

BOOK WORKS (UK) LTD
(Company limited by guarantee no. 03190880
registered charity no. 1104148)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2021

REPORT AND FINANCIAL STATEMENTS
For the year ended 31 March 2021

CONTENTS

	Page
Legal and administrative information	1
Management Committee's report	2
Independent examiner's report	8
Statement of financial activities	9
Balance sheet	10
Cash flow statement	11
Notes to the financial statements	12

BOOK WORKS (UK) LTD

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS For the year ended 31 March 2021

Management Committee	Teresa Drace-Francis (Chair) Karen Brown (Resigned 26 January 2021) Season Butler (Appointed 26 January 2021) Ronald Henocq (Resigned 26 January 2021) Michael Mack Gerrie van Noord
Secretary	Gavin Everall
Co-Directors	Rob Hadrill Gavin Everall
Company reg. no.	03190880
Charity reg. no.	1104148
Registered office	19 Holywell Row London, EC2A 4JB
Independent Examiner	Delta Accountancy Advice Ltd 8 Margaret Avenue St Albans, AL3 5TE
Bankers	Lloyds Bank plc Finsbury Square Branch PO Box 1000 BX1 1LT

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2021

The Management Committee, who are also directors of the Company for the purposes of the Companies Act, and trustees for charity law purposes, submit their annual report and the financial statements of Book Works (UK) Ltd for the year ended 31 March 2021. The Management Committee confirms that the annual report and financial statements of the Company comply with the Charities Act 2011, the Companies Act 2006, the requirements of the Company's governing document and the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities (FRS 102)'.

Principal activities and review of activities

The company is established with the object to advance education of the public in the visual arts and in particular in the context of books, through printing, publishing and exhibitions of artists' books. As an arts organisation, we aim to benefit the public through our programme of publishing and educational events, and through our distribution of our books to a wide cross section of the public. The Management Committee have paid due regard to the Charity Commission's guidance on public benefit in deciding the activities undertaken during the year.

The company commissions new work in collaboration with artists and writers, publishing, producing and printing books, multiples, limited editions, and new media projects. It also organises exhibitions, installations, time-based and performance works, workshops and educational events in a variety of different locations including galleries, libraries, museums, retail spaces and on the Internet. It acts as a national resource for artists' books and those involved in publishing in the arts, and aims to distribute its work to a wide and varied audience. It receives fixed-term funding from Arts Council England towards its core publishing programme.

Activities

Book Works has completed the third year of our current four-year programme (2018-2022), with funding from Arts Council England as a National Portfolio Organisation, to deliver stimulating and challenging publications and projects and to establish a coherent, nationwide approach to the development of artistic talent. Our ongoing commitment is to work with and benefit artists from diverse backgrounds at all stages of their career, and to promote and distribute the work we produce to a wide and varied readership/audience as outlined in our business plan.

However, the challenges of 2020-21 caused by the impact of the COVID pandemic for Book Works have been huge, affecting all aspects of our work. Lockdown rules, COVID safety and financial planning have meant home working, limited or restricted access to the building, loss or delays to commissions for the Studio and delays to the Publishing commissioning programme.

We have received support through both the government Job Retention Scheme, which meant the majority of staff were furloughed for part of the year, and a small local government grant, and otherwise sustained ourselves through generating earned income (book sales, studio commissions) and close management of costs. At the beginning of the crisis, we were in a financially sustainable position, and our last annual accounts showed that our income and surplus was over-budget, and that we had a robust programme of commissions and projects, supported by co-partnerships, grants, and sales, on track to deliver the projected targets for 2020-22. The lockdown and impact of the pandemic caused severe delays to these planned projects, and temporarily paused new publication commissions.

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2021

Programme of activities

Publishing

In order to manage the financial impact of the pandemic, and deliver our programme we focused on: online commissions, our co-publications, and reprints of our bestselling backlist.

