



Book Aid International 2018 Annual Report

Including 'Trustees' Report and Accounts
for the year ended 31st December 2018



Book Aid
International

Welcome



More readers than ever before

ALISON TWEED, CHIEF EXECUTIVE

This year's Annual Report marks an extraordinary milestone: In 2018, we sent 1.28 million books – more than ever before. An estimated 21.4 million people have access to the books we sent in 2018 – and behind them is a wealth of wonderful stories of how books change lives.

In Mosul, Iraq, the arrival of 3,700 books at the library IS destroyed was cause for university staff to dance in the streets. In Ghana, the books we sent are breathing new life into a neglected national library service – offering the opportunity to read beautiful, brand new books to people from all walks of life across the country.

In this review of our work in 2018 you will read just a few of these stories. They represent the many millions of people who read the books you help to send in libraries, schools, refugee camps, hospitals, universities and prisons around the world.

Wherever they go, the books we provide are highly valued – but we could not send a single book if not for the generosity of our publishing partners, donors and volunteers. On behalf of our team at Book Aid International and readers around the world I extend our warmest thanks and I hope you enjoy reading our 2018 Annual Report.



Where books change lives

THE RT HON LORD PAUL BOATENG, CHAIR

Beautiful, new books are at their most precious where the reality that people face offers little to celebrate.

A book can offer the opportunity to keep learning, a window into a new possibility or shelter from the storm. Conflict-affected people must have access to books now – they cannot afford to wait for peace.

In 2018, we responded to this growing need. In Cameroon, we sent 5,000 books in weatherproofed and reinforced boxes designed to reach children who have lost their homes to ongoing violence.

Now, thanks to supporters like you, they are able access these books in the forests where they have taken shelter.

In Syria, we sent more than 16,000 Arabic children's books to primary schools across

Idlib province and 9,000 books to Idlib University.

In Jordan, where over 600,000 Syrian refugees face an uncertain future, the books we provided now stock the shelves of the first library in the country's largest refugee camp.

Every minute of every day, 20 more people are displaced – so the need will keep growing.

We at Book Aid International stand ready to answer the call for more books as we did in 2018.

I would like to thank everyone who supported us in 2018 and invite you to join us as we work towards a future where no one is without the books which might help them change their lives for the better.



Celebrating the arrival of books in Sierra Leone

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The Trustees present their report and the audited financial statements for the year ended 31st December 2018. Reference and administrative information set out on page 28 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102. This Trustees' Annual Report includes a directors' report as required by company law.

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2018 in numbers

An estimated **21.4 million** people have access to the books we sent in 2018

Where books are changing lives



848
public &
community
libraries



338
university
libraries



54
prison
libraries



16
refugee
camps



1,949
primary &
secondary
schools



406
medical
libraries



429
teachers and
librarians trained



28,324
local books
purchased



16
libraries
refurbished

Building local capacity



This year we sent **1,286,538** books to people in
25 countries around the world

The books we provided



Children & primary
681,109



Higher education
59,911



Leisure reading
154,311



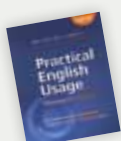
Vocational, technical & business
37,052



Development
32,172



Medicine & healthcare
154,299



English language skills
32,262



Reference & Secondary
135,422

Where we sent books

Africa

Cameroon	108,583
Eritrea	29,488
Ethiopia	111,726
Ghana	66,287
Kenya	130,400
Liberia	39,748
Malawi	154,667
Rwanda	26,306
Sierra Leone	62,371
South Sudan	18,684
Tanzania	103,828
The Gambia	39,514
Uganda	113,063
Zambia	55,930
Zimbabwe	146,663

Asia

Bhutan	5,106
Nepal	205

Caribbean

Antigua & Barbuda	2,324
British Virgin Islands	1,120
Dominica	2,131

Europe

Greece	5,669
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Middle east

Iraq	7,243
Jordan	2,591
Occupied Palestinian Territories	27,846
Syria	25,045



Girls walking to school in Za'atari Refugee Camp, Jordan. Photo Credit: Mercy Corps

The barriers to reading

Around the world, poverty, displacement and discrimination mean that millions of people have never even held a new book.

People increasingly find themselves without books because conflict has closed their places of learning or forced them to flee.

Today, 87 million people around the world are displaced. Among them are 12.5 million young refugees. They cannot take books with them yet they urgently need to read so that they can continue their education.

Discrimination also has a role to play in preventing reading. In some communities, just being a girl is enough to prevent access to a classroom or library.

Even where people live in peaceful, settled communities access to books often remains a challenge.

One in ten people globally lives on less than \$1.90 a day and simply cannot afford to buy books.

Even public libraries, schools, universities and hospitals often lack the funds to purchase books.

The impact on children is especially devastating. Around the world there are more children enrolled in school than ever before, but many have no books at all except a tattered textbook that they must share.

This lack of books is contributing to an education crisis. A 2017 UN report found that 600 million school-age children do not have basic skills in maths and reading. Without literacy skills, these young people will struggle to break the cycle of poverty and build a prosperous future.

Quality education is key to creating sustainable change – and access to books has an important role to play.

A single book can help dozens of people succeed in school, prepare for further education, learn the skills needed for a new job or find new inspiration. The global barriers to reading prevent people of all ages from reaching their full potential.

Books are seeds of change

In Zimbabwe's impoverished Gwanda region, a group of women are using books to take control of their futures. They joined a study circle set up by Edward Ndlovu Memorial Library and read widely – about how to make a living, about their rights and about health.

Together, they decided to set up a community garden that would enable them to sell vegetables and fight the poverty that has held their communities back. Today, for the first time, they feel in control of their families' futures.

"We are now able to sell what we are growing and we have money with which we pay school fees. We are able to run our households with the income."

- Torifo, women's group member, Gwanda, Zimbabwe



One of the women picking vegetables grown in the community garden

Our mission

At Book Aid International, we work to ensure that everyone has access to the books that can enrich, improve and change their lives, whatever their circumstances.

Our mission is to provide books, resources and training to support an environment in which reading for pleasure, study and lifelong learning can flourish.

Creating a book-rich world

Every year, we send around one million brand new books to people around the world who would otherwise have few books, or even no books at all. Those books are read by people from all walks of life in thousands of libraries, schools, universities, hospitals, prisons and refugee camps.



Reading donated books in the Occupied Palestinian Territories

To make books available to all, we work with a diverse global network of partners ranging from national library services to international NGOs to grassroots organisations. Each partner requests the books its community needs and our team selects books in response to their requests. Our partners then distribute those books within their own communities and networks.

All of the books we send are donated by UK-based publishers, so they are all brand new, recent editions in a variety of subjects for all ages.

"Books are very expensive and the Malawi National Library Service's (MNLS) small budget is not sufficient to purchase books for its branches. The books from Book Aid International go a long way in meeting the needs of diverse users."

- Mr. Gray Nyali, Director MNLS

Building capacity and promoting reading

In addition to wonderful books, children need inspirational librarians, empowered teachers and a welcoming space if they are to begin a lifetime of reading. Our projects and programmes aim to give children this vital support.

We work with our partners to create spaces where reading can flourish and to train teachers and librarians in how to support reading.

Some of our projects – such as our *Pioneer Book Box* project – are a single intervention meeting one community's needs. A *Pioneer Book Box* is simply a small book collection in a sturdy, lockable box with a 'how-to guide' designed to offer the opportunity to read wherever children might be.

Others, such as our long-running *Children's Corners* programme, are more holistic. Every *Children's Corner* creates an inspiring space for children in a public library through a combination of library refurbishment, donated books, local book purchase and librarian training.

Whatever their size or scope, our projects always seek to invest in our partners' capacity – giving teachers, volunteers and librarians the skills, space and confidence to inspire young readers.



Three school librarians outside their Inspiring Readers library in Sierra Leone after a training workshop

Realising our vision

In 2017, we launched our *Vision 2020: Where Books Change Lives* strategy and set four key aims that would be crucial to meeting the global need for books.

Those aims are: increasing our capacity to donate books, promoting reading, innovating to support readers and reaching the people who need books most. In 2018, we worked to achieve our aims in all four of these areas.



Members of our operations team with 2018's last shipment

Increasing our capacity to donate books

By 2020, we aim to be providing 1.5 million books every year.

In 2018, we hired five new members of staff and extended our warehouse hours. This additional capacity allowed us to increase the number of books we sent from 938,330 in 2017 to 1,286,538 in 2018.

Increasing the number of books we provided enabled us to reach more readers around the world particularly in West Africa.

In **Ghana**, we began working with the Ghana Library Authority, sending 66,287 books to readers in 60 public libraries across the country and 4,100 books to education NGO Afrkids in support of its work improving primary school education.

We also sent books to **The Gambia**, providing 39,514 books to The Gambia National Library Service Authority for its public libraries as they recover from years of neglect and more than 7,000 books to NGO Switched-On Gambia to support reading in primary schools.



Marching for reading in Zimbabwe

Promoting reading

Supporting teachers and librarians in their work advocating for the value of the book and encouraging reading is one of our key priorities.

In 2018 we trained 429 teachers and librarians, giving them the skills and confidence to promote reading in their own schools and libraries.

Since 2016, we have also worked with our library partners to run Reading Promotion events on International Literacy Day. In the first year, only five countries took part – but in 2018 that number grew to 13 and participation increased dramatically.

In 2016, 523 adults and 717 children took part. In 2018, these numbers increased to 1,541 adults and 8,515 children. Reading Promotion events are a crucial opportunity to introduce new sections of the population to the value of books, reading and all that a library can offer.



A typical classroom in Kakuma Refugee Camp, Kenya

Innovating to support readers

We have made it a key priority to grow our innovative projects and programmes, offering more children the opportunity to discover books and begin a lifetime of reading.

As we continue to expand our long-running *Children's Corners* and *Inspiring Readers* programmes we are also developing new projects which support those who need books most.

In Kakuma Refugee Camp, most students do not have electricity at home so they often struggle to study after school. In 2018, we worked with the NGO that provides secondary education in the camp, Windle International Kenya, to develop the *Solar Homework Club* project.

The project will provide solar lamps that secondary school pupils can borrow alongside books from their school libraries so that reading and learning don't end at sunset. Six schools will take part, with an estimated 1,700 pupils benefiting.



Storm damage in the Caribbean following hurricane Irma

Reaching the people who need books most

By 2020, we aim to be sending at least 500,000 books a year to people who face special barriers to reading.

In 2018, we made 534,037 books available to those who need books most through a range of dynamic new partnerships.

In **Nepal**, poverty, rural isolation and a shortage of medical professionals mean that many people cannot access the healthcare they need. NGO Future Faces is providing life-changing surgery for people suffering from facial deformities and cleft palate. In 2018, we provided 205 much-needed medical texts to support the vital work they do.

When Hurricane Irma destroyed hundreds of homes on the Caribbean island of **Barbuda**, all of the island's children were forced to flee to the neighbouring island of **Antigua**, straining the local school system. In 2018, we responded to requests for extra resources, sending 2,342 books to Antigua to support displaced children's learning.

In **Liberia**, too many children live a dangerous life on the streets with few opportunities to learn or simply enjoy childhood. Street Child Liberia is fighting to ensure that every child receives a quality education, supporting street children in school, at home and in the community. We sent them 14,277 children's books in 2018, giving some of Liberia's most vulnerable children access to beautiful storybooks, phonics books and non-fiction books to help them learn.

Our impact on children

It is vital that children have access to books so that they can learn to read, succeed in education and imagine new possibilities.

We make it a priority to provide the books that children need wherever they might be. In 2018, we worked with our global network of partners to send 875,000 books to young readers in thousands of schools, libraries and refugee camps.

These books included picture books, phonics books, graded readers, young adult fiction and non-fiction and children's English as a Second Language texts. The diversity of the books we provide for young readers ensures that children have the books they need at every stage of learning.

Supporting children's reading

When beginning to read, children need inspiring books, an adult to help them and a welcoming space. That is why in addition to providing books we also run projects and programmes that support children's reading.

In 2018, we created nine new *Children's Corners* in Kenya and Tanzania. Each *Children's Corner* creates a dedicated space in a public library where children's reading can flourish.

We also provided e-readers loaded with African-developed e-books to five additional *Children's Corners* in Zimbabwe, giving children access to stories that reflect their own experiences.

In addition, we expanded our *Book Havens* project, creating welcoming spaces in community libraries where children can discover books and training non-librarian staff in how to support reading.

