

The Penguin Collectors Society

Annual Report of the Trustees and Financial Statements for the year ended 30 April 2021

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Reference and Administrative Details

The Penguin Collectors Society

Company limited by guarantee
(registered in England no. 04261702)
and Charity (registered no. 1093965)

The principal office of the Society is its registered office:
29 East Street, Oxford OX2 0AU.

The Society's bank accounts are maintained at:
Santander UK plc, Bridle Road, Bootle, Merseyside L30 4GB and
CAF Bank Ltd, 25 Kings Hill Avenue, West Malling, Kent ME19 4JQ.

Trustees

The trustees during the year 1 May 2020 to 30 April 2021 were:

Ann Davidson (from July)	Jeff Lucas
Michael Fowle (until November)	James Mackay
Tim Graham	Caroline Maddison
Neal Houghton (from June)	Patrick Mulcare (from July)
Hannah Lowery	James Robinson (until June)

Biographical details of the trustees at the year end are given on page 16.

The Society is both a company limited by guarantee and a registered charity. The board of directors of the company is the board of trustees of the charity. For brevity and clarity, throughout this report, except where it is necessary to make a distinction, the directors and trustees are referred to only as the trustees, and the company and charity are referred to as the Society.

Structure and Governance

Structure

As a company, the Society is governed by its Memorandum and Articles of Association (most recently amended in September 2019). There are two classes of members of the company, guarantor members and annual members. The trustees are the only guarantor members and have guaranteed that if the company is wound up and is insolvent, they will each contribute a sum of £10. All other members are annual members.

The rights of guarantor members and annual members are identical and are limited to voting at general meetings. Since the company is limited by guarantee, having no share capital, none of the directors has an interest in the company.

Appointment of Trustees

Trustees are selected from volunteers amongst the membership who bring *pro bono* the skills, professional backgrounds and personal interests as well as the energy and commitment required to ensure that our tiny learned and charitable Society functions effectively.

Candidates for election as trustees are either proposed by members or recommended by the board. The trustees are appointed by members at the AGM, one-third retiring by rotation each year and being eligible, if willing, to be reappointed. Trustees may be appointed between AGMs by the board, and any persons so appointed hold office only until the next AGM, when they may be reappointed by the members.

The board ensures that new trustees are aware of their legal obligations under charity and company law, of the contents of the Memorandum and Articles of Association, and of the recent financial performance of the Society.

Organisation

The board of trustees manages the whole business of the Society. It normally meets twice each year; *ad hoc* sub-committees are sometimes

appointed and given delegated responsibility to manage specific matters. Continual contact between trustees is maintained personally by telephone and email and by other means of online communication.

Any trustee who has a financial interest in a matter being considered by the board, such as the purchase of items for preservation, takes no part in the other trustees' decision on that matter.

Accounting and other Policies

The trustees are responsible for selecting the policies of the Society including the accounting policies. These responsibilities are detailed in the Financial Report and the Society's accounting policies are included in Note 1 to the Financial Statements.

Risk Assessment

The board has considered the main risks which the charity faces, and taken appropriate action to reduce them where possible and to mitigate their potential effect.

The most important of these is to continue to maintain a co-operative relationship with Penguin Random House. The latter's willingness for the Society and its members to carry out research and to reproduce copyright material enables all of the activities of the Society, and permits it to give the public benefit of raising awareness and understanding of the history of an extraordinary publishing enterprise.

The other risks are largely operational, and are managed by relevant measures, for example to protect the Society's funds and other assets, to maintain the capabilities of the board of trustees, to ensure a steady stream of new publications of a high standard, and to avoid any risk of legal claims.

The board is fully aware that the Society depends mainly on members' subscriptions as its source of funds and for their *pro bono* contributions to its work, and that it is vital to maintain members' interest and participation, through its publications, meetings and website.

The board continually reviews its own governance of the Society, and seeks to ensure that it is itself capable of providing the necessary direction and control as well as its own ongoing renewal.

Objectives and Activities and the Public Benefit

The Society's objectives for the public benefit are:

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

We fulfil our first objective by encouraging study and research, by publishing the results for circulation to members and making copies available generally to the public either for individual purchase or through specialist libraries, and by holding meetings, exhibitions and other events.

Our publications, talks and exhibitions contribute to public learning and knowledge about books and book design, especially about Penguin books and what they have given to English-speaking peoples in the twentieth century and since.