- At the start of the first lockdown Publishing commissioned a new series of online work: *#Book Works Presents*, with Bridget Penney, Stephen Sutcliffe, Hamishi Farah, Clunie Reid, Isabel Waidner, and Stewart Home, giving opportunity to artists that we had worked with recently or were in the process of commissioning, whilst expanding our audience through digital platforms.
- We published new work made in partnership with other funding organisations: *Guitar!* by Sarah Tripp, funded by Creative Scotland; *The Stuart Brisley Interviews: Performance and its Afterlives* by Stuart Brisley and Gilane Tawadros, a co-publication with DACS; and *Anamorphosis* by Praneeet Soi, a co-publication with The Mosaic Rooms, both published in our Co-Series.
- We reprinted: *Shy Radicals* by Hamja Ahsan, *Ur... A Practical Guide to Unconscious Reasoning* by Marcus Coates, and *The Night* by Michèle Bernstein.

We have also pushed through the editorial, fundraising and production process of new projects:

- *50 Battles, Vol 1* by Francesco Pedraglio, a co-publication with Parrallel///Oaxaca, and with funding from Sistema de Apoyos a la Creación y Proyectos Culturales (Fonca)
- *Practice Makes Perfect* by Rosa-Johan Uddoh, a co-publication with Focal Point Gallery, Southend, with funding from the Bluecoat, Liverpool.
- The rescheduled final edition of *The Happy Hypocrite*, issue 12, edited by Maria Fusco
- Two works selected from the recent open submission series *Interstices: Escape Artist* by Harun Morrison, and *Other Reflexes* by Diana Georgiou
- and continued to support *Bad Practice* by Derica Shields, commissioned in our Contact Series

During this period we also worked on developing new projects with a range of artists, including, Katrina Palmer, Isabel Waidner, Huw Lemmey, Sofia Niazi and Prem Sahib, Lucy Skaer for publication during 2022-23.

The year ended on a positive note having achieved through Kickstarter more than our target to raise funds for *Dark Room*, a new project with Phyllis Christopher that will now be published in March 2022.

Outreach and educational programme/national resource

During the year Book Works has delivered a public programme of online events that secured large local, national and international audiences.

- *#Book Works Presents* commissioned six artists, and was made available on various digital platforms, securing large digital audiences
- Launch events were organised for Stuart Brisley with DACS, attended by 70 people, and with Praneeet Soi, who was joined by Yazid Anani, Charles Esche, Reem Fadda,

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2021

Munir Fasheh, and Michael Kelly, with sixty-three attending the zoom event. In total 594 people have watched the event on Facebook

- To coincide with the launch of the *Dark Room* Kickstarter Campaign for Phyllis Christopher we participated in Printed Matter's New York Virtual Art Book Fair, live events, with a discussion event, that has now been viewed over 1,500 times
- We gave a small number of lectures during the year, and reintroduced online artists surgeries, a free one-to-one advice session, in January 2021.

Other than the online New York Digital Art Book Fair, all book fairs were cancelled. During year we finalised our new website and successfully launched this in March 2021. As a result of our investment in digital activity through the new position created in 2019, the reach of our social media networks – Facebook, Instagram and Twitter, and our mailing list – has increased, giving greater access to our projects and the artists we work with to a larger art/publishing community as well as the wider and more diverse general public.

The Studio

Despite the initial impact of the pandemic on the Studio, which meant all staff were furloughed from March, the Studio has secured projects and recovered to exceed its emergency budget, and create book installations for Theaster Gates; a new series of 40 boxes for the Queen Sonja Print Awards; Asir books for Factum Arte documenting historic decorative painting in a village in Yemen; and presentation cases for fashion company Ralph & Russo. Future projects include artists books with Thomas Ruff, Sara Haq, Georg Baselitz, Miranda July and Maria Amidu.

Both Studio and Publishing have explored digital ways to engage with our audiences, through the development of a new website, the Studio successfully launched our bookbinding courses online for March 2021.

