

Report of the Trustees and  
Financial Statements  
for the Year Ended 5 April 2021  
for  
The Unwin Charitable Trust

Thorne Widgey Accountancy Ltd  
Chartered Accountants  
Statutory Auditors  
2 Wyevale Business Park  
Kings Acre  
Hereford  
Herefordshire  
HR4 7BS

Contents of the Financial Statements  
for the Year Ended 5 April 2021

	Page
Report of the Trustees	1 to 5
Report of the Independent Auditors	6 to 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 to 18
Detailed Statement of Financial Activities	19

## The Unwin Charitable Trust

### Report of the Trustees for the Year Ended 5 April 2021

The trustees present their report with the financial statements of the charity for the year ended 5 April 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The Charity's objectives as set out in the governing document are as follows:

- a) The promotion of furtherance of the commercial education of persons of either sex in any part of the world who are concerned in either the printing or the publication or the distribution or sale of books or writing in any language and subject thereto.
- b) Such other charitable purposes or objectives as the Trustees may in their absolute discretion determine.

##### **The Charity's Aims:**

- a) To provide help for projects that promote the publishing and dissemination of books.
- b) To encourage the education and welfare of those in the book trade.
- c) To improve quality of life using the printed word, without promoting religious or political views.

##### **The Charity's Objectives for the coming year:**

- a) The Trust will continue to support organisations who fulfil the aims and objectives as detailed above.
- b) With the help of a researcher we will work closely with independent bookshops to ascertain just how we can best help booksellers.

##### **Significant activities**

The Unwin Charitable Trust continues to provide grants for those charities that fulfil the objectives of the Trust. In addition to supporting organisations that promote publishing, printing and literacy we provide support to independent booksellers. In spite of the restrictions imposed by Covid - 19, Margaret and the Mentors have found ways to help and support booksellers in a variety of creative ways. They have been a vital lifeline to many small shops.

##### **Public benefit**

The Trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

##### **Grantmaking**

The Trustees considered a number of applications this year. Following lengthy discussions the following awards were granted:

Book aid International	£7,950
Children's Bookshow	£17,873
Listening Books	£10,000
Book Trust	£30,000
National Literacy Trus	£9,740
Seven Stories NCCB	£10,000
Storgy Kids	£(1,000)
Arvon Trust	£5,000
Read for Good	£15,000
Cheltenham Festival	£7,000
Shannon Trust	£10,000
Read Easy	£15,000
Libraries Unlimited	£10,000
Kernow	£10,000
Craigmillar	£6,210
Maggies	£5,900
British Library	£10,000
First Story	£10,000
	<hr/>
	£188,673
	<hr/>

## **ACHIEVEMENT AND PERFORMANCE**

### **Charitable activities**

Two events have been dominant during this financial year. Brexit was finalised at the end of 2019 and significant changes have been happening in the business community since then. The feeling of uncertainty has been increased by the ongoing world pandemic of Covid-19. At the end of the last financial year the portfolio had experienced a sudden drop in value. The Trustees are pleased to be able to report that this has now corrected and the portfolio was valued at £6,862,312 at year end 2021 (£5,496,419 - 2020). As expected income was also impacted by the global lockdown and income for the year was reduced to £224,226 (£300,355 - 2020).

The expectation that lockdown restrictions in major economies could soon be eased has helped global equity markets to continue to recover from the levels endured in last year's pandemic related sell off. The FTSE 100 index started 2021 in positive fashion and indices such as the US S&P 500 Index hit new all-time highs, despite a volatile backdrop caused by concerns over potential increases in inflation in America.

Investor sentiment remains dominated by coronavirus news flow. New variants of the virus have increased concerns about the emergence of vaccine resistant strains. This suggests that some social distancing measures may need to be extended in some sectors and countries, prolonging the pandemic's economic impact in these locations. Nevertheless, investors remain optimistic that the rollout of vaccines indicates that more normal conditions could emerge in the second half of the year and that pent up demand could help drive economic growth. The recovery of more value orientated investments has helped capital performance. Income projections based on company announcements for the next twelve months remain at around the £230,000 level as opposed to £275,000 a year ago. While some areas such as mining have continued to pay high dividends, other areas which are more closely exposed to the UK economy have understandably been slower to reinstate dividends. It is anticipated that the income generated by the portfolio will improve over the next twelve months. The portfolio continues on the medium to low risk category with a prime objective to generate income.

