



# 2021 ANNUAL REPORT

This is Report and Financial Statements for the year to 31 December 2021 as required by charity law the trustees' and regulations and constitutes a directors' report for the purpose of company legislation. The financial statements have been prepared in accordance with the accounting policies set out on pages 26 to 30 and comply with the charity's trust deed, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102). The trustees assert that report trustees committee this annual shows BTBS' and co-opted members are effective, offering appropriate skills, knowledge and experience in support of clear aims, values and objectives, reflecting the tenets of the Charity Governance Code.

## WHO WE ARE

The Book Trade Charity exists to support colleagues across the book trade and their families, providing grants and housing when they need it most. Since 1837 we have been a safety net providing vital funding to help when crisis strikes.

We can help with: utility bills, groceries, transport, medical costs, funeral costs, counselling, household items, relocation, training, development and housing needs. We even have our own housing for colleagues based in Hertfordshire and London.

Beyond our work with individuals, we work hard to support a healthy and vibrant book trade and to break down barriers for young entrants to the trade. We believe in a diverse and inclusive book trade and our approach reflects our commitment to underrepresented groups.





## A SAFETY NET

We act fast to help colleagues at the point of crisis. Putting food on tables, heating homes and keeping lights on. For hundreds of families.

## A SPRINGBOARD

But we don't stop there. We actively drive positive change across the trade and are strongly committed to building a more inclusive and diverse book trade. We have helped hundreds more gain the skills they need to go further and to realise their potential.





## CHAIR'S STATEMENT

2021 was a year of learning. We continued to learn how to operate most effectively through the pandemic and launched our new Bookbinders Cottages in May, with a huge drive to find residents for this unique development in north London. This is an exceptional place with a remit to support underrepresented new entrants to the trade including people from regional and low-income backgrounds. It is heartening that within a matter of months we are now at almost full capacity and have received trade-wide support for this initiative.

This year also saw the formation of our new Ambassadors Group which draws together a handful of our greatest supporters in the trade to single-mindedly drive our profile and fundraising over the coming years. We are excited about the potential to create a strong team of supporters during our 185th anniversary in 2022.

As we enter 2022, we can already see the increasing need for support as incomes are squeezed by inflationary pressures, war rages in Europe and Covid 19 continues to haunt us. I am delighted that we have an excellent team led by Vic that will help the charity and the UK book industry face these challenges.

**Jonathan Nowell**  
Chair



## A WORD FROM OUR CHIEF EXECUTIVE

Over the past twelve months our life-changing grants and homes have helped hundreds of people across the book trade. As a new face, I have been humbled by our rapid response to eligible colleagues facing crisis. For example, on average during 2021 we agreed Covid funds within five days, a phenomenally fast turn-around for our beneficiaries. This is thanks to our small, agile and dedicated team, who go above and beyond to provide a safety net for people when they need it most. In addition to our welfare grants and housing we continue to support entrants to the trade with training and relocation grants, providing a springboard for thirty colleagues starting out in the book trade during this difficult time.

I am in no doubt about the scale of the challenge ahead. The world is changing and our Covid ravaged book communities are now being shaken by the global energy crisis and by high inflation. It is clear to me that during our 185th year we will need every voice, every supporter and every advocate behind us to ensure that we can respond to this unprecedented challenge on behalf of individuals and families. I am so grateful to our supporters across the trade. Please be in no doubt that your donations matter and they make a real difference to colleagues' lives each day.

**Vic Perry**  
Chief Executive



## OUR AIMS

Overall our grants and housing supports colleagues to:

- improve quality of life for themselves and their families
- relieve distress and face crises
- take up education and training
- build their career in the book trade

## OUR WAY OF WORKING

is tangible, practical and personal. It often starts with an email or a phonecall to talk through eligibility and to run through the application steps together. We can help with - utilities bills, groceries, transport, medical costs, funeral costs, counselling, household items, relocation, training, development and housing needs.

## CRISIS DOESN'T DISCRIMINATE, AND NEITHER DO WE

We are committed to promoting a workplace committed to the principles of equity, inclusivity and diversity. All applications for support are considered in ways which do not discriminate on the basis of age, gender, ethnicity, race, religion, disability, sexual orientation or socio-economic background.



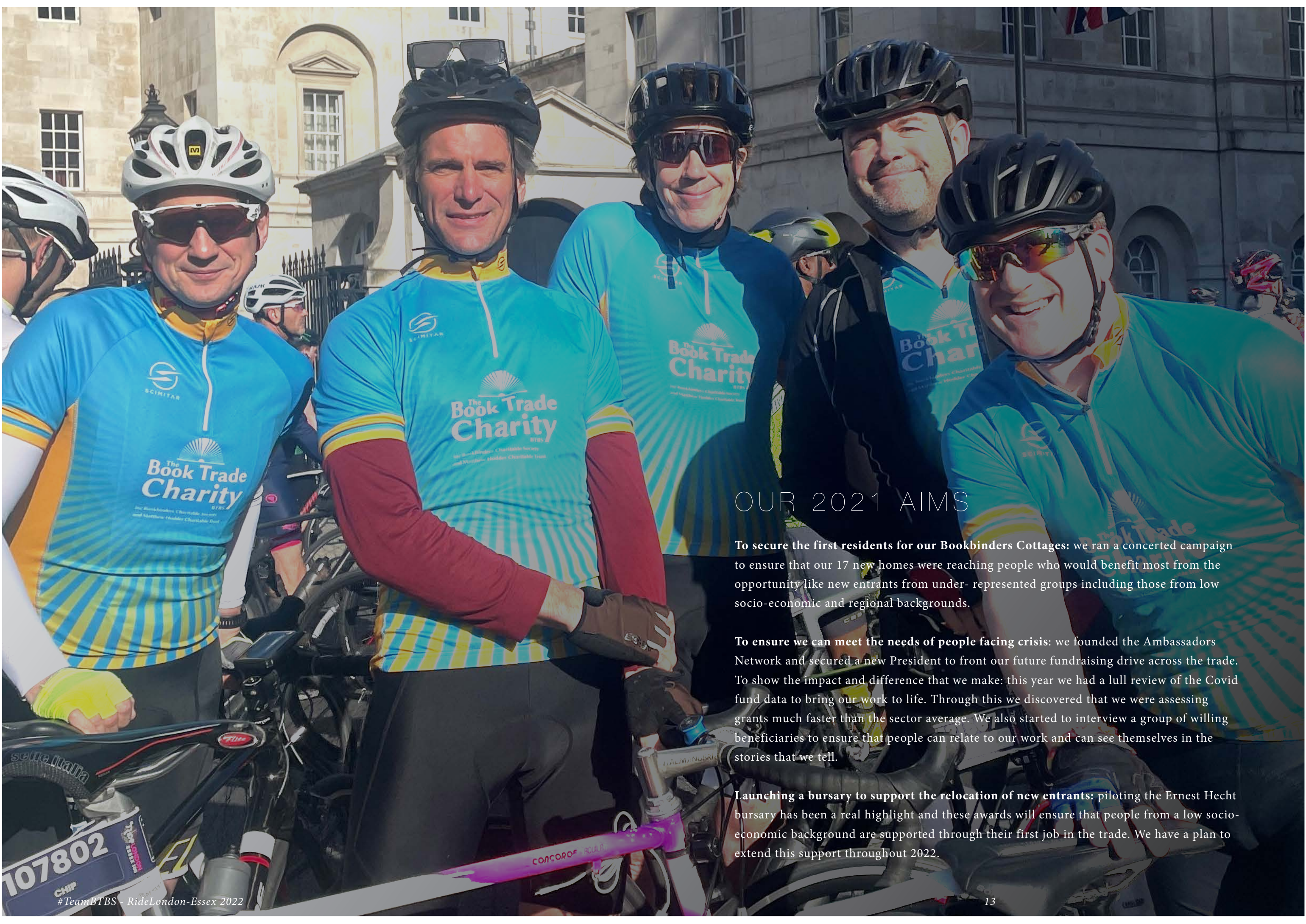


## 2021 HIGHLIGHTS

- Supported 127 beneficiaries with our grants programme plus 52 Covid grant beneficiaries
- Launched Bookbinders Cottages, our new development in Barnet, London
- Kickstarted our new Ambassador programme to raise vital funds and profile
- Glenda won the sector's ACO Outstanding Achievement award
- Developed a campaign to celebrate our 185th year
- First residents survey at the Retreat to understand what matters most to our community
- Raised almost £40,000 through our book sales once Covid restrictions had eased
- Devised new Advisory Forum terms of reference







## OUR 2021 AIMS

**To secure the first residents for our Bookbinders Cottages:** we ran a concerted campaign to ensure that our 17 new homes were reaching people who would benefit most from the opportunity like new entrants from under- represented groups including those from low socio-economic and regional backgrounds.

**To ensure we can meet the needs of people facing crisis:** we founded the Ambassadors Network and secured a new President to front our future fundraising drive across the trade. To show the impact and difference that we make: this year we had a full review of the Covid fund data to bring our work to life. Through this we discovered that we were assessing grants much faster than the sector average. We also started to interview a group of willing beneficiaries to ensure that people can relate to our work and can see themselves in the stories that we tell.

**Launching a bursary to support the relocation of new entrants:** piloting the Ernest Hecht bursary has been a real highlight and these awards will ensure that people from a low socio-economic background are supported through their first job in the trade. We have a plan to extend this support throughout 2022.



## OUR YEAR IN NUMBERS

£285,528 AWARDED IN GRANTS

43% OF APPLICANTS IN WORK

295 APPLICATIONS

173 BENEFICIARIES

42% BOOKSELLERS

41% PUBLISHERS

17% ALLIED TRADES

## OUR GRANTS

A large part of our work involves assessing grant applications from individuals seeking support for themselves and their families. We have a series of grants on offer to support colleagues at different stages of their career and facing different pressures.