Risks

The management committee has considered the risks to which the charity is exposed with the introduction of a risk register and policy review schedule. Risks include fluctuation in book sales and studio income, applications to public funds and trusts and foundations, and are included in our business plan; as well as decline in funding being mitigated in our reserves policy. The management committee review the risks on a quarterly basis and the Risk Management Register is updated as necessary. Since March 2020 and in response to the COVID-19 pandemic the Risk Register is monitored on a monthly basis.

Whilst the long term impact of the pandemic is still unknown, we have taken action to mitigate the impact of these risks, through the government Job Retention Scheme, revised working conditions to take account of Government COVID-19 guidance, monthly board meetings, revised cashflows and budgets, and careful control of expenditure in the context of reduced income.

There is no doubt that the challenges of the next years will be immense, this year has demonstrated our resilience and sustainability, and are ready to adapt to changed circumstances in a positive and meaningful way. Our work has continued to create significant opportunities for artists and we have been able to nurture new talent to be realised in projects in the future. We have given opportunity for more people to experience and participate in art

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2021

publishing. Our programme has demonstrated our ongoing commitment to diversity, giving opportunity to artists often socially or historically marginalised, in order to give our commitment to equality meaning, and we continue to make steps towards improving our environmental impact.

However, as we conclude this year and look forward to the next, we are committed to do more, to build on this work, and ensure that our charitable role – 'to advance education for the benefit of the public in the visual arts, particularly books...' – the opportunities that we give, the quality and relevance of our work, our environmental impact and the inclusivity of our work are considered at every level of the organisation, through all those that we work with: our board of trustees, the artists and designers we commissions, to the communities, audiences and readers that give our work meaning.

Financial Review

The company had a surplus on unrestricted funds, of £40,143 for the year. Together with the accumulated surplus brought forward from previous years, the company now has an accumulated surplus on unrestricted funds of £382,883. Restricted funds carried forward at 31 March 2021 amounted to £2,000 (2020 - £7,450).

Reserves Policy

Book Works now have free reserves of £179,614. These are the unrestricted funds less the designated funds and the unrestricted fixed assets. The management committee has established a reserves policy based on the need to hold funds as identified in Book Works' risk reviews. The reviews identified that it would be prudent to hold the equivalent of four months expenditure on salaries and support costs in reserves. This amounts to approximately £150,000. The charity reviews the reserves policy on a yearly basis and agreed to amend its policy in May 2020 to add that 'In response to the COVID-19 pandemic, Book Works has reassessed its policy and has agreed that redundancy costs of approximately £70,000 should be earmarked in reserves, and that a percentage of the remaining sum should be accessed for cashflow purposes from September, to the value of £70,000, divided between Studio and Publishing as 60% and 40% respectively, unless Book Works secures an emergency grant from Arts Council England, in which case the reserves will be used to balance loss of income for the Studio. The remaining to act as contingency for liabilities and running down costs.'

Principal funding sources

Book Works generated funding from its own sources and also receives core revenue funding from the Arts Council England. Its own sources include earned income through studio bookbinding/printing sales, book sales from our published titles, support from trusts and foundations, crowdfunding and other fundraising initiatives.

As a National Portfolio Organisation, Book Works receives core revenue funding from Arts Council England. So as not to become dependent on any one source of funding we recognise the need to build a fundraising strategy and the necessity to diversify our funding streams to build on this core funding, and our earned income, so as to remain viable and resilient into the future. Through our fundraising strategy we can raise awareness and the profile of the

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2021

organisation within the art world and to new audiences and supporters, allowing us to continue to present and expand our experimental and innovative programme.

Our fundraising strategy has had to adapt to changes caused by the pandemic and the refocusing of most funds to Emergency Funding. We continue to aim to secure support from a variety of sources, listed below, but the main focus of this year has been to raise funds from co-publisher and galleries through our Co-Series.

Potential other funding sources: Grants from Trusts and Foundations, either directly applied for, or secured via artists applications; Co-Publishing partnerships, through which new projects are developed with artists via funding from third party art institutions or organisations; direct fundraising through our mailing list and supporters scheme, or through target specific project fundraising – Circle of Support – and through a regular raffle event; the selling of special editions and prints donated to the organisation for this purpose by artists.

