

2023 ANNUAL REPORT

This is the trustees' Report and Financial Statements for the year to 31 December 2023 as required by charity law and regulations and constitutes a directors' report for the purpose of company legislation. The financial statements have been prepared in accordance with the accounting policies set out on pages **** and comply with the charity's trust deed, the Charities Act 2011, the Companies Act 2006 and 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 United Kingdom and Republic of Ireland (FRS 102). The trustees assert that this annual report shows BTBS' trustees and co-opted committee members are effective, offering appropriate skills, knowledge and experience in support of clear aims, values and objectives, reflecting the tenets of the Charity Governance Code.

WHO WE ARE

The Book Trade Charity exists to support colleagues across the book trade and their families, providing grants and housing when they need it most. Since 1837 we have been a safety net providing vital funding to help when crisis strikes.

We can help with: utility bills, groceries, transport, medical costs, funeral costs, counselling, household items, relocation, training, development and housing needs. We even have our own housing for colleagues based in Hertfordshire and London.

Beyond our work with individuals, we work hard to support a healthy and vibrant book trade and to break down barriers for young entrants to the trade. We believe in a diverse and inclusive book trade and our approach reflects our commitment to underrepresented groups.



A SAFETY NET

We act fast to help colleagues at the point of crisis. Putting food on tables, heating homes and keeping lights on. For hundreds of families.

A SPRINGBOARD

But we don't stop there. We actively drive positive change across the trade and are strongly committed to building a more inclusive and diverse book trade. We have helped hundreds more gain the skills they need to go further and to realise their potential.

CHAIR'S STATEMENT

Chair's Statement

Welcome to The Book Trade Charity (BTBS) 2023 annual report! It has been a special year as we celebrate 185 years of serving as a safety net for book industry colleagues. This year we provided essential grants to 176 current and past members of our trade; we provided a high standard of housing for 67 residents who would otherwise have a poorer quality of life and in many cases have no home. We helped scores of young people to kick-start their book industry careers through our grants programme and our accommodation at the Bookbinders facility in North London.

For so many, 2023 was a year of “crises”: the so-called cost of living crisis, the energy cost crisis, various UK political crises, all with a backdrop of increasing levels of uncertainty and conflict around the world. As a charity we have never had to work so hard to support our colleagues as they face physical and mental stresses that these crises bring. I and the Trustees are hugely grateful to Vic Perry and her remarkable team for the care and support they provide to all our beneficiaries. I would encourage you to learn more and read some of the stories from those who have benefitted from our work on the impact section of our website. The Charity is hugely grateful for the financial donations we have received from the book industry and various associated trusts. Without your increased levels of giving, we would not been able to reach so many in need of support. However, there were many we were unable to help ... we need to do more, and, like Oliver Twist, we need to ask for more.

As my term has ended, I am delighted that Ian Chapman, CEO of Simon & Schuster, has taken over the chair. Under Ian's guidance, with your support and that of an excellent team of staff, trustees, and volunteers I am sure that your charity will continue to grow to meet the ever-increasing needs of our past, present and future Book Industry colleagues.



Jonathan Nowell | Chair (until 23 November 2023)



Jonathan



Ian



Vic

A WORD FROM OUR CHIEF EXECUTIVE

I am deeply proud to work for The Book Trade Charity as part of a small, committed team which exists to help people across the book trade. Crisis can strike any one of us and no-one is immune from changing circumstances. If the worst was ever to happen, it is comforting to know that there is a safety net for those in need. As one of our recent grantees put it: “you all made a tremendous difference to my life at an anxious time”. There is no better reward than this.

Last year was extremely busy for our team with an unprecedented energy infrastructure programme running at The Retreat. The works were extensive – with the installation of new energy efficient windows and doors, roof insulation and more. We want to do everything in our power to keep our residents warm and healthy. We are grateful for their patience and candour through this project and to our funders the Unwin Charitable Trust to whom we owe so much. Here's to a safe and happy year ahead.



Vic Perry
Chief Executive

OUR AIMS

Overall our grants and housing supports colleagues to:

- improve quality of life for themselves and their families
- relieve distress and face crises
- take up education and training
- build their career in the book trade

OUR WAY OF WORKING

is tangible, practical and personal. It often starts with an email or a phonecall to talk through eligibility and to run through the application steps together. We can help with - utilities bills, groceries, transport, medical costs, funeral costs, counselling, household items, relocation, training, development and housing needs.

CRISIS DOESN'T DISCRIMINATE, AND NEITHER DO WE

We are committed to promoting a workplace committed to the principles of equity, inclusivity and diversity. All applications for support are considered in ways which do not discriminate on the basis of age, gender, ethnicity, race, religion, disability, sexual orientation or socio-economic background.