In 2018, we worked with CODE Ethiopia to open five *Book Havens* in disadvantaged Ethiopian communities and with the Mathare Youth Sports Association to open two more *Book Havens* in the NGO's libraries in Nairobi's slum communities.

By helping children develop a love of reading early, we can spark a positive change which will stay with young readers throughout their lives.

Empowering girls in Malawi

In Malawi, many girls are taught that science, technology, engineering and mathematics (STEM) are subjects for boys.

In 2018, we worked with the Malawi National Library Service to establish two STEM *Study Hubs* in public libraries designed to help girls in secondary school explore STEM subjects and prepare for exams – providing brand new STEM books, training and a specially designed revision guide.

So far, 3,300 students have accessed their local STEM *Study Hub* and teachers have noted a change in the girls' confidence in STEM subjects:

"Sciences brings out the inner me. Chemistry and biology are my favourites. I come to the library mostly for the science books. They really work with the new curriculum and the information is very clear. I want to be a biomedical engineer or a neurosurgeon."

- Wakisa, 14 year old STEM *Study Hub* user, Malawi



A Blantyre STEM Study Hub user

Inspiring primary school pupils in Uganda

Our *Inspiring Readers* programme aims to transform 250,000 African primary school pupils' experience of reading by creating libraries in their schools, training teachers in how to use books in the classroom and connecting the school with a local library.

Since launching in 2016, the programme has reached more than 182,000 children in 175 schools across four countries. Many of those schools are now reporting improving reading scores.

In 2018 we extended *Inspiring Readers* to 25 schools in Uganda. Pupils are already reporting a new confidence that is translating into improved academic performance:

"Before, we used to fear and shiver when teachers asked us to read in front of the class. Nowadays everyone can read easily and we no longer fear."

- Pupil, Mbale Police Wanyera Primary School, Mbale, Uganda



12,227

**Ugandan pupils
benefitting**

Reading donated books together in a Ugandan primary school

Helping children say yes to reading in Kenya

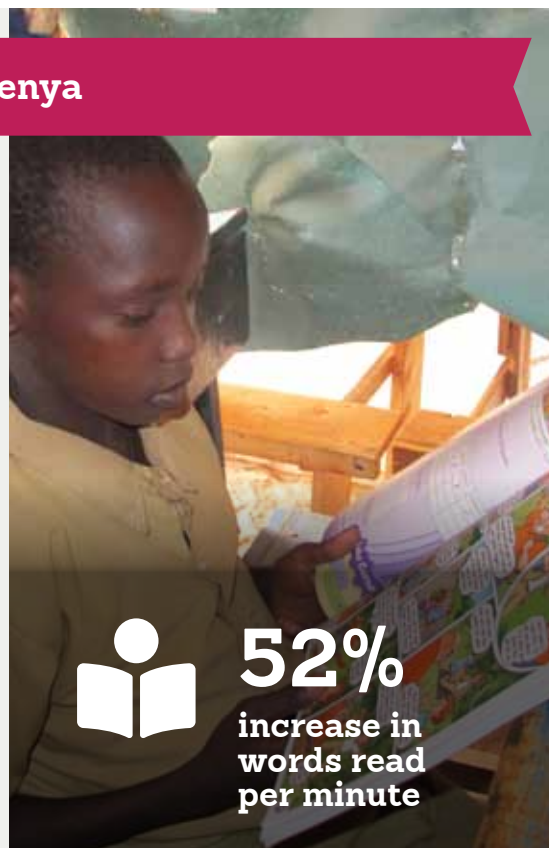
Education offers a route out of poverty, but in Kenya's deprived Laikipia county, literacy levels are low and schools lack the resources pupils need to learn to read.

Africa Educational Trust supports schools in the region and in 2018 we partnered with the NGO on its *Yes to Reading* project.

Together, we created 14 school libraries full of UK-donated and locally purchased books and trained teachers in how to support pupils' reading. The impact has been immediate:

"The UK-donated books are simple and clear. I use them to teach grade who are having challenges with reading. I was not taught phonetics in the teachers training college. I'm learning how to use sounds in teaching through the UK-donated books which make it very easy to teach the pupils".

- Charles Karuri, teacher-librarian, Oljogi Primary School, Kenya



52%

**increase in
words read
per minute**

A student engrossed in reading in Laikipia's Kuri Kuri Primary School

Our impact when conflict strikes

Twenty million young people around the world who are living with conflict are out of school – and today more people are displaced by conflict than at any time since the Second World War.

Where conflict has robbed entire communities of their homes, books offer the opportunity to continue an interrupted education, to escape into a story and to find new hope for a brighter future. In 2018, we made it a priority to provide books to those who live with or have fled conflict.



Afghan refugee Habiba reading to her son

“

Today I have borrowed two books – one for my son who is five years old. It is about Poppy Cat. The story is good for my son. The other book I have borrowed is for me. It is a book of poetry – it's a great book for my heart. Books are good for relaxation. When I lived in Afghanistan I had so many cook books. You should send some cook books! I would like to learn to cook new things.

”

- Habiba, Afghan refugee, Greece

Reaching people who have fled violence

Greece

In Greece, refugees seeking safety from wars at home continue to arrive every week. When they reach Greece, they are supported by a network of small NGOs, many of which operate on a shoestring and in difficult conditions.

These inspiring organisations provide the opportunity for refugees to return to education, to begin to learn English and to find a safe space that offers refuge from the day-to-day realities of camp life.

In 2018, we worked with seven of these grassroots organisations to support refugees, providing 5,669 books for all ages to community libraries, classrooms and mobile libraries to help displaced people begin to write the next chapter.

Kenya

382,000 refugees live in Kenya's two largest refugee camps, Kakuma and Dadaab. Most have fled decades of war in the Horn of Africa and many will spend a lifetime in the camps.

Windle International Kenya and Lutheran World Federation face the huge task of educating all of the young refugees in both camps. They work in the face of scarce resources for schools and hugely over-crowded classrooms.

In 2018, we partnered with both of these NGOs, providing books to the schools they run so that refugee children have access to books that will support their learning, sending 5,217 books to Kakuma and 5,614 to Dadaab.

In Kakuma, we also partnered with Lutheran World Federation to create new classroom libraries in ten primary schools and early childhood development centres through one of our newest programmes, *Reading for All: Kakuma*. This work has put an additional 15,812 books directly into the hands of some of the camp's youngest learners and trained 27 teachers and head teachers in how to use books to encourage early literacy.



Omar, left, reading in his school classroom*

“

Syria is a beautiful country with very peaceful people and then bad people came and there was war. I enjoy going to school. My favourite subject is science. I am very excited to receive some new science books!

”

- Omar, aged 12, Syria

**Name changed to protect confidentiality*

The chance to read while war rages

Syria

As Syria's devastating civil war enters its eighth year, the education of an entire generation is at risk. International NGO Syria Relief is working to keep Syrian children in school and in 2018 we provided them with 16,000 Arabic readers to support pupils' learning. These books are a lifeline for young readers, many of whom have known nothing but war.

We also sent more than 9,000 higher-education texts to Idlib University, giving students access to vital information.

Cameroon

Thousands of children have lost their homes since 2017 in Cameroon's escalating violence. In 2018, we worked with our long-standing partner to provide a total of 5,000 books in damp-proof, lockable boxes to children who have lost their homes and schools and are sheltering in the forests.

These books offer children who are facing hardship the opportunity to read, learn and escape into a story.



What remains of the University of Mosul library

“

When I returned to Mosul in end of 2017, I was shocked from the severe damage. It can't be described. Reconstruction is not only in infrastructure, but also the culture and the human need to be reconstructed. Those books are very valuable and will make a big difference.

”

- Dr. Alaa Hamdon, Mosul Book Bridge Founder and University of Mosul lecturer

Helping communities rebuild for the future

Iraq

In 2015, IS fighters destroyed the University of Mosul library, burning more than one million books.

The Mosul Book Bridge campaign was founded by lecturer Alaa Hamdon when he returned to the city and saw the damage. It has one goal: to restore the library. In 2018 we sent 3,791 brand new, higher-education texts to the library, helping begin the process of restoring what IS destroyed and supporting students returning to their university.

South Sudan

In South Sudan, a fragile peace is holding following years of civil war and students are returning to classrooms. In 2018 we significantly increased the number of books we provided to universities and schools across the country – from just over 3,000 in 2017 to 18,684. These books are a vital resource, giving students in some of the world's most poorly resourced schools the chance to read and learn.

Our impact on healthcare

Around the world, the shortage of healthcare professionals is acute. To meet minimum standards for healthcare provision in sub-Saharan Africa, 2.4 million more doctors and nurses must enter the workforce.

Yet many medical colleges, universities and hospitals around the world cannot afford to buy up-to-date medical texts. Some students must resort to YouTube to learn medical techniques.

In 2018, through the generosity of our publishing partners, particularly Elsevier and Elsevier USA, we sent 154,299 brand new medical books to hospitals, clinics, colleges and universities around the world.

The books we provided cover a range of subjects, including gynaecology, paediatrics, dentistry, social work and psychiatry.

Our medical partners select the books they require, ensuring that each community receives the books that meet local needs.

In medical colleges and universities, these up-to-date books allow students to learn the latest techniques and grow into tomorrow's doctors, nurses, midwives, surgeons and dentists – addressing the shortage of healthcare workers in the long term.

Practising professionals also rely on the books we send for the up-to-date information they need to provide the best possible care – and access to that information can save lives.

"Our port is closed and we have three hours of electricity a day. Our doctors can't go out so these books keep them updated. Without the books from Book Aid International, all the books in the library would be more than fifteen years old."

- Mahmoud, Coordinator, Gaza Health Sciences Library

Improving healthcare in Uganda



2,031
Medical students
benefitting

In rural Uganda there is only one doctor for every 22,000 people and many people cannot access health care. The Uganda Protestant Medical Bureau (UPMB) is working to improve rural healthcare by running a network of non-profit hospitals and training facilities across the country.

In 2018, we supported UPMB's work by setting up seven medical libraries, providing brand new books and training staff in how to run their new libraries. Professionals and teachers can now access up-to-date medical information and the impact has been immediate.

"The donations have benefited us as teachers as we are getting updated information which we are passing on to our students. In turn the patients in our hospitals are benefiting from latest practices and good quality of care from us."

- Amos Aine, instructor, Bwindi School of Nursing and Midwifery, Uganda

A nursing student borrows a brand new book at her school's medical library

Our long-term impact

In 2018 we carried out an in-depth impact assessment in Kenya to understand the long-term impact of access to books.

Working in partnership with the Kenya National Library Service (knls), we asked a range of beneficiaries – from public library and prison inmates to people with disabilities and healthcare providers – how do books change lives?



The impact assessment team in Kenya

Through a series of interviews and focus groups we were able to gain insights into the value that people place on books. We found that books enable changes in three main areas: quality of life, performance and attitude.

Changes to quality of life

Systematic quality of life changes as a result of reading are difficult to prove, but many individuals told us that their lives have been transformed by reading the right books at the right time.

Three readers in a single public library provide an illustrative example: Zipporah read a book on entrepreneurship that led to her starting her own tailoring business; Tabitha taught herself how to maintain her own computer and now earns a living from maintaining others; Josephat finds reading novels help him relax:

"At night you can be thinking, thinking, thinking and get stressed. The stories tell of bad situations and I think, 'they are in a worse situation than me – I'm ok'...and I'm happy!"

- Josephat, leisure reader, Kenya

Changes in performance

46% of the people we spoke to told us that books helped them perform better in education or at work. Medical students and practitioners in particular attribute their performance to the quality of books they have received from our charity over the years:

"The British National Formulary (BNF) is like a bible. During my attachment, I was treating a patient and I couldn't place the right prescription. I referred to BNF and was able to make a proper diagnosis and prescription. The patient was cured."