We are developing a fundraising policy, publish a privacy policy on our website and are GDPR compliant. We have received no complaints about our fundraising and all funds raised support our programme, education activities and charitable aims.

Plans for future periods

Book Works key objectives over the next year will be in line with our charitable aims to advance education of the public in the visual arts and in particular in the context of books, through printing, publishing and exhibitions of artists' books. These objectives are defined in our business plan (updated on an annual basis), setting out our vision for the short and longer term objectives of our charitable works. A new business plan developed to account for changes to our working conditions, income and programme for 2021-22 in light of the impact of COVID-19 was submitted (and approved) to ACE in March 2021, and a second business plan for 2021-22 submitted and approved in September 2021.

Structure, governance and management

Book Works (UK) Ltd is a company limited by guarantee and a registered charity. It is established with the objects as noted above. These objects are set out in its governing instrument, which is its Memorandum and Articles of Association.

The governing body is the management committee whose members are non-executive and unpaid. Members perform the role of directors in company law and trustees in charity law. The management committee regularly reviews its composition to ensure it has the skills necessary for its continued good management, cultural diversity and gender balance. In light of the review, potential new members are invited to join. A co-director provides appropriate induction and training. This year Karen Brown and Ron Henoqc resigned and Season Butler was appointed.

The management committee meets regularly, retains full and effective control over the company and monitors the Co-directors. The management committee is involved in major strategic decisions and has ultimate responsibility for the conduct and financial stability of Book Works.

The management committee appoints and delegates to the Co-directors the artistic control of Book Works. 'Director' is the traditional title used for this post though the holders are not directors under the Companies Act.

MANAGEMENT COMMITTEE'S REPORT
For the year ended 31 March 2021

Statement of Management Committee's responsibilities

The Management Committee are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company and charity law applicable to charities in England/Wales requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the surplus or deficit of the Charity for that period. In preparing those financial statements the Management Committee have:

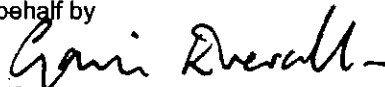
- selected suitable accounting policies and applied them consistently,
- observe the methods and principles of the Charities SORP (FRS 102)
- made judgements and estimates that are reasonable and prudent,
- stated whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepared the financial statements on a going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Management Committee is responsible for keeping proper accounting records which 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 Companies Act 2006. They are also responsible for safeguarding the assets of the Charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Small company exemptions

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

This report was approved and authorised for issue by the Management Committee and signed on its behalf by



Gavin Overall, Secretary
Date: 22 November 2021

**Independent examiner's report to the Management Committee of
Book Works (UK) Ltd**

I report on the financial statements for the year ended 31 March 2021 set out on pages 9 to 22.

This report is made solely to the Management Committee, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. My work has been undertaken so that I might state to the Management Committee matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Management Committee for my independent examination work, for this report, or for the statement I have given below.

Responsibilities and basis of report

As the Management Committees of the charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the Charity's income exceeded £250,000, I confirm that I am qualified to undertake the examination because I am a member of the Chartered Association of Certified Accountants, which is one of the listed bodies. I have completed my examination. I can confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act;
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Tin Myint FCCA
Delta Accountancy Advice Ltd

8 Margaret Avenue
St Albans, AL3 5TE

Date: 13/12/2021

BOOK WORKS (UK) LTD

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account & Statement of Total Realised Gains and Losses)

For the year ended 31 March 2021

	Note	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
INCOME FROM:					
Donations and legacies	2	180,319	-	180,319	179,958
Charitable activities	3	285,884	94,757	380,641	530,262
Investments	5	277	-	277	876
TOTAL INCOMING RESOURCES		466,480	94,757	561,237	711,096
RESOURCES EXPENDED					
Charitable activities		426,337	100,207	526,544	718,270
TOTAL RESOURCES EXPENDED	6	426,337	100,207	526,544	718,270
NET INCOME/(EXPENDITURE)		40,143	(5,450)	34,693	(7,174)
Reconciliation of funds:					
TOTAL FUNDS AT 1 APRIL 2020		342,740	7,450	350,190	357,364
TOTAL FUNDS AT 31 MARCH 2021		£ 382,883	£ 2,000	£ 384,883	£ 350,190

