



# The Penguin Collectors Society

  

## Annual Report of the Trustees and Financial Statements for the year ended 30 April 2017

The formal notice of the Annual General Meeting, which will be held at 12 noon on Saturday 23 September at The Higgins, Castle Lane, Bedford MK40 3XD, 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	9
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 since the date of the last report were:

Michael Fowle CBE FCA	Jo Lunt
Tim Graham	James Mackay
Hannah Lowery	Caroline Maddison
Jeff Lucas	James Robinson

Brief biographical details of the trustees at the date of this report 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:

2017	386	2015	390	2013	473	2011	475
2016	390	2014	392	2012	471	2010	475

The Articles of Association permit the trustees to appoint honorary annual members. The trustees have appointed eleven honorary annual members for 2017/18.

## 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 and since, 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 relevant 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 and exhibitions and study days. Our publications, talks and exhibitions set out to increase public learning and knowledge about books and book design, especially about Penguin books which have contributed so much to the 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 2016 we published *The Penguin Collector* in June and December, each issue containing articles on twentieth-century and contemporary publishing, books and Penguins.

*PC86* contained articles on Tanya Schmoller; defining the Classics; Orwell and Penguin; a visit to the National Art Library; Len Deighton on book covers; Agatha Christie on Allen Lane; Doug Rust's memoirs of working at Penguin; and Trevor Payne on collecting.

*PC87* contained articles on J.H. Plumb as Advisory Editor for History; on Designing Penguins in the Sixties and the Seventies; Osbert Lancaster and Penguin; and on other paperback series of the Thirties and later.

In June 2016 we published two further books to mark the centenary of Hans Schmoller's birth on 9 April 1916:

*The paperback revolution.* This essay, written in 1974 by Hans Schmoller, was originally part of a celebratory volume *Essays in the history of publishing in celebration of the 250th anniversary of the House of Longman, 1724-1974*, edited by Asa Briggs. At the time, Schmoller was nearing retirement after a long career with Penguin Books as the typographer, head of production and finally a director of the company. In 1970 Allen Lane died and the company became part of Pearson Longman which was especially focussed on educational publishing. The essay is reproduced in facsimile and is supplemented by a brief biography of Schmoller and bibliographies of writing by him and about him, all based on the work of Gerald Cinamon. There is also a review by Alan Powers of the 2005 exhibition of Schmoller's work for Penguin.

*Hans Schmoller, Typographer: his life and work.* This is a facsimile reproduction of the April 1987 special issue of *The Monotype Recorder* edited by Gerald Cinamon following Hans' death in 1985. It is lavishly illustrated with samples of Hans' work and contains appreciations by many of his colleagues at Penguin including Oliver Caldecott, John Curtis, Dieter Pevsner and Kaye Webb. There are articles by Gerald Cinamon, John Trevitt, Jonathan Gili and Nicolas Barker. The letter which accompanied the original issue described Schmoller as 'one of the most influential typographers of this century'.

## 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 nineteen appropriate courses in eleven UK universities as best representing these subjects (including History of the Book, Publishing, Book Art, Illustration and Design). These courses teach about 140 graduate students each year. Through their course directors, we invite these students to apply for our £500 Bursary.

As reported last year, we awarded the 2016 Bursary to Caitlin Holton, an MSc student of Book History and Material Culture at the University of Edinburgh, whose dissertation was on the author-illustrator-publisher relationship through the work of Road Dahl. Caitlin has since graduated and a précis of her dissertation will shortly be published in *Penguin Collector 88*.

In April 2017 we were pleased to award the 2017 Bursary to Sian Heap who is an MA student at Oxford Brookes University. Her dissertation has a working title of: 'Penguins on the March: the impact of Penguin Books on creating a wartime reading culture in the Second World War'.

## Website

A new version of the Society's website was launched shortly before the New Year and has since been in operation. All the Society's publications are now listed in the section 'Buy/Browse Publications'; other parts of the site are added to on a regular basis. The website address is [www.penguincollectorsociety.org](http://www.penguincollectorsociety.org). Activities on social media



(which are also accessible from the website) continue to grow and attract interest.

