

The Penguin Collectors Society

Annual Report of the Trustees and Financial Statements for the year ended 30 April 2020

The AGM planned to be held at Aldeburgh, Suffolk, on Saturday 4 September 2020, had to be postponed because of the Covid-19 emergency. This report has been approved by the Board and printed in the usual timescale. Once it is possible to make new arrangements for dealing with the business of the AGM the formal notice setting out these arrangements (and a form of proxy enabling members who cannot attend to vote) will be circulated to all members along with this report. This information is also posted on the Society's website.

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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 are 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 (until September 2019)
Tim Graham	James Mackay
Victoria Love (until May 2019)	Caroline Maddison
Hannah Lowery	James Robinson
Jeff Lucas	

Brief biographical details of the trustees at the year end are provided on page 16.

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 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 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.

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

2020	422	2018	395	2016	391	2014	395
2019	406	2017	384	2015	389	2013	473

The Articles of Association permit the trustees to appoint honorary annual members. The trustees have appointed twelve honorary annual members for 2020/21.

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 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, 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 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.

Publications

In 2019 we published volumes of *The Penguin Collector* in June and December, each containing articles on twentieth-century and contemporary publishing, books and especially Penguins.

Penguin Collector 92 had another special cover designed by Tom Etherington, using an unpublished drawing by Terence Greer. Three pieces on artwork started with Kathy Mezei describing and illustrating Terence’s Penguin covers of the first half of the 1960s. Naomi Games described the life and work of Hans Unger, another of the emigrés who enlivened Penguins in the post-war period. John Miles detailed his own work on the delightful cut-out *Noah’s Ark Story*. A substantial piece by Robert Crowe distinguished how risqué passages were treated by translators of the Classics in the 1950s, before *Chatterley*, and in the ‘liberated’ 1960s, after. Other articles covered derivatives of Penguins in South America and retailing the books in New Zealand, and three tales of enthusiasm for Penguins, and the issue concluded with a dozen pages of shorter ‘Penguin Points’.

The first of half a dozen articles in *Penguin Collector 93* which covered Penguins during the Second World War and its aftermath was a timely reminder of the part that Penguin Specials played in its first year. Others took readers to the Eastern Mediterranean, to Italy, from Berlin via Portugal, to Devon, and back to London. The securing of the judge’s copy of *Lady Chatterley’s Lover* for the Bristol Archive was described in full; and Robert Bruce and Len Deighton exchanged compliments on Deighton’s *Dossier* of London life in the post-*Chatterley* era. Four articles covered individuals’ experience of Penguins, and then a plethora of shorter pieces ranged across diverse subjects, from a *Complete Catalogue* to Germano Facetti, from South America to *Sailing*. Again, brief obituaries included both notable members of Penguin’s staff and friends who had contributed to the Society’s work.

In the summer, *White Horses* was co-published by the Society and Joe Pearson's imprint Design for Today. A Puffin Picture book about the prehistory of the chalk downland of southern England was planned by the series editor Noel Carrington and the artist Eric Ravilious in 1941. But only a few dummy sketches were completed before Ravilious' death on active service as a war artist. Nearly 80 years later, Alice Pattullo was commissioned to provide black and white illustrations to be interspersed with text and with reproductions of some of Ravilious' works set on the chalk hills. The 32-page book, with a wrap-around dustjacket explaining its history, makes a beautiful addition to the PP series.

Historic Material

The copy of *Lady Chatterley's Lover* used by Sir Laurence Byrne, the judge in the 1960 obscenity trial against its publisher Penguin Books, was sold by auction in the autumn of 2018. It later emerged that the buyer was a private individual who wished to export it to the USA. In May 2019 the Arts Council's Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest decided to block export to allow time for an institution to make the case for acquiring the work and to raise the necessary funds. The University of Bristol made an application, which the Society supported, and which was successful. The Society contributed £5,000 to the University's fundraising campaign, which also succeeded, and the book is now conserved in its Special Collections. Additional information about this material, including pictures, can be found in *Collector 93*.

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 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 two Bursaries were again awarded: to Stephen Hickson, who is studying book design on the MA course in the Department of Typography and Graphic Communication at the University of Reading who will consider the influence of Jan Tschichold on the typography of Penguin books; and to Anna Richardson, an MA student on the Publishing course at University College London, for a proposal titled, 'John Lehmann and "the voice of a literature at war"'. We wish them success in their research, and look forward to seeing the outcome. Extracts from the dissertations of last year's two recipients of bursaries will be published in *Collector 94*.

Meetings

The Annual Meeting was held on the campus of Bishop Grosseteste University, Lincoln on 14 September 2019.

Over 50 members and partners attended the AGM. The formal proceedings included the re-election of the retiring trustees of the society. In addition, members were asked to approve a special resolution to amend our Articles of Association (including provisions of its Memorandum). The amendments clarified the role of annual and guarantee members as well as updating our Memorandum for greater ease in the administration of the Society. All of the resolutions were passed.

The treasurer, Michael Fowle, reported that in 2018/2019 income 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.

On the Friday evening and the Saturday evening, as well as at the display and sale of books around the spacious meeting room, Penguin conversation, information, learning and trade thrived.

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, where queries are answered.

Trustees

As announced at the AGM and discussed in *Collector 93* we are seeking members to join the board and fill current and anticipated vacancies. We have received a number of indications of interest and early in 2020 a committee of three trustees began to identify those who can best help maintain and strengthen the board. Unfortunately, they were unable to conclude their work and make recommendations before the advent of the Covid-19 emergency. So we cannot yet announce the appointment of new trustees. We hope to do this as soon as it becomes practicable.