The annexed notes form part of these financial statements

BOOK WORKS (UK) LTD (company limited by guarantee)
(Company limited by guarantee no. 03190880)

BALANCE SHEET
As at 31 March 2021

	Notes	£	2021 £	£	2020 £
FIXED ASSETS					
Tangible assets	11		984		3,272
CURRENT ASSETS					
Stocks	12	62,074		67,394	
Debtors	13	64,269		82,171	
Cash at bank and in hand		294,109		250,589	
		<u>420,452</u>		<u>400,154</u>	
CREDITORS: amounts falling due within one year	14	(36,553)		(53,236)	
NET CURRENT ASSETS			<u>383,899</u>		<u>346,918</u>
NET ASSETS			<u>£ 384,883</u>		<u>£ 350,190</u>
FUNDS					
Restricted funds	15		2,000		7,450
Unrestricted funds:					
Designated funds	15	202,285		135,850	
General fund	15	<u>180,598</u>		<u>206,890</u>	
			<u>382,883</u>		<u>342,740</u>
			<u>£ 384,883</u>		<u>£ 350,190</u>

For the year ended 31 March 2021 the charity was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

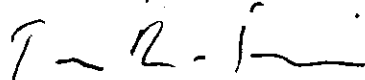
The Management Committee member's responsibilities:

The members have not required the charity to obtain an audit if its accounts for the year in question in accordance with section 476;

The Management committee acknowledges its responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime. They were approved, and authorised for issue, by the Management Committee on 22 November 2021 and signed on their behalf by:-

Teresa Drace-Francis, Trustee



The annexed notes form part of these financial statements

BOOK WORKS (UK) LTD**STATEMENT OF CASH FLOWS****For the year ended 31 March 2021**

	Notes	2021 £	2020 £
Net cash flow from operating activities	19	43,243	8,342
Cash flows from investing activities			
Interest received		<u>277</u>	<u>876</u>
Net cash provided by (used in) investing activities		<u>277</u>	<u>876</u>
 Increase in cash and cash equivalents in the year		43,520	9,218
Cash and cash equivalents at the beginning of the year		250,589	241,371
Total cash and cash equivalents at the end of the year		<u>£ 294,109</u>	<u>£ 250,589</u>

The annexed notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

1. ACCOUNTING POLICIES

General information and basis of preparation of financial statements

Book Works (UK) Ltd is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office is 19 Holywell Row, London EC2A 4JB. The nature of the charity's operations and principal activities are described in the Trustees' report.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006* and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The cost of administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements. Statutory grants which are given as contributions towards the Charity's core services are treated as unrestricted.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Grants are recognised when the charity has entitlement after any performance conditions have been met. It is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Income received in advance of a book publication or other specified service is deferred until the criteria for income recognition are met.

No amount is included in the financial statements for volunteer time in line with the SORP.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

Investment income is recognised on a receivable basis.

Expenditure

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties. It is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are included within support costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity.

Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leashold buildings	-	8%	Straight line
Fixtures and fittings	-	25%	Straight line
Office equipment, plant and machinery	-	25%	Straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing stock to its present location and condition. Cost is calculated using the first-in, first-out formula. Provision is made for damaged, obsolete and slow-moving stock where appropriate.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Judgements and key sources of estimation uncertainty

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have a significant effect on amounts recognised in the financial statements.