- Dr. James Gatune, tutor and practising doctor, Kenya

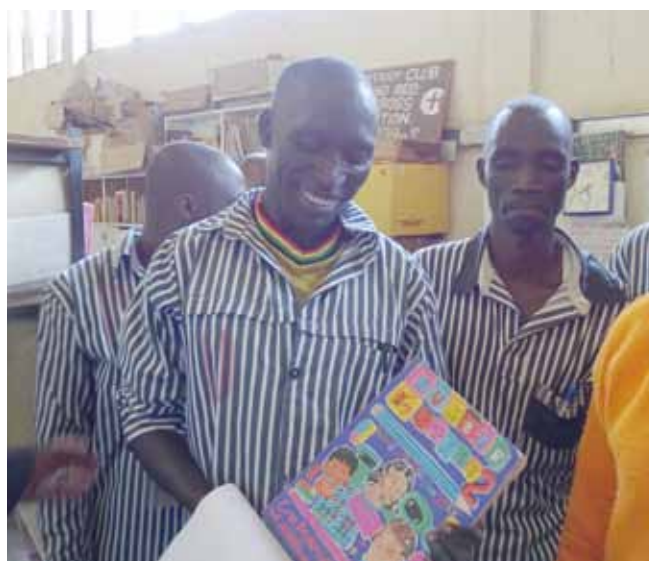
Changes to attitudes

Of the people we spoke to, 51% told us that reading improved their attitude or outlook.

The effect seemed particularly pronounced when readers faced significant challenges. Inmates at Naivasha Maximum Security Prison who use the books we provided in their learning centre said books helped them remain hopeful:

"Knowledge, inspiration, motivation came from the books. Reading... opened up my heart."

- Dan, an inmate serving a life sentence in Naivasha Maximum Security Prison, Kenya



An inmate at Naivasha Maximum Security Prison

Financial overview

At Book Aid International all the income we receive is from voluntary donations – we receive no government grants. In 2018 our total income was £19,416,607 and our total expenditure was £18,076,771.

£2,029,903 of our income was cash, while £17,386,704 was the value of donated books.

Our cash expenditure was £2,028,899. The remaining £16,047,872 of expenditure was the value of the books we sent to those who need them around the world.

Cash income and expenditure

In 2018 our cash income was slightly below the 2017 level of £2,036,333.

55.4% of our income was unrestricted funds which we invested in our core activity of providing books around the world. The remaining 44.6% was restricted to projects and programmes.

Cash expenditure in 2018 increased on 2017's level of £1,699,095. This increase reflects an increase in our staff team, from 21 to 26, which enabled us to increase the number of books we sent from 938,330 in 2017 to 1.28 million in 2018.

Maintaining reserves

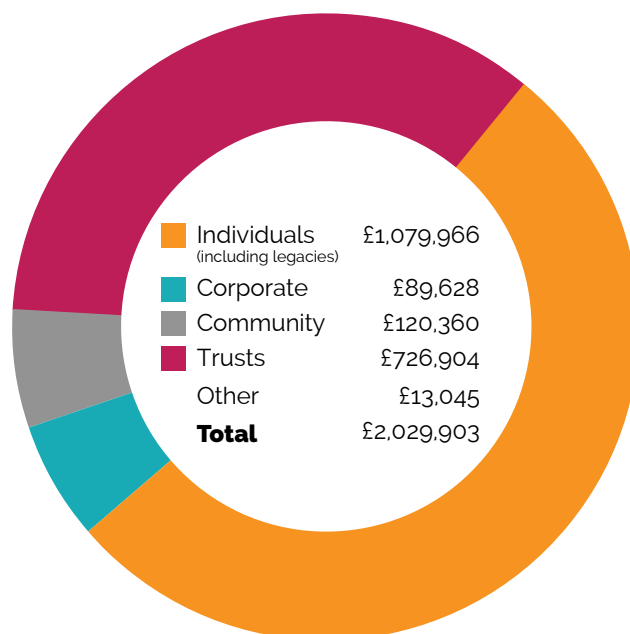
We maintain cash reserves to ensure that we can deliver our planned commitments in the event of unforeseen financial challenges.

The minimum level of reserves we must hold is agreed by our Board of Trustees and monitored regularly. In 2018 the agreed level was between £500,000 and £550,000.

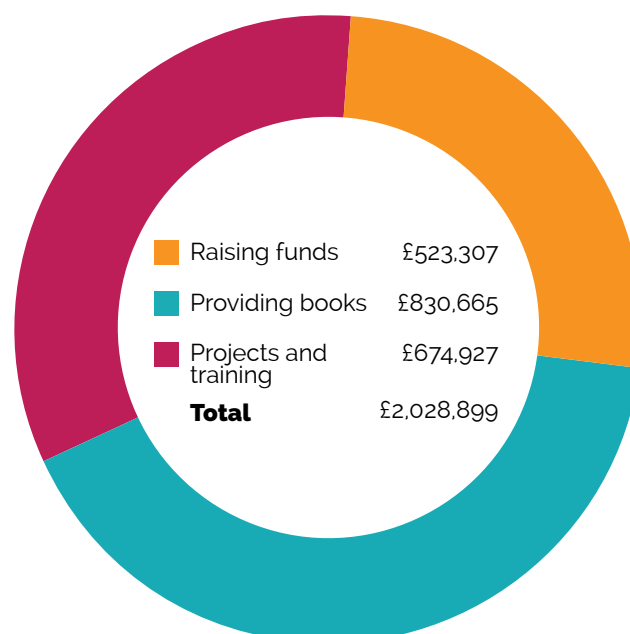
We ended the year with £618,506 in free reserves – slightly higher than anticipated due to a generous unrestricted Gift in Will.

For more information on our finances, including our full audited accounts, see pages 34 to 54.

Total cash income 2018



Total cash expenditure 2018



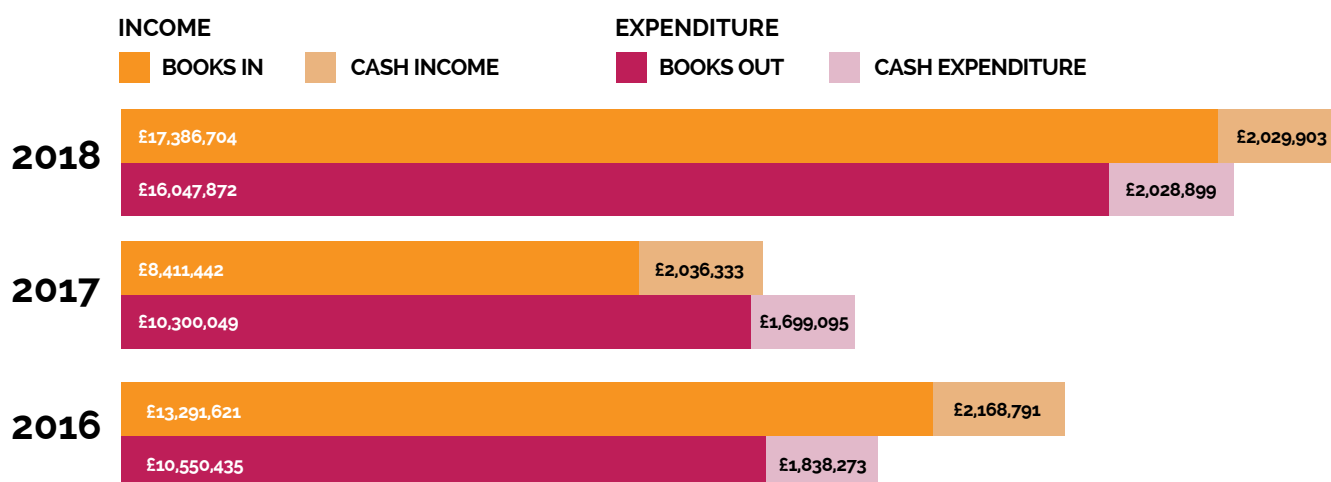
The value of donated books

In 2018, the value of books donated by publishers to our charity increased by 107% from £8,411,442 to £17,386,704. This reflects a significant rise in the number of high-value medical texts we received as well as a general increase in the stock donated to our charity.

We expect fluctuations in the value of the books we receive to continue in the coming years, as the books publishers donate changes year on year.

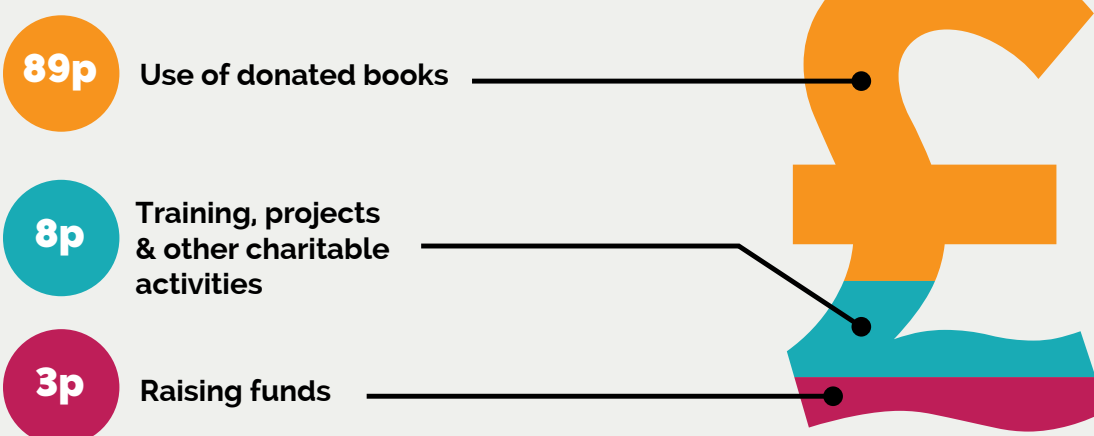
However, these fluctuations are not impacting cash income and expenditure, which remains largely stable.

How our income and expenditure have changed



Making the best use of donated money and books

In 2018 97p in every pound of expenditure represented the cost of providing books and supporting readers.



If you remove the value of donated books we spent 74p of every pound on charitable activities. We spent a total of £12,237 on governance.

Our supporter community

We are supported by thousands of individuals and organisations who donate books, funds and time so that we can reach readers around the world.

Support from trusts and companies

Our trust and corporate partners are vital to our work. In 2018, 27 trusts supported our charity, giving grants totaling £726,904 and supporting *Book Havens*, *Children's Corners* and *Inspiring Readers*.

We continued to develop our long-standing relationships with players of People's Postcode Lottery (PPL), Dulverton Trust, Beatrice Laing Trust and Beit Trust, and we welcomed new funders Network for Social Change and InTouch Global Foundation.



Celebrating all that players of PPL make possible at a 2018 charity gathering hosted by PPL

We also work with a range of corporate partners that share our commitment to global education and in 2018 these partners gave £89,628.

RELX funded our *Book Havens* project and Oxford University Press supported the cost of sending books to the University of Mosul's library. In 2018, Blackwell's retained us as its charity of the year. So far, we have received £11,000 from sales of Blackwell's plastic bags.

We also continued our partnership with National Book Tokens, which provide a donation from every sale of its special Book Aid International gift card.

Our publishing partners

Publishers donate all of the brand new books we provide. These books are the foundation of our work, and without publishers' generosity we simply could not provide the books that millions of people rely on to change their lives for the better.

In 2018, 90 publishers donated books worth £17,386,704 – an extraordinary gift to readers around the world.

"Book Aid International has been one of Elsevier's core access partners, helping distribute over 148,000 STEM books to African hospitals, universities and non profits. Our focus has been on bridging the digital divide, and Book Aid International's staunch advocacy of the compounding access issues faced by the world's least developed countries is unrivaled."

- Ylann Schemm, Director, Elsevier Foundation

Growing support from individuals

More than 5,000 people gave monthly through our Reverse Book Club in 2018, providing regular income that allows us to deliver long-term programmes.

We also received thousands of generous one-off donations, many in response to our 2018 Christmas appeal. The appeal was our most successful to date – 900 donors gave over £45,000.

In total, individuals gave more than half of our cash income in 2018: £1,079,966. This vital unrestricted income is the backbone of our work.

A number of our individual donors were able to make one-off gifts of more than £250, and they gave a total of £100,357. These funds are crucial to helping us increase the number of books we provide and expanding our work supporting children's reading.

Legacy income

Legacy gifts, whether large or small, are a wonderful way to leave a lasting impact and we are always humbled by supporters who choose to remember our work in this way. Legacies continue to be an important part of our income and in 2018, we received £158,600 in legacy income.

School and community fundraising

Every year, hundreds of people fundraise for us in their communities. From book sales to running marathons, fundraisers all help us expand our work. In 2018, these inspiring individuals raised a fantastic £27,617.

We are also an official World Book Day UK supported charity. Schools across the country mark World Book Day every year by dressing up as a favourite book character and donating £1 so that everyone can have the books they need.



Harrodian School celebrating World Book Day

In 2018, the 'Beast from the East' swept in, closing schools with snow and freezing temperatures on World Book Day.

Despite the weather, hundreds of pupils braved the cold and together raised an outstanding £92,744 – enough to send more than 45,000 books to the people who need them most.