## WELFARE GRANTS

For book trade people living in their own homes, the charity supports individuals and families in need by providing one-off grants for people facing a crisis. Here are some examples of what people use our grants for:

Impact area	How we might help
Low household income and savings, debt and insolvency	Essential furniture and appliances, help with household bills, heating and maintenance costs, travel and car costs
Unemployment and redundancy	Interview costs, funding training and development, CV
Health and medical aid not easily or normally provided by the NHS	Help towards dental work, medical aides such as wheelchairs, mobility scooters, stair lifts
Being a carer	Respite care costs, financial support
Emergencies and unforeseen circumstances	Cover funeral costs, transport and travel
Accidents, illness or bereavement	Deposits for Motability vehicles, mobility aids or stairlifts, counselling sessions
Housing difficulties and homelessness	Pay for accommodation, deposits for a new home, help with removal costs

For further information please go to [www.btbs.org](http://www.btbs.org)



## REGULAR GRANTS

We often work with colleagues who find themselves on a fixed, low income. They may be retired or indeed starting out in the trade. We support over 60 people with a means-tested grant of up to £175 per month. We know that this ongoing support can be a lifeline for people and enables us to play a sustained and meaningful role in their lives.

72 APPLICANTS

30% OF OUR WORK

£119,210 AWARDED



## Chris's story

Chris met his partner Hil when they were both young booksellers. After falling in love, they moved to Taunton and ran a bookshop together. In later life, Hil became ill and Chris stopped working to become her carer. After her sudden death, Chris found himself alone, grieving and without a stable income:

*"It can sound like a cliché but you just never think you could be in this situation. It was like a switch being turned off and I fell to pieces - our lives had been so entwined for over twenty years. I was emotionally devastated, isolated, jobless and eventually without a home. At that point I was in relatively dire straits and in need of someone to turn to. I then had a kind, caring and helpful conversation with The Book Trade Charity - all the things one needs when you are in that situation. I filled in the paperwork, and it gave me back my confidence in humanity."*

Chris now receives a regular monthly grant from us, and we are so grateful to him for sharing his story.



## EDUCATION AND TRAINING GRANTS

We have a special grants programme to support people's training and professional development within the book trade and to support people with a passion to enter the trade. We see these grants as a springboard, enabling people to secure their dream job in the book trade. We continue to work with chosen providers to offer support and practical help to colleagues seeking their first or next job in the trade.

If the costs of undertaking education and training is a barrier to colleagues, we can help them to access career development courses and we tailor support to help new entrants with their living and household expenses often offering grants to support rental deposits or the costs of relocation. Grants awarded are typically between £300 - £2,000.

### Amy's story

*"Everything changed after that course, it literally changed my life. Growing up my parents had good jobs and worked hard. Dad was self-employed and had a bad accident at work when I was little which meant he suddenly couldn't work, and we ended up in debt that we are still paying off today. As a young child this was hard, I remember borrowing books from the school library every weekend so I could have some form of escape. Ever since, I have always done what I can to contribute to the family, I couldn't afford to go to university even though I wanted to and went straight into full time work. Everything was going well. Fast forward to the second half of Covid - I lost my job. I suddenly couldn't support my family and was trying to work out what to do next - it really affected my already struggling mental health. I started reading as an escape again. I started a book Instagram and came across 'Get into Book Publishing' on Twitter. I didn't have the money to join until I found out about The Book Trade Charity. I applied for funding and when I found out I was successful I cried. I did the course in Spring and a short while after I got a call about the Bloomsbury apprenticeship scheme. After a few interviews and a work trial I started a few weeks later and it was magical. I now have 1,000 followers on my Book Instagram and have been at Bloomsbury for a year. It genuinely was amazing to have funding for that course and I wouldn't be where I am today without that help."*





## EDUCATIONAL PROJECT GRANTS

Project grants help us to reach much wider communities by providing targeted support for literary festivals, reading and literature appreciation programmes (particularly for young people) and the development of local and regional initiatives to promote the love of reading. This year we supported:

- Southam Literary Festival – a small festival at the heart of the community
- Bound by Veterans – a charity retraining wounded, injured and sick veterans as bookbinders
- Independent Publishers Guild conference
- Publishing Hopefuls – an online group supporting people into UK publishing

Our educational grants are typically between £1,000 and £2,000 (to a maximum of £5,000) for educational projects and initiatives which facilitate or provide training to promote the study, knowledge and appreciation of literature, publishing and the book trade. We encourage applications for funding from local and regional charities in support of education and training activities connected with learning, literacy and the enjoyment of reading.

4 PROJECTS FUNDED

£4,000 AWARDED



Photo credit: Bound by Veterans

## Meet Bound by Veterans

Bound by Veterans exists to support ex-servicemen and women, specifically those discharged early due to wounds, injuries and sickness (WIS), to transition from military to civilian life. Since they started nine years ago more than 600 veterans have completed introductory courses and signed up for City & Guilds Level 1,2,3 qualifications.

*“We are very grateful to have The Book Trade Charity funding which enables us to enjoy a secure workspace for the veterans in an attractive and peaceful setting. It is a rare thing for a sponsor to fund rent specifically but BTBS tends to focus on helping with these fundamental costs which makes their support very important to us.”*



## COVID GRANTS

*“I really don’t know what we would have done had The Book Trade Charity not been there for us. I know this is a challenging and uncertain time for everyone and having someone to reach out to and get support from is, for us, lifesaving.”*

In 2021 we continued to support people across the book trade with grants to help them to withstand and recover from the Covid pandemic. The grant operational guidelines were used as a basis to assess the new Covid grants but given the unprecedented scale and urgency of individual need the usual cap on grants was stretched to meet actual shortfalls in income where appropriate. Many of those who applied in 2021 had either lost jobs due to Covid or were dealing with other life-changing events due to the pandemic (e.g., exacerbated health issues or relocation). Many more Covid applicants also sought support for career guidance as they applied themselves to looking for new employment.

We continue to provide support to individuals and their families who are struggling due to the pandemic.

52 APPLICANTS

57 APPLICATIONS

£80,000 AWARDED





## ENTRY TO THE TRADE GRANTS

We recognise the barriers for young people trying to obtain their first job in the industry and we are passionate about supporting people from underrepresented groups to enter the trade. This year we asked some of the young entrants who had undertaken fully funded career development sessions, why our support made a difference to them. This is what they said:

*“I came into this from another industry and quickly learned that jobs and opportunities were few and centred around London or Edinburgh. The advice was invaluable, and helped me to grow my business.”*

*“Yes - it’s great to enable publishing hopefuls from low income backgrounds to get opportunities in the field, and these kind of sessions are incredibly useful. I would have found a session with book careers hard to afford without help, so the sponsorship of the Book Trade Charity was very valuable for me.”*

*“The publishing industry is notoriously underpaid leading to very little opportunity for those from lower income backgrounds to find their feet within it.”*

*“This is a highly competitive industry and too often favours those from privileged backgrounds and those with connections in the industry. It’s important for an industry that serves the UK’s book-reading public that the country’s demographic is better represented in the publishing industry.”*

*“Very important, especially given that career development sessions tend to be expensive and people looking for a job would find it hard to book them by themselves otherwise.”*

29 GRANTS AWARDED IN 2021

## OUR IMPACT, GRANTS

In 2021 our work supported beneficiaries across the UK. Here is a breakdown of our grants programme for the past three years:

### HOW DID WE HELP?

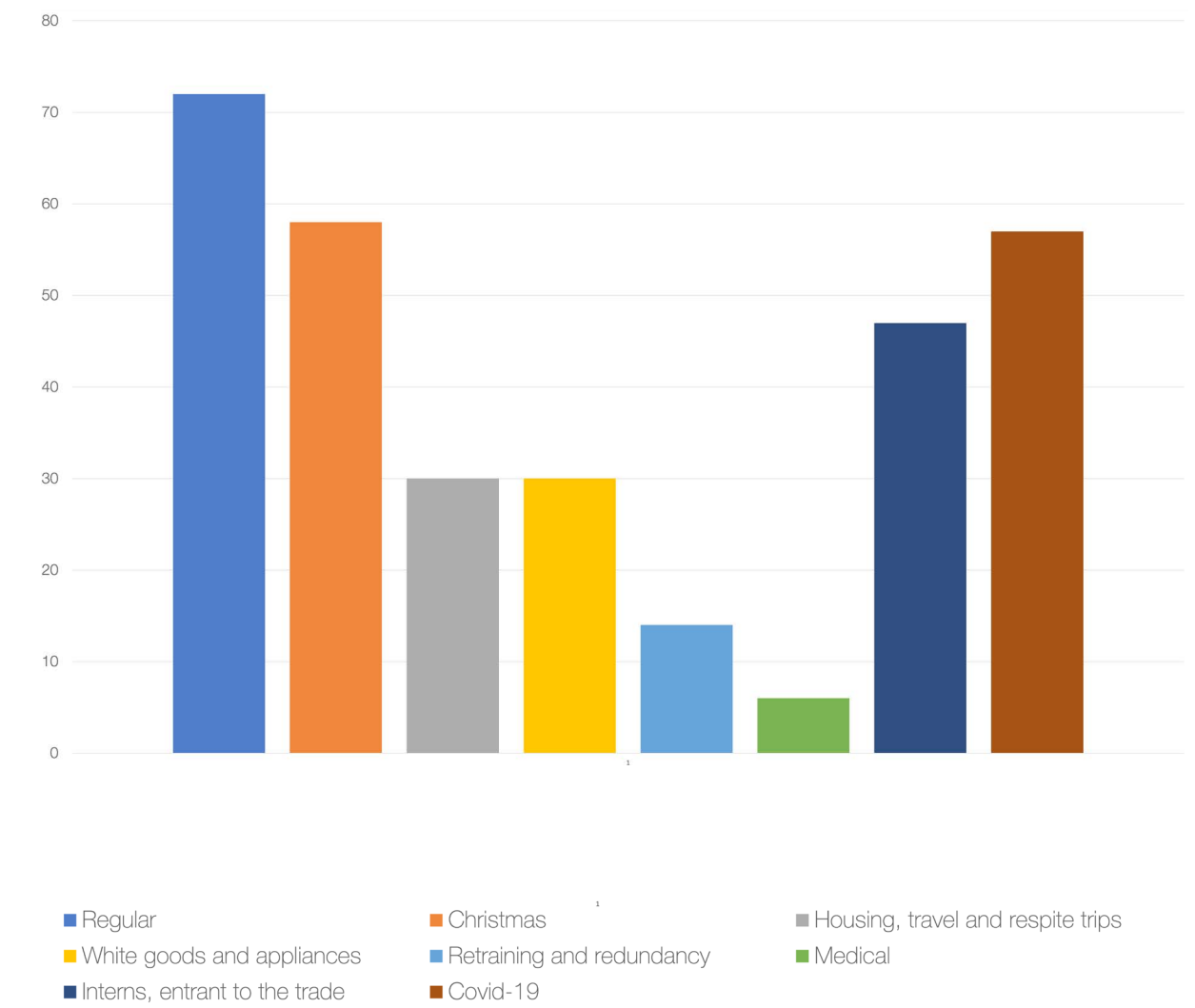
<b>Welfare grants, (one-off &amp; regular), Entry to the trade grants and Project grants (not including Covid Hardship Grants)</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Beneficiaries:	127	130	190
New contacts:	51	52	82
Applications for assistance (total):	291	287	382
Applications funded:	262	235	267
Applicant did not pursue:	17	26	66
Applications rejected (ineligible or not within financial criteria) :	12	26	49
<b>Covid hardship grant applications 2021</b>			
Beneficiaries:	52	89	/
Applications for assistance (total):	62	149	/
Applications funded:	57	106	/
Applicant did not pursue:	3	30	/
Applications rejected (ineligible or not within financial criteria) :	2	13	/