2. DONATIONS AND LEGACIES

	Unrestricted Funds 2021 £	Unrestricted Funds 2020 £
Grants - Arts Council of England	179,760	176,512
Donations	559	3,446
	£ 180,319	£ 179,958

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	Total Funds 2020 £
Studio	211,077	62,183	273,260	409,629
Commissions of new work	74,807	32,574	107,381	120,633
	£ 285,884	£ 94,757	£ 380,641	£ 530,262

Restricted income from charitable activities in 2020 was £21,796.

	Unrestricted Funds 2020 £	Restricted Funds 2020 £	Total Funds 2020 £
Studio	409,629	-	409,629
Commissions of new work	98,837	21,796	120,633
	£ 508,466	£ 21,796	£ 530,262

BOOK WORKS (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 March 2021

4. GRANT INCOME, DONATIONS AND CO-CONTRIBUTORS	2021 £	2020 £
Arts Council of England	179,760	176,512
Arts Council of England - Catalyst	-	10,000
London Borough Hackney	10,000	-
Creative Scotland	-	4,450
Art On The Underground	-	1,330
Hospitalfields	-	2,500
Coronavirus job retention	82,757	3,516
Mosaic Rooms	12,500	-
DACS	7,000	-
Other	2,559	750
	<u>£ 294,576</u>	<u>£ 199,058</u>

Of the £294,576 received in 2021 (2020 - £199,058) £94,757 was restricted funds (2020 - £17,966).

5. INVESTMENT INCOME	2021 £	2020 £
Bank interest receivable	277	876
	<u>£ 277</u>	<u>£ 876</u>

6. RESOURCES EXPENDED

	Staff costs £	Activities under-taken directly £	Support Costs £	Total 2021 £	Total 2020 £
Studio	144,896	65,198	66,622	276,716	377,449
Commissions of new work	120,004	62,640	67,184	249,828	340,821
	<u>£ 264,900</u>	<u>£ 127,838</u>	<u>£ 133,806</u>	<u>£ 526,544</u>	<u>£ 718,270</u>

Restricted expenditure from resources expended in 2020 was £74,710.

	Staff costs £	Activities under-taken directly £	Support Costs £	Total 2020 £
Studio	185,841	130,684	60,924	377,449
Commissions of new work	130,241	141,118	69,462	340,821
	<u>£ 316,082</u>	<u>£ 271,802</u>	<u>£ 130,386</u>	<u>£ 718,270</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2021

6. RESOURCES EXPENDED continued

Resources expended include:

	2021	2020
	£	£
Operating lease rentals - Land and buildings	31,881	31,881
Depreciation - on owned assets	2,288	3,005
	<u>£ 34,169</u>	<u>£ 34,886</u>

7. SUPPORT COSTS

	Staff	Premises	Other Administration	Total 2021	Total 2020
	£	£	£	£	£
Studio	19,996	24,424	22,202	66,622	60,924
Commissions of new work	19,991	22,713	24,480	67,184	69,462
	<u>£ 39,987</u>	<u>£ 47,137</u>	<u>£ 46,682</u>	<u>£ 133,806</u>	<u>£ 130,386</u>

	Staff	Premises	Other Administration	Total 2020
	£	£	£	£
Studio	19,557	23,177	18,190	60,924
Commissions of new work	17,700	22,703	29,059	69,462
	<u>£ 37,257</u>	<u>£ 45,880</u>	<u>£ 47,249</u>	<u>£ 130,386</u>

Support costs including governance have been allocated as follows - Staff costs have been allocated to activities on a time basis. Premises and other costs have been allocated on the basis of costs directly attributable to each activity, costs not directly attributable to an activity have been allocated on a 50:50 basis except for rent which has been allocated on the basis of floor space.

8. GOVERNANCE COSTS

	2021	2020
	£	£
Independent examiners remuneration	3,700	3,700
Trustee' expenses	-	258
	<u>£ 3,700</u>	<u>£ 3,958</u>

BOOK WORKS (UK) LTD**NOTES TO THE FINANCIAL STATEMENTS**
For the year ended 31 March 2021**9. STAFF NUMBERS AND COSTS**

	2021 £	2020 £
Wages and salaries	277,994	320,256
Social security costs	21,001	26,434
Pension costs	5,756	6,460
	<u>£ 304,751</u>	<u>£ 353,150</u>

The average monthly head count was 11 staff (2020 - 12 staff).