(Photo: Ryan Jacobson)



2023 HIGHLIGHTS

Sustainable Futures project: ensuring energy efficiency in our homes at The Retreat and Bookbinders Cottages

2023 was hugely productive due to the unprecedented support received from the Unwin Charitable Trust. Thanks to their generosity we were able to take numerous energy efficiency measures to keep our residents warmer and healthier. In addition to installing a significant number of brand new doors, windows, boilers and energy systems, we were able to expand our Warm Programme offering to include a wider range of support to keep people healthy during the colder months including: making modifications to existing heating systems; dealing with historical environmental issues in our almshouses and purchasing energy efficient aids to reduce bills for our residents. So far, despite the obvious disruption caused by upgrading boilers, digging up the road and improving antiquated heating systems, insulating roofs, and installing brand new doors and/or windows, we have had some wonderful feedback from our residents:

“I do believe in saying ‘Thank you’! You have all worked hard to help us with the ‘cost of energy’. From what I know, many people have difficulty even finding a home, so I definitely feel really fortunate to have a nice home here. And the way you’re helping us all with a transitional ‘Energy Support’ is amazing.”

“Now that it has been a month since the installation of new windows and doors, I wanted to let you know how pleased I am with them. The first thing you notice is how much brighter the internal aspect is with the white window frames and doors as opposed to the previous dark wooden units. I have also noticed two other, very obvious changes since installation. The first is improved sound insulation. I was sitting up in bed reading, at approx. 8.30am one morning when it dawned on me how quiet my bedroom was. At that time of morning and even with the old windows closed, there would be a slight but noticeable murmur from the motorway traffic. With the new windows, it was as quiet as the grave! One other beneficial aspect is the material used in the manufacture of the new units. Apart from the thermal aspects of uPVC, they are easy to clean and will last for many, many years, unlike timber frames.”

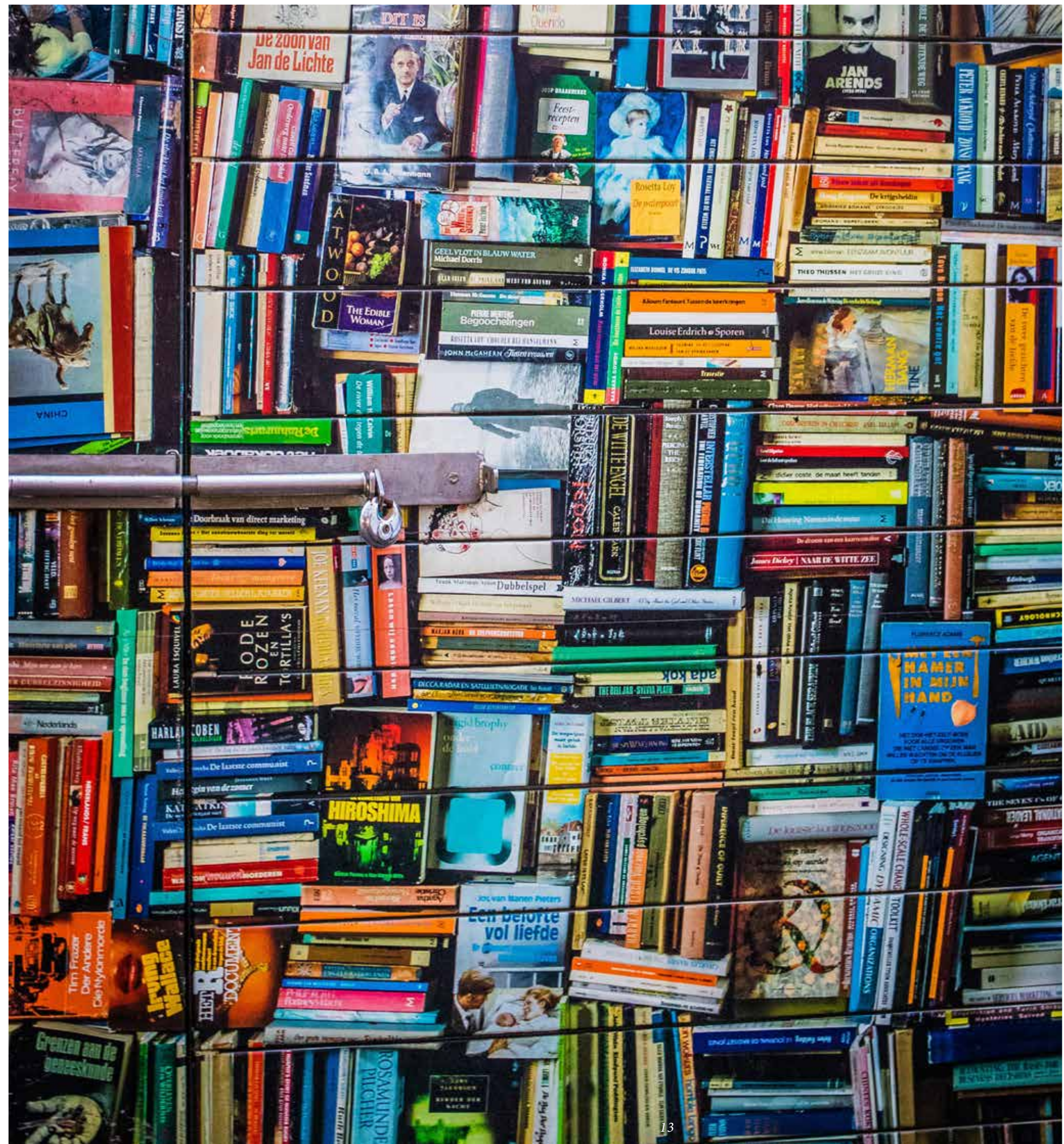
“I feel extremely fortunate to live here. I have no complaints and I am very grateful to feel safe and happy.”