## WHAT DID PEOPLE ASK FOR SUPPORT WITH?

	2021		2020		2019	
Regular support: (supported for full 12 months)	72 (64)	£119,210	73 (69)	£119,515	76 (60)	£140,090
Christmas one-off grants	58	£9,150	57	£8,100	40	£6,300
Housing/rent arrears/debt	25	£19,178	11	£7,633	30	£15,519
Travel & car costs	2	£810	2	£949	4	£1,668
Holidays, respite care	3	£1,050	0	£0	2	£835
Household, including car-pets, white goods	30	£21,838	25	£11,870	31	£15,295
Retraining & redundancy	14	£5,163	22	£6,005	20	£6,569
Disability, medical & nursing home fees	6	£3,428	2	£2,050	6	£2,339
Interns & Entry to the Book Trade	46	£15,090	38	£10,530	42	£23,404
Project grants	5	£4,230	5	£5,800	16	£19,501
<b>Ernest Hecht Bursaries:</b>	1	£6,000	N/A	N/A	N/A	N/A
<b>Covid Hardship Fund Grants:</b>	57	£80,331	106	£166,779	N/A	N/A

Grants awarded may fall into more than one category per beneficiary



The above graph shows what people have asked for our support with this year





## OUR IMPACT, HOMES

Our homes in London and Hertfordshire exist to provide safe, secure and subsidized accommodation for book trade people of all ages. Our oldest resident is 98 and our youngest, 23.

## THE RETREAT IN HERTFORDSHIRE

The Retreat at Kings Langley provides independent living in a community of self-contained accommodation for book trade people who need housing for social and economic reasons - a 'safe port' to start afresh after a difficult time. The estate provides homes for colleagues of all ages who have worked in the trade. People can apply to live there as the result of housing need or simply because they wish to live or retire amongst others who love books and share experience in the book trade. Properties are let to eligible applicants on assured short-hold tenancies at subsidised rents/utilities.

- Occupancy: 95% (2020: 98%)
- Average age of residents at 31 December 2021 was 67(2020: 66.7 years). Our oldest resident is 90 and youngest is 43.



## BOOKBINDERS COTTAGES IN LONDON, N20

The Bookbinders Cottages form a small and unique development of tailor-made flats in North London providing a 'place to call home' for young people starting their book trade career in London. The development provides independent living in a community of self-contained flats for book trade people.

- Occupancy: 60% (2020: 79%). During 2022 occupancy has increased significantly.
- Average age of residents at 31 December 2021: 44(2020:70). Our oldest resident is 98 and youngest 23.
- Redevelopment works complete: site handed back to BTBS in March 2021

### Katie's story:

*"It's fantastic. The location itself is such an easy commute. I can be in my office in 45 minutes. It's so quiet and it feels really safe. The flats really are stunning - I have enough space to work from home when I need to. It's clean, well decorated and generously sized and so comfortable. The community is great too, I've become good friends with a neighbour upstairs. If I was still in Derby, I would be spending all of my money on transport and would have found it difficult to meet friends and spend time in the office - I don't think I could have moved to London without this help. The Book Trade Charity are amazing. Publishing is so hard to get into and having a few of the barriers lessened makes the whole industry a better place."*

Katie is a resident at Bookbinders Cottages and we thank her for sharing her story.







## FOCUS FOR 2022

### 185 APPEAL

The cost-of-living crisis is starting to affect families across the book trade and our grants programme is under strain. In response we are launching the #185Appeal to raise money to strengthen our grants programme, ensuring we can be there for colleagues struggling with increased bills and inflation.

You can support the appeal by visiting [btbs.enthuse.com/cf/cost-of-living-appeal](https://btbs.enthuse.com/cf/cost-of-living-appeal) or by following the QR code on the last page.

### ENERGY

**We are actively scoping our Sustainable Futures Project which focuses on three main elements:**

- Replacing or upgrading existing heating to modern, 'greener', energy efficient systems.
- Modifications to individual homes including better insulation, draught proofing, radiator reflectors and other LEAN changes to help reduce our carbon footprint and save money.
- Providing tailored support, advice and grant assistance to enable our community members to benefit from adopting greener and more sustainable energy choices.

### ADVISORY FORUM

The Book Trade Charity has recognised the need to invite and welcome a broader range of views to inform our planning and service delivery. This may include, but is not limited to; people with lived experience of our services; people with a sound understanding of grant making; housing best practice and policy practitioners.

The forum will act as a critical friend, informing and assisting The Book Trade Charity in several ways including being a key point of advice for the ongoing design and delivery of BTBS programmes. This work will continue into 2023.



## FUNDRAISING

### HOW WE RAISE MONEY

We are so grateful to our individual and company donors from across the book trade and love speaking to potential supporters. As a small charity every pound makes a difference. Typically we raise money by:

- Working with Publishers and Booksellers, who donate to enable our work supporting colleagues in crisis.
- Book sales – the sale of books donated by the book trade. Despite the cancellation of the 2021 London Book Fair, we raised almost £39,000 from our book sales in 2021 and attracted 805 boxes of donated books from across the trade, a record!
- Five London Marathon runners from across the trade raised over £7,700 as a team.
- Trusts, charitable foundations and legacies.

We adhere to and comply with the provisions of the Fundraising Standards Board as part of BTBS' membership during the year.

The Board records its thanks and appreciation to the following supporters:

- London Marathon runners: Mollie Haynes, Perri Lucatello, Carl Smith, Patrick Kirwin Taylor and Sarah Sherborne.
- Events and collections were held on our behalf by: Hachette's All Together Network, University of Surrey, Old Export Lags and bookseriesinorder.com.
- Major Donations (£1,000 or more): regular (unrestricted) corporate and charitable trust support during the year: Blackwells, Blake Friedmann, The Book Society, The Booksellers Association, Clays, Canongate, David Grossman, Faber and Faber, Hachette, Harper Collins, Ingram/Lightning Source, Old Possum's Practical Trust, Pan Macmillan, PenguinRandomHouse, Profile Books, Publishers Licensing Society, Simon & Schuster and the Sue Thompson Charitable Trust.
- Donation received from the estate of Elaine Moss.







## VOLUNTEERS & STAFF

We wish to record our thanks and appreciation to all volunteers who contributed greatly to the charity's achievements and developments during the year. Without this support, we would not be able to transform lives.

Particularly, the trustees record their thanks to:

- Paul Chapman, Sally Atkinson, Marie Bucksey, Ben Gutcher and Barbara Taylor who were co-opted onto committees and who used their knowledge, skills and experience to the great benefit of the charity;
- The Retreat residents who are involved in the book sales which contribute to the charity's income.
- Colleagues who help to collect books for and support our book sale events on the day;
- The Retreat residents and friends who organise social occasions and outings, and particularly Graham Hogben who took on the role of minibus driver for the weekly supermarket trips, and other outings;
- The many other book trade friends and colleagues who donate much needed funds and others who give of their time to further the charity's objectives;
- Ursula Mackenzie (President) for her significant fundraising and profile raising across the trade.

The Board records its thanks and appreciation to the small staff team of Glenda Barnard, Nicki Cattle and Keith Foster who are professional and dedicated in all that they do, including many voluntary hours in support of book sales and other events. The Board pays tribute to Vic and her team.



## FINANCIAL REVIEW

This year has been one of significant transition. After the development of Bookbinders Cottages and launching a major Covid Fund in 2020 this year was an important time to re-frame in order to gear up for the challenges ahead.

	2021	2020
Total income:	£632,580	£1,267,311
Total expenditure:	£1,014,760	£1,156,967
Investment gains	£39,288	£15,878
Net (expenditure)/income	£-343,088	£126,222