Charles Stanley has accepted an offer from Raymond James, a large US based financial services company, known for wealth management. The Trustees will monitor how the portfolio is managed and will consider the long term implications of this change.

Throughout the lock down period the Trust received a number of applications for rescue packages and sadly a number of charities that the Trust have supported, did not survive the difficulties of the various lockdowns. Grants totalling £189,673 were paid out during the year and the reports that have been received show how resilient some charities can be. A number of charities were able to migrate their events to be held on-line and many worked really hard to ensure that the people they support, continued to benefit from the work being done. The Trust had provided a grant to the V & A for their Alice exhibition. This was postponed by a year but has now taken place and has been a key feature to attract visitors back to the museum as the country returns to normal.

Applications for mentoring came in at the usual rate at the start of 2020 but understandably ceased with the start of lockdown, all events were cancelled and bookshops closed, booksellers were focussing on crisis management: setting up transactional websites or, if they already had them, keeping them updated and working out how to get books to customers. The mentors did check in regularly with all bookshops they had previously worked with, just to make sure they were coping with the situation. The Mentors continued to host monthly Twitter chats, and provide online support to booksellers during the worst of the lockdown period.

As the first lockdown eased, the mentors worked with bookshops via video calls but managed a couple of careful visits in the summer with shops that were happy to meet them. In spite of everyone's concern at another lockdown at such an important time of year for booksellers, amazingly 57% reported increased sales year on year for Christmas 2020.

The BA launched a Covid Recovery Project at the beginning of March 2021 and within the next two months the Trust received 70 applications for mentoring. Due to the restrictions of the pandemic, everyone is now much more comfortable with video calls which means that the geographical location of a bookshop and their mentor (the additional costs of travel and accommodation being sometimes significant) is no longer as crucial.

We continued to offer monthly Twitter chats which are always well supported. During July and August, we collaborated with the BA and offered two Zoom presentations, allowing more in-depth discussion, focusing on areas of concern that the mentors experience repeatedly.



## The Unwin Charitable Trust

### Report of the Trustees for the Year Ended 5 April 2021

Our fourth year of the booksellers' mentoring programme has just ended with the return of the BA Conference which we attended. There are 77 new BA members since March 2020 and now over 1,000 indie bookshops, which is back to pre-2013 levels.

The Trust operated at a small deficit this year but has been able to cover all of this year's costs using the surplus from last year in combination with the reduced income from this year.

#### **Going concern and COVID19**

Covid has put many organisations under huge pressure. The Trustees have reviewed the finances of the Trust and are satisfied that the organisation remains buoyant, there are no concerns regarding going concern.

#### **Investment performance**

Charles Stanley achieved returns in excess of 3% in 2021. The income for the year was £224,226 (2020: £300,355) which exceeds the projected income for the year. As the UK's position in the world is still uncertain the Trust continue to be prudent with the proceeds of the portfolio. However, as the need for charitable donations increases each year the Trustees will continue to award the majority of these proceeds to charitable works.

#### **FINANCIAL REVIEW**

##### **Financial position**

The deficit for the year before gains/losses on investments amounted to £(27,649) (2020 Loss: £5,735).

##### **Principal funding sources**

Funding of the charity is now purely investment income.

##### **Investment policy and objectives**

The Trustees may either retain any investments or property that may be transferred, allocated or assured to them by way of accretion to the money settled in the state of investment or may at any time sell the same or any parts therefor. The Trust employs specialists as investment advisers and managers.

##### **Reserves policy**

At the year end the Charity has funds of £7,088,845 (2020: £5,743,836).

In the past the Trust has retained income to pay for outgoings on Book House, now that this building has been sold the Trust has significantly reduced its overheads and its risk.

At the end of the year the Trust held £6,862,312 in investments. By the end of the second quarter this amount had recovered to £7,385,217. The anticipated income for the current year is £247K. The Trust maintained a prudent approach to spending over the past year but feel that they play an important role in supporting a number of organisations. If necessary funds will be raised from the portfolio in addition to the income generated by the portfolio.

#### **FUTURE PLANS**

Covid reduced the portfolio at the year end but this has since recovered, income fell from 300,000 to 240,000 in the year to 31st March 2021. In spite of the drop in income the Trustees are happy that they are able to meet all the commitments. As a Trust with significant reserves, we are looking to support some organisations with larger grants to help them following the loss of income experienced due to Covid.