In addition, in a recent survey almost 90% of our residents reported that they found that The Book Trade Charity handled the national energy crisis ‘very’ or ‘extremely’ well. We will continue to work hard for our residents as we negotiate the unprecedented energy costs here in the UK.

OUR 2024 AIM

Diversifying our funding:

we will actively grow our donor list throughout 2024 and work closely with our corporate supporters across the book trade, onboarding new members onto our annual giving list. This will provide a firm basis for growth and provide a sustainable way to grow our grants programme over time. This will provide the main development focus for 2024.



OUR YEAR IN NUMBERS

£274,212 AWARDED IN GRANTS

345 APPLICATIONS

159 BENEFICIARIES

85 REGULAR BENEFICIARIES

25 ENTRANTS TO THE TRADE

60 HOME & HOUSEHOLD GRANTS

OUR GRANTS

A large part of our work involves assessing grant applications from individuals seeking support for themselves and their families. We have a series of grants on offer to support colleagues at different stages of their career and facing different pressures.

WELFARE GRANTS

For book trade people living in their own homes, the charity supports individuals and families in need by providing one-off grants for people facing a crisis. Here are some examples of what people use our grants for:

Impact area	How we might help
Low household income and savings, debt and insolvency	Essential furniture and appliances, help with household bills, heating and maintenance costs, travel and car costs
Unemployment and redundancy	Interview costs, funding training and development, CV
Health and medical aid not easily or normally provided by the NHS	Help towards dental work, medical aides such as wheelchairs, mobility scooters, stair lifts
Being a carer	Respite care costs, financial support
Emergencies and unforeseen circumstances	Cover funeral costs, transport and travel
Accidents, illness or bereavement	Deposits for Motability vehicles, mobility aids or stairlifts, counselling sessions
Housing difficulties and homelessness	Pay for accommodation, deposits for a new home, help with removal costs

For further information please go to www.btbs.org

REGULAR GRANTS

We often work with colleagues who find themselves on a fixed, low income. They may be retired or indeed starting out in the trade. We support over 65 people with a means-tested grant of up to £175 per month. We know that this ongoing support can be a lifeline for people and enables us to play a sustained and meaningful role in their lives.

Tom's story

Tom originally applied for an emergency welfare grant and is now a regular grant recipient – we thank him for sharing his story.

“After years of struggles in life, job losses, moving and mental issues I hit rock bottom. This left me unable to get outside and unable to work. I went to the NHS but of course the support was quite slow and difficult, this just made things ten times worse. I'd put off taking my own wellbeing seriously for a while.

In all honesty, I applied out of sheer desperation and having nowhere else to turn. The charity helped with my initial mess of being behind on bills and unable to function. The support to protect my home, my base and my life made me feel safe.

The ongoing regular grant support then enabled me to access further mental support which led to being diagnosed with bipolar, something that may or may not have happened without the charity's support, that has enabled ongoing support and at least my life to become more stable whilst I continue to try to get better. That was life-changing and explained so much, and helped the doctors to provide more support. Whilst I am still recovering and life is still extraordinarily difficult it's hard not to sometimes wonder what would have become of me had the charity not stepped in, times were very dark back then and are a little brighter now.

It's comforting to know that when feeling alone there is an organisation that cares and wants to help

The Book Trade Charity is a fantastic organisation that offers great support on many levels, and I would 100 per cent recommend contacting them if you ever need help.”



(Photo: Christian Buehner)



(Original illustration: Hannah Leach)

ERNEST HECHT BURSARIES

Peter's story

Peter is a young entrant to the book trade and we thank him for sharing his story.

"I'm a young professional who has been working in the publishing industry for three years now. I'm based in the Midlands and commute to London twice a week on an agreement with my employer due to rising costs of travel and living in London. I currently live with family and last year it was revealed that there was an amalgamation of debt problems which had been kept from me and it meant we were on the brink of losing the house. Our options were to lose the house, remortgage or see if the house could be sold to me. As someone who didn't have a lot of savings or inheritance and the child of a single mother, I didn't think this would be viable - and I confided in my manager about this. She brilliantly suggested I reach out to The Book Trade Charity who specialise in helping people in the publishing industry to see what they could offer in terms of support. With my manager's support, I applied for an Ernest Hecht Bursary. I was completely overwhelmed when the application was a success and I was awarded an Ernest Hecht Bursary of £6,000 which went toward clearing any existing debt, fees and a few months of the previous mortgage. Thankfully - the process of applying for a mortgage paid off."

"Without The Book Trade Charity, I would have been made homeless with my mum and now I'm a homeowner; I'll never forget the speed with which they responded to me when I reached out, and how kind and empathetic they were. I would recommend The Book Trade Charity tenfold to anyone in the industry who feels like they are struggling, and they don't know where to turn - they changed my life for the better and I'll never forget it."