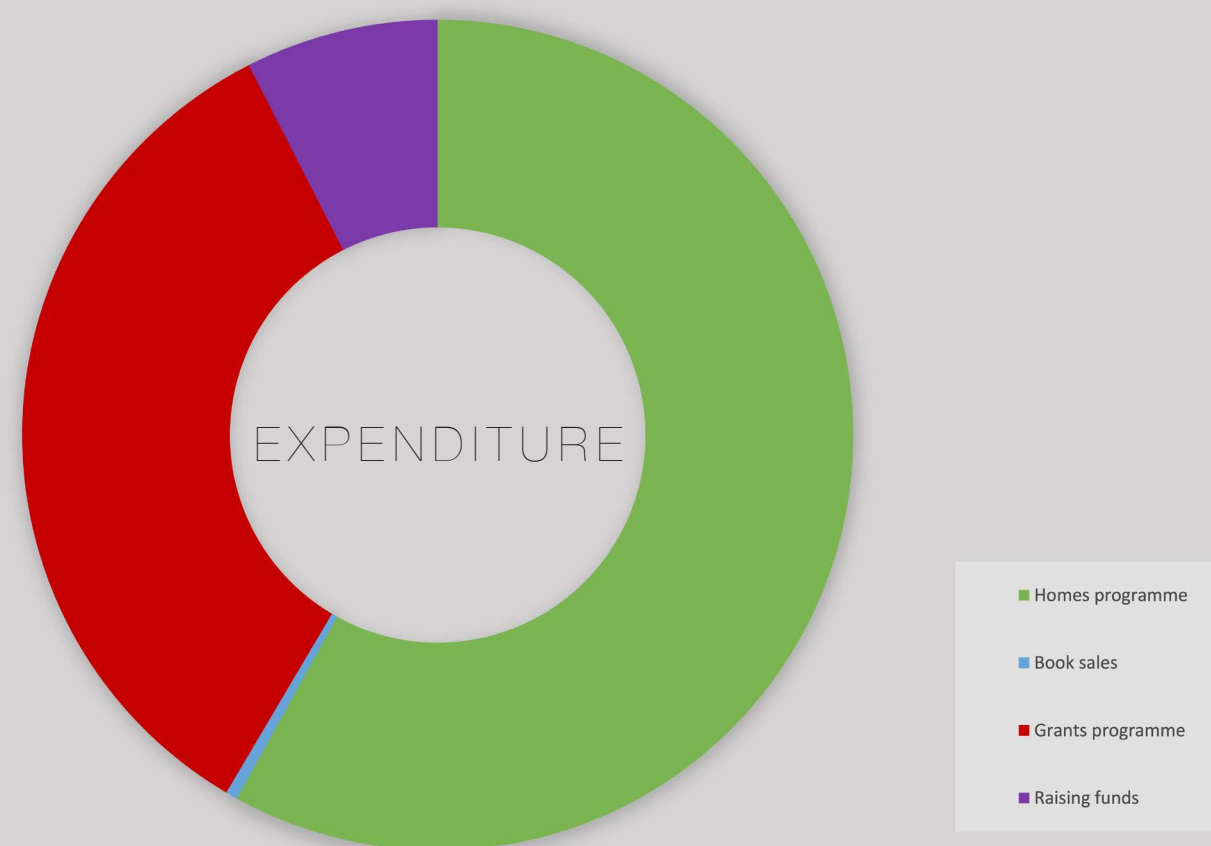
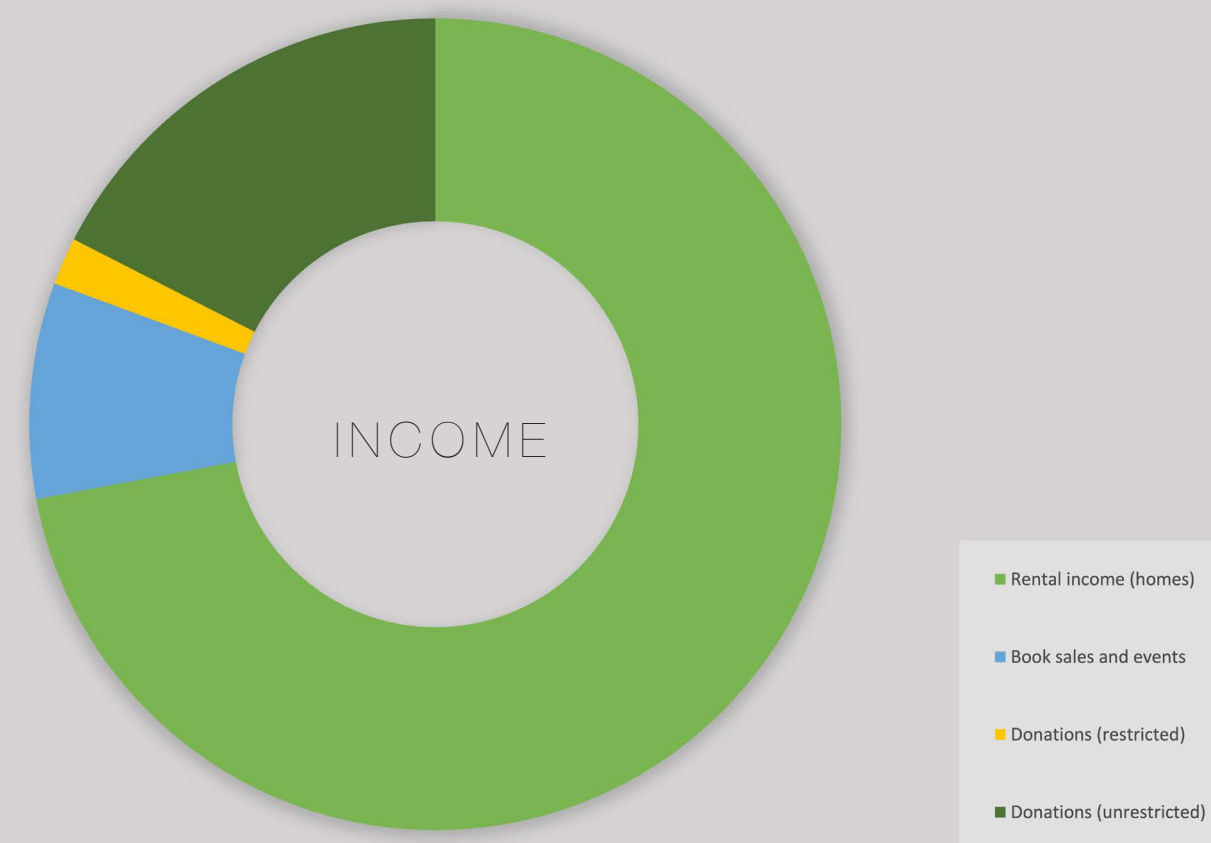
2020 income was significantly higher due to the Covid Fund Appeal and the Capital Appeal for the development at Bookbinders Cottages. 2021 was expected to be a year of higher expenditure and the end of year position was favourable against budget,

Recurring income for the charity comprises income comes from voluntary sources, events, rents and investments:

- Corporate and personal donations, and grants from charitable trusts contributed £114,237 (2020: £316,745) to unrestricted funds and £11,264 (2020: £527,022) to restricted funds.
- Events income totalled £53,795 (2020: £55,385) mainly from book sales and the London Marathon
- Rental income amounting to £450,764 (2020: £359,993) was receivable which will grow in 20221 when predicted occupancy levels will be met.
- Gross investment income was £6,866 (2020: £8,166). Movement in the stock market during 2021 resulted in net realised and unrealised gains totalling £39,288 (2020: £15,878).

**Costs for the year are £1,014,956 (2020: £1,156,967):**

- Grants in the year, including provisions for regular grant commitments in 2021, amounted to £285,478 compared with £339,141 in 2020, when Covid grant applications were high.





# INVESTMENTS

The charity's investments are held with Rathbones in a bespoke portfolio of securities; who provided this report:

Stock markets moved higher in 2021 as the global economy adjusted to and started to recover from the COVID-19 pandemic. Economic activity was somewhat 'stop-start' as new COVID-19 variants disrupted progress made as a result of the distribution of vaccines. Towards the end of the year, focus turned to the prospect of higher inflation as a result of the strong economic recovery. Investors became increasingly concerned about how much monetary policy would need to be tightened by central banks around the world. Despite these challenges, the UK equity market (as measured by the FTSE All Share) rose +18.3% and overseas equities (as measured by the FTSE All- World ex UK) were up +20.1%. Fixed income was weaker on the prospect of higher interest rates leading to lower bond prices, with the FFSE UK Gilts All Stock failing -5.2%.

The charity's investment portfolio, managed by Rathbones, performed well, returning +14.8% net of all fees. This was ahead of Rathbones' short term composite index benchmark which rose +12.7% and ahead of the peer group (as measured by the ARC Charity Steady Growth Index), which was +12.3%.

# INVESTMENT POLICY

Overall, the trustees wish to pursue a policy which provides revenue and growth to support the charity's current purposes and enhances income and capital growth over the longer term, thereby enabling them to meet the current and future objectives in accordance with the purposes of the charity. The investment objective of the Fund is to produce a return of inflation (CPI) plus 3%, net of fees. The Board has agreed to dispense with the income requirements and re-invest income to support capital growth, subject to any withdrawals the charity finds it necessary to make. This requirement is subject to annual review.

The trustees have delegated the day-to-day decision making and control of the charity's investments to Rathbones Investment Management, through a managed fund, to be informed by the policies and guidelines agreed annually at a meeting of trustees and monitored by regular contact with the Chief Executive, by formal quarterly reports and biennial presentations to the finance committee of The Book Trade Charity. The trustees, in delegating their investment management, require the Managers to pay attention to the standard investment criteria, namely the suitability of the class of investment and the need for diversification insofar as it is appropriate to the circumstances of the charity and these requirements are to be met by the management of the fund. There are few restrictions on the

type of investments or markets in which the Managers would invest on the charity's behalf and the trustees see no conflict with the overall objectives of the shared fund. The Charity intends to actively learn more about ethical investment over the coming twelve months.

The trustees accept a medium risk approach to investment (definition below\*) with a medium-to-long term objective of meeting the requirement for a returns target of inflation plus 3%, recognising that there will be short term fluctuations, and are satisfied the fund proposed for BTBS by Rathbones can achieve this. Note, we are less dependent on income from investments, given the significant reduction in value of reserves.

*\*The volatility target, as measured by standard deviation, aims to be high single digit (8-10%) i.e. roughly half way between that of equities and government bonds. If we assume an expected return of +6% per annum (gross of fees) and that the volatility is 9%, then the expected range of returns (in theory) for the portfolio would be between -12% and +24% each year with a 95% degree of confidence.*

# RESERVES POLICY

As at 31 December 2021, the charity held designated funds (comprising the property reserve, which is based on the net book value of the fixed assets of the charity, less loans secured against the properties) of £8,789,818, with unrestricted reserves of £478,990 (representing four months of unrestricted expenditure).

The charity's target is to hold sufficient reserves in investments to cover four key areas of need:

1. Continuity — funds used to bridge any delays in regular receipts—the estimated value of 3 months of donation income, £30,000.
2. Cyclical Maintenance — funds used for major maintenance to buildings and interiors — this is estimated at £100,000
3. Restructuring — funds used to cover essential trading activities if sources of income were reduced, such as a fall in occupancy of the property — this is identified as 4 months of budgeted expenses £280,000
4. Dissolution — funds used should the charity be unable to continue. Only to be used in the event of the trustees' deciding the charity should cease to exist — this is identified as three months running costs plus three months residual salaries £175,000

Minimum required unrestricted reserves are approximately £585,000. The charity will continue to review their reserves and reserves policy on an annual basis and work towards achieving the minimal target level of coverage. During the year we have consciously made significant investment in the capital redevelopment of Bookbinders Cottages which has temporarily reduced the level of reserves below the policy target.



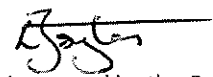
## GOING CONCERN

The trustees have assessed the position of the charity as a going concern in preparing this report and financial statements and have made this assessment in respect to a period of over one year from the date of approval of these accounts, based on budgets and cashflow forecasts to December 2023, the forecast reserves position at 31 December 2023 and the expected level of activity during 2022/2023. The charity's net current assets at 31 December 2021 are covered by fixed asset investments which can be converted to cash if necessary.