Inspiring volunteers

The contributions of the volunteers who join us every day in our South London warehouse are invaluable. Volunteers stamp and pack hundreds of thousands of books every year and in 2018 they donated 2,600 hours to our work.



One volunteer, Pascal, stamping books in our warehouse

Raising our profile

In 2018 we worked to raise our public profile and attract new supporters, holding events and operating stands at literary festivals across the country, such as the Hay Festival, the Edinburgh International Book Festival and Cliveden Literary Festival.

We also secured more press coverage than ever before, including national coverage of our work helping University of Mosul library rebuild. Finally, many high-profile authors lent their support to our cause in 2018, including Dame Jacqueline Wilson, Julian Clary, David Nicholls and Dame Judi Dench.



Our Chair, Lord Paul Boateng, with best-selling author David Nicholls

A future rich in books

The global need for books has never been greater. A growing young population is straining schools and people are on the move.

Chronic funding shortages for schools and particularly libraries are leaving millions without access to the books that might help them realise their ambitions.

The need for the brand new books we can provide is as strong as ever.

The next generation cannot afford to wait, and that is why by 2020, we will increase the number of books we send to 1.5 million, put books in the classrooms of at least 250,000 African primary school pupils and ensure that at least 500,000 of the books we provide reach those who would be least able to access books without our support.

As we look to 2020, we see a future of thriving partnerships – with library services and NGOs who make books available to their communities, with publishers who donate books and with donors who provide the funds required to send books to all those who need books around the world.

We know that a future rich in books is possible, and we warmly thank all those who have supported us so far.

Together, we can reach more people who urgently need access to the books we provide and take the next step towards a world where no one is without the books that might enrich, improve and change their lives.

“ Our ability to be successful is deeply connected to our partnership with Book Aid International.



The Ghana Library Authority is one of our newest partners. We asked the service's new director, Hayford Siaw, about the future.

"Only 2% of Ghanaian children in grade two can read fluently. The national library service is in a position to support these readers – however we must invest more in appropriate resources, particularly for children.

Our partnership with Book Aid International has come at the right time in the history of our service. We operate sixty libraries around all the ten regions of Ghana, with additional libraries opening in 2019.

Within the next five years, we look forward to establishing libraries across all the 254 districts and municipalities of Ghana.

We can maximise our contribution to the development of Ghana by connecting Ghanaians to knowledge. Our ability to be successful is deeply connected to partnerships.

With our rebirth process and the new partnership with Book Aid International we have no doubt that Ghanaians will be trooping into our libraries to access the new books. And with those books, we can live up to the vision of connecting Ghanaians to knowledge resources."

Our partners

Below is a full list of all our overseas partners to whom we sent books directly in 2018. Through our partners, we were able to reach more than 3,600 libraries, schools, hospitals and refugee camps around the world.

We could not do this without the continued support, creativity and passion of our partners and we thank them all for their hard work.

Antigua and Barbuda

McChesney George
Secondary School
National Library of Antigua
and Barbuda

Bhutan

READ Bhutan

British Virgin Islands

British Virgin Islands
Government – Division of
Archives, Libraries and
Museums

Cameroon

Education Information
Services International
Hope for Children

Dominica

Dominica Library and
Information Service

Eritrea

Library & Information
Association of Eritrea
Ministry of Education

Ethiopia

British Council
CODE Ethiopia
Ethiopia Knowledge and
Technology Transfer
Society
Ethiopia Reads
Hawassa University
International Development
Partnerships
Link Ethiopia
Voluntary Services
Overseas

Ghana

Afrikids
Ghana Library Authority
Humanitas
Reading Spots Ghana
Sabre Trust
Street Child Empowerment
Foundation
Voluntary Services
Overseas

Greece

Action For Education
Elea Project
Metadrasi
Mosaik Project
Soup & Socks
The Book Collective
The Echo Mobile Library

Iraq

University of Mosul
War Child

Jordan

Mercy Corps

Kenya

African Prisons Project
AMREF Health Africa
Generation for Change and
Development
Kenya Medical Training
College
Kenya National Library
Service
Lewa Wildlife Conservancy
Lutheran World Federation
Dadaab
Lutheran World Federation
Kakuma
Majajani Primary School
Mathare Youth Sports
Association
Windle Trust Dadaab
Refugee Camp
Windle Trust Kakuma
Refugee Camp

Liberia

Street Child Liberia
University of Liberia
WE-CARE Foundation

Malawi

Chikwawa District Hospital
College of Medicine,
University of Malawi
Gumbi Education Fund
Malawi College of Health
Science
Malawi National Library
Service
St John of God College of
Medicine

Nepal

Future Faces

Occupied Palestinian Territories

British Council
Gaza Health Science
Library
Tamer Institute of
Community Education

Rwanda

Grace Rwanda

Sierra Leone

African Hospital Libraries
Ola During Children
Hospital
Practical Tools Initiative
Save the Needy

South Sudan

Africa Educational Trust
South University of
Medicine Science
St Mary's College
University of Juba
Windle International

Syria

Syria Relief

Tanzania

Evangelical Lutheran
Church of Tanzania
Muhimbili University of
Health and Allied Sciences
State University of Zanzibar
Sumait University
Tanzania Library Services
Board
Zanzibar Library Services

The Gambia

Gambia National Library
Service Authority
Sunrise School
Switched-On Gambia

Uganda

Africa Educational Trust
African Prisons Project
Build Africa
Fort Portal International
Nursing School
Gulu Regional Referral
Hospital
Kyambogo University
National Library of Uganda
SOS Children's Village
Transcultural Psychosocial
Organisation
Tusome Africa
Uganda Community
Libraries Association
Uganda Prison Service
Voluntary Services
Overseas

Zambia

Copperbelt University
Lusaka Apex Medical
University
Senanga School of Nursing
University of Zambia
Zambia Library Service

Zimbabwe

Bulawayo Book Distribution
Committee
Harare Distribution
Committee

With thanks to...

We would like to thank the following supporters in particular as well as those who wish to remain anonymous:

Our book donors and corporate partners

Aggreko Plc
Andersen Press
Andrew Nurnberg Associates
Baker Books
Barings
Barrington Stoke
Blackwell's
Blake Friedmann
Bloomsbury Publishing
Book Marketing Society
Books Express
BookTrust
BPP Learning Media Ltd
Cambridge University Press
Cengage
Coordination Group Publishers
Class Professional Publishing
deCoubertin Books
Early Years Alliance
Elsevier
Elsevier USA
Gilead Sciences, Inc
Government Legal Department Library
Guidant Financial
Hachette UK
Heath Educational Books
Hodder Education
Ibidem Press
I-Movo
International African Institute
Kube Publishing
Letterbox Library
Little Book for Big Changes
Macmillan Education
Magna Large Print Books
Mantra Lingua
Minerva Fiduciary Services (UK) Ltd
National Book Tokens
Nosy Crow

Oxford University Press
Pan Macmillan UK
Pastest
Pearson Plc
Penelope Lively
Penguin Random House
Peter Lang AG
Peters
Practical Action Publishing
Ragged Bears
RELX Group Plc
Royal National Institute of Blind People (RNIB)
Sage Publications
Saraband
Scholastic UK
Search Press
Stemettes
Taylor & Francis
Technical Centre for Agricultural & Rural Cooperation (CTA)
The Society of Authors
The Wilbur and Niso Smith Foundation
The Willoughby Book Club
Ulverscroft
Walker Books
Watkins Publishing
Wiley
Zed Books

Our trust supporters

Beatrice Laing Trust
British and Foreign School Society
Carmela and Ronnie Pignatelli Foundation
CB and HH Taylor 1984 Trust
Ernest Ingham Charitable Trust
Guernsey Overseas Aid and Development Commission
Inchcape Foundation
Intouch Global Foundation
John S Cohen Foundation
Kilpatrick Fraser Charitable Trust

Network for Social Change
Peacock Charitable Trust
People's Postcode Lottery
Schroder Charity Trust
Stavros Niarchos Foundation
The 29th May 1961 Charitable Trust
The Beit Trust
The Bernard Sunley Charitable Foundation
The Cotton Trust
The Dischma Charitable Trust
The Dulverton Trust
The Fulmer Charitable Trust
The Hilden Charitable Fund
The Rhododendron Trust
Unwin Charitable Trust
Zochonis Charitable Trust

Our volunteers, ambassadors and individual supporters

Alice Corrigan
Alice Konig
Andrew Hewitt
Anne Sheppard
Caroline Burton
Christie Anderson
Christine Cohen Park
Christine Lindop
Clive Butler
Cressida Cowell
David Nicholls
Diana Barnes
Eleanor and David Holloway
Emily Reddon
Emma Defries
Graham Defries
Harriet Hewitson
Helen Esmonde
Helen Harradine
Jane Jewell
Jane Penson
Jane Tappuni

Jessica Edwards
Jon Macintosh
John Lebus
Kathy Rooney
Leslie and Mrs Alison Abbotts
Lord and Lady Haskins
Matt Nixon
May Iren Hjorthaug
Michelle Fisher
Neil Pearson
Nina Douglas
Peter Goodwin
Peter Spargo
Philip Walters MBE
Professor Alexander McCall Smith
Rev. Jeremy Follett
Roderick and Mrs Stephanie
Thirkell-White

And also thanks to

Alice Hemming

Bettany Hughes
BookBrunch
Byline Festival
Cerrie Burnell
Cliveden Literary Festival
Dame Jacqueline Wilson
Edinburgh International Book
Festival
Elizabeth Wein
Hannah Russell
Hay Festival
His Royal Highness The Duke of
Edinburgh
Holly Smale
Joe Haddow
John Vidal
Julian Clary
Kamin Mohammadi
Karen-Mae Hill
Katherine Rundell

London Book Fair
Publishing Perspectives
Robert Hardman
The British Library
The Charity Film Awards
The Queen's Commonwealth
Essay Competition
Tor Freeman
World Book Day
Writers' & Artists' Yearbook
Yaba Badoe
Zeinab Badawi

**In addition to all those named
above, we would like to thank
all of those who supported us
anonymously in 2018.**

Patrons, Trustees and officials



Patron HRH The Duke of Edinburgh KG KT OM

President Nigel Newton

Vice President Professor Kingo Mchombu

Chief Executive & Company Secretary Alison Tweed

Board

Chair Lord Paul Boateng

Honorary Treasurer Nicholas Allen (from 13th
December 2018)

Edward Bowers (Retired 13th December 2018)

Trustees

Pamela Dix
Charly Nobbs
Jonathan Macintosh
Robert Sulley
Rosie Glazebrook

Our fundraising

In 2018 we exceeded our fundraising target of £1,739,091 by £277,767. This rise was driven by a strong performance by our individual giving programme, additional awards from players of People's Postcode Lottery and a large legacy.

Our community fundraising did not achieve its target in 2018 due to snow, which interrupted hundreds of planned fundraising events on World Book Day. Trust income other than People's Postcode Lottery was also slightly below target, mainly due to the timing of a number of grants.

Our standards

We are committed to maintaining the highest standards in our fundraising in line with our Supporter Promise, which is displayed in the footer of every page on our website: bookaid.org

In 2018 we remained registered with the Information Commissioner's Office and the Fundraising Regulator. We adhere to the standards of both organisations and respond to changes in the regulatory framework.

We are also members of the Direct Marketing Association, which supports our fundraising through best practice guidelines, and maintain a Treating Donors Fairly policy which identifies groups of individuals who may be vulnerable and defines our approach to treating these individuals with respect and care.

In 2018 we adapted our policies and practices where required in line with new GDPR regulations. We continue to place our donors at the centre of our fundraising programmes, offering flexibility in how they hear from us.

In June 2018 we reported a data breach to the Commissioner's Office (ICO). Information was retained on the hard drive of our printer/photocopier, which was brought to our attention when it was returned to the supplier at the end of our contract.

We confirmed with our supplier that the data was held securely and not accessed and then instructed them to wipe the hard drive. After taking these steps, we updated the ICO, which confirmed that we had taken sufficient steps to manage the situation and that the incident was considered closed.

Commercial partners and fundraising agencies

We worked with a range of commercial participators and one professional fundraising agency in 2018. The commercial participators with which we exchanged supporter data included car scrapping (Giveacar), print management (DMP), email marketing (tt-mail and MailChimp), payment processing (including Rapidata, Artez, PayPal, JustGiving and Virgin Money Giving), database software (Blackbaud), Gift Aid claims (HRMC) and IT support (Wanstor).