Peter's story has been made into a short film which you can view on our website.

YOUNG ENTRANTS

Helen's story

Helen's story

Helen is a young entrant to the book trade and we thank her for sharing her story.

"I had been a professional musician for over ten years and was deciding to make a career change and move into the publishing industry. I secured a job in academic publishing in Cheltenham, meaning I needed to relocate from London (I had no family or contacts in Cheltenham so was having to make the move alone). I attended the London Book Fair and was fascinated to learn about The Book Trade Charity and the incredible work they do in supporting those trying to find their feet in the publishing industry. Knowing that I had extensive moving costs to cover, I spoke to The Book Trade Charity team about my situation and they encouraged me to apply.

The Book Trade Charity helped me in an exceptionally financially difficult time and made my move from London to Cheltenham a far smoother and more manageable process. Moving house is very expensive and to

receive help and support from the charity meant the world to me. I hadn't heard of the charity before I attended the London Book Fair and was so glad I did!

I would recommend anyone looking to enter the publishing trade to consider applying for The Book Trade Charity's 'Entry to the trade grants'. As a team they are passionate about supporting young entrants from all backgrounds into the industry, a brilliant cause. They also have welfare grants and career guidance grants available too! The Book Trade Charity supported my entrance into the publishing industry, I am incredibly grateful and couldn't recommend them more highly."



(Original artwork: Hannah Leach)

OUR IMPACT, GRANTS

In 2021 our work supported beneficiaries across the UK. Here is a breakdown of our grants programme for the past three years:

HOW DID WE HELP?

Welfare grants, (one-off & regular), Entry to the trade grants and Project grants (not including Covid Hardship Grants)	2022	2021	2020
Beneficiaries:	167	179	219
New contacts:	68	N/A*	N/A*
Applications for assistance (total):	308	353	436
Applications funded:	265	319	341
Applicant did not pursue:	28	20	56
Applications rejected (ineligible or not within financial criteria) :	15	14	39

*Available data not comparable as separate system for processing Covid grants was in place

WHAT DID PEOPLE ASK FOR SUPPORT WITH?

	2022		2021		2020	
Regular support: (supported for full 12 months)	75 (65)	£129,105	72 (64)	£119,210	73 (69)	£119,515
Christmas one-off grants	60	£8,350	58	£9,150	57	£8,100
Housing/rent arrears/debt	22	£26,073	25	£19,178	11	£7,633
Travel & car costs	0	0	2	£810	2	£949
Holidays, respite care	2	£980	3	£1,050	0	£0
Household, including car-pets, white goods	24	£12,735	30	£21,838	25	£11,870
Retraining & redundancy	17	£5,745	14	£5,163	22	£6,005
Disability, medical & nursing home fees	6	£2,810	6	£3,428	2	£2,050
Interns & Entry to the Book Trade	41	£28,307	47	£21,090	38	£10,530
Project grants	2	£3,850	5	£4,230	5	£5,800
Covid Hardship	16	£32,000	57	£80.331	106	£166,779
TOTALS:	265	£249,955	319	£285,478	341	£339,231

WHAT DID PEOPLE ASK FOR
SUPPORT WITH DURING 2023?



61

Christmas one-off grants



29

Housing/rent arrears/debt



25

Interns & Entry to the Book Trade



23

Retraining & redundancy



85

Regular support



6

Disability, medical & nursing home fees



31

Household, including carpets,
white goods



1

Covid Hardship

OUR HOMES

Our homes in London and Hertfordshire exist to provide safe, secure and subsidised accommodation for book trade people of all ages. Our oldest resident is 98 and our youngest, 23.

THE RETREAT IN HERTFORDSHIRE

The Retreat at Kings Langley provides independent living in a community of self-contained accommodation for book trade people who need housing for social and economic reasons - a 'safe port' to start afresh after a difficult time. The estate provides homes for colleagues of all ages who have worked in the trade. People can apply to live there as the result of housing need or simply because they wish to live or retire amongst others who love books and share experience in the book trade. Properties are let to eligible applicants on assured short-hold tenancies at subsidised rents/utilities.

Occupancy: 98% (2022: 94.6%)

Average resident age at 31 December 2023: 68 (2022: 68 years). Our oldest resident is 92 and youngest is 45.

