

The Penguin Collectors Society

Annual Report of the Trustees and Financial Statements for the year ended 30 April 2019

The formal notice of the Annual General Meeting, which will be held at 12.00 noon on Saturday 14 September at Bishop Grosseteste University, Longdales Road, Lincoln, Lincolnshire LN1 3DY, and the Form of Proxy enabling members who cannot attend to vote, are in the separate enclosed document.

Contents

Reference and Administrative Details	2
Structure and Governance	3
Objectives and Activities and the Public Benefit	5
Financial Report	10
Financial Statements:	
Statement of Financial Activities	11
Balance Sheet	12
Notes to the Financial Statements	13
Brief Biographical Details of the Trustees	15

Reference and Administrative Details

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 is referred to as the Society.

The Penguin Collectors Society

Company limited by guarantee
(registered in England no.4261702)
and Charity (registered no.1093965)

The principal office of the Society is its registered office:
31 Myddelton Square, London EC1R 1YB.

The Society's bank account is maintained at:
Santander UK plc, Bridle Road, Bootle, Merseyside L30 4GB.

Trustees

The trustees who served during the year under review were:

Michael Fowle CBE FCA	Jo Lunt
Tim Graham	James Mackay
Victoria Love (from 6 June 2018)	Caroline Maddison
Hannah Lowery	James Robinson
Jeff Lucas	

Brief biographical details of the trustees are provided on pages 15/16.

Structure and Governance

Structure

As a company, the Society is governed by its Memorandum and Articles of Association (most recently amended in October 2007). There are two classes of members of the company, Companies Act members and annual members. The trustees are the only Companies Act members and each has guaranteed that if the company is wound up and is insolvent he/she will contribute a sum of £10. All other members are annual members.

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

The total number of paid-up members, Companies Act and annual, at 30 April in each of the past eight years has been:

2019	406	2017	386	2015	390	2013	473
2018	395	2016	390	2014	392	2012	471

The Articles of Association permit the trustees to appoint honorary annual members. The trustees have appointed 12 honorary annual members for 2019/20.

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 person so appointed holds office only until the next AGM, when he/she 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 and by telephone and email.

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 on the first page of 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 avoid legal claims, and to ensure a steady stream of new publications of

a high standard. This also requires the consent of other copyright holders.

The Board is fully aware that the Society depends largely 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, by making copies of our publications generally available to the public, and by arranging meetings, exhibitions and study days. 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 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.

Publications

In 2018 we published *The Penguin Collector* in June and December, each issue containing articles on twentieth-century and contemporary publishing, books and Penguins.

Collector 90 was the longest ever and had a special cover designed by Tom Etherington, who works for Penguin, with a lino-cut by another young artist, Matthew Burne. They paid homage to the work of John Minton, whose covers for *Penguin New Writing 31-38* in 1947-49 included a similar motif. The linocut symbolised some of the contents of the issue. It included short pieces on the ten Penguins numbered 90, an article by Paul Lickiss on the Pelican History of Art and another by Siân Heap, who received the Society's 2016/2017 bursary, on the impact of Penguin Books on reading culture during the Second World War. There were also several book reviews, including one by Alastair Jollans of *Strange Bird* by Michele K. Troy, obituaries of Godfrey Smith and Angus Mitchell and many shorter items.

Collector 91, in another 96 pages, paid tribute to Peter Mayer, Penguin's Chairman for 18 years, with his own account of 'Penguin Books in the long 1970s' and a personal appreciation by Tony Lacey. It also included an article by Andrew Nash exploring the way that the cover design of Penguin reprints of Muriel Spark's books influenced the way they were read and interpreted. Among many fine shorter pieces, Tim Graham extracted from the archives and edited a hilarious record of authorial procrastination and Henry Eliot introduced his newly-published work, *The Penguin Classics Book*.