We exchanged supporter data with the professional telephone fundraising agency Listen Fundraising as part of our Facebook supporter recruitment campaign. We did not exchange any current supporter data with Facebook.

Each of these organisations has a privacy policy, which is available on its website, and we also maintain a data processing agreement with each as required by GDPR regulations.

Fundraising feedback

In 2018 we did not receive any complaints about our fundraising. Two donors unsubscribed from our communications through the Fundraising Preference Service.

Investing in the future

In 2018 donor acquisition activities took place largely through unaddressed media inserts and continued testing of digital acquisition through Facebook advertising.

Complete return on investment through these activities does not occur in the year of the investment, but is based on taking a longer-term view of the lifetime value of each new donor, many of which continue their support for years.

We also invested in our events programme as part of our relationship-building work with higher-level donors and corporate partners. In 2018 we carried out successful donor engagement events at the British Library, the Courthouse Hotel and the Palace of Westminster.

Managing our finances

We are committed to outstanding financial management that safeguards the money we receive and ensures that our organisation is sustainable in the long term. By providing full details of all our financial management, how we comply with all relevant regulation and how we manage our funds, we aim to ensure that we earn the trust placed in us by our partners, beneficiaries and supporters.

Staff and staffing costs

In 2018 we employed 26 (24.8 FTE) staff based in Camberwell who are divided into five teams: Operations, Fundraising, Communications, Programmes and Finance. We have an additional two staff members in Nairobi, Kenya, who are part of our Programmes team. This table details our salary costs:

Staff and staffing costs		
Team	Salary costs	FT
Book provision	£328,809	10.3
Restricted projects and training	£193,180	5.1
Fundraising	£195,962	5.2
Management and operations costs	£225,530	4.2
Total	£943,481	24.8

Pension liability

We are part of The Pensions Trust scheme, a multi-employer scheme that provides benefits to around 1,300 participating employers. The scheme is a defined-benefit scheme subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30th December 2005. The provision in respect of the deficit repayment plan is £206,000 (2017 £234,000) and this has been recognised in the accounts as required by FRS 102. Please see note 16 on page 46 for more detail.

Reserves policy and actuals

Our Board meets annually to consider the resources that will be required to meet our long-term objectives and fulfill our commitments. The Board also considers the risks we face and sets a minimum free reserves policy at a level it believes

would sustain our work while we recovered from any future shortfalls in income or unforeseen expenditure.

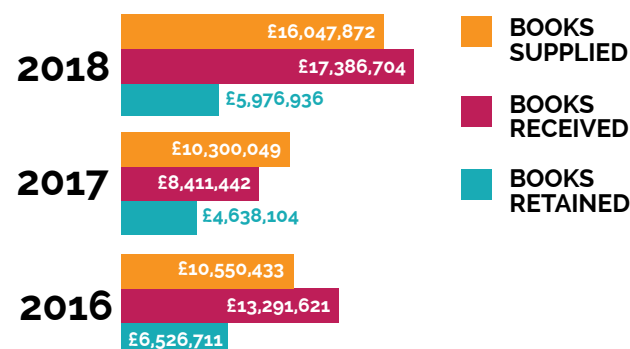
In 2018 the free reserves level set by the Board was between £500,000 and £550,000. Our free reserves were £618,506 at the end of 2018 thanks to a generous unrestricted legacy. Restricted reserves are not available for general purposes and are for restricted programmes spanning two or more financial years. Of the £719,783 balance at the end of 2018, £134 was pledged income not yet received and £530,000 was income received in December 2018 for use in 2019 and beyond.

Reserves		
	31st Dec 18	31st Dec 17
Total unrestricted reserves	£8,102,106	£6,293,287
Less donated books reserve	-£5,976,936	-£4,638,104
Less unrestricted net fixed assets	-£1,297,567	-£886,163
Less designated	-£209,097	-£241,000
Free reserves	£618,506	£528,020
Restricted reserves	£719,783	£749,166

Donations in kind

In 2018 99.6% of the books we sent were donated as Gifts in Kind by the UK publishing industry. The following table expresses the value of the books we received, retained and supplied in 2018 compared with preceding years:

Three-year stock



Structure, governance and management



We are a company limited by guarantee, governed by its Memorandum and Articles of Association. Our purpose, as set out in our Articles of Association, is to advance education and literacy by:

- procuring and distributing reading and information materials to developing and other countries for educational purposes
- distributing these materials to public and community libraries, universities, colleges, schools, hospitals, youth and children's centres and other charitable institutions according to local needs and priorities
- promoting and supporting any training or other activity which is designed to enhance the use of books, reading and other information material in developing countries.

The Board has considered the legislative and regulatory requirements for disclosing how its charitable objectives have provided benefit to the public and has complied with the duty set out in Section 17 of the Charities Act 2011.

The Strategic Report on pages 4 to 23 outlines how our achievements during 2018 have benefitted the public, either directly or indirectly.

Our Board of Trustees

The members of the charitable company are also the members of the Board which consists of between five and 15 members. New members with specialist relevant skills and experience are appointed from time to time and their appointment is ratified at a meeting of the Board. Members serve a three-year term, renewable for up to two further terms by re-election. New Trustees receive an induction and information pack and spend time in the offices and warehouse in London.

Our Trustees bring a range of experience from both the corporate and the not-for-profit sectors and individual members contribute expertise from publishing, finance, fundraising, librarianship, administration and international development. The Trustees are actively engaged with strategic direction and policy.

They discuss and approve a strategic plan every three years, an annual budget each November and staff report regularly on progress against the plan.

The Board meets quarterly and reviews strategy, finances and the organisation's charitable activities and approves matters reserved for the Board.

These include issues relating to strategy and management, structure of the charity, financial controls, internal controls and risk management, contracts, communication, board membership, remuneration, delegation of authority, corporate governance, policies and any other matters of importance for the charity.

Two committees formed by the Board meet and report back regularly to the Trustees: the Finance and Audit Committee, meeting twice annually to review the annual accounts, budgets and audit findings and chaired by the Honorary Treasurer; and the Remuneration Committee, meeting annually to approve salary recommendations and other human resources matters and chaired by the Chair of Trustees.

Our Senior Management Team

Our Senior Management Team consists of the Chief Executive and Heads of Programmes, Fundraising and Development, Finance, Communications and Operations and this team communicates regularly with the Board. The Trustees have delegated the day-to-day operations of the charity to this Senior Management Team, while reserving for itself ultimate decision-making on the matters listed above where deemed necessary.

Salaries for the Senior Management Team are reviewed biennially along with those of other staff and approved by the Remuneration Committee. The Chief Executive is currently the only staff member receiving a salary of between £60,000 and £70,000.

How we assess and manage risk

Like all charities, we face risks that we must manage. Ongoing changes to the regulatory framework will lead to a more competitive fundraising environment and the consequences of Brexit will also have a yet unknown impact on the whole sector. In particular, corporate supporters may be planning radical changes which will have a knock-on effect on our charity.

We also plan to grow our activities. By 2020, we aim to be sending 1.5 million books and delivering more projects. There are associated risks around the ability to raise the necessary income.

Our Trustees formally assess risks annually using Charity Commission guidelines. Our position is regularly reviewed against this assessment and mitigating actions taken as necessary. The Trustees are satisfied that appropriate measures to manage all these risks are now in place.

Risk	Mitigation
The consequences of Brexit and the impact on charities as well as the climate of economic uncertainty will have a yet unknown impact on the whole sector over the transition period.	<p>As we receive no EU funding short-term impacts are likely to be more around logistics and shipping schedules, but most of our book donations are to destinations outside Europe.</p> <p>Longer-term economic impact can be mitigated only through maintaining support from the wide range of funders and through further strengthening messaging about the value of our work.</p> <p>We continue to maintain close relationships with publishers who are key to our work and who have indicated that they will continue to support us as long as they have surplus books to donate.</p>
A significant proportion of income since 2014 has been contributed by players of People's Postcode Lottery. These funds have driven much of our external growth and organisational development.	<p>The large base of regular individual donors and the range of income sources including community fundraising, trusts and corporate supporters provide an important degree of stability for our finances. Legacy income is also more regularly making a significant contribution to income.</p> <p>We have plans to scale activity according to the levels of funding we can secure going forward, including any downturns.</p>
Negative media focused on the charity sector could lead to a decline in individual giving.	<p>We have reviewed and strengthened safeguarding policies and have child safeguarding agreements in place with all our project partners.</p> <p>We have also implemented all changes in donor communications that are required by new GDPR regulations.</p>

Safeguarding vulnerable beneficiaries

We believe that it is always unacceptable for a child to experience abuse of any kind and recognise our responsibility to safeguard the welfare of all children under 18 in contact with our projects. We are committed to practice that protects them.

In 2018 we developed entirely new Ethical Conduct and Child Safeguarding Policies, guided by sector experts Global Child Protection Services. As part of our Child Safeguarding Policy we require that all project partners sign up to our child safeguarding requirements,

Reference and administrative details

Patrons and officials

Patron HRH The Duke of Edinburgh KG KT OM

President Nigel Newton

Vice President Professor Kingo Mchombu

The following served as members and Board members throughout 2018:

Trustees

Chair Lord Paul Boateng

Honorary Treasurer Nicholas Allen (from 13 December 2018)

Edward Bowers (Retired 13 December 2018)

Trustees

Pamela Dix
Charly Nobbs
Jonathan Macintosh
Robert Sulley
Rosie Glazebrook

Address and registered office

39–41 Coldharbour Lane
Camberwell
London SE5 9NR

Solicitor

Stone King LLP
Boundary House
91 Charterhouse Street
London EC1M 6HR

Senior Management

Chief Executive Alison Tweed

Head of Fundraising and Development
Hannah Watson

Head of Programmes Samantha Thomas-Chuula

Head of Operations Harry Boughton

Head of Communications Emma Taylor

Head of Finance Ade Soremekun

Charity number

313869 (England and Wales)

Company number

880754 (England and Wales)

Auditors

Sayer Vincent LLP
Invicta House
108–114 Golden Lane
London EC1Y 0TL

Directors and members

The directors and members of the company are the Board members named on the preceding page.

Statement of Trustees' responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including its income and expenditure, of the charity for the year.

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 Charities SORP
- make judgements and accounting 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 adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. 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.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements and other information included in annual reports may differ from legislation in other jurisdictions.

Auditors

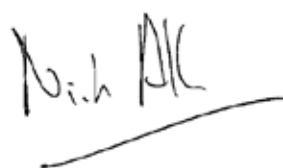
All the current Trustees have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information.

The Trustees are not aware of any relevant audit information of which the auditors are unaware.

The Trustees' Annual Report, which includes the strategic report, has been approved by the Trustees on 4th July 2018 and signed on their behalf by



Lord Paul Boateng
Chair



Nicholas Allen
Honorary Treasurer

Independent auditor's report

Opinion

We have audited the financial statements of Book Aid International (the 'charitable company') for the year ended 31 December 2018 which comprise the statement of financial activities, balance sheet, statement of cash flows 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Trustees' Annual Report, including the strategic report, than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information. 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the Trustees' Annual Report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The Trustees' Annual Report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- The financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities set out in the Trustees' Annual Report, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control

relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sayer Vincent LLP

Judith Miller (Senior statutory auditor)
July 4th, 2019

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, London, EC1Y 0TL

Audited accounts

Statement of financial activities (incorporating an income and expenditure account) for the year ended 31st December 2018

					2018	2017 Restated
	Note	Unrestricted £	Value of donated books £	Restricted £	Total £	Total £
Income from:						
Donations and legacies	2a	1,112,253	-	904,605	2,016,858	2,030,754
Value of donated books received		-	17,386,704	-	17,386,704	8,411,442
Other trading activities	4	5,388	-	-	5,388	2,434
Investments		7,657	-	-	7,657	3,145
Total income		1,125,298	17,386,704	904,605	19,416,607	10,447,775
Expenditure on:						
Raising funds		463,772	-	59,535	523,307	565,713
Charitable activities						
Book provision		588,355	-	242,310	830,665	533,979
Value of donated books sent	3a	-	16,047,872	-	16,047,872	10,300,049
Restricted projects and training		-	-	674,927	674,927	599,403
Total expenditure	5a	1,052,127	16,047,872	976,772	18,076,771	11,999,144
Net income / (expenditure) for the year	7	73,171	1,338,832	(72,167)	1,339,836	(1,551,369)
Transfers between funds	19a	(42,784)	-	42,784	-	-
Net income / (expenditure) before other recognised gains and losses		30,387	1,338,832	(29,383)	1,339,836	(1,551,369)
Gains on revaluation of fixed assets		439,600	-	-	439,600	-
Net movement in funds		469,987	1,338,832	(29,383)	1,779,436	(1,551,369)
Reconciliation of funds:						
Total funds brought forward		1,655,183	4,638,104	749,166	7,042,453	8,593,822
Total funds carried forward	19a	2,125,170	5,976,936	719,783	8,821,889	7,042,453

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19a to the financial statements.