Annual General Meeting 2020

The AGM planned to be held at Aldeburgh, Suffolk, on Saturday 4 September 2020, had to be postponed because of the Covid-19 emergency. This report has been approved by the Board and printed in the usual timescale. Once it is possible to make new arrangements for dealing with the business of the AGM the formal notice setting out these arrangements (and a form of proxy enabling members who cannot attend to vote) will be circulated to all members along with this report. This information is also posted on the Society's website.

On behalf of the Board, 4 June 2020

Jim Robinson, *Chairman*

Financial Report

Results for the Year and Funds

The year 2019/20 has been satisfactory financially. The outstanding transaction has been our £5,000 grant to Bristol University to support its successful fundraising of £56,250 to acquire the judge's copy of *Lady Chatterley's Lover*. Before charging this, our total expenses exceeded our income by £1,010, having published two issues of *The Penguin Collector* and *White Horses* and having provided for the cost of printing and circulating the new *Companion*, which is nearly ready and will be circulated later in 2020. We have substantially reduced costs by moving to a different printer for the *Collector* and packaging it ourselves.

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 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, i.e. about £9,000. Currently our reserves are about £20,000 which gives us some financial scope. The Society's funds are unrestricted.

Membership numbers have increased by nearly 4% since last year. Some former members still pay £16 annually by standing order despite attempts to contact them, and these payments are treated as donations.

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, 4 June 2020

Michael Fowle CBE FCA, *Treasurer*

Financial Statements

Penguin Collectors Society: Statement of Financial Activities

		Year to 30 Note April 2020	Year to 30 April 2019
Income			
Income from charitable activities	2	£17,747	£18,058
Interest receivable		£110	£106
		<u>£17,857</u>	<u>£18,164</u>
Resources expended during the period			
Costs of furthering charitable activities	3	£18,867	£15,833
Donations to public collections	4	£5,000	£1,275
		<u>£23,867</u>	<u>£17,108</u>
Reconciliation of funds			
Net incoming resources for the period		-£6,010	£1,056
Unrestricted funds balance brought forward		£26,191	£25,135
Unrestricted funds carried forward		<u>£20,181</u>	<u>£26,191</u>

Penguin Collectors Society: Balance Sheet

	30 April 2020	30 April 2019
Debtors and payments in advance	£788	£31
Investments – COIF Deposit Fund	£19,000	£19,000
Cash at bank	£20,943	£20,210
	£40,731	£39,241
Creditors due within one year		
Accrual for printing & posting	£12,350	£4,950
Subscriptions in advance etc	£8,200	£8,100
	£20,550	£13,050
Net assets	£20,181	£26,191
Unrestricted funds	£20,181	£26,191

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 2020 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 five 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, 4 June 2020

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 Companies Act 2006 and the Charities SORP (FRS 102) effective 1 January 2019.

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 2020	Year to 30 April 2019
Subscriptions and donations	£13,745	£14,335
Contribution from publication sales	£3,052	£2,803
Annual Meeting catering income	£950	£920
	<u>£17,747</u>	<u>£18,058</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 2020	Year to 30 April 2019
Printing and similar costs	£10,973	£9,909
Distribution of publications	£3,056	£1,784
The Penguin Collectors Society Bursaries	£1,000	£1,000
Postage, packing & related stationery	£697	£526
Annual Meeting catering costs	£970	£969
Other meeting costs	£154	£338
Website	£277	–
IT & office printing and stationery	£87	£37
Trustee travel	£544	£348
Financial transaction costs	£324	£250
Other administrative costs	£322	£273
Printing governance papers	£463	£399
	<u>£18,867</u>	<u>£15,833</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 £3,566 (2019 £1,312), and are mostly included in costs of furthering charitable activities, generally being distribution, administrative and editorial costs and meeting and travelling costs. The substantial increase in 2020 is because a trustee has taken on the task of organising and paying for posting periodicals, rather than the Society paying the printer to do it.

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

4. Donations to public collections

The 2020 donation of £5,000 to public collections represents a gift to the University of Bristol as a contribution to its successful fundraising to enable the University to acquire the copy of the Penguin published *Lady Chatterley's Lover* used by the Judge in the historic 1960 trial. The 2019 donations of £1,275 to public collections related 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.



Brief Biographical Details of the Trustees

Michael Fowle CBE FCA

Age 80, chartered accountant, long-ago senior partner of KPMG London and then a building society and bank director and a trustee of several charities. Accumulated Penguins since the 1950s, a member since the 1980s, Treasurer since 1996, and a trustee from incorporation in 2001.

Tim Graham

Age 73, 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 50, 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 75, emeritus professor of health studies and a UK Health Regulator. Former Deputy Vice-Chancellor of the University of Bradford. Collector of Penguins since 1970, a member since 2004 and a trustee since 2012, responsible for the Bursary scheme.

James Mackay

Age 70, once managed 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 organised eight annual meetings and edited the Society's publications since 2016.

Caroline Maddison

Age 66, 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 Penguins since the early 1980s. Appointed a trustee in 2014 and responsible for the Society's website.

James Robinson

Age 61, retired attorney. A reader of Penguin Classics, and a trustee since 2006, he took over distribution of our Publications in 2012 and became Chairman in 2014. He has announced his intention to resign in connection with his relocation to the USA later this year.