The Trust supports work carried out all over the world but The Trust will not fund any charity or organisation that is registered outside the UK. They will not support charities that promote one religion over another or excludes any part of the community due to religion, gender, race or disability.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The Unwin Charitable Trust was established under a Deed of Trust dated 10th June 1975 by Rayner Stephens Unwin. The Trust is a Registered Charity number 269847.

## The Unwin Charitable Trust

### Report of the Trustees for the Year Ended 5 April 2021

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Recruitment and appointment of new trustees**

The existing Trustees have power to appoint new Trustees.

The number of Trustees cannot exceed six under the terms of the Trust Deed.

##### **Organisational structure**

There is a Board of Trustees who are responsible jointly for all decisions.

There is one Administrator who is responsible for the day to day running of the organisation. The Administrator is given directions by the Board.

##### **Related parties**

Related party transactions are set out in the notes to the accounts.

##### **Risk management**

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The policies that are in place to protect the Trust are reviewed on an annual basis at the AGM.

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Registered Charity number**

269847

##### **Principal address**

18 Elm Road  
Hereford  
HR1 2TH

##### **Trustees**

M S Unwin  
A Stephenson  
F Pra-Lopez

##### **Auditors**

Thorne Widgery Accountancy Ltd  
Chartered Accountants  
Statutory Auditors  
2 Wyevale Business Park  
Kings Acre  
Hereford  
Herefordshire  
HR4 7BS

##### **Bankers**

The Royal Bank of Scotland  
49 Charing Cross  
Admiralty Arch  
SW1A 2DX

##### **Investment Advisers**

Charles Stanley  
25 Luke Street  
London  
EC2A 4AR

##### **Secretary**

G Miller

**TRUSTEES' RESPONSIBILITY STATEMENT**

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by order of the board of trustees on 20 December 2021 and signed on its behalf by:



.....  
M S Unwin - Trustee

Report of the Independent Auditors to the Trustees of  
The Unwin Charitable Trust

**Opinion**

We have audited the financial statements of The Unwin Charitable Trust (the 'charity') for the year ended 5 April 2021 which comprise the Statement of Financial Activities, the Balance Sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 5 April 2021 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of  
The Unwin Charitable Trust

**Responsibilities of trustees**

As explained more fully in the Trustees' Responsibilities Statement, the trustees are responsible for the preparation of the financial statements which give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

### **Our responsibilities for the audit of the financial statements**

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

### **Fraud and breaches of laws and regulations - ability to detect**

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of trustees, management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading board meeting minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

### **Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations**

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

### **Context of the ability of the audit to detect fraud or breaches of law or regulation**

Report of the Independent Auditors to the Trustees of  
The Unwin Charitable Trust

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Use of our report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Thorne Widgery Accountancy Ltd  
Chartered Accountants  
Statutory Auditors  
2 Wyevale Business Park  
Kings Acre  
Hereford  
Herefordshire  
HR4 7BS

Date: .....23/12/21.....

The Unwin Charitable Trust

Statement of Financial Activities  
for the Year Ended 5 April 2021

	Notes	5.4.21 Unrestricted funds £	5.4.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Investment income	2	224,263	301,022
<b>EXPENDITURE ON</b>			
Raising funds	3	30,845	32,967
<b>Charitable activities</b>			
Trade donations		203,448	251,844
Book Shop Mentoring		17,619	21,946
<b>Total</b>		<u>251,912</u>	<u>306,757</u>
Net gains/(losses) on investments		<u>1,372,658</u>	<u>(1,384,932)</u>
<b>NET INCOME/(EXPENDITURE)</b>		<u>1,345,009</u>	<u>(1,390,667)</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward		5,743,836	7,134,503
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>7,088,845</u></u>	<u><u>5,743,836</u></u>