No employee received remuneration of more than £60,000.

10. MANAGEMENT COMMITTEE AND KEY MANAGEMENT PERSONNEL

During the year, no Management Committee received any remuneration (2020 - £NIL). No member of the Management Committee received reimbursement of expenses (2020 - £NIL).

During the year, Key Management Personnel, defined as the management committee and the co-directors, received remuneration of £81,617 (2020 - £94,982).

11. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixture and fittings £	Office equipment £	Total £
Cost				
At 1 April 2020 and 31 March 2021	<u>32,226</u>	<u>6,897</u>	<u>20,393</u>	<u>59,516</u>
Depreciation				
At 1 April 2020	32,226	6,226	17,792	56,244
Charge for the year	-	671	1,617	2,288
At 31 March 2021	<u>32,226</u>	<u>6,897</u>	<u>19,409</u>	<u>58,532</u>
Net book value				
At 31 March 2020	£ Nil	£ 671	£ 2,601	£ 3,272
At 31 March 2021	<u>£ Nil</u>	<u>£ Nil</u>	<u>£ 984</u>	<u>£ 984</u>

12. STOCKS

	2021 £	2020 £
Finished goods	45,115	52,186
Raw materials	10,784	10,848
Work in progress	6,175	4,360
	<u>£ 62,074</u>	<u>£ 67,394</u>

BOOK WORKS (UK) LTD**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended 31 March 2021

13. DEBTORS

	2021	2020
	£	£
Due within one year		
Accounts Receivable	39,244	64,664
Prepayments and accrued income	21,101	15,021
Other debtors	3,924	2,486
	<u>£ 64,269</u>	<u>£ 82,171</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	16,558	15,049
Social security and other taxes	32	9,348
Other creditors	58	1,616
Accruals	15,435	7,723
Deferred income	4,470	19,500
	<u>£ 36,553</u>	<u>£ 53,236</u>

<u>Deferred income</u>	19,500	-
Balance at 1 April 2020	(19,500)	-
Amount released to income	4,470	19,500
Amount deferred in the year - Fees		
Balance at 31 March 2021	<u>£ 4,470</u>	<u>£ 19,500</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

15. STATEMENT OF FUNDS**Movements in funds (current year)**

	Brought Forward April 2020 £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward March 2021 £
DESIGNATED FUNDS					
Equipment and premises	94,000	-	-	-	94,000
Website	11,850	-	(3,565)	-	8,285
Redundancy	-	-	-	70,000	70,000
Development and Staffing	30,000	-	-	-	30,000
	<u>£ 135,850</u>	<u>£ Nil</u>	<u>£ (3,565)</u>	<u>£ 70,000</u>	<u>£ 202,285</u>

RESTRICTED FUNDS

Commissions of new work	7,450	94,757	(100,207)	-	2,000
	<u>£ 7,450</u>	<u>£ 94,757</u>	<u>£ (100,207)</u>	<u>£ Nil</u>	<u>£ 2,000</u>

SUMMARY OF FUNDS

Designated Funds	135,850	-	(3,565)	70,000	202,285
General Funds	206,890	466,480	(422,772)	(70,000)	180,598
	<u>342,740</u>	<u>466,480</u>	<u>(426,337)</u>	<u>-</u>	<u>382,883</u>
Restricted Funds	7,450	94,757	(100,207)	-	2,000
	<u>£ 350,190</u>	<u>£ 561,237</u>	<u>£ (526,544)</u>	<u>£ Nil</u>	<u>£ 384,883</u>

Movements in funds (prior year)