We also published the second impression of *This Once Was Us: The Life and Death of Penguin Education*. This was originally published in a limited edition by The West Drayton Collective (edited by Jonathan Croall) in 2017. It is an entertaining and informative account of the origins of Penguin Education, detailing its (many) series and celebrating the unique atmosphere of the West Drayton production offices and the colourful characters of the people who worked there in the 1960s and 1970s and created books to refresh the stale air of many classrooms and lecture theatres.

Historic Material

We were able to purchase from the family of the late Steve Hare a number of items of particular interest to the University of Bristol Special Collections, to which they have been given.

The copy of *Lady Chatterley's Lover* used by the judge in the 1960 trial was auctioned in the autumn. The Society bid within its means to try to keep the book in the UK and available to researchers, but the book sold for a very much higher amount. The buyer's identity and the book's destination are unknown.

No other significant opportunity arose for the Society to make such gifts 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 want to develop links with universities and postgraduate students studying subjects close to the charity's focus. We have identified 23 courses in 13 UK universities as best representing these subjects (including the History of the Book, Publishing, Book Art, Illustration and Design). These courses teach about 250 graduate 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 year we were pleased to award two Bursaries: to Charisa Gunasekera, an MA student on the Publishing course at University

College London, for her proposal, 'The Purveyors of the Modern Classics' and to Megan Dennis, an MA Publishing Media student at Oxford Brookes University, who submitted a proposal entitled, "A World of Pure Imagination": Kaye Webb's ethos surrounding children's publishing and how it has continued into Puffin's contemporary activity'.

Meetings

The Annual Meeting was held at the Museum of English Rural Life, part of the University of Reading, on 13 October 2018. MERL shares its building with the University's Special Collections which hold a nationally important archive of British publishing and printing records — including over 20,000 illustrations from Ladybird Books and Hans Schmoller's collection of type specimens.

Over 50 members and partners attended the AGM. The formal proceedings included the re-election of the retiring directors of the company and the appointment of Victoria Love as a new director. The treasurer, Michael Fowle, reported that in 2017/2018 income slightly exceeded expenditure. The Society's reserves continue to be maintained above target level and it is not necessary to increase subscription rates.

Reviewing the Society's activity, the trustees in turn spoke of the aspects for which they are responsible, and invited questions and discussion.

Members later heard three presentations. The first was from Professor Eric Kindel, the Head of the Department of Typography and Graphic Communication at the University, about his department's work and its Penguin connections. Then David Teale and Jonathan Croall gave a joint talk about Penguin Education, inspired by *This Once Was Us: The Life and Death of Penguin Education* (see page 6). Both speakers remarked on the quality and originality of Education's books and the affection in which they were, and still are, held. The final presentation was an introduction by Henry Eliot, Editor to the Penguin Classics series, to his then-imminent publication, *The Penguin Classics Book*.

During the lunch break and after the presentations, members had the opportunity to view a display curated specially for the Society by Caroline Gould, Principal Archivist of the Special Collections, featuring original artwork from Ladybird Books shown alongside the books in which it appeared.

Website and Social Media

The Society's website address is www.penguincollectorssociety.org. The website is a useful source information about the Society's activities. Our publications are listed and those that remain in print can be purchased. There is a simple form for members who renew their subscriptions annually. On social media outlets (Instagram and Twitter), @penguincollsoc frequently posts Penguin-related pictures and stories, interacting with members and non-members. There is also a PCS page on Facebook and queries are answered.

Trustees

Jo Lunt, who retires from the board by rotation at the 2019 AGM, is not standing for re-appointment. We are most grateful to Jo for all her work for the Society, particularly for her outstanding contribution as editor of *The Penguin Collector* from 2001 to 2016.

Victoria Love was appointed Company Secretary in November 2018 but does not now wish to continue in that role nor as a trustee.

Annual General Meeting 2019

The Society's 46th annual meeting will be held in Lincoln between Friday 13 and Sunday 15 September, with the AGM itself and the main programme on Saturday 14 September 2019.

