

The Penguin Collectors Society

Report of the Trustees and Financial Statements for the year ended 31 December 2022

Contents

Reference and Administrative Details	2
Structure and Governance	3
Objectives, Strategy and Policies	5
Activities and the Public Benefit	7
Financial Report	10
Financial Statements:	
Statement of Financial Activities and Balance Sheet	12
Notes to the Financial Statements	13
Brief Biographical Details of the Trustees	16

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 who served during the year under review were:

Ann Davidson	Jeff Lucas
Tim Graham	James Mackay
Eifion Bedford (from March)	Caroline Maddison
Hannah Lowery	Patrick Mulcare

Biographical details of the trustees 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.

Membership

The total number of paid-up members, guarantor and annual, on 31 December 2022 was:

<i>Great Britain & N Ireland</i>	<i>rest of Europe</i>	<i>Australia & New Zealand</i>	<i>Canada</i>	<i>United States of America</i>	<i>Total</i>
418	12	12	14	37	493

The Articles of Association permit the trustees to appoint honorary annual members. Fourteen such members were appointed for 2022.

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 by telephone and email and 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 actions is to continue to maintain a co-operative relationship with Penguin Random House. The company'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, Strategy and Policies

The Society's Objectives are:

- 1 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
- 2 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.

Its Strategy is:

- 1 to encourage study, research and writing; to publish the results for circulation to members; to make copies generally available to the public; and to arrange meetings, exhibitions and the like;
- 2 to purchase historic and archival material for donation to public collections and to encourage the donation of such material by others;
- 3 to achieve its ends by means of the *pro bono* work of trustees and of other members and by use of members' subscriptions (which are charitable donations), supplemented by the incidental sale of publications to the public, but not by broader fundraising activities.

Its Policies in pursuing this strategy are:

- 1 to publish each year two issues of *The Penguin Collector* and at least one other work, all written, edited and produced to a high standard;

- 2 to maintain enough subscribing members to finance its charitable objectives of education and preservation, and to provide the volunteers necessary to carry out research, produce its publications, run events and administer the charity and its activities;
- 3 to encourage and promote the study and the conservation of Penguin Books by raising awareness among non-members, by making its publications generally available either for individual purchase or at specialist libraries, and by information disseminated through its website and social media;
- 4 to facilitate contact in matters of study and research between members and a wider audience, both personally and through the internet, providing information, news updates and access to other sources;
- 5 to offer each year a bursary to one or more post-graduate students studying on an approved course at an affiliated university to help meet the costs of research for a dissertation and, if it is suitable, to publish an extract or a précis of the dissertation in *The Penguin Collector*. To supply the Society's publications free of charge to these students for five years from the grant of the bursary and to offer a reduced subscription for young members;
- 6 when opportunities arise and within its financial resources, to acquire appropriate items for national collections, especially for the Special Collections of the University of Bristol;
- 7 to meet all legal and good practice requirements for the governance of a charity; in particular, ensuring that the responsibilities of the trustees are discharged effectively; that funds are accounted for properly; that costs are minimised, while allowing for efficient operation; and that members' personal data and the data needed for the Society's own functioning are properly protected;
- 8 to maintain the good, informed working relationship with Penguin Random House, now the owner of the Penguin imprint, which has existed since the establishment of the Society in 1973, while remaining completely independent of the company.

The Objectives are set in the Society's Memorandum and Articles of Association. The Strategy and Policies were discussed and updated at a Board meeting on 16 October 2021.

Activities and the Public Benefit

Trustees

Members will be aware that after the sad death of Neal Houghton, we appointed Eifion Bedford as a trustee and membership secretary. Eifion has had a long-standing working relationship with the Society, and we welcome him to the board.

Publications

In 2022 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.

Penguin Collector 98 included among nine main articles Matthew Sheldon's examination of the connections between wartime Penguin Specials and the magazine *Picture Post* – and the issue's cover applied the cover design of the Specials to the current war in Ukraine. Horatio Morpurgo contributed a substantial essay on the work of J.M. Cohen on Classics and Mark Mazower another on Len Deighton's novels, lately reissued by Penguin in new cover designs. Terry Taylor returned to a subject last covered in the *Collector* 33 years before, Penguins on Cinema, and an extract from Libby Skipp's bursary dissertation reviewed the cover strategies of Penguin and its competitors in the 1950s and 1960s. Other articles ranged from Spain to jam-making to advertisements for light bulbs and a new candidate for the first Penguin bookshop, in Australia.