The notes form part of these financial statements



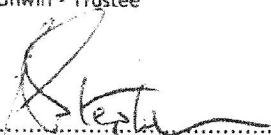
The Unwin Charitable Trust

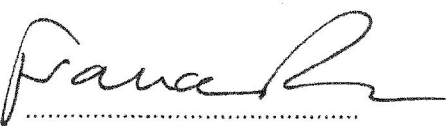
Balance Sheet  
5 April 2021

	Notes	5.4.21 Unrestricted funds £	5.4.20 Total funds £
<b>FIXED ASSETS</b>			
Tangible assets	7	123	184
Investments	8	6,862,312	5,496,236
		<u>6,862,435</u>	<u>5,496,420</u>
<b>CURRENT ASSETS</b>			
Investments	9	169,779	169,093
Cash at bank		72,275	92,064
		<u>242,054</u>	<u>261,157</u>
<b>CREDITORS</b>			
Amounts falling due within one year	10	(15,644)	(13,741)
<b>NET CURRENT ASSETS</b>		<u>226,410</u>	<u>247,416</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>7,088,845</u>	<u>5,743,836</u>
<b>NET ASSETS</b>		<u>7,088,845</u>	<u>5,743,836</u>
<b>FUNDS</b>	11		
Unrestricted funds		7,088,845	5,743,836
<b>TOTAL FUNDS</b>		<u>7,088,845</u>	<u>5,743,836</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 20/12/21 and were signed on its behalf by:

  
.....  
M S Unwin - Trustee

  
.....  
A Stephenson - Trustee

  
.....  
F Pra-Lopez - Trustee

The notes form part of these financial statements

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements have been prepared on a going concern basis.

### **Going concern and COVID19**

Covid has put many organisations under huge pressure. The Trustees have reviewed the finances of the Trust and are satisfied that the organisation remains buoyant, there are no concerns regarding going concern.

### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the Bank.

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

### **Tangible fixed assets**

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives as follows:

Computer Equipment 33.3% Reducing Balance

### **Investments**

Investments are held re-valued at market value at the balance sheet date.

### **Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

### **Cash at bank and in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### **Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Notes to the Financial Statements - continued  
for the Year Ended 5 April 2021

1. ACCOUNTING POLICIES - continued

**Taxation**

The charity is exempt from tax on its charitable activities.

**Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. INVESTMENT INCOME

	5.4.21	5.4.20
	£	£
Deposit account interest	37	667
Investment income	224,226	300,355
	<u>224,263</u>	<u>301,022</u>

3. RAISING FUNDS

**Investment management costs**

	5.4.21	5.4.20
	£	£
Investment charges	30,542	32,686
	<u>30,542</u>	<u>32,686</u>

4. GRANTS PAYABLE

	5.4.21	5.4.20
	£	£
Trade donations	188,673	236,592
	<u>188,673</u>	<u>236,592</u>

Notes to the Financial Statements - continued  
for the Year Ended 5 April 2021

**4. GRANTS PAYABLE - continued**

The total grants paid to institutions during the year was as follows:

	5.4.21	5.4.20
	£	£
Book Aid Internatinal	7,950	15,310
Childrens Bookshow	17,873	32,230
Listening Books	10,000	7,500
Read International	-	10,000
Book Trade Charity	-	50,000
Book Trust	30,000	30,000
Seven Stories NCCB	10,000	-
National Literacy Trust	9,740	9,740
V&A	-	25,000
Storgy Klds	(1,000)	1,000
Arvon Trust	5,000	5,000
Read for Good	15,000	7,500
Cheltenham Festival	7,000	7,000
Shannon Trust	10,000	10,000
Living Options Devon	-	500
Read Easy	15,000	15,000
Chipping Norton LF	-	1,800
Dartmouth Caring	-	1,012
British Film Institute	-	8,000
Libraries Unlimited	10,000	-
Kernow	10,000	-
Craigmillar	6,210	-
Maggies	5,900	-
British Library	10,000	-
First Story	10,000	-
	<u>188,673</u>	<u>236,592</u>

**5. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 5 April 2021 nor for the year ended 5 April 2020.

**Trustees' expenses**

During the year £Nil (2020: £121) was reimbursed to trustees in relation to travelling expenses.