It will be held at Bishop Grosseteste University, on its campus half a mile north of the city centre. Members will have the opportunity to eat supper together on the Friday and the Saturday evenings. Full details of the weekend's arrangements, the AGM agenda and, for those unable to attend in person, the proxy form, are enclosed with this report.

On behalf of the Board, 17 May 2019

Jim Robinson, *Chairman*

Financial Report

Results for the Year and Funds

The year to 2018/2019 has again been satisfactory financially. We published two issues of *The Penguin Collector* and a relatively inexpensive publication, *This Once Was Us*. We also carried our portion of the printing cost of *White Horses*, for publication in 2019/2020.

Our balance sheet is healthy, with a satisfactory cash position. Some of the funds not currently needed remain invested in the COIF Deposit Fund, but interest rates are still very low.

Our reserves policy is to seek to ensure that our income covers our expenditure taking one year with another, aiming to hold as reserves about six months' worth of expenditure based on the pattern of recent years, i.e. about £9,000. Currently our reserves are about £26,000 which gives us some financial scope. The Society's funds are unrestricted.

Membership numbers have increased since last year. Many former members still pay £16 annually by standing order despite attempts to contact them.

Trustees' Responsibilities

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Society and enable them to ensure that the accounts comply with the Companies Acts. They are responsible for protecting the Society's assets and for taking reasonable steps for the prevention and detection of

fraud and other irregularities and for providing 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.

By order of the Board, 17 May 2019

Michael Fowle CBE FCA, *Treasurer*

Financial Statements

Penguin Collectors Society: Statement of Financial Activities

		Year to 30 Note April 2019	Year to 30 April 2018
Income			
Income from charitable activities	2	£18,058	£17,148
Interest receivable		£106	£46
		<u>£18,164</u>	<u>£17,194</u>
Resources expended during the period			
Costs of furthering charitable activities	3	£15,833	£12,071
Donations to public collections	4	£1,275	£89
		<u>£17,108</u>	<u>£12,160</u>
Reconciliation of funds			
Net incoming resources for the period		£1,056	£5,034
Unrestricted funds balance brought forward		£25,135	£20,101
Unrestricted funds carried forward		<u>£26,191</u>	<u>£25,135</u>

Penguin Collectors Society: Balance Sheet

	30 April 2019	30 April 2018
Debtors and payments in advance	£31	£51
Investments – COIF Deposit Fund	£19,000	£19,000
Cash at bank	£20,210	£17,504
	£39,241	£36,555
Creditors due within one year		
Bursary to be paid	-	£500
Accrual for printing & posting	£4,950	£2,550
Subscriptions in advance etc	£8,100	£8,370
	£13,050	£11,420
Net assets	£26,191	£25,135
Unrestricted funds	£26,191	£25,135

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 2019 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 each 5 years from 2002, most recently at the 2017 AGM, that they do not wish to do so.

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, 17 May 2019

Signed Jim Robinson – *Chairman*
 Michael Fowle CBE 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 SORP FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland', Companies Act 2006 and FRC Abstracts.

The Society meets the definition of a public benefit entity.

Preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported as assets and liabilities at the balance sheet date and the amounts reported as revenues and expenses during the year. Actual outcomes could differ from those estimates. No judgements 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 taken to credit only if in the Treasurer's hands by the balance sheet date. Subscriptions receivable are those related to the period of the statement of financial affairs arrived at by time apportionment. Expenses are accounted for on the accruals basis. Printing and postage costs for a twelve-month period always include two *Penguin Collectors*, but the number 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.

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 our occasional more substantial publications). On this basis our target reserves are some £9,000.

2. Incoming resources from charitable activities

	Year to 30 April 2019	Year to 30 April 2018
Subscriptions and donations	£14,335	£13,336
Contribution from publication sales	£2,803	£2,185
Gift from Bernard Quaritch, received in memory of Steve Hare	-	£500
Annual Meeting catering income	£920	£1,127
	<u>£18,058</u>	<u>£17,148</u>

Subscription income is stated after carrying forward to the following year a calculated figure for annual subscriptions received before 30 April but related to the subsequent eight months and bringing forward the equivalent allocated to Creditors in the previous year.