The 2017 restated figures relate to a change in accounting policy as explained in notes (1f) and 22.

The notes on pages 37 to 54 form part of these financial statements.

Balance sheet

At 31st December 2018

	Note	Unrestricted £	Restricted £	2018 £	2017 Restated £
Fixed assets:					
Tangible assets	11	1,297,566	-	1,297,566	886,163
		1,297,566	-	1,297,566	886,163
Current assets:					
Stock-Donated books	12	5,976,936	-	5,976,936	4,638,104
Debtors	13	73,467	124,390	197,857	227,037
Investments	14	303,754	-	303,754	300,000
Cash at bank and in hand	14	758,527	595,393	1,353,920	1,315,139
		7,112,684	719,783	7,832,467	6,480,280
Liabilities:					
Creditors: amounts falling due within one year	15	(102,144)	-	(102,144)	(89,990)
Net current assets / (liabilities)		7,010,540	719,783	7,730,323	6,390,290
Net assets excluding pension asset / (liability)		8,308,106	719,783	9,027,889	7,276,453
Defined benefit pension scheme asset / (liability)	16	(206,000)	-	(206,000)	(234,000)
Total net assets / (liabilities)		8,102,106	719,783	8,821,889	7,042,453
The funds of the charity:					
Restricted income funds	19a	-	719,783	719,783	749,166
Unrestricted income funds:					
Fixed assets		263,205	-	263,205	269,404
Revaluation reserve		1,034,362	-	1,034,362	616,759
Free reserves	1u	618,506	-	618,506	528,020
Designated funds		209,097	-	209,097	241,000
Total charity funds without stock		2,125,170	719,783	2,844,953	2,404,349
		5,976,936	-	5,976,936	4,638,104
Total unrestricted funds		8,102,106	-	8,102,106	6,293,287
Total charity funds		8,102,106	719,783	8,821,889	7,042,453

Approved by the Trustees on 4th July and signed on their behalf by:



Lord Paul Boateng,
Chair of the Board of Trustees

The notes on pages 37 to 54 form part of these financial statements.

Statement of cash flows

For the year ended 31st December 2018

	Note	2018 £	£	2017 £	£
Cash flows from operating activities					
Net income / (expenditure) for the reporting period			1,339,836		(2,038,400)
(as per the statement of financial activities)					
Depreciation charges			32,667		43,702
(Gains)/losses on investments			-		-
Dividends, interest and rent from investments			(7,657)		(3,145)
(Increase)/decrease in stocks			(1,338,832)		2,375,638
(Increase)/decrease in debtors			29,178		(76,320)
Increase/(decrease) in creditors			12,154		(19,409)
Increase/(decrease) in provisions			(28,000)		(24,000)
Net cash provided by / (used in) operating activities			39,346		258,066
Cash flows from investing activities:					
Dividends, interest and rents from investments		7,657		3,145	
Purchase of fixed assets		(4,469)		(12,362)	
Net cash provided by / (used in) investing activities			3,188		(9,217)
Change in cash and cash equivalents in the year			42,534		248,849
Cash and cash equivalents at the beginning of the year			1,615,140		1,366,290
Cash and cash equivalents at the end of the year	14		1,657,674		1,615,139

The notes on pages 37 to 54 form part of these financial statements

Notes to the financial statements

For the year ended 31st December 2018

1 Accounting policies

a) Statutory information

Book Aid International is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address is 39–41 Coldharbour Lane, Camberwell, London SE5 9NR.

b) Basis of preparation

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The Trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgements that the charitable company has made which have a significant effect on the accounts include the valuation of donated books as explained below.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income from legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

f) Donated books

Donated books are valued at fair value on receipt. This is determined using Nielsen Bookscan for identifying published prices and then applying a 30% discount from the full RRP to allow for the estimated market discount for third-party commercial buyers. This discount rate is reviewed by an independent expert on an annual basis. Where at year-end books could not be opened and scanned into stock, an estimate of the value of these books is made in relation to the type and class of books remaining unopened.

Books held are recognised as expenditure at the point they are dispatched from the Book Aid International warehouse. Books in transit at the year end are accounted for as expensed as it is deemed highly probable that they will reach their intended beneficiaries in good condition. Any material damage or loss of stock would be adjusted in the accounts in the following year. There was no damage or loss of stock in transit at year end 31st December 2018 to be reflected in these accounts.

Donated books held at year end are measured at their fair value using the same measure as explained above. Provision is made where necessary for obsolete, slow moving and defective stock. Where books are not able to be opened and booked into stock by the finalisation of the accounts, the value of these is estimated using averaged price per class of book based on books received and recognised in the accounts. This is a change in accounting policy for the 2018 accounts and has been applied retrospectively as explained in note 22.

g) Interest receivable

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

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the Trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Expenditure on charitable activities includes the costs of book provision and restricted projects and training undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

Irrecoverable VAT is charged against book provision.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time and book delivery attributable to each activity.

	2018	2017
Raising funds	20%	10%
Book provision	60%	64%
Restricted projects and training	20%	26%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

l) Operating leases

Rental charges are charged on a straight-line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Freehold land and buildings are subject to a full revaluation every five years. Yearly checks are carried out to ensure there are no market or specific property changes that would have a material effect on the valuation recorded in the accounts.

Depreciation is provided on a straight-line basis at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

Building	2% per annum on costs	50 years	2% per annum on costs
Fixtures and office equipment	25% per annum on costs	4 years	25% per annum on costs
Plant and machinery	10% per annum on costs	10 years	10% per annum on costs

n) Stocks

Donated books held at year end are valued as explained in policy (f) above. Purchased books are measured at the lower of cost and net realisable value.

o) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

p) Short-term deposit investments

Short-term deposits includes cash balances that are invested in accounts with a maturity date of between three and twelve months.

q) 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.

r) 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.

s) Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

t) Pensions

The charity contributes to a pension scheme administered by The Pensions Trust, as an independent company. The pension cost charge indicated in note 8 represents the contributions payable to the fund for the year, and note 16 gives details of the movements during the year of the agreed deficit repayment plan liability, which has been included as a liability under the requirements of FRS 102.

u) Free reserves

The minimum level of free reserves agreed by the Board of Trustees for 2018 was set at a range between £500,000 and £550,000.

2 Donations

a) Current year

	Unrestricted £	Restricted £	Total £	Total £
Charitable trusts and NGOs	2,600	724,304	726,904	784,686
Companies	20,294	69,334	89,628	101,982
Community sources	119,476	884	120,360	154,172
Individuals	969,883	110,083	1,079,966	989,914
Total donations	1,112,253	904,605	2,016,858	2,030,754

b) Prior year

	Unrestricted	Restricted	2017 Total	2016 Total
	£	£	£	£
Charitable trusts and NGOs	19,411	765,275	784,686	807,530
Government bodies	-	-	-	15,000
Companies	35,657	66,325	101,982	107,280
Community sources	154,172	-	154,172	142,686
Individuals	935,372	54,542	989,914	1,061,093
Total donations	1,144,612	886,142	2,030,754	2,133,589

3 Gifts in kind

a) Current year

The table below shows the discounted value of the 1,286,538 donated books distributed to partner organisations in 2018 (2017 938,330). The process of valuation is described in note (1f) and the total adjusted value of books distributed in 2018 was £16,047,873 (2017 £10,300,049).

	2018 Total number	2018 Total £
Children's and teenagers'	741,398	3,985,512
Leisure reading (fiction, non-fiction and literature)	94,022	800,961
Reference	1,555	20,358
Secondary textbooks	133,867	1,353,527
Vocational skills and development	35,279	238,525
Professional	16,163	479,391
Higher education	55,695	1,961,889
Education and teacher training	17,782	252,436
English as a foreign language	32,262	199,750
Health and medicine	154,299	6,719,372
Law	4,216	156,825
	1,286,538	16,168,547
Stock adjustments	(93,275)	(120,675)
Total expenditure of donated books sent	1,193,263	16,047,872

Stock adjustments relate to adjustments in shipping cut-off, values and location of individual books.

b) Prior year

	2017 Total number	2017 Total £
Children's and teenagers'	443,656	2,234,665
Leisure reading (fiction, non-fiction and literature)	112,507	782,833
Reference	4,534	30,197
Secondary textbooks	105,386	728,326
Vocational skills and development	55,822	293,168
Professional	17,863	454,673
Higher education	39,511	1,270,171
Education and teacher training	21,882	308,707
English as a foreign language	80,586	460,062
Health and medicine	53,462	2,849,791
Law	3,121	123,693
	938,330	9,536,286
Stock adjustments	(19,626)	763,763
Total expenditure of donated books sent	918,704	10,300,049

4 Income from other trading activities

			2018	2017
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Events	4,386	-	4,386	1,945
UK book sales	402	-	402	484
Other	600	-	600	5
	5,388	-	5,388	2,434

All trading income received in 2018 and 2017 was unrestricted.

5 Analysis of expenditure

a) Current year

	Charitable activities				Governance costs	Support costs	Pension scheme gain/loss	2018 Total	2017 Total
	Raising funds	Book provision	Value of donated books sent	Restricted projects and training					
	£	£	£	£	£	£	£	£	£
Staff costs (Note 8)	195,962	328,809	-	193,180	-	225,530	-	943,481	843,194
Other staff costs	10,277	17,244	-	10,131	-	11,827	-	49,479	25,060
Travel and workshop costs	7,229	43,751	-	32,393	-	-	-	83,373	60,919
Book purchase	-	-	-	53,792	-	-	-	53,792	28,274
Value of donated books	-	-	16,047,872	-	-	-	-	16,047,872	10,300,049
Overseas project partners (note 6)	-	26,396	-	198,710	-	-	-	225,106	166,790
Shipping and book disposal	-	-	-	-	-	126,211	-	126,211	95,872
Fundraising, PR and design	187,503	30,000	-	29,999	-	-	-	247,502	227,564
Professional fees and irrecoverable VAT	-	-	-	-	-	45,917	-	45,917	36,407
Other direct costs	-	-	-	-	-	6,804	-	6,804	2,314
Other project and training costs	-	14,396	-	37,444	-	-	-	51,840	26,120
Governance cost	-	-	-	-	12,237	-	-	12,237	9,828
Support cost	-	-	-	-	-	183,157	-	183,157	176,753
	400,971	460,596	16,047,872	555,649	12,237	599,446	-	18,076,771	11,999,144
Support costs	119,889	362,666	-	116,891	-	(599,446)	-	-	-
Governance costs	2,447	7,404	-	2,386	(12,237)	-	-	-	-
Gain/loss on pension scheme	-	-	-	-	-	-	-	-	-
Total expenditure 2018	523,307	830,666	16,047,872	674,926	-	-	-	18,076,771	
Total expenditure 2017	565,713	533,979	10,300,049	599,403	-	-	-		11,999,144

Of the total expenditure, £17,099,999 was unrestricted (2017 £11,019,408) and £976,772 was restricted (2017 £979,736).

b Prior year

	Charitable activities							2017 Total	2016 Total
	Raising funds	Book provision	Value of donated books sent	Restricted projects and training	Gover- nance costs	Support costs	Pension scheme gain/loss		
	£	£	£	£	£	£	£	£	£
Staff costs (note 8)	296,827	154,450	-	202,999	-	188,918	-	843,194	781,574
Other staff costs	8,822	4,590	-	6,033	-	5,615	-	25,060	96,331
Travel and workshop costs	6,431	24,716	-	29,772	-	-	-	60,919	54,853
Book purchase	-	-	-	28,274	-	-	-	28,274	78,949
Value of donated books	-	-	10,300,049	-	-	-	-	10,300,049	10,550,433
Overseas project partners (note 6)	-	2,408	-	164,382	-	-	-	166,790	226,727
Shipping and book disposal	-	-	-	-	-	95,872	-	95,872	105,064
Fundraising, PR and design	200,752	-	-	26,812	-	-	-	227,564	245,034
Professional fees and irrecoverable VAT	1,640	-	-	-	-	34,767	-	36,407	23,781
Other direct costs	-	-	-	-	-	2,314	-	2,314	2,755
Other project and training costs	-	18,723	-	7,397	-	-	-	26,120	16,609
Governance cost	-	-	-	-	9,828	-	-	9,828	13,390
Support cost	-	-	-	-	-	176,753	-	176,753	177,206
	514,472	204,887	10,300,049	465,669	9,828	504,239	-	11,999,144	12,372,706
Support costs	50,258	322,812	-	131,169	-	(504,239)	-	-	-
Governance costs	983	6,280	-	2,565	(9,828)	-	-	-	-
Gain/loss on pension scheme	-	-	-	-	-	-	-	-	12,000
Total expenditure 2017	565,713	533,979	10,300,049	599,403	-	-	-	11,999,144	12,384,706
Total expenditure 2016	612,565	651,511	10,550,433	558,197	-	-	12,000	12,384,706	

Of the total expenditure, £11,019,408 was unrestricted (2016 £11,664,387) and £979,736 was restricted (2016 £720,319).