**6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted funds £
<b>INCOME AND ENDOWMENTS FROM</b>	
Investment income	301,022
<b>EXPENDITURE ON</b>	
Raising funds	32,967
<b>Charitable activities</b>	
Trade donations	251,844
Book Shop Mentoring	21,946
<b>Total</b>	<u>306,757</u>

6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £
Net gains/(losses) on investments	(1,384,932)
<b>NET INCOME/(EXPENDITURE)</b>	<b>(1,390,667)</b>
<b>RECONCILIATION OF FUNDS</b>	
Total funds brought forward	7,134,503
<b>TOTAL FUNDS CARRIED FORWARD</b>	<b>5,743,836</b>

7. TANGIBLE FIXED ASSETS

	Computer equipment £
<b>COST</b>	
At 6 April 2020 and 5 April 2021	1,377
<b>DEPRECIATION</b>	
At 6 April 2020	1,193
Charge for year	61
At 5 April 2021	1,254
<b>NET BOOK VALUE</b>	
At 5 April 2021	123
At 5 April 2020	184

8. FIXED ASSET INVESTMENTS

	Listed investments £
<b>MARKET VALUE</b>	
At 6 April 2020	5,496,236
Additions	254,182
Disposals	(235,120)
Revaluations	1,347,014
At 5 April 2021	6,862,312
<b>NET BOOK VALUE</b>	
At 5 April 2021	6,862,312
At 5 April 2020	5,496,236

There were no investment assets outside the UK.

Notes to the Financial Statements - continued  
for the Year Ended 5 April 2021

8. FIXED ASSET INVESTMENTS - continued

Cost or valuation at 5 April 2021 is represented by:

Cost	Listed investments £ 6,862,312
------	---

9. CURRENT ASSET INVESTMENTS

	5.4.21 £	5.4.20 £
Charles Stanley income account	169,779	169,093

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	5.4.21 £	5.4.20 £
Trade creditors	4,410	2,987
Other creditors	11,234	10,754
	15,644	13,741

11. MOVEMENT IN FUNDS

	At 6.4.20 £	Net movement in funds £	At 5.4.21 £
<b>Unrestricted funds</b>			
General fund	6,136,629	(103,554)	6,033,075
Unrealised Investment Gains	(392,793)	1,448,563	1,055,770
	5,743,836	1,345,009	7,088,845
<b>TOTAL FUNDS</b>	5,743,836	1,345,009	7,088,845

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	224,263	(251,912)	(75,905)	(103,554)
Unrealised Investment Gains	-	-	1,448,563	1,448,563
	224,263	(251,912)	1,372,658	1,345,009
<b>TOTAL FUNDS</b>	224,263	(251,912)	1,372,658	1,345,009

Notes to the Financial Statements - continued  
for the Year Ended 5 April 2021

11. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 6.4.19 £	Net movement in funds £	At 5.4.20 £
<b>Unrestricted funds</b>			
General fund	6,075,140	61,489	6,136,629
Unrealised Investment Gains	1,059,363	(1,452,156)	(392,793)
	<u>7,134,503</u>	<u>(1,390,667)</u>	<u>5,743,836</u>
<b>TOTAL FUNDS</b>	<u>7,134,503</u>	<u>(1,390,667)</u>	<u>5,743,836</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	301,022	(306,757)	67,224	61,489
Unrealised Investment Gains	-	-	(1,452,156)	(1,452,156)
	<u>301,022</u>	<u>(306,757)</u>	<u>(1,384,932)</u>	<u>(1,390,667)</u>
<b>TOTAL FUNDS</b>	<u>301,022</u>	<u>(306,757)</u>	<u>(1,384,932)</u>	<u>(1,390,667)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 6.4.19 £	Net movement in funds £	At 5.4.21 £
<b>Unrestricted funds</b>			
General fund	6,075,140	(42,065)	6,033,075
Unrealised Investment Gains	1,059,363	(3,593)	1,055,770
	<u>7,134,503</u>	<u>(45,658)</u>	<u>7,088,845</u>
<b>TOTAL FUNDS</b>	<u>7,134,503</u>	<u>(45,658)</u>	<u>7,088,845</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	525,285	(558,669)	(8,681)	(42,065)
Unrealised Investment Gains	-	-	(3,593)	(3,593)
	<u>525,285</u>	<u>(558,669)</u>	<u>(12,274)</u>	<u>(45,658)</u>
<b>TOTAL FUNDS</b>	<u>525,285</u>	<u>(558,669)</u>	<u>(12,274)</u>	<u>(45,658)</u>

**12. CONTINGENT LIABILITIES**

It was agreed as part of the sale agreement of Book House that Book Trust, the lessee, would received a grant of £30,000 per annum for 7 years in compensation for leaving Book House 7 years before the lease was due to expire. This is dependent on the Book Trust remaining a going concern. Book House was sold in 2014.

**13. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 5 April 2021.