The trustees assessed key risks in the assumptions to these budgets and cashflow forecasts, including reductions in key revenue streams, increases in costs and fluctuations in interest rates and reviewed the impact that a significant change could have on the forecast to ensure the charity position. Mitigations against these risks were considered and would entail reducing the level of grants offered or the number of beneficiaries supported, re assessing the criteria for providing housing and increasing the fundraising activity of the charity.

Despite the global uncertainty in relation to COVID-19, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern, and the charity will have sufficient resources to meet its liabilities as they fall due.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



Approved by the Board on and signed on its behalf by  
Emily-jane Taylor, Honorary Treasurer, on behalf of the trustees



*Our Trustee Jasmine Richards of STORYMIX*



## Governance

The Book Trade Charity (BTBS) is a company limited by guarantee (06725178) and a registered charity (1128129). We were founded in 1837 and incorporated on 15 October 2008, with the Memorandum and Articles of Association (governing instrument) amended by special resolutions on 26 August 2009 and 16 July 2014.

Our objects are to:

- (a) provide grants (welfare) and supported accommodation to anyone with a UK book trade connection (including bookbinding and allied trades) so as to relieve social and financial need, including the impact on families and individuals of sickness and illness;
- (b) support new entrants to the book trade with accommodation and grants;
- (c) look for and support programmes of education and training which promote study, knowledge and appreciation of literature, publishing and the book trade and for the benefit of those who work in this trade.

### Governance structure

Our trustees (page two) are also directors of The Book Trade Charity (BTBS) for the purposes of company law and are responsible for preparing this report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The Chair leads the board, acts as the principal interface between the board and the Chief Executive and provides the trustees with information, advice and support on strategic issues. The Chief Executive is the senior member of staff, who reports to and is accountable to the board for all operational and strategic matters. The board's remit is formally documented. We are satisfied that we comply with relevant charity and company laws and regulations on good governance and that we have sufficient scrutiny of day-to-day operations, including our duties to:

- comply with the objects and purposes as set out in the governing instrument;
- approve policies, plans and budgets in support of its aims and objectives;
- ensure the organisation is solvent and well run with appropriate controls and delegated powers;
- scrutinise all activities of the charity;
- approve financial statements, ensuring these give a true and fair picture of the charity's position;
- report to the Charity Commission serious incidents (2021: none);
- appoint a Data Protection Lead (GDPR) (Ann Woodhall)

### Statement of trustees responsibilities

Company law requires us to prepare financial statements for each financial year which give a true and fair view of the income and expenditure of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. We are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

As far as we are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- we are aware of any relevant audit information and have established that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006. The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Joining the Board.

The Chief Executive and Chair work together to ensure good succession planning and in 2021 a skills audit was undertaken. New trustees are co-opted under the provisions of the governing instrument and approved by the board. We work hard to find individuals with a range of skills and experience, including but not limited to: \* book trade knowledge and networks \* charity governance and law \* the benevolent fund charity sector \* welfare, education, training and housing \* equality, diversity and inclusion \* finance, asset management and investments \* fundraising and marketing and, human resources, health and safety.

In 2021, we co-opted three new trustees who will strengthen our Board and bring new insights and perspectives to future-proof The Book Trade Charity:

**Jasmine Richards** – Founder of Storymix, a children's fiction development studio that creates inclusive stories and nurtures voices from under-represented backgrounds in children's books.

**Ian Chapman** – Chief Executive and Publisher of Simon and Schuster UK and a long-term supporter of The Book Trade Charity.

**Meryl Halls** – Managing Director of the Booksellers Association (BA) – the trade body of the UK and Ireland, founded to promote retail bookselling.

In 2021 we drafted a new welcome pack for trustees to outline the role and responsibilities for new joiners. In addition, new trustees met with the Chief Executive to discuss the work of the charity and further training will be offered in 2022.

### Subcommittees of the Board

The charity's two sub-committees operate within terms of reference approved by the board with a focus on policies, practices and procedures. There were no changes in the terms of reference, reporting processes or appointments during 2021.

### Grants and Housing Committee

This important committee regularly reviews the level of applications received by BTBS and the charity's response. It is underpinned by a set of operational guidelines for assessing grant applications, ensuring that the process of reviewing household income, savings and expenditure is approached consistently and fairly.

During 2021 the Grants and Housing Committee worked with the staff team to provide the Board with:

- recommendations on financial criteria in assessing applications and delegated financial limits



- reports on grants, housing, education and training activities, including those which were approved and refused by the Committee under delegated powers
- analysis of financial expenditure on grants, education and training programmes and future trends.
- Analysis of the Covid Hardship Fund including geographical mapping and impact feedback from recipients.

#### Finance Committee

This committee reviews income and expenditure, cash flow, capital projects and investments and provides the Board with recommendations on the Budget for the year, capital expenditure and investments. Alongside the Chair and three board trustees, there is one co-option (providing continued input from the previous Bookbinders Charitable Society).

**The Chair** is appointed, usually for a term of three years as the interface between the Board and the Chief Executive; assist the Board in ensuring compliance with statutory and regulatory obligations; chair meetings and work with the Chief Executive to review and recommend any changes to our policies and procedures.

**The President** is appointed, usually for a term of three years, to build profile and raise funds. The President represents the charity at key functions and events and is not a director nor a trustee but can attend Board meetings. During 2021, the President focused on the capital development appeal, developing the Ambassadors Network terms of reference with the Chief Executive and appointing a successor for 2022.

#### New for 2021: The Ambassadors Network

This is a new group with the express aim of supporting the President to raise targeted, major donor and corporate funds and to raise the profile of The Book Trade Charity as energetic advocates with the clout, determination and passion to help drive support for our cause. We end the year with five new Ambassadors, who bring a wealth of experience and contacts and who we can't wait to work alongside. We recognise that as a small team we need to extend our reach in 2022 and capitalise on this moment of profitability across the publishing industry and conversely an unprecedented need from beneficiaries who are already feeling the effects of increased living costs.

#### The Team

Key Management Personnel include the Chair and all trustees, who are unpaid as above, plus the Chief Executive, who is paid. The terms and conditions of employment of the Chief Executive and three other permanent staff members (one full-time and two part-time) were reviewed by the trustees following a benchmarking exercise in 2021. In assessing pay, the Board has regard to performance, the financial position of the charity, the rate of inflation at mid-year, and book trade pay rates and comparable roles across the third sector.

#### New Chief Executive

Victoria Perry (Vic) officially joined The Book Trade Charity in March 2021 and had a month-long intensive handover with David Hicks which formed part of an invaluable and generous induction.

#### Transactions with Trustees

The reimbursement of expenses to Board members is shown in the financial statements in note 8. Other transactions with related parties are shown in Note 21.

#### Risk management and dealing with uncertainties

The Book Trade Charity operates a risk register and matrix which reflects our operational plan and key areas of concern. The register has been strengthened in 2021 to include mitigating actions and status updates and is now reviewed by the Board as a standing agenda item. The trustees look at existing and potential risks in detail;

consider Charity Commission guidance; have regard to risk practices and procedures of other benevolent funds and ask for input from staff.

#### Key risks

**Occupancy of the new flats at Bookbinders Cottages:** ensuring that our new flats were at predicted occupancy levels was a huge focus for 2021. The delay to practical completion had a knock-on effect to earned income which meant that recruitment had to start in earnest during the Spring. We made the conscious decision to revise down the occupancy expectations in line with Covid norms since we anticipated that residents would benefit from more communal space in case of further lockdowns. This risk is high as a loss of rental income for the charity which might affect the ability of the Charity to repay the associated bank loan.

**Health & Safety:** risks during the pandemic were mitigated by clear protocols and signage for staff, residents and contractors plus enhanced cleaning of communal areas to minimise the risk of spreading the virus. Non-essential repairs and maintenance were suspended during lockdowns to minimise contractor visits to households. IT systems enabled staff to work from home, only working from the office on a rota basis, if absolutely necessary.

**Loss of key staff:** with a small staff team, the loss of their experience, knowledge and skills could adversely impact operations e.g. the ability to process grants for beneficiaries. This risk is mitigated by an agreed succession plan (for officers and staff); secure archive, filing and documentation systems and cooperative working practices.

**IT failure or loss:** the loss of information or records, which would impact day-to-day working systems and operations. During 2021 we moved all data onto the cloud and undertook training to understand the online secure archive, filing & documentation systems. We also instructed a new supplier for IT support who is available to support the team in the event of IT failure or loss.

**Fire, flood, damage** at The Retreat and the Bookbinders Cottages estate, which could result in the potential risk of death or injury to staff or residents; loss of office facilities and/or accommodation, with consequent loss of income (from rents), office capability or fundraising resources. The design of The Retreat means any damage would tend to be localised rather than widespread; the risk is mitigated further with regular maintenance and agreed safety procedures, continuous property and grounds maintenance, and awareness of potential risks.

**Non-compliance with General Data Protection Regulations (GDPR)** and the risk of actions taken by the regulator. This risk is mitigated by the Board agreeing a Data Protection Policy, via staff training and the appointment of a Data Protection Lead who has direct access to the Board. (No applications for information and data were received during the year.)

**Actions taken on behalf of BTBS without appropriate approval (fraud and theft).** This risk is mitigated by policies, practices and approval systems reviewed by the Board, Chief Executive and annual review of the financial statements by independent external auditors.

**Situations which have the potential to lead to adverse publicity and loss of support.** This risk is mitigated by the Board approving and keeping under regular review robust plans, policies and procedures, based on their commercial and book trade related knowledge and skills.



## The Book Trade Charity (BTBS) Independent auditor's report 2021

### Opinion

We have audited the financial statements of The Book Trade Charity (BTBS) (the 'charitable company') for the year ended 31 December 2021 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, the principal accounting policies and notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- ◆ give a true and fair view of the state of the charitable company's affairs as at 31 December 2021 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

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

## The Book Trade Charity (BTBS) Independent auditor's report 2021

### Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the Trustees' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, has been prepared in accordance with applicable legal requirements.

### Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records and returns; or
- ◆ certain disclosures in respect to the remuneration of Trustees specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

### Trustees' responsibilities

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



## The Book Trade Charity (BTBS) Independent auditor's report 2021

### Trustees' responsibilities (continued)

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

### Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ◆ the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- ◆ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice Accounting and Reporting by Charities preparing this accounts in accordance with the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and the Companies Act 2006), those that relate to data protection (General Data Protection Regulation) and those in relation to safeguarding.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ◆ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ◆ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls we:

- ◆ performed analytical procedures to identify any unusual or unexpected relationships;
- ◆ performed substantive testing of expenditure including the authorisation thereof;
- ◆ tested journal entries to identify unusual transactions; and
- ◆ assessed whether the judgements and the assumptions made in determining accounting estimates for the useful economic lives of tangible fixed assets, the accrued grant expenditure and the estimations of future income and expenditure flows, were indicative of potential bias.

## The Book Trade Charity (BTBS) Independent auditor's report 2021

### Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ◆ reading the minutes of meetings of those charged with governance; and
- ◆ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of this report

This report is made solely to the charitable company's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's Trustees those matters that we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company's and the company's Trustees as a body, for our audit work, or the opinions we have formed.

Catherine Biscoe, Senior Statutory Auditor  
for and on behalf of Buzzacott LLP, Statutory Auditor  
130 Wood Street  
London  
EC2V 6DL



The Book Trade Charity (BTBS) Statement of financial activities  
(including income and expenditure account) for the year ended 31 December 2021

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
<b>Income from:</b>						
Donations and legacies	1	109,340	—	11,815	121,155	843,767
Charitable activities						
· Rental income		450,764	—	—	450,764	359,993
· Other trading activities	2	53,795	—	—	53,795	55,385
Investments and interest receivable	3	6,866	—	—	6,866	8,166
<b>Total income</b>		<b>620,765</b>	<b>—</b>	<b>11,815</b>	<b>632,580</b>	<b>1,267,311</b>
<b>Expenditure on:</b>						
Raising funds						
· Publicity and fundraising		56,288	—	—	56,288	53,295
· Fundraising trading						
.. Costs of selling donated goods		3,475	—	—	3,475	5,590
Charitable activities						
· Grants programmes		254,769	—	86,331	341,100	395,703
· Provision of residential accommodation		434,877	178,665	—	613,542	702,246
· Ola's fundraising		—	—	551	551	133
<b>Total expenditure</b>	4	<b>749,409</b>	<b>178,665</b>	<b>86,882</b>	<b>1,014,956</b>	<b>1,156,967</b>
<b>Net (expenditure) income before investment gains and losses</b>		<b>(128,644)</b>	<b>(178,665)</b>	<b>(75,067)</b>	<b>(382,376)</b>	<b>110,344</b>
Net investment gains		39,288	—	—	39,288	15,878
<b>Net (expenditure) income</b>		<b>(89,356)</b>	<b>(178,665)</b>	<b>(75,067)</b>	<b>(343,088)</b>	<b>126,222</b>
Transfer between funds		265,658	(124,615)	(141,043)	—	—
<b>Net movement in funds</b>		<b>176,302</b>	<b>(303,280)</b>	<b>(216,110)</b>	<b>(343,088)</b>	<b>126,222</b>
<b>Reconciliation of funds:</b>						
Fund balances brought forward at 1 January 2021		302,688	9,093,098	360,110	9,755,896	9,629,674
Fund balances carried forward at 31 December 2021		478,990	8,789,818	144,000	9,412,808	9,755,896

The Book Trade Charity (BTBS) Statement of financial activities  
(including income and expenditure account) for the year ended 31 December 2020

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 2020 £
<b>Income from:</b>					
Donations and legacies	1	316,745	—	527,022	843,767
Charitable activities					
· Rental income		359,993	—	—	359,993
· Other trading activities	2	55,385	—	—	55,385
Investments and interest receivable	3	8,166	—	—	8,166
<b>Total income</b>		<b>740,289</b>	<b>—</b>	<b>527,022</b>	<b>1,267,311</b>
<b>Expenditure on:</b>					
Raising funds					
· Publicity and fundraising		53,295	—	—	53,295
· Fundraising trading					
.. Costs of selling donated goods		5,590	—	—	5,590
Charitable activities					
· Grants programmes		228,924	—	166,779	395,703
· Provision of residential accommodation		346,104	356,142	—	702,246
· Ola's fundraising		—	—	133	133
<b>Total expenditure</b>	4	<b>633,913</b>	<b>356,142</b>	<b>166,912</b>	<b>1,156,967</b>
<b>Net income (expenditure) before investment gains and losses</b>		<b>106,376</b>	<b>(356,142)</b>	<b>360,110</b>	<b>110,344</b>
Net investment gains		15,878	—	—	15,878
<b>Net income (expenditure)</b>		<b>122,254</b>	<b>(356,142)</b>	<b>360,110</b>	<b>126,222</b>
Transfer between funds		(1,325,041)	1,325,041	—	—
<b>Net movement in funds</b>		<b>(1,202,787)</b>	<b>968,899</b>	<b>360,110</b>	<b>126,222</b>
<b>Reconciliation of funds:</b>					
Fund balances brought forward at 1 January 2020		1,505,475	8,124,199	—	9,629,674
Fund balances carried forward at 31 December 2020		302,688	9,093,098	360,110	9,755,896

All of the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains or losses other than those shown above.

The notes on pages 32 to 40 form part of these financial statements.



The Book Trade Charity (BTBS) Balance sheet as at 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
<b>Fixed assets</b>					
Tangible assets	9		10,083,290		10,080,180
Investments	10		358,634		313,144
<b>Total fixed assets</b>			<b>10,441,924</b>		<b>10,393,324</b>
<b>Current assets</b>					
Debtors	11	30,050		31,908	
Cash at bank and in hand		368,617		482,359	
<b>Total current assets</b>		<b>398,667</b>		<b>514,267</b>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	12	(189,046)		(181,693)	
<b>Net current assets</b>		<b>209,621</b>		<b>332,574</b>	
<b>Total assets less current liabilities</b>			<b>10,651,545</b>		<b>10,725,898</b>
<b>Non-current liabilities</b>					
Creditors: amounts falling due outside of one year	13		(1,238,737)		(970,002)
<b>Net assets</b>			<b>9,412,808</b>		<b>9,755,896</b>
<b>The funds of the charity</b>					
<b>Unrestricted funds</b>					
Free reserves		478,990		302,688	
Designated funds	14	8,789,818		9,093,098	
<b>Total unrestricted funds</b>			<b>9,268,808</b>		<b>9,395,786</b>
Restricted funds	15		144,000		360,110
<b>Total charity funds</b>			<b>9,412,808</b>		<b>9,755,896</b>

The financial statements were approved and authorised for issue by the Board on

Honorary Treasurer



The notes on pages 32 to 40 form part of these financial statements.

Company number: 06725178 (England and Wales)

The Book Trade Charity (BTBS) Statement of cash flows as at 31 December 2021

	Notes	2021 £	2020 £
<b>Cash flows from operating activities:</b>			
Net cash (used in) provided by operating activities	A	(239,021)	502,529
<b>Cash flows from investing activities:</b>			
Dividends and interest from investments		6,866	8,166
Purchase of tangible fixed assets		(181,775)	(2,312,123)
Proceeds from the disposal of investments		—	—
Purchase of investments		(6,123)	(11,000)
<b>Net cash used in investing activities</b>		<b>(181,031)</b>	<b>(2,314,957)</b>
<b>Cash flows from financing activities</b>			
New borrowing		306,390	987,082
<b>Change in cash and cash equivalents in the year</b>		<b>(113,663)</b>	<b>(825,346)</b>
Cash and cash equivalents at 1 January	B	482,599	1,307,945
<b>Cash and cash equivalents at 31 December</b>	<b>B</b>	<b>368,936</b>	<b>482,599</b>

Notes to the statement of cash flows for the year to 31 December 2021

A Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds (as per the statement of financial activities)	(343,088)	126,222
<b>Adjustments for:</b>		
Depreciation charge	178,665	99,538
Loss on disposal of fixed assets	—	256,604
Gains on investments	(39,288)	(15,878)
Dividends and interest from investments	(6,866)	(8,166)
Decrease in debtors	1,858	79,982
Decrease in creditors	(30,302)	(35,773)
<b>Net cash (used in) provided by operating activities</b>	<b>(239,021)</b>	<b>502,529</b>

B Analysis of changes in net debt

	At 1 Jan 2020 £	Cash flows £	Non-cash movements £	At 31 Dec 2021 £
Cash at bank and in hand	482,359	(113,742)	—	368,617
Cash held by investment managers	240	79	—	319
<b>Total cash and cash equivalents</b>	<b>482,599</b>	<b>(113,663)</b>	<b>—</b>	<b>368,936</b>
Loans falling due within one year	(17,080)	—	(37,655)	(54,735)
Loans falling due outside of one year	(970,002)	(306,390)	37,665	(1,238,737)
<b>Total</b>	<b>(504,483)</b>	<b>(420,053)</b>	<b>—</b>	<b>(924,536)</b>



## The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2021

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

### Basis of preparation

These financial statements have been prepared for the year to 31 December 2021.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

### Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ◆ estimating the useful economic life of tangible fixed assets;
- ◆ estimating the value of regular grants that had been committed to be disbursed at the year end; and
- ◆ estimating future cash flows for the purpose of assessing going concern (see below).

As the long-term impact of the global Covid pandemic is still unknown, it is not possible to evaluate all the potential implications for the charity's activities, beneficiaries, funders, suppliers and the wider economy. Estimates used in the accounts, particularly with respect to the value of listed investments (see note 10) continue to be subject to a greater degree of uncertainty and volatility. As set out in these accounting policies under "Assessment of going concern", the trustees have considered the impact of the pandemic on the charity and have concluded that although there may be some negative consequences, it is appropriate for the charity to continue to prepare its accounts on the going concern basis.

### Assessment of going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these accounts. This is based on budgets and cash flow forecasts to December 2022 and projections beyond.

The trustees of the charity have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. They are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due. Despite the continued global uncertainty in relation to COVID-19, there are no concerns regarding the charity's ability to continue as a going concern.

## The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2021

### Assessment of going concern (continued)

With regard to the next accounting period, the year ending 31 December 2022, the most significant areas that affect the carrying value of the assets held by the charity are the performance of housing markets and, to a lesser extent investment markets.

### Income recognition

All income is included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period. The following specific policies apply to categories of income:

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised with a financial value.