When we get the opportunity, we also encourage people to place historic material in the custody of public collections and assist with arranging this. The Society sometimes purchases material which is then given to the Penguin Archive in Special Collections at the University of Bristol or to other public collections.

We have no intention of becoming a fund-raising charity. We have no staff. We are resourced in two ways: the *pro bono* work of our trustees and of other members who volunteer – such work does our research, creates our books, runs our events and provides our administration; and members' subscriptions (which are charitable donations), supplemented by the sale of publications to the public.

The total number of paid-up members, guarantor and annual, on 30 April 2021 was:

UK	rest of Europe	Australasia	Canada	USA	Total
385	12	11	14	48	470

The Articles of Association permit the trustees to appoint honorary annual members. Fourteen such members have been appointed for 2021.

Publications

In 2020 we published volumes of *The Penguin Collector* in June and December, each containing a wide range of articles, shorter pieces, and illustrations on Penguin books and their context, and, as the year's special publication, a handsome new edition of the *Companion*.

Penguin Collector 94 had another cover designed by Tom Etherington. It adapted the precursors to many splendid designs by Romek Marber. Romek had died in the spring, and an obituary was included in the issue. It began with earlier writing by people who worked with Allen Lane, and a corporate history of Penguin, marking both the fiftieth anniversary of Lane's death in July 1970 and control of the Penguin imprint passing in April 2020 into the sole hands of Bertelsmann. Two articles covered Penguin subjects previously unreported, the 1960s Science Surveys and Cookery. Two more pieces were provided by students who had been awarded Society bursaries, on Kaye Webb's publishing ethos and marketing the Modern Classics. And two covered aspects of bibliographic detail, on how to build a Penguin collection and how to know what it should contain. Reviews of an exhibition, a book, and of many newspaper reviews – of the Maigret novels – led to eighteen pages of shorter 'Penguin Points', and the usual Society news.

Penguin Collector 95 marked the 70th anniversary of the death (and the exit from copyright) of George Orwell. It investigated a faint connection between the German dissident artist John Heartfield and Hans Schmoller. It marked another anniversary, the end of The Beatles' short combined existence, with full details of Penguins by and about the Four, and went further back into Penguin history with the detailed bibliography of the Services Editions, more on the conclusion of Penguins' own numbering series, and a personal memoir of Richard Hoggart. An exhibition review and reports on the decades-long task of assembling and organising Penguin collections undertaken by three members were followed by a full 25 pages of shorter notes. Again, the issue concluded with some brief obituaries of notable people with Penguin connections.

In October, the long process of updating old editions was completed and the new *Companion to the study of Penguin Books* was published. The handsome red cloth-bound hardback was very well-received as the

essential guide to all of the Society's and other publishers' works on the history of Penguin books and the people who produced them.

Historic Material

David Gentleman described in his *Artwork* and in *Penguin by Illustrators* how he produced between 1968 and 1977 the designs for 32 covers for the New Penguin Shakespeare series. They used a pared-down Marber Grid format, with the simplest typography: the Penguin went to the spine. An etching in black formed the main element of each design. The images were completed by impressions from colour plates engraved separately. Gentleman told of being briefed for the job by Hans Schmoller and of discussing with Richard Hildesley, design manager at Penguin at the time, the finessing of the colours, which was evidently considerable. So the proofs of the black plates were an important intermediate stage in Gentleman's creative method.

Proof 'pulls' of five of the black plates, signed in pencil by the artist, were offered for sale by auction in the summer. The etchings were acquired by the Society at a cost of £500, and have been donated to the University of Bristol Special Collections.

No other significant opportunity arose for the Society to make gifts of any material but the trustees will always be willing to give advice to members who may have further material of historic interest as to how and where it might be accepted into archival care.

The Penguin Collectors Society Bursary

As an educational charity we have developed links with universities and with postgraduate students studying subjects close to the charity's focus. We have identified 23 courses in 14 UK universities as best representing these subjects (including the History of the Book, Publishing, Book Art, Illustration and Design). These courses teach about 200 students each year. Through their course directors, we invite these students to apply for our £500 bursary. Each recipient of a bursary receives the Society's publications free of charge for five years from the award being made.

This academic year has been a challenge to the universities. The pandemic reduced face-to-face teaching and supervision on our approved postgraduate courses, and enrolments halved. Some courses changed to two-year part-time programmes with the dissertation in year two.