## Meetings

The Society's 2016 Annual Meeting was held at Showroom Workstation in Sheffield on Saturday 17 September. About fifty members and partners attended the AGM to discuss the Society's activities over the previous year and discuss its plans for the next.

The AGM was supported by a fine and comprehensive display of the books in the Peacock series provided by Jerry Elsmore which attracted much interest. Jerry Elsmore said that they demonstrated Penguin's interest in the 1960s in meeting the demand of what is often seen as a difficult segment of the publishing market, older teenaged children. The Peacocks did so with innovative editorial approaches, partly influenced by involving mainly female editors and commissioning – five decades ago – titles of feminist as well as other social interest.

We were also very pleased to welcome Monica Tweddell, Hans Schmoller's daughter, who displayed some of the artwork for *Twenty-Five Years*, Penguin's 1960 anniversary volume. She recalled Hans working at it for long hours on the kitchen table.

The meeting publicly marked the handover of the editorship of *The Penguin Collector* after 16 years and 32 issues under Jo Lunt to James Mackay. Suitable tribute was paid to Jo as the longest serving Editor and members warmly applauded her achievement.

Tim Graham also reported that the Society and the University of Bristol had together acquired at auction substantial items of archival interest from the collection of Hans and Tanya Schmoller. The Society had donated its share in this acquisition to the University.

## Historic Material

Apart from the Schmoller material mentioned above, the Society purchased from a member a copy of Allen Lane's 1956 Christmas card, designed by John Piper, and donated it to the University of Bristol.

The Society also arranged for the artwork for the cover of the Puffin Story Book *Fell Farm Holiday* to be donated to the University of Bristol from the collection of Steve Hare.

## Trustees

There have been no changes in trustees during the year.

## Annual General Meeting 2017

The Society's 44th annual meeting will be held in Bedford between Friday 22 and Sunday 24 September, with the AGM and the main programme on Saturday 23 September 2017.

It will be held at The Higgins art gallery and cultural centre. As usual, the AGM itself will be held in the middle of the day, with the display and sale of books before and after. 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, 16 May 2017

Jim Robinson, *Chairman*

# Financial Report

## Results for the Year and Funds

The financial outcome for the year ended 30 April 2017 is an excess of expenditure over income of some £1,600 (2016: surplus £3,000), even though we published two Hans Schmoller related facsimile special publications. During the year we spent £2,000 on improving our website, of which £1,000 had been provided for in the previous year's accounts. We remain financially healthy, with a satisfactory cash position. Some of the funds not currently needed remain invested in the COIF Deposit Fund, but interest rates remain 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, ie about £9,000. Currently our reserves are about £20,000 which gives us some financial scope. The Society's funds are un-restricted.

Membership numbers have fallen slightly since last year. Over 25 former members still pay £16 by standing order and have not responded to many 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 also 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.

Because of the size of the Society, there is no obligation to appoint auditors. The members confirmed at the 2002, 2007 and 2012 AGMs that they did not wish to do so and the question is to be put again to the 2017 AGM. The directors have taken advantage of the special exemptions applicable to small companies conferred by the Companies Acts in the preparation of the directors' report.

*By order of the Board, 16 May 2017*

Michael Fowle CBE FCA, *Secretary*

# Financial Statements

## Penguin Collectors Society

### Statement of Financial Activities

		Year to 30 April 2017	Year to 30 April 2016
Incoming resources during the period			
Incoming resources from charitable activities	2	£15,896	£17,195
Interest receivable		£71	£85
		<u>£15,967</u>	<u>£17,280</u>
Resources expended during the period			
Costs of furthering charitable activities	3	£16,557	£13,939
Donations to public collections	4	£1,057	£66
		<u>£17,614</u>	<u>£14,005</u>
Net incoming (outgoing) resources for the period		-£1,647	£3,275
Unrestricted funds balance brought forward		<u>£21,748</u>	<u>£18,473</u>
Unrestricted funds carried forward		<u>£20,101</u>	<u>£21,748</u>