6 Grant payments to project partners

	2018	2017
	£	£
Partners		
Edward Ndlovu Memorial Trust	21,175	5,970
Africa Educational Trust	12,465	16,820
CODE Ethiopia	22,830	500
E-Limu Learning Company Ltd	-	954
Malawi National Library Service	39,265	27,306
Zambia Open Community School	-	7,469
Zanzibar Library Service	500	5,428
Mathare Youth Sports Association	4,616	2,400
National Library of Uganda	500	28,358
Library Information Association of Eritrea	500	1,000
Educational Information Services International	3,977	18,990
Sierra Leone Library Board	26,258	21,750
Kenya National Library Service	32,194	24,609
Tanzania Library Service Board	8,113	802
Yeukai Chimuka	662	1,317
Priya educational solutions ltd	4,451	-
Lutheran World Federation	14,317	-
Zambia Library Services	16,344	-
Grace Rwanda Society	500	-
Uganda Protestant Medical Bureau	1,750	-
WE-CARE Liberia	4,900	-
Windle International Kenya	9,789	-
Grants to other institutions	-	709
At the end of the year	225,106	164,382

7 Net income / (expenditure) for the year

This is stated after charging / (crediting):

	2018	2017
	£	£
Depreciation	32,667	43,703
Interest payable	5,027	10,091
Operating lease rentals:		
Property	-	-
Other	13,973	13,464
Auditors' remuneration (excluding VAT):		
Audit	10,500	9,500
Other services	-	-
Foreign exchange (gains) or losses	(189)	280

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2018	2017
	£	£
Salaries and wages	771,533	694,289
Employer's NI contributions	75,358	69,913
Pension contributions	41,917	37,006
Overseas staff costs	54,673	41,985
	943,481	843,193
	2018	2017
	No.	No.
Average head count	26.5	21.9
Full-time equivalent	24.8	21.5
Number of staff whose emoluments were more than £60,000	1	1

The total employee benefits received by key management personnel were £383,071 (2017 £355,278), as all Senior Management posts were filled in 2018.

Trustees received no remuneration during the year (2017 £nil). No Trustees received any payments for professional services during the year (2017 £nil).

There were no expenses reimbursed to Trustees in 2018 (2017 £nil).

9 Related-party transactions

Aggregate donations from related parties were £17,506 (2017 £23,077).

Edward Bowers is a Director at Pearson Education and Robert Sulley is a Director at Hodder Education (part of the Hachette Group). These trustee-related organisations donated the following to Book Aid International during the year:

Trustee-related organisations	2018 – value of books donated £	2018 – cash donated £	2017 – value of books donated £	2017 – cash donated £
Pearson Education Ltd	401,655	10,000	622,788	5,000
Hachette Group	709,090	5,000	330,408	10,000
	1,110,745	15,000	953,196	15,000

10 Taxation

The charitable company is exempt from corporation tax as all its income is deemed charitable and is applied for charitable purposes.

11 Tangible fixed assets

	Freehold property £	Plant and machinery £	Fixtures and office equipment £	2018 Total £
Cost or valuation				
At the start of the year	895,000	37,694	213,703	1,146,397
Gain on revaluation	380,000	-	-	380,000
Additions in year	-	-	4,469	4,469
Disposals in year	-	-	(48,610)	(48,610)
At the end of the year	1,275,000	37,694	169,562	1,482,256
Depreciation				
At the start of the year	48,800	33,748	177,686	260,234
Charge for the year	10,800	1,025	20,841	32,666
Removed on revaluation	(59,600)	-	-	(59,600)
Eliminated on disposal	-	-	(48,610)	(48,610)
At the end of the year	-	34,773	149,917	184,690
Net book value				
At the end of the year	1,275,000	2,921	19,645	1,297,566
At the start of the year	846,200	3,946	36,017	886,163

The original (1987) cost of the charity's freehold premises in Coldharbour Lane, Camberwell was £230,000. The premises have been revalued four times, the most recently detailed valuation was in December 2018. The revaluations were undertaken by an independent valuer and give current open market valuations of the freehold interest in the charity's property. The Land and Building were valued at £475,000 and £800,000 respectively based on Existing Use value.

All of the above assets are used for charitable purposes.

12 Stock

	2018 £	2017 £
Donated books	5,976,935	4,638,104

At year end, there are unopened pallets of books stored in our warehouses. We endeavour to open as many of these as possible by the time the accounts are finalised. The value of any unopened pallets is estimated by using the average value of pallets for that class of book received and opened in the year. Included in the closing stock value of £5,976,935 are 139 pallets of books (2017 43), which could not be opened and booked into stock at year end; these have been estimated using an averaged price per class of book and are valued at £1,906,486 (2017 £487,031).

13 Debtors

	2018 £	2017 £
Trade debtors	1,258	10,000
Other debtors and prepayments	49,531	29,046
Gift Aid recoverable	12,678	10,591
Accrued income	134,390	177,400
	197,857	227,037

All the charity's financial instruments, both assets and liabilities, are measured at amortised cost.

14 Bank and short term investments

	2018	2017
	£	£
Cash and bank	1,353,920	1,315,139
	1,353,920	1,315,139
Short-term investments	303,754	300,000
Total cash and short-term investments	1,657,674	1,615,139

Short-term Investments are funds invested in 12-month fixed term deposit accounts.

15 Creditors: amounts falling due within one year

	2018	2017
	£	£
Trade creditors	54,817	51,136
Staff tax and social security	21,183	19,244
VAT payable	241	3,612
Other creditors and accruals	25,903	15,998
	102,144	89,990

16 Pension scheme

The company participates in The Pensions Trust Growth Plan scheme, a multi-employer scheme that provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004, which came into force on 30th December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore, the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

A full actuarial valuation for the scheme was carried out at 30th September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m.

To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

From 1st April 2016 to 30th September 2025, £12,945,440 per annum (payable monthly and increasing by 3% each on 1st April).

From 1st April 2016 to 30th September 2028 £54,560 per annum (payable monthly and increasing by 3% each on 1st April).

A full actuarial valuation for the scheme was carried out at 30th September 2017. This valuation showed assets of £795m, liabilities of £926m and a deficit of £131m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contribution

From 1st April 2019 to 31st January 2025, £11,243,000 per annum payable monthly and increasing by 3% each on 1st April, (Book Aid International's share of this deficit contribution is currently £29,056 per year.)

Unless a concession has been agreed with the Trustees, the term to 31st January 2025 applies:

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement, the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

	2018	2017
	£'000	£'000
Present value of provision	234	258
Reconciliation of opening and closing provisions:		
Provision at start of period	234	258
Unwinding of discount factor (interest expense)	3	4
Deficit contribution paid	(29)	(28)
	(2)	-
	-	-
Provision at end of period	206	234
Income and expenditure impact		
Interest expense	3	4
Remeasurements – changes in assumptions	(2)	-
Remeasurements – amendments to contribution schedule	-	-
Contributions paid in respect of future service	-	-
Costs recognised on SOFA	-	-

This includes defined contribution schemes and future service contributions (that is, excluding any deficit reduction payments) to defined benefit schemes which are treated as defined contribution schemes. To be completed by the company.

	2018	2017
	% per annum	% per annum
Assumptions:		
Rate of discount	1.75	1.39

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The estimated contingent liability for the charity as at September 2017 in the event of withdrawal for the Growth Plan was £537,802 (less the £206,000 provided above). There is no intention at present to cease participation or to wind up the Growth Plan.

17 Detailed comparatives for the statement of financial activities (prior year - 2017)

	Unrestricted	Value of donated books	Restricted	2017 Total Restated
	£	£	£	£
Income from:				
Donations and legacies	1,144,611	-	886,143	2,030,754
Donated books	-	8,411,442	-	8,411,442
Other trading activities	2,434	-	-	2,434
Investments	3,145	-	-	3,145
Total income	1,150,190	8,411,442	886,143	10,447,775
Expenditure on:				
Raising funds	514,472	-	51,241	565,713
Charitable activities				
Book provision	204,887	-	329,092	533,979
Value of donated books	-	10,300,049	-	10,300,049
Projects and training	-	-	599,403	599,403
Loss on pension scheme	-	-	-	-
Total expenditure	719,359	10,300,049	979,736	11,999,144
Net income / expenditure	430,831	(1,888,607)	(93,593)	(1,551,369)
Transfers between funds	29,127	-	(29,127)	-
Net income / (expenditure) before other recognised gains and losses	459,958	(1,888,607)	(122,720)	(1,551,369)
Net movement in funds	459,958	(1,888,607)	(122,720)	(1,551,369)
Total funds brought forward	1,195,225	6,526,711	871,886	8,593,822
Total funds carried forward	1,655,183	4,638,104	749,166	7,042,453

18 Detailed comparatives for the Balance Sheet (prior year - 2017 restated)

	Unrestricted £	Restricted £	2017 £	2016 £
Fixed assets:				
Tangible assets	886,163	-	886,163	917,504
Current assets:				
Stock – Donated books	4,638,104	-	4,638,104	6,526,711
Debtors	49,637	177,400	227,037	150,717
Investments	300,000	-	300,000	100,000
Cash at bank and in hand	743,373	571,766	1,315,139	1,266,290
	5,731,114	749,166	6,480,280	8,043,718
Liabilities:				
Creditors: amounts falling due within one year	(89,990)	-	(89,990)	(109,399)
Net current assets / (liabilities)	5,641,124	749,166	6,390,290	7,934,319
Net assets excluding pension asset / (liability)	6,527,287	749,166	7,276,453	8,851,823
Defined benefit pension scheme asset / (liability)	(234,000)	-	(234,000)	(258,000)
Total net assets / (liabilities)	6,293,287	749,166	7,042,453	8,593,823
The funds of the charity:				
Restricted income funds	-	749,166	749,166	871,886
Unrestricted income funds:				
Fixed assets	269,404	-	269,404	275,604
Revaluation reserve	616,759	-	616,759	641,900
Free reserves	528,020	-	528,020	277,722
Designated funds	241,000	-	241,000	-
Total charity funds without stock	1,655,183	749,166	2,404,349	2,067,112
Value of donated books	4,638,104	-	4,638,104	6,526,711
Total unrestricted funds	6,293,287	-	6,293,287	7,721,937
Total charity funds	6,293,287	749,166	7,042,453	8,593,823