Despite these difficulties we attracted four submissions for a bursary, and we made one award, to Elizabeth Skipp, an MA Book Design student at The University of Reading. Her dissertation proposal concerns Hans Schmoller and the design of Penguin book covers. We wish her well with her research.

Last year's winners have now graduated. Stephen Hickson's dissertation on Jan Tschichold's influence on the typography of Penguin Books will be published by PCS as a monograph and an extract from Anna Richardson's dissertation on John Lehmann and 'the voice of a literature at war' will be published in *Penguin Collector 96*.

The Terms of the Bursary sent out each October now include a collation of past winners' *Collector* publications which we hope will whet the appetites of future applicants. We hope that 2021/22 will see some resumption of normal academic life and we will be inviting three new courses to join our Scheme. In the meantime, congratulations to Elizabeth Skipp and we look forward to reading her findings.

Meetings

The business of the AGM held *in camera* on 28 November 2020 included the re-election of the retiring trustees of the Society. Eighty-one proxy votes were returned and supported the reappointment of Ann Davidson, Tim Graham, Neal Houghton, Jeff Lucas and Patrick Mulcare as directors of the company. Trustees' reports were posted on our website in advance of the 'meeting', inviting questions; no formal questions were submitted. Several members sent messages with their proxy votes expressing thanks for *The Companion*, praising it roundly for its quality and the joy it brought to members in these difficult times.

Website and Social Media

The Society's website is a useful source of information about its activities. Its address is www.penguincollectorsociety.org. All the Society's publications are listed and those that remain in print can be purchased through the website. There are simple forms to join the Society and to renew subscriptions. On the social media sites Instagram and Twitter, a trustee frequently posts Penguin-related pictures and stories @penguincollsoc, interacting with members and non-members. There is also a Society page on Facebook.

Trustees

Michael Fowle, who has been a member of the Society since 1995, treasurer since 1996 and a board member since incorporation in 2001, stood down as a Trustee at the November AGM. In *Penguin Collector 95* we paid tribute to him as a constant source of advice and guidance, particularly his leadership in navigating our application for Charity status. Ann Davidson, a chartered accountant, will now serve as our Treasurer.

Michael had also taken on many tasks that fall to a Company Secretary and we were pleased to appoint Patrick Mulcare, a lawyer from Oxford, to that role. In an attempt to increase the skill-set of the Board we appointed Neal Houghton, an IT specialist from Wisbech who will advise us on such matters as data protection. Jim Robinson stood down as Chairman of the Society in June 2020 to relocate to the USA with his family. Jim had been a Trustee since 2006 and Chairman since 2014. His legal training as a corporate lawyer had amongst other things, helped the Society remain compliant with the rules of intellectual property. I was appointed Chairman at that June meeting and I hope I can bring my background in education and research to the benefit of the Board.

Annual General Meeting 2021

The AGM planned to be held on Saturday 4 September 2021 will now take place by Zoom at noon because of ongoing pandemic-related issues, and not at Aldeburgh, Suffolk. Formal notice of the meeting, joining instructions and proxy voting papers are enclosed. Details will also be published on our website. The formal business of the meeting will be followed by a presentation by Henry Eliot on his new book on the Penguin Modern Classics. We hope to see you there.

On behalf of the Board, 15 May 2021

Jeff Lucas, *Chairman*

Financial Report

Results for the Year and Funds

The year 2020/21 has been satisfactory financially with a surplus of £6,713 (2019/20 deficit of £6,010). Membership numbers have increased some 11% since last year, to 470, a level last seen in 2013. Some former members still pay £16 annually by standing order despite attempts to contact them, and these payments are treated as donations.

COVID-19 restrictions significantly curtailed or delayed the Society's activities. We were unable to hold our normal annual weekend meeting in September 2020, which resulted in some additional printing and distribution costs for AGM papers. Overall, however, printing costs were reduced because the cost of the latest edition of *The Companion to the study of Penguin Books* had been provided for in 2019/20 (hence the deficit in that year), though it was not published until October. COVID-19 also had a delaying effect on student courses and dissertation submissions resulting in our only awarding one bursary for 2020/21.

During the year, we purchased five David Gentleman etchings and donated them to the Bristol University Special Collections.

Our balance sheet is healthy, with a satisfactory cash position. A second bank account has been opened with CAF Bank for operational reasons, and some of the funds not currently needed will be placed on deposit in due course, but interest rates remain very low.