3. Costs of furthering charitable activities

	Year to 30 April 2019	Year to 30 April 2018
Printing and similar costs	£9,909	£6,562
The Penguin Collectors Society Bursaries	£1,000	£500
Postage, packing & related stationery	£2,310	£2,281
Annual Meeting Catering Costs	£969	£1,057
Other Meeting Costs	£338	£404
Website, IT & office printing and stationery	£37	£70
Other financial and administrative costs	£871	£694
Printing governance papers	£399	£503
	<u>£15,833</u>	<u>£12,071</u>

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

For the sake of day-to-day efficiency, trustees tend initially to meet minor Society costs from their own pockets for subsequent reclaim. 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.

Total outgoings incurred initially by trustees on the Society's behalf and then reimbursed to them amounted to £1,312 (2018: £1,481) and are mostly included in costs of furthering charitable activities, being distribution, administrative and editorial costs and meeting and travelling costs.

The Society incurs no liability for income tax or corporation tax.

4. Donations to public collections

The 2019 donation of £1,275 to public collections relates mainly to the purchase from the family of the late Steve Hare of a number of items of particular interest to the University of Bristol Special Collections, to which they have been given. The 2018 donation of £89 relates to the purchase of Puffin artwork, also donated to the University of Bristol Special Collections.

Brief Biographical Details of the Trustees

Michael Fowle CBE FCA

Age 79, a chartered accountant, long-ago senior partner of KPMG London and then a building society and bank director and a trustee of several charities. An accumulator of Penguins since the 1950s, a collector and PCS member since the 1980s, Treasurer since 1996, and a trustee from incorporation in 2001.

Tim Graham

Age 72, a retired bookseller and publisher. Started collecting Penguins to add to his father's original 6d purchases and now collects most series. Membership Secretary since 2000, a trustee since incorporation and Chairman from 2005 to 2014.

Victoria Love

Age 69, formerly a solicitor, spending 19 years with Linklaters, and briefly an editor at an online legal publisher. Has now reverted to her first love, English literature, and to writing. Has a library of thousands of books, but only started collecting Penguins in 2011, especially Crime and Poetry. Appointed a trustee and Company Secretary in 2018.

Hannah Lowery

Age 49, since 1997 archivist responsible for the Allen Lane Collection at the University of Bristol Special Collections. A reader of Puffins for ever and of Penguins for a long time. Appointed a trustee in 2014.

Jeff Lucas

Age 74, emeritus professor of health studies and a UK Health Regulator. Former Deputy Vice-Chancellor of the University of Bradford. General collector of Penguins since 1970, a member since 2004 and a trustee since 2012, responsible for setting up and managing the Bursary scheme.

Jo Lunt

Age 71, a former teacher and a book dealer since 1993. Eclectic, life-long collector, an enthusiastic promoter of matters Penguinary and of the wellbeing and growth of the Society. Editor from 2000 to 2016 and a trustee since incorporation.

James Mackay

Age 69, once a manager of railway businesses. Brought up in a house of post-war Penguins, and an enthusiast equally for their contents and their design. A trustee since 2006, James has been the organiser of seven annual meetings and has edited the Society's publications since 2016.

Caroline Maddison

Age 65, a former jack of many trades (including a flirt with bookselling) and a proficient itinerant. Enthusiastic reader yet a keen supporter of the internet age; collector of several Penguin series since the early 1980s. Appointed a trustee in 2014 and responsible for the Society's website.

James Robinson

Age 60, a partner in London of Cahill Gordon & Reindel (UK) LLP, a USA law firm. A reader of Penguin Classics, and a trustee since 2006, he took over distribution of our Publications in 2012 and became Chairman in 2014.