	Brought Forward April 2019 £	Incoming Resources £	Resources Expended £	Transfers £	Carried Forward March 2020 £
DESIGNATED FUNDS					
Equipment and premises	94,000	-	-	-	94,000
Website	25,000	-	(13,150)	-	11,850
Development and Staffing	30,000	-	-	-	30,000
	<u>£ 149,000</u>	<u>£ Nil</u>	<u>£ (13,150)</u>	<u>£ Nil</u>	<u>£ 135,850</u>

RESTRICTED FUNDS

Commissions of new work	17,500	21,796	(31,846)	-	7,450
	<u>£ 17,500</u>	<u>£ 21,796</u>	<u>£ (31,846)</u>	<u>£ Nil</u>	<u>£ 7,450</u>

SUMMARY OF FUNDS

Designated Funds	149,000	-	(13,150)	-	135,850
General Funds	190,864	689,300	(673,274)	-	206,890
	<u>339,864</u>	<u>689,300</u>	<u>(686,424)</u>	<u>-</u>	<u>342,740</u>
Restricted Funds	17,500	21,796	(31,846)	-	7,450
	<u>£ 357,364</u>	<u>£ 711,096</u>	<u>£ (718,270)</u>	<u>£ Nil</u>	<u>£ 350,190</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

15. STATEMENT OF FUNDS continued

DESIGNATED FUNDS

The funds of the company include the following designated funds which have been set aside out of unrestricted funds by the management committee for specific purposes:

Equipment and premises fund

This fund was set up to replace printing and ancillary equipment, and to enable the charity to have necessary funds available to fund upkeep of the building and increase premises available for operations over the next 5 years.

Website fund

Set aside for ongoing work on the website and post-launch in 2020, maintenance and development of the site.

Redundancy fund

Book Works has set a fund aside to ensure that Book Works have the necessary funds to cover redundancy costs.

Development and Staffing fund

- Following the restructure of the staff in 2019, these funds are set aside to support Book Works fundraising initiatives in order to carry out our charitable aims, through either a new position or freelance contracts.
- To ensure the operations of the charity can continue in the event of either unexpected staff sickness and maternity or to allow time for the charity to find replacement funding should an existing source come to an end unexpectedly.

RESTRICTED FUNDS

The funds of the company include restricted funds comprising the following unexpended balances of donations and grants held on trusts to be applied for specific purposes:

Commission of new work - relate to contributions towards the costs of producing new book titles.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Current Year	Unrestricted Funds		Restricted Funds	Total Funds
	Designated Funds	General Funds		
	£	£	£	£
Tangible fixed assets	-	984	-	984
Net current assets	202,285	179,614	2,000	383,899
	<u>£ 202,285</u>	<u>£ 180,598</u>	<u>£ 2,000</u>	<u>£ 384,883</u>

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2021

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS continued

<i>Prior Year</i>	<i>Unrestricted Funds</i>		<i>Restricted Funds</i>	<i>Total Funds</i>
	<i>Designated Funds</i>	<i>General Funds</i>		
	£	£	£	£
<i>Tangible fixed assets</i>	-	3,272	-	3,272
<i>Net current assets</i>	135,850	203,618	7,450	346,918
	<u>£ 135,850</u>	<u>£ 206,890</u>	<u>£ 7,450</u>	<u>£ 350,190</u>

17. OTHER FINANCIAL COMMITMENTS

	2021	2020
	£	£
At 31 March 2021 the Company had annual commitments under non-cancellable operating leases (all for land and buildings) as set out below:		
Operating leases which expire: within one year	<u>33,822</u>	<u>32,837</u>

18. RELATED PARTY TRANSACTIONS

During the year the charity incurred expenditure of £31,881 (2020 - £31,881) with the artistic co-director of Rob Hadriil for the rental of the property at Holywell Row.

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net movement in funds	34,693	(7,174)
Depreciation charge	2,288	3,005
Bank Interest Received	(277)	(876)
(Increase)/decrease in stock	5,320	(1,641)
(Increase)/decrease in debtors	17,902	5,594
Increase/(decrease) in creditors	(16,683)	9,434
Net cash flow from operating activities	<u>£ 43,243</u>	<u>£ 8,342</u>