of enthusiasts and was re-organised in 2001 as a charitable company limited by guarantee (registered number under the Company's Act 1985 4261702). On 30 September 2002 the Company was entered by the Charity Commission on the Central Register of Charities (number 1093965).

The directors (who are the charity trustees and are referred to as 'the trustees') during the year were:

Russell Edwards – Chairman – resigned 22 July 2005	
Tim Graham – Chairman and Membership Secretary	
Michael Fowle – Secretary & Treasurer	Jim Rayner
Steve Hare – Publisher	Jim Robinson – appointed 6 Jan 2006
Jo Lunt – Editor	Martin Yates – Publications Officer
James Mackay – appointed 6 Jan 2006	

There are two classes of members of the company: Companies Act members and annual members. The directors are the only Companies Act members and have each guaranteed that if the company is wound up he/she will contribute a sum of £10 each if it is insolvent. All other members are annual members. The rights of Companies Act members and annual members are identical and are limited to voting at general meetings. Since the company is limited by guarantee having no share capital, none of the directors has an interest in the company.

The Articles of Association of the charity permit the trustees to appoint honorary annual members. Following a discussion at the 2006 agm, the trustees have appointed Tanya Schmoller, Russell Edwards, Derek Birdsall, Jerry Cinamon, Romek Marber, John Miles and David Pelham to be honorary annual members for last year and the current year and it is intended that they will be re-appointed as honorary annual members for future years.

Activities and Objectives

The Society has no staff. It depends entirely on the trustees and other volunteers to pursue its objectives, including publishing a twice-yearly magazine, *The Penguin Collector*, as well as other occasional works. Its objectives are:

- to encourage and promote the study of and research into the design, history and content of printed books and other art in the twentieth century, particularly paperback books and books and art published by Penguin Books Limited and by Sir Allen Lane and
- to acquire and assist the acquisition of archive and similar historical material, particularly relating to paperback design, printing and publishing, for gift or long term loan to university libraries and collections and similar institutions where they will be available for educational and research purposes.

Organisation and policies

The trustees are responsible for the governance and management of the Society and ensure that the Penguin Collectors Society pursues the objectives for which it was founded. The trustees are responsible for selecting the policies of the Society including the accounting policies. The accounting policies are included in Note 1 to the financial statements.

Risk management

The trustees have considered the risks to which the Society is subject and are satisfied that they are properly managed.

Directors' responsibilities

The following statement is made in order to set out the responsibilities of the directors and trustees in relation to the accounts. Company law requires the trustees to prepare accounts for each financial period which give a true and fair view of the Society's state of affairs at the end of the year and of the results for that period. In preparing those accounts, the trustees are required to: select suitable accounting policies and apply them consistently; make judgements and estimates that are reasonable and prudent; follow applicable accounting standards, subject to any material departures as explained in the accounts; and prepare the accounts on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that the Society is operating efficiently and effectively, that its assets are safeguarded against unauthorized use or disposition and that the Society complies with relevant laws and regulations.

Because of the size of the Society, there is no obligation to appoint auditors. The members confirmed at the 2002 annual general meeting that they do not wish to do so.

Funds and results for the period

The Society's funds are unrestricted. The trustees have decided that it is proper to set aside a sum of £8,000, being approximately one year's expenses, as a base fund to ensure that the Society has adequate resources to fulfill its mission. The Chairman's statement comments on the results for the period.

The directors and trustees have taken advantage of the special exemptions applicable to small companies conferred by Part VII of the Companies Act 1985 in the preparation of the directors' report.

By order of the Board of Trustees



Michael Fowle CBE FCA, Secretary, 14 June 2005

Penguin Collectors Society
(a company incorporated by guarantee)

Statement of financial activities

	<i>Note</i>	Year to 30 April 2006 £	Year to 30 April 2005 £
<i>Incoming resources during the period</i>			
Subscriptions etc receivable	1	8,867	8,304
Publications sales and other income from meeting charitable objectives	2	3,919	2,270
Interest receivable		1,070	898
		<u>13,856</u>	<u>11,472</u>
<i>Resources expended during the period</i>			
Costs of furthering charitable activities	3	5,629	6,334
Management and administration	4	2,228	977
		<u>7,857</u>	<u>7,311</u>
Net incoming (outgoing) resources for the period		5,999	4,161
Balance brought forward		12,241	8,080
Transfer to base fund		<u>(3,000)</u>	<u>-</u>
Balance on income and expenditure account at closing		<u>15,240</u>	<u>12,241</u>