Penguin Collector 99 contained another wide range of writing: Fred Cheetham on Pan's 1950s covers, Nick Joicey on Coleg Harlech, the Welsh adult education movement and W.E. Williams, Gregory Ball on Penguins on serious alternative culture of the 1960s, Robert Bruce balancing that with the humour of Patrick Campbell and Paul Jennings. Peter Miller provided two pieces, one challenging Penguin collecting orthodoxies, the other on the modern equivalent of infrequently-seen proof copies; and Alice Miller, of today's Penguin, wrote of the Fifties Penguin Bookshelf.

Many briefer notes followed, and each *Collector* concluded with brief obituaries of people connected with Penguin or with the Society, and an update on Society news.

Work continued or was started on forthcoming special publications, and on *Penguin Collector 100*, which will be a special issue marking the fiftieth anniversary of the founding of the Society in 1973 as well as the milestone that its number represents.

Historic Material

No material suitable for acquisition and donation to archives became available in 2022. The trustees continue to maintain contact with known owners of such material, particularly some members of the Society, with a view to finding future opportunities.

The trustees will always be willing to give advice about further material of historic interest, as to how and where it might be accepted into archival care.

Website and Social Media

The Society's website penguincollectorsociety.org is a useful source of information about its activities. 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. A trustee using the address [@penguincollsoc](https://www.instagram.com/penguincollsoc) posts on Instagram and Twitter and interacts on a wide variety of Penguin-related topics.

Postgraduate Student 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 24 courses in 15 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 students to apply for a bursary. Each student awarded a bursary receives the Society's publications free of charge for five years from the award being made. The terms of the bursary sent out each October include a collation of past winners' *Penguin Collector* publications which we hope will whet the appetites of future applicants.

A bursary was awarded in 2022 to Sophie Jones, an MA student at the University of London. Her dissertation proposal has the title 'Scissors only, no paste required. A study of Puffin Cut-out Books'. We look

forward to receiving her dissertation and to publishing an extract from it in *Penguin Collector* 100.

The 2022/23 bursary scheme was launched on 1 October 2022. The value of the bursary has been increased to £600 and we looked forward to receiving applications in the new year.

Meetings

Our long-awaited Annual Meeting weekend in Aldeburgh, Suffolk, finally took place from 30 September to 2 October. We thanked Enid Stephenson for her perseverance in bringing this event to fruition. Over fifty members and partners attended.

The formal AGM proceedings included the election of trustees: Eifion Bedford, appointed to the Board since the last AGM, and Tim Graham and Jeff Lucas, the two trustees retiring in rotation and eligible for re-election: all three were returned with immediate effect.

The treasurer, Ann Davidson, reported that the accounting year had now been aligned with the membership year and that despite inflation the Society was running a healthy surplus: it was not necessary to increase subscription rates.

Reviewing the Society's activity, the trustees in turn spoke of the aspects for which they were responsible, and which have been covered in earlier pages of this report.

On the Friday and Saturday evenings we enjoyed good food and Penguin conversation. The displays and visits were much appreciated, and the sale of books thrived. A full report and reflections on the meeting by Adrian King were published in *Penguin Collector* 99.

Annual General Meeting 2023

The AGM will be held at 1200 noon on Saturday 9 September 2023 at Abbot Hall Social Centre, Kendal. Formal notice of the meeting, joining instructions and proxy voting papers are enclosed. Details are also published on the website. We hope to see you there.

On behalf of the Board, 10 July 2023

Jeff Lucas, *Chairman*

Financial Report

Change of Year End

The Society's financial year end was changed in 2021 to align with the subscription year. The accounting period covered by this report is for the full year of 2022, whereas the comparative figures presented for the previous period are for the eight months to 31 December 2021 and are therefore not entirely comparable.

Results for the Period and Funds

The year to 31 December 2022 has been satisfactory financially, with a surplus of £7,991 (£3,456 for the eight months to 31 December 2021). Membership numbers were down slightly at the year end, to about the same level as at 30 April 2021. Two former members still pay £16 annually by standing order despite attempts to contact them; these payments are treated as donations.

Subscriptions in the prior period represent only eight months of income and there was no bursary award in those months, since applications are geared to the spring of the academic year, when dissertation topics are being finalised.

2022 saw the resumption of a physical AGM with the associated costs, though other meetings of the trustees were still held virtually. Otherwise the Society continued to operate as usual: two *Collectors* were printed and distributed and a bursary award was made; members and non-members purchased back copies of publications through the website. Although trustees continued to monitor auction sites, no items of particular interest were identified for purchase. The Society suffered a loss of £961 following an online payment scam: more stringent controls have now been introduced in relation to payee details.

Nonetheless our balance sheet is healthy, with a satisfactory cash position. When appropriate, cash is placed on deposit although interest rates remain relatively low, even as the Society experiences the same inflationary pressures as the rest of the economy.