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

# Penguin Collectors Society

## Balance Sheet

	30 April 2017	30 April 2016
Debtors and payments in advance	£11	£94
Investments – COIF Deposit Fund	£19,000	£19,000
Cash at bank	£11,410	£14,444
	<hr/>	<hr/>
	£30,421	£33,538
Creditors due within one year		
Amounts payable		£197
Accrual for printing & posting	£2,500	£2,600
Accrual for website development	-	£1,000
Subscriptions in advance etc	£7,820	£7,993
	<hr/>	<hr/>
	£10,320	£11,790
Net assets	<hr/>	<hr/>
	£20,101	£21,748
Unrestricted funds	<hr/>	<hr/>
	£20,101	£21,748

For the year ended 30 April 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies. The members have not required the company to obtain an audit of its accounts for that year in accordance with section 476. The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and the preparation of accounts. These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

*Approved by the board and signed on its behalf on 16 May 2017*

*Signed*     Jim Robinson – *Chairman*  
               Michael Fowle CBE FCA – *Treasurer*

# Penguin Collectors Society

## Notes to the Financial Statements

### 1. Accounting policies

The Society is a charitable company limited by guarantee. The trustees have departed from the standard descriptions of the profit and loss account as set out the Companies Acts on the grounds that it is appropriate to give all the information required in the income and expenditure account in the format of a statement of financial affairs as required by the Statement of Recommended Practice for Charities (2015) based on the FRSSE (2015) and known as the SORP (FRSSE). The Society, on the grounds that it is a small company, has taken advantage of the exemption under the FRSSE from the requirement to produce a cash flow statement.

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 (ie 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 2017	Year to 30 April 2016
Subscriptions and donations	£12,844	£13,197
Contribution from publication sales	£3,052	£3,998
	<u>£15,896</u>	<u>£17,195</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 2017	Year to 30 April 2016
Printing and similar costs	£10,251	£7,983
The Penguin Collectors Society Bursaries	£500	£500
Postage, packing & related stationery	£2,959	£2,521
Meetings	£664	£179
Website	£1,000	£1,000
IT & office printing and stationery	£73	£81
Other financial and administrative costs	£911	£1,046
Printing governance papers	£199	£629
	<u>£16,557</u>	<u>£13,939</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 (apart from the amounts mentioned in note 4 below) amounted to £2,383 (2016: £1,175) and are mostly

included in costs of furthering charitable activities, generally 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 2017 donations to public collections relate overwhelmingly to a gift to the University of Bristol Special Collections in connection with the acquisition of items from the estate of Tanya Schmoller. This was reported on in detail in *Penguin Collector* 87. The 2016 gifts were to Salisbury Cathedral and to Fonds Simenon at the University of Liège. In 2017 £3 of the relevant amounts (2016: £26) were initially expended by trustees who were later reimbursed by the Society.

## Brief Biographical Details of the Trustees

*Michael Fowle CBE FCA*

Age 77, chartered accountant; a long-ago senior partner of KPMG London and then a building society and bank director; chair of Place2Be. An accumulator of Penguins since the 50s, a collector and PCS member since the 80s, Treasurer since 1996 and Company Secretary and a trustee since incorporation in 2001.

*Tim Graham*

Age 70, 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.

*Hannah Lowery*

Age 47, 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 72, emeritus professor of health studies and a UK Health Regulator. Former Deputy Vice Chancellor at 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 69, 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 67, former railway manager. Brought up in a house of post-war Penguins, and an enthusiast equally for their content and their design. A trustee since 2006, James has been the organiser of six annual meetings and now edits the Society's publications.

*Caroline Maddison*

Age 63, former jack of many trades (including a flirt with bookselling) and 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 58, partner in London of Cahill Gordon & Reindel (UK) LLP, a US 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.