19a Movements in funds

	At 1st Jan 2018 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 Dec 2018 £
Restricted funds:					
Book Links – Book publications for library partners– International	16,232	-	(8,872)	-	7,360
General book provision – International	5,692	41,814	(52,254)	4,748	-
Book Provision – Occupied Palestinian Territories	37	-	(2,277)	2,240	-
Inspiring Readers – Primary schools – Africa	49,245	48,696	(159,667)	78,750	17,024
Impact Assessment Project – Book Aid International systems improvement	25,000	-	(14,945)	-	10,055
Open Doors Children's Corners – Children's library spaces – Africa	-	1,200	-	(1,200)	-
Digital Connections – Book and e-book project – Tanzania	2,790	-	(11,044)	8,254	-
Digital Connections – Book and e-book project – Kenya	56,912	(8,900)	(45,308)	(2,704)	
Regional Referral Hospital Libraries – Hospital Library support – Uganda	191	3,321	(1,129)	-	2,383
Uganda Protestant Medical Board – Hospital Library Support – Uganda	-	18,629	(34,696)	16,067	1
Book Havens – Community library support – Uganda	-	29,276	(24,000)	6,500	11,776
People's Postcode Lottery 2017–18 – Various (book provision and projects)	377,000	-	(228,174)	(148,826)	-
People's Postcode Lottery 2018–19 – Various (book provision and projects)	-	500,000	-	-	500,000
Children's Corners – Children's library spaces – Cameroon	3,154	8,900	(2,503)	-	9,551
Children's Corners – Children's library spaces – Sierra Leone	1,316	(1,316)	-	-	-
Book Havens – Community library support – Ethiopia	58,000	-	(48,141)	(9,859)	
Southern Africa Book Provision – Malawi/Zambia/Zimbabwe	75,869	75,000	(76,014)	-	74,855
Digital Futures – Book and e-book library project – Uganda	5,604	-	(856)	(4,748)	-
Children's Corners – Children's library spaces – Zambia	5,000	37,816	(43,093)	13,625	13,348
STEM Hubs – Support for secondary school students in libraries and schools – Malawi	24,000	-	(24,213)	213	
Children's Corners – Children's library spaces – Malawi	-	20,000	-	2,175	22,175
Book Havens – Community library support – Kenya 1	-	1,000	(1,000)	-	-
Book Havens – Community library support – Kenya 2	-	14,055	(14,055)	-	-
Yes to Reading – School support project – Kenya	1,735	-	(4,041)	2,306	-
Library in a Camp – Primary school support project. Kenya	-	-	(31,903)	37,957	6,054
Library in a Camp – Secondary school support project. Kenya	-	-	(23,050)	25,869	2,819
Pioneer Book Boxes – Primary school support project. book provision.	3,563	29,163	(29,028)	15,000	18,698
Shared Reading – Primary School Support project – Uganda	-	27,400	(25,555)	2,000	3,846
Solar Homework Project – Solar lamps and books for secondary schools in Kakuma Refugee Camp. Kenya	-	14,484	(10,018)	-	4,466
Children's book provision – International	-	35,233	(35,233)	-	-
Medical book provision – International	-	3,250	(3,250)	-	-
World Book Day – Community fundraising promotion – UK	-	2,083	(14,550)	12,467	
Caribbean book provision – Disaster support – Antigua/ Barbuda	4,405	-	(4,405)	-	-
Zimbabwe Community Reading Project – Books and e-book library project. Zimbabwe	-	3,500	(3,500)	-	-
Restricted legacies – Various projects/book provision – International	33,421	-		(18,049)	15,372
Total restricted funds	749,166	904,605	(976,772)	42,785	719,784

	At 1st Jan 2018	Income and gains	Expenditure and losses	Transfers	At 31st Dec 2018
Unrestricted funds:					
	£	£	£	£	£
Fixed asset reserve	269,404	-	-	(6,200)	263,204
Revaluation reserve	616,759	439,600	-	(21,997)	1,034,362
	-	-	-	-	-
Stock reserve	4,638,104	17,386,704	(16,047,872)	-	5,976,936
Free reserves	528,020	1,125,299	(1,052,128)	17,315	618,506
Designated reserves	241,000	-	-	(31,903)	209,097
	6,293,287	18,951,603	(17,100,000)	(42,785)	8,102,105
Total funds per balance sheet	7,042,453	19,856,208	(18,076,772)	-	8,821,889
Pension reserve	234,000	-	(28,000)	-	206,000
Total funds adding back pension fund	7,276,453	19,856,208	(18,104,772)	-	9,027,889
Total unrestricted funds (less stock)	1,655,183	1,564,899	(1,052,128)	(42,785)	2,125,170
Total funds including pension fund (less stock)	2,638,349	2,469,504	(2,056,900)	-	3,050,953

Of the £719,784 restricted reserves balance at year end, £124,390 was pledged income not yet received and £530,000 of restricted income was received in December 2018.

2018 transfers between funds

The total £42,784 net transfers between Restricted and Unrestricted funds is made up of the following:

1. OPT SOBEL Book provision (£2,240) - Funding the residue of a three-year project from unrestricted funds
2. Open Doors (£1,200) - Backfilled funding in 2017, return to unrestricted funds
3. TAN Digital Connections (£4,940) - Use of unrestricted funds to fund political/economic overspend on travel and book clearing costs
4. KEN Digital Connections (£610) - Use of unrestricted funds to fund political/economic overspend on travel costs
5. UGA UPMB Gilead Medical books (£16,067) - Agreed balance of restricted activity to be covered by unrestricted funds
6. ETH Children's Corner (£4,859) - Return 2017 Backfilled Sunley funding to unrestricted funds
7. Zambia Children's Corner (£10,000) - Transfer 2017 funding from unrestricted funds to fund instructed project
8. Malawi STEM Hubs (£213) - Use unrestricted funds to cover overspend
9. DoI DoI Yes to Reading (£2,306) - Cover unexpected clearing costs from unrestricted funds
10. World Book Day (£12,467) - Agreed balance of restricted activity to be covered by unrestricted funds.

Purposes of designated funds

The total £209k in designated funds at 31st December 2018 is made up of the following:

At the 21st September 2017 Board meeting, the Trustees approved the setting up of a £191k designated fund to be used to increase the numbers of books we send yearly from one million to 1.5 million by 2020. Costs associated with this designation include extra staffing, shipping, utilities and office costs. Value of the designation spent to date is £47k, leaving a balance of £144,000.

At the 14th September 2017 Board meeting, the Trustees approved the setting up of an additional £50k designated fund for the costs associated with upgrading our *Children's Corner's* projects in 2018 to include e-books; the full designation was spent in 2018 leaving a nil balance.

At the 13th December 2018 Board meeting, the Trustees approved the setting up of an additional £65k designated fund for the costs associated with giving Book Aid International a digital acquisition fundraising functionality.

19b Movements in funds (prior year – 2017)

	At 1st January 2017	Income and gains	Expenditure and losses	Transfers	At 31st December 2017
	£	£	£	£	£
Restricted funds:					
Book Links – Book publications for library partners– International	22,815	–	(6,583)	–	16,232
General book provision – international	7,000	27,135	(58,985)	30,542	5,692
Book provision – Occupied Palestinian Territories	6,420	–	(6,383)	–	37
Rising Stars – Book provision – Kenya	5,000	–	(5,000)	–	–
Inspiring Readers – Primary schools – Africa	70,576	109,923	(149,979)	18,725	49,245
Impact Assessment Project – Book Aid International systems improvement	12,054	25,000	(1,030)	(11,024)	25,000
Open Doors Children's Corners – Children's library spaces – Africa	103,760	–	(77,624)	(26,136)	–
Digital Connections – Book and e-book project – Tanzania	42,000	–	(42,315)	3,105	2,790
Digital Connections – Book and e-book project – Kenya	–	60,000	(47,817)	39,729	51,912
Regional Referral Hospital Libraries – Hospital Library support – Uganda	191	–	–	–	191
People's Postcode Lottery 2016–17 – Various (book provision and projects)	408,000	–	(218,000)	(190,000)	–
People's Postcode Lottery 2017–18 – Various (book provision and projects)	–	425,000	–	(48,000)	377,000
Children's Corners – Children's library spaces – Cameroon	–	25,000	(43,746)	21,900	3,154
Children's Corners – Children's library spaces – Sierra Leone	–	5,000	(53,684)	50,000	1,316
Book Havens – Community library support – Ethiopia	–	5,000	–	48,000	53,000
Study Hubs – Public library and secondary school support – Zambia	–	–	(35,804)	35,804	–
Southern Africa book provision – Malawi/Zambia/Zimbabwe	75,003	75,000	(74,134)	–	75,869
Schools Outreach Project – Kenya	949	–	–	(949)	–
Digital Futures – Book and e-book library project – Uganda	18,422	10,000	(22,818)	–	5,604
Children's Corners – Children's library spaces – Zambia	–	15,000	–	–	15,000
STEM Hubs – Support for secondary school students in libraries and schools – Zambia	–	24,000	–	–	24,000
Open Community Schools – Primary School support project – Zambia	1,868	–	(1,945)	77	–
Book Havens – Community library support – Kenya	20,000	–	(20,276)	276	–
Yes to Reading – School support project – Kenya	–	24,705	(36,820)	13,850	1,735
Reading Promotion – Library promotion project – Africa	–	–	(21,169)	21,169	–
Book provision for rural and remote primary schools – Kenya	–	3,563	–	–	3,563
Children's book provision – International	–	6,790	(6,790)	–	–
Law book provision – International	–	4,000	(4,000)	–	–
Medical book provision – International	–	25,291	(25,291)	–	–
World Book Day – Community fundraising promotion – UK	2,382	8,333	(11,545)	830	–
Caribbean book provision – Disaster support – Antigua/ Barbuda	–	7,405	(3,000)	–	4,405
Restricted legacies – Various projects/book provision – International	75,446	–	(5,000)	(37,025)	33,421

Total restricted funds	871,886	886,145	(979,738)	(29,127)	749,166
Unrestricted funds:					
	At 1st January 2017	Income and gains	Expenditure and losses	Transfers	At 31st December 2017
	£	£	£	£	£
Fixed asset reserve	275,604	–	–	(6,200)	269,404
Revaluation reserve	641,900	–	–	(25,141)	616,759
Stock reserve	–	–	–	–	–
	6,526,711	8,411,442	(10,300,049)	–	4,638,104
Free reserves	277,722	1,150,190	(743,359)	(156,533)	528,020
Designated reserves	–	–	–	241,000	241,000
	7,721,937	9,561,632	(11,043,408)	53,126	6,293,287
Total funds per balance sheet	8,593,823	10,447,777	(12,023,146)	23,999	7,042,453
Pension reserve	258,000	–	–	(24,000)	234,000
Total funds adding back pension fund	8,851,823	10,447,777	(12,023,146)	(1)	7,276,453
Total unrestricted funds (less stock)	1,195,226	1,150,190	(743,359)	53,126	1,655,183

Total funds including pension fund (less stock)	2,325,112	2,036,335	(1,723,097)	(1)	2,638,349
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Unrestricted income funds are available for use at the discretion of the Trustees in furtherance of the charity's objectives. Unrestricted funds include designated funds, fixed assets and revaluation reserves representing the excess of the net book value of the property at acquisition. The remainder of the unrestricted funds are the charity's free reserves.

Designated funds are unrestricted funds 'earmarked' by the Trustees for use against specific future activities and commitments.

Restricted income funds are subject to specific restrictions imposed by donors or by the purpose of an appeal. Details of all restricted funds held are in note 19a above.

20 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Equipment	
	2018	2017
	£	£
Less than one year	13,632	13,464
One to five years	18,574	20,840
	<u>32,206</u>	<u>34,304</u>

21 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each of the seven members in the event of winding up is limited to £1.

22 Prior period adjustment

At year end there are unopened pallets of books stored in our warehouses. We endeavour to open as many of these as possible by the time the accounts are finalised. Historically, any pallets that had not been able to be opened were not recognised in stock or income as they were considered immaterial and recognised when opened in the following year. Due to a significant volume of donations near the end of the year, the number of pallets still unopened at the point of the accounts being finalised was considered to be material. Therefore the accounting policy has been changed to estimate the value of these unopened pallets as described in Note 12. As this is a change in accounting policy, it has been applied retrospectively and the 2017 figures restated.

Reserves position	Restricted 31st December 2017 £	Value of donated books £	Unrestricted £	Total £
Funds previously reported	1,655,183	4,151,073	749,166	6,555,422
Prior period adjustment				
Recognition of value of unopened pallets	–	487,031	–	487,031
Restated funds balance	1,655,183	4,638,104	749,166	7,042,453
Impact on income and expenditure				
	Restricted £	Value of donated books £	Unrestricted £	Total £
Net (expenditure) / income as previously reported	459,958	(2,375,638)	(122,720)	(2,038,400)
Adjustments on transition				
Recognition of value of unopened pallets	–	487,031	–	487,031
Net (expenditure) / income as restated	459,958	(1,888,607)	(122,720)	(1,551,369)



Two girls in a school in Idlib province, Syria. Photo Credit: Syria Relief

“

When we were children, we used to dream – I knew I wanted to be a teacher. But now our children are not living their childhoods. They don't know if they will be coming back to school the next day or if they will be recruited by armed groups. These books have the power to change our children's lives because, through reading, they will learn new skills and become more creative. The books will give hope once more to the children.

”

Fatmeh*, teacher in Idlib, Syria

* name changed to protect anonymity

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