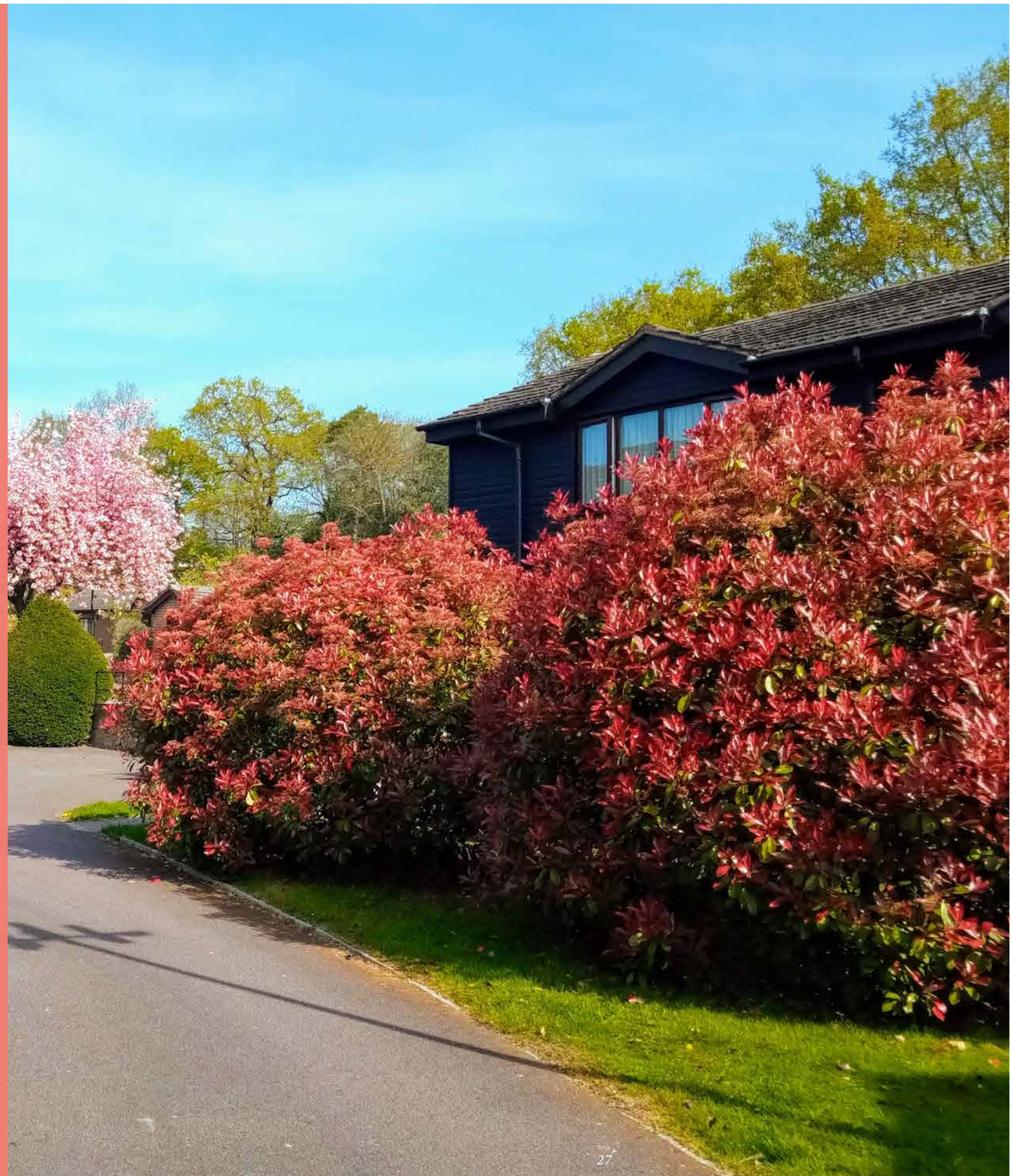




Photo credit: Felix Friedmann

BOOKBINDERS COTTAGES IN LONDON, N20

The Bookbinders Cottages form a small and unique development of tailor-made flats in North London providing a 'place to call home' for young people starting their Book Trade career in London as well as older residents. The development provides independent living in a community of self-contained flats for book trade people.

- Occupancy: 97% (2022: 95.5%).
- Average age of residents at 31 December 2023: 45 (2022: 43). Our oldest resident is 100 and youngest 23.



Photo credit: Rafa Jimenez

FUNDRAISING

During 2023, we worked hard to develop new relationships with potential company donors, and made successful applications to trusts and foundations most notably The Unwin Trust, to whom we are extremely grateful.

The Board records its thanks and appreciation to the following supporters:

Association of Authors Agents, Blake Friedmann, Bloomsbury, The Book Society, The Booksellers Association, Clays, Canongate, David Grossman, The Ernest Hecht Charitable Foundation, Hachette, HarperCollins, Ingram/Lightning Source, John R Murray Charitable Trust, Kogan Page, Pan Macmillan, Old Possum's Practical Trust, PenguinRandomHouse, Profile Books, Publishers Licensing Society, Simon & Schuster, the Sue Thompson Foundation and of course The Unwin Charitable Trust who all contributed over £1,000 to The Book Trade Charity during the year.

In addition, money was raised during 2023 via:

- Publishers and Booksellers, who donated books and money to support colleagues in crisis.
- Book sales - we raised £48,620 (2022: £55,851) from our book sales which was an impressive effort.
- Trusts, charitable foundations.
- Legacies - we received a legacy of £500.
- London Marathon runners Rafa Jimenez, Frances Sleight and Darren Booth raised almost £6,000.
- Events and collections were held on our behalf by Society of Young Publishers and other organisations across the trade.

We are so grateful for this support, which changes lives.

We adhere to and comply with the provisions of the Fundraising Standards Board.

VOLUNTEERS & STAFF

We wish to record our thanks and appreciation to all volunteers who contributed greatly to the charity's achievements and developments during the year.