Our reserves policy is to seek to ensure that our income covers our expenditure, aiming to hold as reserves at least six months' worth of expenditure, based on the pattern of recent years and on a normal year's anticipated expenditure (i.e. ignoring the cost of occasional more substantial publications). On this basis our target reserves are some £9,000.

The Society's funds are unrestricted.

Trustees' Responsibilities

Charity law requires the trustees to prepare accounts for each financial period which give a true and fair view of the Society's results for the period and the state of affairs at the end of that period. In preparing those accounts, the trustees are required to: select suitable accounting policies

and apply them consistently; make judgements and estimates that are reasonable and prudent; follow applicable accounting standards, with any material departures explained in the accounts; and prepare the accounts on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the accounts comply with charity and company law. They are responsible for protecting the Society's assets and for taking reasonable steps to prevent and detect fraud and other irregularities and to provide reasonable assurance that the Society is operating efficiently and effectively, that its assets are safeguarded against unauthorised use or disposition and that the Society complies with relevant laws and regulations.

Change of Year End

The trustees have decided that the Society's financial year should be aligned with the subscription year. The accounting period which began on 1 May 2021 will therefore run for the eight months to 31 December 2021: subsequent periods will run from 1 January to 31 December.

There will be no effect on subscriptions, which will continue to be payable each 1 January and to cover the supply of material published in the calendar year.

By order of the Board, 15 May 2021

Ann Davidson FCA, *Treasurer*

Financial Statements

Statement of Financial Activities

	Note	Year to 30 April 2021	Year to 30 April 2020
Income			
Income from charitable activities	2	£18,961	£17,747
Interest receivable		£7	£110
		<u>£18,968</u>	<u>£17,857</u>
Resources expended during the period			
Costs of furthering charitable activities	3	£11,752	£18,867
Donations to public collections	4	£503	£5,000
		<u>£12,255</u>	<u>£23,867</u>
Reconciliation of funds			
Net incoming / (outgoing) resources for the period		£6,713	(£6,010)
Unrestricted funds balance brought forward		£20,181	£26,191
Unrestricted funds carried forward		<u>£26,894</u>	<u>£20,181</u>

Balance Sheet

	at 30 April 21	30 April 20
Debtors and payments in advance	£703	£788
Investments – COIF Deposit Fund	-	£19,000
Cash at bank	£41,261	£20,943
	<u>£41,964</u>	<u>£40,731</u>
Creditors due within one year		
Accrual for printing & posting	£5,606	£12,350
Subscriptions in advance etc	£9,464	£8,200
	<u>£15,070</u>	<u>£20,550</u>
Net assets	<u>£26,894</u>	<u>£20,181</u>
Unrestricted funds	<u>£26,894</u>	<u>£20,181</u>

The Notes to the Financial Statements appear on pages 13-15.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime. For the year ended 30 April 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006. The members have not required the company to obtain an audit of its accounts for that year in accordance with section 476 and have confirmed this each five years from 2002, most recently at the 2017 AGM.

The trustees acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 Companies Act 2006; and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its statement of financial activities for the period in accordance with the requirements of sections 394 and 395 Companies Act 2006 and which otherwise comply with the requirements of the Act relating to the accounts.

Approved by the Board and signed on its behalf, 15 May 2021

Signed Jeff Lucas *Chairman*
 Ann Davidson FCA *Treasurer*

Notes to the Financial Statements

1. Accounting policies

The Society is a charitable company limited by guarantee. The financial statements have been prepared in accordance with the Charities Act 2011 and the Charities SORP (FRS 102).

The Society meets the definition of a public benefit entity.

Preparation of financial statements requires judgements, estimates and assumptions that affect the amounts reported as assets and liabilities at the balance sheet date and the amounts reported as income and expenses during the year. Actual outcomes could differ. No judgements, estimates or assumptions made have had a significant effect on the amounts recognised in the financial statements.

The accounts are prepared under the historical cost convention. Income is included in the financial statements when it is reasonably certain at the balance sheet date that it will be received by the Society. Subscriptions, which are payable for a calendar year, are those related to the period of the statement of financial activities arrived at by time apportionment. The Society claims relevant Gift Aid, which is accounted for on receipt, since it remains uncertain until agreed and paid by

HMRC. Expenses are accounted for on the accruals basis. Printing and distribution costs for a twelve-month period always include two issues of *The Penguin Collector* but the number and size of special publications varies from year to year.