Penguin Collectors Society
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Balance sheet

	<i>Note</i>	30 April 2006 £	30 April 2005 £
Publications stock (token value)	<i>1</i>	250	250
Debtors and payments in advance		140	80
Investments – COIF Deposit Fund		30,000	24,500
Cash at bank		1,551	911
		<u>31,941</u>	<u>25,741</u>
Creditors due within one year			
Amounts payable		400	300
Accrual for printing & posting		3,400	3,400
Subscriptions received in advance		4,901	4,800
		<u>8,701</u>	<u>8,500</u>
<i>Net assets</i>		<u>23,240</u>	<u>17,241</u>
Unrestricted funds			
Balance on income and expenditure account		15,240	12,241
Base fund		8,000	5,000
		<u>23,240</u>	<u>17,241</u>

For the year ended 30 April 2006 the company was entitled to exemption under section 249A Companies Act 1985. No members have required the company to obtain an audit of its accounts for that year in accordance with section 249(B)2. The directors acknowledge their responsibility for (i) ensuring that the company keeps accounting records which comply with section 221; and (ii) preparing accounts which give a true and fair view of the state of affairs of the company at 30 April 2005 and of its surplus for the financial year ended on that date in accordance with section 226, and which otherwise comply with the requirements of the Companies Acts relating to accounts so far as applicable to the company.

Approved by the board and signed on its behalf on 14 June 2005

Signed *Tim Graham – Chairman*

Michael Fowle CBE FCA – Treasurer



Penguin Collectors Society
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Notes to the 2006 financial statements

1. Accounting policies

In accordance with Section 226 Companies Act 1985 the trustees have departed from the standard descriptions of the profit and loss account as set out in schedule 4 of that Act on the grounds that it is appropriate to give all the information required in the income and expenditure account in the format of a statement of financial affairs as required by the Statement of Recommended Practice for charities. The Society 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.

The accounts are prepared under the historical cost convention. Income is taken to credit only if in the Treasurer's hands by the balance sheet date. Subscriptions receivable are those related to the period of the statement of financial affairs arrived at by time apportionment. Printing and postage costs for a twelve-month period normally include two *Penguin Collectors* and one special publication. Publications stock represents the backlist and is stated at a token figure.

The trustees have set aside a sum of £8,000, being approximately one year's expenses, as a base fund to ensure that the Society has adequate resources to fulfill its mission.

2. Publications sales and other income from meeting charitable objectives

	2006	2005
	£	£
Postcards <i>Wherever you go – take a Penguin Book</i>	513	-
Poster <i>Wherever you go – take a Penguin Book</i>	78	628
The Typography of Penguin Books	349	93
Penguins in Print	432	347
The Buildings of England – a Celebration	120	99
The Penguin Modern Painters – A History	102	60
A Collector's Companion	291	194
Other back list & sundry	1,154	849
Penguin Study Day 2005 income	880	
	<u>3,919</u>	<u>2,270</u>

3. Costs of furthering charitable activities

	2006	2005
	£	£
Printing and similar costs	3,452	4,889
Postage, packing & stationery	1,464	1,445
Donations to public collections	240	
Expenses of Penguin Study Day 2005	473	
	<u>5,629</u>	<u>6,334</u>

4. Management and administration

	2006	2005
	£	£
AGM and meeting costs	281	408
Printing membership papers etc	518	274
Website	370	280
IT costs	752	
Other corporate & financial expenses (including cost of receiving payment by credit card)	307	15
	<u>2,228</u>	<u>977</u>

The trustees receive no remuneration but provide *pro bono* services to the Society. Total expenses re-imbursed to trustees amounted to £2,162 (2005 £1,154), being mostly the purchase of material to be given to public institutions and editorial and distribution expenses including scanning, postage, packaging and stationery (included in costs of furthering charitable activities) and IT costs, insurance and travel costs and (included in management and administration). The Society does not suffer income tax or corporation tax.