Estimating the fair value of donated books and similar items for resale is impractical because of the volume of low-value items received and the absence of detailed stock records. Donated goods for resale are therefore not recognised on receipt and instead the value to the charity of the donated goods sold is recognised as income when sold.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.



## The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2021

### Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect on the charity's primary charitable purposes as described in the trustees' report and includes governance costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or must fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

### Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned as detailed in notes 6 and 7.

### Pension costs

The charitable company offers staff contributions towards a pension scheme, established with the Pensions Trust in anticipation of auto-enrolment applying. Contributions to this scheme, and previously existing personal pension schemes are charged to the statement of financial activities in the year in which they become payable. The charity's contributions are restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

### Tangible fixed assets and depreciation

Freehold land and buildings are stated at a trustees' valuation made, with professional assistance, in 2010 based on market value for existing use – under the transition provisions of FRS 102 this valuation has been treated as deemed cost. Freehold land and building acquired since then are stated at cost, or where they have been acquired for £nil consideration the fair value at the date of acquisition has been used as deemed cost. All other fixed assets are stated at cost.

## The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2021

### Tangible fixed assets and depreciation (continued)

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Fixtures and fittings	-	between 10% and 20% straight line
Motor vehicles	-	20% straight line
Freehold buildings	-	between 2% and 5% straight line

The charitable company has a policy of capitalising assets which cost more than £1,000.

Freehold land is not depreciated.

### Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a tangible fixed asset are capitalised as part of the cost of that asset and depreciated in line with estimated useful life of the associated asset.

### Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value of investments at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

### Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

### Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

### Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

### Fund accounting

Funds held by the charity are:

Unrestricted funds	-	these are funds which can be used in accordance with the charitable company's objects, at the discretion of the Board.
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The Book Trade Charity (BTBS) Principal Accounting Policies  
Year ended 31 December 2021

**Fund accounting (continued)**

Designated funds - these are unrestricted funds set aside by the Board for specific purposes.

Restricted funds - these are funds that can only be used for particular restricted purposes, within the objects of the charitable company. Restrictions arise when specified by the donor, or implied by the terms of an appeal.

**Leases**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

The Book Trade Charity (BTBS) Notes to the financial statements  
Year ended 31 December 2021

**1. Donations and legacies**

	Unrestricted £	Designated £	Restricted £	2021 £	2020 £
Legacies	1,000	—	—	1,000	5,335
Donations	108,340	—	11,264	119,604	311,410
Ernest Hecht Fund	—	—	—	—	150,000
COVID19 Hardship Fund	—	—	—	—	376,889
Ola's fundraising	—	—	551	551	133
<b>Total 2021 funds</b>	<b>109,340</b>	<b>—</b>	<b>11,815</b>	<b>121,155</b>	<b>843,767</b>

	Unrestricted £	Restricted £	2020 £
Legacies	5,335	—	5,335
Donations	311,410	—	311,410
Ernest Hecht Fund	—	150,000	150,000
COVID19 Hardship Fund	—	376,889	376,889
Ola's fundraising	—	133	133
<b>Total 2020 funds</b>	<b>316,745</b>	<b>527,022</b>	<b>843,767</b>

**2. Other trading activities**

	Unrestricted £	Restricted £	2021 £	2020 £
Marathon donations	7,716	—	7,716	6,411
Events/collections	7,207	—	7,207	14,441
Sales of donated goods	38,872	—	38,872	34,533
<b>Total 2021 funds</b>	<b>53,795</b>	<b>—</b>	<b>53,795</b>	<b>55,385</b>

	Unrestricted £	Restricted £	2020 £
Marathon donations	6,411	—	6,411
Events/collections	14,441	—	14,441
Sales of donated goods	34,533	—	34,533
<b>Total 2020 funds</b>	<b>55,385</b>	<b>—</b>	<b>55,385</b>

**3. Investment income**

	Unrestricted £	Restricted £	2021 £	2020 £
Listed investments	6,866	—	6,866	8,166
<b>Total 2021 funds</b>	<b>6,866</b>	<b>—</b>	<b>6,866</b>	<b>8,166</b>



The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2021

3. Investment income (continued)

	Unrestricted £	Restricted £	2020 £
Listed investments	8,166	—	8,166
Total 2020 funds	8,166	—	8,166

4. Expenditure

	Direct costs £	Support costs (note 6) £	Total funds 2021 £	Total funds 2020 £
<b>Raising funds</b>				
· Publicity and fundraising	8,831	47,457	56,288	53,295
· Fundraising				
.. Costs of selling donated goods	3,475	—	3,475	5,590
<b>Charitable activities</b>				
· Grants programmes (note 5)	285,478	55,622	341,100	395,703
· Provision of residential accommodation	550,278	63,264	613,542	702,246
· Ola's fundraising	551	—	551	133
	848,613	166,343	1,014,956	1,156,967

	Direct costs £	Support costs (note 6) £	Total funds 2020 £
<b>Raising funds</b>			
· Publicity and fundraising	10,210	43,085	53,295
· Fundraising			
.. Costs of selling donated goods	5,590	—	5,590
<b>Charitable activities</b>			
· Grants programmes (note 5)	339,141	56,562	395,703
· Provision of residential accommodation	639,714	62,532	702,246
· Ola's fundraising	133	—	133
	994,788	162,179	1,156,967

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2021

4. Expenditure (continued)

Included in expenditure are:

- Staff costs amounting to £197,378 (2020: £192,599)
- Payments under operating leases for equipment amounting to £2,954 (2020: £2,954)
- A charge for depreciation amounting to £178,665 (2020: £99,538)
- Fee paid to the auditor in respect of the statutory audit amounting to £8,950 (2020: £7,500) exclusive of VAT

Trustees' indemnity insurance is provided by the charitable company's insurers at no additional cost to the charitable company.

5. Grants payable

Included within grants programmes expenditure are the following grants:

	2021 £	2020 £
<b>Individuals</b>		
· The welfare of people in financial need	171,236	148,067
· Medical costs of beneficiaries	3,428	2,050
· Support to people in training, retraining and education	20,253	16,535
<b>Institutions</b>		
· MHCT	10,230	5,800
<b>Restricted grants</b>		
· COVID-19 Hardship fund	80,331	166,779
	285,478	339,231

Grants were awarded to 179 beneficiaries (2020: 217) individuals. Grants were awarded to the following institutions: Bound by Veterans, Second Shelf, Publishing Hopefuls and Southam Book Festival.

6. Support costs allocation

	Office staff £	Chief executive £	Travel, training, etc £	Office expenses £	Governance (note 7) £	Bank charges £	Total 2021 £	Total 2020 £
<b>Raising funds</b>								
· Publicity and fundraising	6,368	32,754	1,145	6,738	—	451	47,456	43,075
<b>Charitable expenditure</b>								
· Grants programmes	7,641	38,213	131	4,426	4,760	451	55,622	56,562
· Provision of residential accommodation	11,462	38,213	3,958	4,421	4,760	451	63,265	62,542
	25,471	109,180	5,234	15,585	9,520	1,353	166,343	162,179

	Office staff £	Chief executive £	Travel, training, etc £	Office expenses £	Governance (note 7) £	Bank charges £	Total 2020 £
<b>Raising funds</b>							
· Publicity and fundraising		7,006	28,724	1,147	5,841	—	43,075
<b>Charitable expenditure</b>							
· Grants programmes		8,407	33,511	489	3,712	10,086	56,562
· Provision of residential accommodation		12,610	33,511	2,266	3,712	10,086	62,542
		28,023	95,746	3,902	13,265	20,172	162,179



The Book Trade Charity (BTBS) Notes to the financial statements  
Year ended 31 December 2021

Cost allocation includes an element of judgement and the charitable company has had to consider the cost/benefit of detailed calculations and record keeping.

Basis for support costs allocation:

- Office staff, estimated time spent on activities.
- Travel, allocated according to usage.
- Office expenses, allocated according to usage of resources.
- Governance costs, specifically incurred professional fees are allocated directly to the relevant activity and other fees are allocated equally between the charitable activities.
- Bank charges, allocated according to usage of resources.

## 7. Governance

	2021 £	2020 £
Legal and professional	—	11,422
Audit and accountancy fees	9,250	8,750
Bank charges	1,350	1,073
	<u>10,600</u>	<u>21,245</u>

## 8. Staff costs and remuneration of key management personnel

	2021 £	2020 £
Wages and salaries	171,740	168,417
Social security costs	13,247	10,783
Pension costs	12,391	13,399
	<u>197,378</u>	<u>192,599</u>

The average number of employees during the year, analysed by function, was as follows:

	2021 £	2020 £
Estate management	2.0	2.0
Support	2.0	2.0
	<u>4.0</u>	<u>4.0</u>

One employee received remuneration of between £60,001 and £70,000 in 2021 (2020: One employee received remuneration of between £70,001 and £80,000). Contributions amounting to £4,800 (2020: £7,998) were paid to a personal pension scheme for that employee.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees and the senior management team. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £97,955 (2020: £88,600). This includes the one-off exceptional costs related to the Chief Executive's handover and induction. Trustees are not remunerated. During 2021 no amounts were paid on behalf of/reimbursed to trustees for travel costs (2020: £nil).

The Book Trade Charity (BTBS) Notes to the financial statements  
Year ended 31 December 2021

## 9. Fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	IT Equipment £	Assets under construction £	Bookbinders Development £	Total £
<b>Cost</b>							
At 1 January 2021	7,939,921	8,090	16,800	—	2,908,513	—	10,873,324
Additions	—	16,490	—	6,505	158,780	—	181,775
Disposals	—	—	—	—	—	—	—
Transfers	—	—	—	—	(3,067,293)	3,067,293	—
At 31 December 2021	<u>7,939,921</u>	<u>24,580</u>	<u>16,800</u>	<u>6,505</u>	<u>—</u>	<u>3,067,293</u>	<u>11,055,099</u>
<b>Depreciation</b>							
At 1 January 2021	786,548	3,236	3,360	—	—	—	793,144
Charge for the year	87,921	2,458	3,360	1,301	—	83,625	178,665
Eliminated on disposals	—	—	—	—	—	—	—
At 31 December 2021	<u>874,469</u>	<u>5,694</u>	<u>6,720</u>	<u>1,301</u>	<u>—</u>	<u>83,625</u>	<u>971,809</u>
<b>Net book value</b>							
At 31 December 2021	<u>7,065,452</u>	<u>18,886</u>	<u>10,080</u>	<u>5,204</u>	<u>—</u>	<u>2,983,668</u>	<u>10,083,290</u>
At 31 December 2020	<u>7,153,373</u>	<u>4,854</u>	<u>13,440</u>	<u>—</u>	<u>2,908,513</u>	<u>—</u>	<u>10,080,180</u>

Included in freehold property is land £4,025,967 (2020: of £4,025,967) which is not depreciated.