The Society has financial assets and financial liabilities of a kind that qualify as basic financial instruments. These are initially recognised at transaction value and are then measured at amortised cost. Financial assets held at amortised cost comprise cash at bank, debtors and investments. Financial liabilities held at amortised cost are creditors and accruals.

2. Incoming resources from charitable activities

	Year to 30 April 2021	Year to 30 April 2020
Subscriptions, donations and Gift Aid receipt	£14,897	£13,745
Contribution from publication sales	£4,064	£3,052
Annual Meeting catering income	-	£950
	<u>£18,961</u>	<u>£17,747</u>

3. Costs of furthering charitable activities

	Year to 30 April 2021	Year to 30 April 2020
Printing and similar costs	£3,457	£10,973
Distribution of publications	£4,776	£3,056
The Penguin Collectors Society Bursaries	£500	£1,000
Postage, packing & related stationery	£1,048	£697
Annual Meeting catering costs	-	£970
Other meeting costs	£244	£154
Website	£110	£277
IT, office printing and stationery	£493	£87
Trustee travel	-	£544
Financial transaction costs	£435	£324
Other administrative costs	£307	£322
Printing governance papers	£382	£463
	<u>£11,752</u>	<u>£18,867</u>

The trustees provide *pro bono* services to the Society and receive no remuneration.

For the sake of day-to-day efficiency, trustees sometimes meet distribution, administrative and editorial costs from their own resources and reclaim them from the Society. Total costs incurred initially by trustees and then reimbursed to them amounted to £7,819 (2020 £3,566). Trustees are entitled to reclaim travelling expenses, but whenever practicable seek to avoid doing so by combining journeys on Society business with personal or other business. Due to COVID-19 restrictions there were no travel costs in 2020/21, all trustee meetings being held on Zoom.

2020/21 included the purchase of up-to-date software for the maintenance of the membership database. As in 2020, a trustee took on the task of organising and paying for posting publications, rather than the Society paying the printer to do it. The increase in distribution costs arose from higher overall postal charges, particularly for overseas members, and the cost of delivery for the Companion – a substantial publication.

The Society incurs no liability for income or corporation taxes.

4. Donations to public collections

The 2020/21 donation of £503 relates to the purchase at auction of five signed etchings by David Gentleman of cover designs for *The Penguin New Shakespeare*, which have been given to the University of Bristol Special Collections.

The 2019/20 donation of £5,000 represented a gift to the University of Bristol Special Collections as a contribution to its successful fund-raising to enable the University to acquire the copy of *Lady Chatterley's Lover* used by the judge in the historic 1960 trial of Penguin Books Ltd.



Brief Biographical Details of the Trustees

Ann Davidson

Trustee since 2020

A chartered accountant and member of the Society since 1995, Ann was appointed Treasurer in 2020. A lifelong accumulator, inheritor and reader of Puffins and Penguins, now resident in the Isle of Man.

Tim Graham

Trustee since 2001

Tim, a retired bookseller and publisher, started collecting Penguins to add to his father's original 6d purchases, and lives in Bath. Chairman from 2005 to 2014, Membership Secretary since 2000, and now deals also with Publications sales.

Neal Houghton

Trustee since 2020

An enthusiastic Penguin and Pelican collector spanning several decades. Director of an IT business specialising in database management. Neal divides his time between Cambridgeshire and Caithness.

Hannah Lowery

Trustee since 2014

Archivist responsible for the Allen Lane Collection at the University of Bristol Special Collections, and a resident of that city. A reader of Puffins for ever and of Penguins for a long time.

Jeff Lucas

Trustee since 2012

Former Deputy Vice-Chancellor of the University of Bradford, and lives in Halifax. Collector of Penguins since 1970, a member since 2004. Chairman since 2020; responsible for the Bursary scheme.

James Mackay

Trustee since 2006

Retired from managing railways. Brought up in a house of post-war Penguins. James organised our annual meetings from 2012 to 2019 and has edited the Society's publications since 2016. He lives in Warwick.

Caroline Maddison

Trustee since 2014

Many previous jobs, including bookselling, and a proficient itinerant. Enthusiastic reader yet a keen supporter of the internet age; collector of Penguins since the early 1980s. Responsible for the Society's website.

Patrick Mulcare

Trustee since 2020

An Oxfordshire solicitor, appointed Company Secretary in 2020. Patrick has collected Penguins since the 1980s and is married to Sir Allen Lane's granddaughter.