Particularly, the trustees record thanks to David Hicks and 'the cavalry' of book sorters who prepare us for our book sales and support us at the London Book Fair each year.

The Board records its thanks and appreciation to the small staff team of Vic Perry, Glenda Barnard, Nicki Cattle and Keith Foster who are professional and dedicated in all that they do, including many voluntary hours in support of Book sales and other events.

This report is prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.



(Rafa Jimenez and David Hicks at London Book Fair 2023)

FINANCIAL REVIEW

The statement of financial activities shows net expenditure of £1,000,546 for the year ended 31 December 2022.

	2023	2022
Total income:	£1,493,303	£837,988
Total expenditure:	£1,199,257	£1,000,546
Investment (losses)/gains	£7,965	(£44,334)
Net expenditure	£302,011	(£206,892)

Recurring income for the charity comprises income from voluntary sources, events, rents and investments.

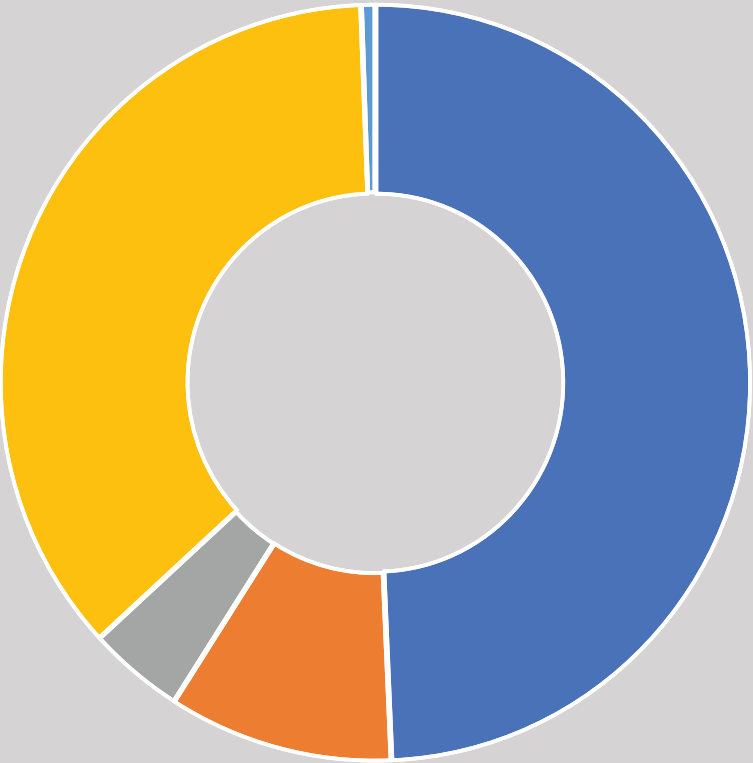
- Corporate and personal donations, and grants from charitable trusts contributed £145,126 (2022: £154,722) to unrestricted funds and £736,438 (2022: £43, 797) to restricted funds.
- Trading and events income totalled £61,886 (2022: £78,810) mainly from book sales and the London Marathon
- Rental income amounting to £540,734 (2022: £553,054).
- Gross investment income was £9,119 (2022: £7,605). Movement in the stock market during 2023 resulted in net unrealised gains to talling £7,965 (2022: net loss of £44,334).

Costs for the year are £1,199,257 (2022: £1,000,546):

- Grants in the year, including provisions for regular gra nt commitments in 2023, amounted to £318,461 (2022: £249,955).

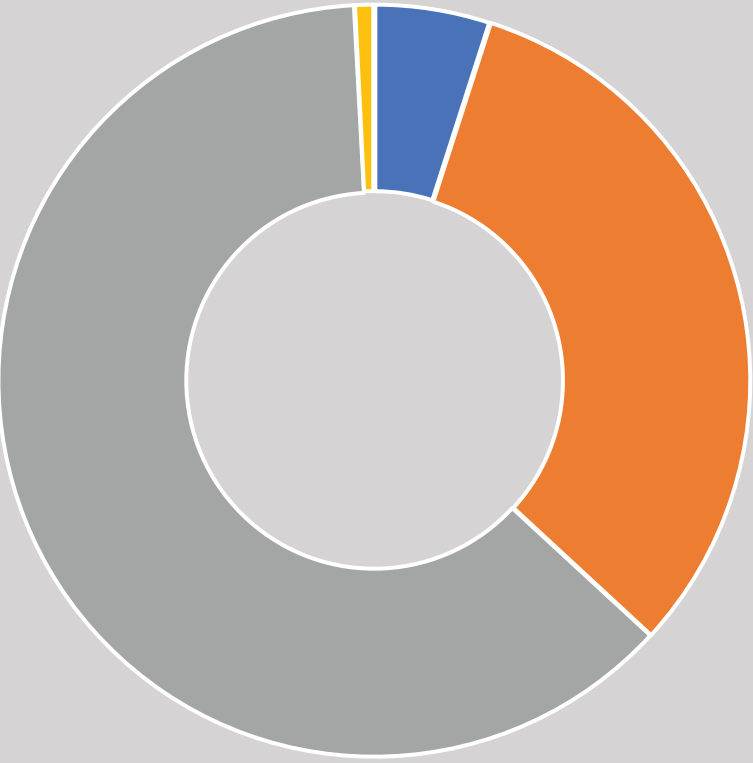
INCOME

- Restricted donations
- Unrestricted donations
- Book sales and events
- Rental income
- Investments