The freehold property is entirely occupied by the charitable company for its own activities. Assets under construction relate to works in process at the Bookbinders development.

## 10. Investments

	2021 £	2020 £
<b>Listed investments</b>		
Market value at 1 January 2021	312,904	286,026
Additions at cost	6,123	11,000
Disposal at opening market value	—	—
Unrealised investment gains (losses)	39,288	15,878
Market value at 31 December 2021	<u>358,315</u>	<u>312,904</u>
<b>Cash held by investment managers for reinvestment</b>	<u>319</u>	<u>240</u>
	<u>358,634</u>	<u>313,144</u>
Historical cost of listed investments at 31 December 2021	<u>280,368</u>	<u>274,167</u>

At 31 December 2021, the following investment holding was material.

	2021 £
Rathbone Core Investment Fund For Charities	<u>358,314</u>

At 31 December 2020, the following investment holding was material.

	2020 £
Rathbone Core Investment Fund For Charities	<u>312,904</u>



The Book Trade Charity (BTBS) Notes to the financial statements  
Year ended 31 December 2021

10. Investments (continued)

Listed investments held at 31 December 2021 comprise the following:

	2021 £	2020 £
Alternative	358,314	312,903
	<u>358,314</u>	<u>312,903</u>

11. Debtors

	2021 £	2020 £
Trade debtors	11,660	14,196
Prepayments and accrued income	18,390	17,712
	<u>30,050</u>	<u>31,908</u>

12. Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	20,991	9,968
VAT and payroll taxes	5,928	4,743
Accruals and deferred income	107,392	149,902
Bank loans	54,735	17,080
	<u>189,046</u>	<u>181,693</u>

Accruals include £50,000 (2020: £50,000) in respect of grant commitments to 30 June 2022, in accordance with the accounting policy.

13. Creditors: amounts falling due outside of one year

	2021 £	2020 £
Bank loan	1,238,737	970,002

The Book Trade Charity (BTBS) Notes to the financial statements  
Year ended 31 December 2021

13. Creditors: amounts falling due outside of one year (continued)

The bank loan may be analysed:

	2021 £	2020 £
Due within one year	54,735	17,080
Due between one and two years	56,405	69,659
Due between three and five years	1,182,332	900,343
	<u>1,293,472</u>	<u>987,082</u>

The bank loan is repayable in monthly instalments of £8,229 (inclusive of interest) and bears interest at 3% over base rate. Capital repayments commenced in November 2021. The total agreed facility is £1,400,000 of which £1,293,472 has been drawn down at the balance sheet date.

The loan has been secured by way of a fixed charge over the charitable company's freehold property.

14. Designated funds

	At 1 January 2021 £	New designations £	Utilised/ released £	Transfers £	At 31 December 2021 £
Tangible Fixed Assets Fund	9,093,098	—	(178,665)	(124,615)	8,789,818
	<u>9,093,098</u>	<u>—</u>	<u>(178,665)</u>	<u>(124,615)</u>	<u>8,789,818</u>

The tangible fixed assets fund represents the amount of funds locked up in fixed assets which are needed for operational purposes, less the outstanding value of bank loans secured against the properties of the charity. Depreciation of fixed assets released from the designated fund annually.

Transfers from the fund in the year represent the movement in the drawn down loan facility (transfer out to general funds of £306,390) net of capital additions in the year (transfer in from general funds of £170,511 and restricted capital fund of £11,264).

	At 1 January 2020 £	New designations £	Utilised/ released £	At 31 December 2020 £
Tangible Fixed Assets Fund	8,124,199	2,312,123	(1,343,224)	9,093,098
	<u>8,124,199</u>	<u>2,312,123</u>	<u>(1,343,224)</u>	<u>9,093,098</u>



## The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2021

### 15. Restricted funds

	At 1 January 2021 £	Income £	Expenditure £	Transfers £	At 31 December 2021 £
Ernest Hecht Fund	150,000	—	(6,000)	—	144,000
COVID-19 Hardship Fund	210,110	—	(80,331)	(129,779)	—
Ola Gotkowska's Appeal	—	551	(551)	—	—
Capital appeal	—	11,264	—	(11,264)	—
	360,110	11,815	(86,882)	(141,043)	144,000

The Ernest Hecht Fund was set up in 2020, this fund provides a bursary scheme for young people entering the trade from diverse and/or financially disadvantaged backgrounds

The COVID-19 Hardship Fund was established in 2020. This fund is to be utilised on relieving hardship incurred by those in the book trade as a result of the COVID-19 pandemic. It was agreed with the original funder to which remaining funds pertain that the fund be released to general unrestricted funds at 31 December 2021 to be applied for the general benefit of the charity's beneficiaries in recovery from the impact of COVID-19.

The Ola Gotkowska Appeal was set up by the Charity in 2018. The Charity is to raise and distribute funds to assist with medical costs relating to diagnosis, treatment and support.

The capital appeal fund relates to funds received for capital projects, the transfer to designated funds arising from capital additions during the year.

	At 1 January 2020 £	Income £	Expenditure £	At 31 December 2020 £
Ernest Hecht Fund	—	150,000	—	150,000
COVID-19 Hardship Fund	—	376,889	(166,779)	210,110
Ola Gotkowska's Appeal	—	133	(133)	—
	—	527,022	(166,912)	360,110

	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	—	10,080,180	—	10,080,180
Investments	313,144	—	—	313,144
Current assets	154,157	—	360,110	514,267
Current liabilities	(164,613)	(17,080)	—	(181,693)
Non-current liabilities	—	(970,002)	—	(970,002)
At 31 December 2020	302,688	9,093,098	360,110	9,755,896

## The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2021

### 16. Volunteers

- Volunteers constitute the Board of trustees, with co-options to the committees and, recognition given to their contribution to the charity's achievements and developments during the year, without which the charity would not be able to achieve all that it does to relieve need. The support of the President and the honorary Treasurer is particularly significant
- Book trade colleagues who help to collect books for book sales at The Retreat and at London Book Fair and who support our book sales throughout the year.
- The Retreat residents and friends who organise social occasions and outings, and volunteer Graham Hogben drives the minibus for the weekly supermarket trips, and other occasional outings.

### 17. Contingent asset

The Trustees of Old Possum's Practical Trust have agreed to donate £10,000 to the charitable company annually, as long as the Trust's funds permit. No debtors have been recognised in the financial statements in respect of future donations as it is not possible to determine how long the Trust will continue to donate to the charitable company.

### 18. Lease commitments

At 31 December 2021, the charity had the following future minimum commitments in respect to non-cancellable operating:

	Equipment	
	2021 £	2020 £
Within one year	2,954	2,954
Within two and five years	2,215	5,169
	5,169	8,123

### 19. Capital commitments

As at 31 December 2021, the charitable company had contracted for capital commitments amounting to £nil (2020: £142,000) in relation to the redevelopment of properties at the Bookbinders site, which are not otherwise provided for in the financial statements.

### 20. Control

The charitable company is controlled by the members who are the trustees of the charitable company.

### 21. Related party transactions

During the year, the following transactions took place at arm's length between the charity and its related parties: £27,000 (2020: £35,400) was received as donations from various organisations in which some trustees are involved and in donations from trustees as individuals.

David Hicks, the charity's ex-Chief Executive Officer, is a resident of The Retreat and therefore pays a monthly rental charge to the Book Trade Charity. This transaction was undertaken at arm's length during his employment and continues on the same basis.



## OUR PEOPLE

### PRESIDENT

Ursula Mackenzie (until February 2022)  
Isobel Dixon (from February 2022)

### PATRONS

Nigel Batt  
Kip Bertram  
Edwin Buckhalter  
John Elsley  
Christopher Foyle  
Trevor Hing  
Timothy Wright

### AMBASSADORS

Ursula Mackenzie  
David Young  
David Shelley  
John Seaton  
Andrew Franklin  
Ian Hudson

### AUDITOR

Buzzacott LLP, 130 Wood Street, London,  
EC2V 6DL

### BANKERS

Unity Trust Bank PLC, Nine Brindleyplace,  
Birmingham, B1 2HB

### SOLICITORS

Sherrards LLP, 4 Beaconsfield Road, St Albans,  
Hertfordshire, AL1 3RD

### INVESTMENT ADVISERS

Rathbone Investment Management, 8 Finsbury  
Circus, London, EC2M 7A2

### STAFF

**Chief Executive:** Victoria Perry  
**Operations Manager:** Glenda Barnard  
**Finance & Admin Manager (p/t):** Nicki Cattle  
**Special Projects (p/t):** Keith Foster

### BOARD OF TRUSTEES

**Chair:** Jonathan Nowell  
**Vice Chair:** Ann Woodhall  
**Honorary Treasurer:** Emily-jane Taylor

### TRUSTEES AND BOARD MEMBERS

Jeremy Brinton  
Elise Burns  
Isobel Dixon  
Kate McFarlan  
David Neale  
Fraser Tanner  
Emily-jane Taylor  
Ann Woodhall  
Gemma Woodward  
Ian Chapman  
Jasmine Richards  
Meryl Halls  
Samantha Smith  
Jasmine Richards (from 2022)  
Meryl Halls (from 2022)  
Ian Chapman (from 2022)

### COMPANY SECRETARY

Victoria Perry

*Some photos used are representative to maintain confidentiality.*



## HOW YOU CAN HELP

To support our new appeal to fund our vital, core work please scan the QR above with your phone or go to [btbs.enthuse.com/cf/cost-of-living-appeal](https://btbs.enthuse.com/cf/cost-of-living-appeal) and join us on our mission to raise at least £185,000 on our 185th birthday #185Appeal.

We welcome support of all kinds - please contact Vic at [victoria@btbs.org](mailto:victoria@btbs.org) to discuss how you can make a difference.







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(t) 01923 263128 (w) [www.booktradecharity.org](http://www.booktradecharity.org) (e) [info@booktradecharity.org](mailto:info@booktradecharity.org)  
Registered company number: 06725178 | Registered charity number: 1128129