Our reserves policy is to seek to ensure that our income covers our expenditure, aiming to hold as reserves at least one year's 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 £18,000. Reported reserves are £38,341. Expenditure on publications will be higher in 2023, with a fuller programme to mark the Society's fiftieth anniversary. The excess over the target reserves gives the Trustees the opportunity to continue to seek archive purchases, to publish further special publications when available, and to consider other appropriate opportunities to apply the excess.

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.

By order of the Board, 10 July 2023 Ann Davidson FCA, *Treasurer*

Financial Statements

Statement of Financial Activities

	Note	Year to 31 Dec 22	8 mths to 31 Dec 21
<i>Income</i>			
Income from charitable activities	2	£21,275	£11,518
Interest receivable		£44	0
		<u>£21,319</u>	<u>£11,518</u>
<i>Resources expended during the period</i>			
Costs of furthering charitable activities	3	£13,328	£7,211
Donations to public collections	4	0	£851
		<u>£13,328</u>	<u>£8,062</u>
<i>Reconciliation of funds</i>			
Net incoming resources for the period		£7,991	£3,456
Unrestricted funds balance brought forward		£30,350	£26,894
Unrestricted funds carried forward		<u>£38,341</u>	<u>£30,350</u>

Balance Sheet

	at	31 Dec 22	31 Dec 21
Debtors and payments in advance		£204	£717
Cash at bank		£42,469	£35,145
		<u>£42,673</u>	<u>£35,862</u>
Creditors due within one year			
Accrual for printing & posting		£3,608	£4,437
Subscriptions in advance etc		£724	£1,075
		<u>£4,332</u>	<u>£5,512</u>
Net assets		<u>£38,341</u>	<u>£30,350</u>
Unrestricted funds		<u>£38,341</u>	<u>£30,350</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 period ended 31 December 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 period 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, 10 July 2023

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), 2019.

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 period. 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 are payable for a calendar year, and for the 8-month period to 31 December 2021 were the amounts related to that period, 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 include two issues of *The Penguin Collector*. The number and size of special publications varies from year to year and costs are accounted for as they are incurred.

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 31 Dec 22	8 mths to 31 Dec 21
Subscriptions, donations and Gift Aid receipt	£15,255	£9,864
Contribution from publication sales	£2,547	£1,654
Annual Meeting catering income	£3,473	0
£	<u>£21,275</u>	<u>£11,518</u>

3. Costs of furthering charitable activities

	Year to 31 Dec 22	8 mths to 31 Dec 21
Printing and similar costs	£3,556	£3,621
Distribution of publications	£2,360	£2,071
The Penguin Collectors Society Bursaries	£500	0
Postage, packing & related stationery	£889	£386
Annual Meeting catering costs	£3,437	0
Annual Meeting other costs	£363	£97
Website and email	£111	£58
Financial transaction costs	£518	£208
Other administrative costs	£1,129	£271
Printing governance papers	£465	£499
	<u>£13,328</u>	<u>£7,211</u>

In addition to their governance role, the trustees provide voluntary services to the Society. These include maintaining membership records, administering the bursary scheme and website/social media, financial management, and editorship of publications.

The trustees receive no remuneration but are entitled to reclaim travelling expenses. However, whenever practicable they seek to avoid doing so by combining journeys on Society business with personal or other business. Following the successful experience of Zoom meetings during Covid restrictions, and ongoing uncertainties at the beginning of 2022, these Zoom meetings were continued, and there were no travel costs in 2022 (eight months to 31 December 2021: nil).

For day-to-day efficiency, trustees sometimes meet administrative, editorial and distribution costs from their own resources and reclaim them from the Society. In particular Trustees continue to organise and pay for posting publications, rather than the Society paying the printer to do this. Total costs incurred initially by trustees and then reimbursed to them amounted to £4,380 (eight months to 31 December 2021 £4,926).

Other administrative costs for the year to 31 December 2022 include the loss of £961 due to third party fraud referred to on page 10.

The Society incurs no liability for income or corporation taxes.

4. Donations to public collections

There were no donations in 2022.

The 2021 donation of £851 relates to the purchase at auction of four artworks by Hans Unger and Paul Hogarth, and of associated documents which establish their connection with Penguin and help to demonstrate the relationships between art directors and cover artists. All were donated to the University of Bristol Special Collections.



Brief Biographical Details of the Trustees

Eifion Bedford

Trustee since 2022

Eifion lives in North Wales. He is a software developer and has been a member of the Society since 1993. A collector and reader of Penguins since the early 1990s.

Ann Davidson

Trustee since 2020

A chartered accountant and a 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. Membership Secretary from 2000 till 2020, Chair of the Board from 2005 to 2014, and now deals with Publications sales.

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. Chair of the Board since 2020; responsible for the Bursary scheme.

James Mackay

Trustee since 2006

Brought up in a house of post-war Penguins, retired from managing railways. 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.