EXPENDITURE

- Raising funds
- Grants programme
- Provision of homes
- Trading



INVESTMENTS

The charity's investments are invested into the Rathbone Core Investment Fund for Charities, a pooled fund specifically designed for charities. Rathbones provided the following report in respect of the Core Fund for 2023:

In 2023, global markets experienced significant volatility following a challenging 2022. At the start of 2023, many economists were forecasting recessions in major economies due to central banks' aggressive rate hike cycles. Early in 2023, the failure of a few US regional banks and the major Swiss bank, Credit Suisse, added to the uncertainty. However, despite the bleak start, global financial markets demonstrated resilience. Stocks surged and bonds started to recover from the previous year's losses as fears of recession were replaced by growing confidence in central banks' ability to achieve a soft landing. This optimism was fuelled by a notable decline in global inflation rates and the anticipation of future interest rate cuts. Towards the end of the year, the US equity market witnessed a remarkable rally, with the S&P 500 reaching record highs. This surge was driven by exceptional performance from a select group of technology stocks, dubbed the "Magnificent Seven," which account for approximately 35% of the S&P 500 index. Amidst this favourable market environment, the UK equity market (as measured by the FTSE All Share) rose+7.9% and overseas equities (as measured by the FTSE All-World ex UK) rose+16.0%. Fixed income also ended with a positive result as the prospect of interest rates cuts came into view, resulting in a fall in yields and higher bond prices, with the FTSE UK Gilts All Stock rising+3.7%. The Rathbone Core Investment Fund for Charities, returned+5.3% net of all fees. This was behind Rathbones' composite index benchmark which rose +9.4% and behind the peer group (as measured by the ARC Charity Steady Growth Index), which returned+7.5%.

INVESTMENT POLICY

The trustees wish to pursue an investment policy which provides revenue and growth to support the charity's current purposes and enhances income and capital growth over the longer term, thereby enabling them to meet the current and future objectives in accordance with the purposes of the charity. The investment objective of the Fund is to produce a return of inflation (CPI) plus 3%, net of fees. The Board has agreed to dispense with the income requirements and re-invest income to support capital growth, subject to any withdrawals the charity finds it necessary to make. This requirement is subject to annual review.

The trustees have delegated the day-to-day decision making and control of the charity's investments to Rathbones Investment Management, through the Rathbone Core Investment Fund for Charities. The trustees and the Chief Executive received regular updates from the Manager and monitor the Fund on an ongoing basis. The trustees, in delegating their investment management, require the Manager to pay attention to the standard investment

criteria, namely the suitability of the class of investment and the need for diversification insofar as it is appropriate to the circumstances of the charity. The trustees accept a medium risk approach to investment with a medium-to-long term objective of meeting the requirement for a returns target of inflation plus 3%, recognising that there will be short term fluctuations, and are satisfied the Fund can achieve this over the long-term.

RESERVES POLICY

As at 31 December 2023, the charity held designated funds {comprising the property reserve, which is based on the net book value of the fixed assets of the charity, less loans secured against the properties) of £8,936,828, with unrestricted reserves of £238,323 (representing four months of unrestricted expenditure).

The charity's target is to hold sufficient reserves in investments to cover four key areas of need:

1. Continuity- funds used to bridge any delays in regular receipts - the estimated value of 3 months of donation income, £30,000.
2. Cyclical Maintenance-funds used for major maintenance to buildings and interiors- this is estimated at £100,000
3. Restructuring-funds used to cover essential trading activities if sources of income were reduced, such as a fall in occupancy of the property- this is identified as 4 months of budgeted expenses £280,000
4. Dissolution -funds used should the charity be unable to continue. Only to be used in the event of the trustees' deciding the charity should cease to exist - this is identified as three months running costs plus three months residual salaries £175,000


Minimum required unrestricted reserves are approximately £585,000. The charity will continue to review their reserves and reserves policy on an annual basis and work towards achieving the minimal target level of coverage. During recent years we have consciously made significant investment in the capital redevelopment of Bookbinders Cottages which has temporarily reduced the level of reserves below the policy target.

GOING CONCERN

The trustees have assessed the position of the charity as a going concern in preparing this report and financial statements and have made this assessment in respect to a period of over one and half years from the date of approval of these accounts, based on budgets and cashflow forecasts to December 2025, the forecast reserves position at 31 December 2025 and the expected level of activity during 2024/2025.

The trustees assessed key risks in the assumptions to these budgets and cashflow forecasts, including reductions in key revenue streams, increases in costs and fluctuations in interest rates and reviewed the impact that a significant change could have on the forecast to ensure the charity position. Mitigations against these risks were considered and would entail reducing the level of grants offered or the number of beneficiaries supported, re-assessing the criteria for providing housing and increasing the fundraising activity of the charity.

The trustees are aware that the current loan with Natwest is due for refinancing during this period. Options for refinancing are being considered as well as reducing the loan value through the sale of one of our fixed assets. The impact of increased interest rates on the loan have been considered as part of the going concern. Despite the continued interest rate risks, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern, and the charity will have sufficient resources to meet its liabilities as they fall due.



Approved by the Board on and signed on its behalf by
Emily-jane Taylor, Honorary Treasurer, on behalf of the trustees



The Book Trade Charity (BTBS) Independent auditor's report 2023

Opinion

We have audited the financial statements of The Book Trade Charity (BTBS) (the 'charitable company') for the year ended 31 December 2023 which comprise the statement of financial activities, the balance sheet, the statements of cash flows, the principal accounting policies and notes to the financial statements. 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).

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.

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 2023 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the 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

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

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

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

The Book Trade Charity (BTBS) Independent auditor's report 2023

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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' report, which is also the directors' report for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the Trustees' report, which is also the directors' report for the purposes of company law, 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' 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 in respect to the remuneration of Trustees specified by law are not made; or
- ◆ we have not received all the information and explanations we require for our audit; or
- ◆ the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' report and from the requirement to prepare a strategic report.

The Book Trade Charity (BTBS) Independent auditor's report 2023

Trustees' responsibilities

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors 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 has 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- ♦ the engagement partner ensured that the engagement team collectively had the appropriate competence and skills to identify or recognise non-compliance with applicable laws and regulations.
- ♦ we obtained an understanding of the legal and regulatory frameworks that are applicable to the charitable company and determined that the most significant frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (Statement of Recommended Practice Accounting and Reporting by Charities preparing this accounts in accordance with the Financial reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, and the Companies Act 2006), those that relate to data protection (General Data Protection Regulation) and those in relation to safeguarding.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- ♦ making enquiries of management as to their knowledge of actual, suspected and alleged fraud; and
- ♦ considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls we:

- ♦ performed analytical procedures to identify any unusual or unexpected relationships;
- ♦ performed substantive testing of expenditure including the authorisation thereof; and
- ♦ tested journal entries to identify unusual transactions.

The Book Trade Charity (BTBS) Independent auditor's report 2023

Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- ♦ reading the minutes of meetings of those charged with governance; and
- ♦ enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of this report

This report is made solely to the charitable company's Trustees, 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 Trustees those matters that 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's and the company's Trustees as a body, for our audit work, or the opinions we have formed.

Catherine Biscoe, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

The Book Trade Charity (BTBS) Statement of financial activities
(including income and expenditure account) for the year ended 31 December 2023

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 2023 £	Total funds 2022 £
Income from:						
Donations and legacies	1	145,126	—	736,438	881,564	198,519
Charitable activities						
. Rental income		540,734	—	—	540,734	553,054
Other trading activities	2	61,886	—	—	61,886	78,810
Investments and interest receivable	3	9,119	—	—	9,119	7,605
Total income		756,865	—	736,438	1,493,303	837,988
Expenditure on:						
Raising funds						
. Publicity and fundraising		59,676	—	—	59,676	52,420
. Fundraising trading						
.. Costs of selling donated goods		10,318	—	—	10,318	11,905
Charitable activities						
. Grants programmes		337,305	—	44,961	382,266	301,544
. Provision of residential accommodation		445,667	204,013	97,317	746,997	634,677
Total expenditure	4	852,966	204,013	142,278	1,199,257	1,000,546
Net income (expenditure) before investment gains and losses		(96,101)	(204,013)	594,160	294,046	(162,558)
Net investment gains (losses)		7,965	—	—	7,965	(44,334)
Net income (expenditure)		(88,136)	(204,013)	594,160	302,011	(206,892)
Transfer between funds		(48,430)	400,926	(352,496)	—	—
Net movement in funds		(136,566)	196,913	241,664	302,011	(206,892)
Reconciliation of funds:						
Fund balances brought forward at 1 January 2023		374,889	8,739,915	91,112	9,205,916	9,412,808
Fund balances carried forward at 31 December 2023		238,323	8,936,828	332,776	9,507,927	9,205,916

All of the charity's activities derived from continuing operations during the above two financial periods.

The charity has no recognised gains or losses other than those shown above.

The notes on pages 34 to 43 form part of these financial statements.

The Book Trade Charity (BTBS) Statement of financial activities
(including income and expenditure account) for the year ended 31 December 2022

	Notes	Unrestricted funds £	Designated funds £	Restricted funds £	Total funds 2022 £
Income from:					
Donations and legacies	1	154,722	—	43,797	198,519
Charitable activities					
. Rental income		553,054	—	—	553,054
Other trading activities	2	78,810	—	—	78,810
Investments and interest receivable	3	7,605	—	—	7,605
Total income		794,191	—	43,797	837,988
Expenditure on:					
Raising funds					
. Publicity and fundraising		52,420	—	—	52,420
. Fundraising trading					
.. Costs of selling donated goods		11,905	—	—	11,905
Charitable activities					
. Grants programmes		251,941	—	49,603	301,544
. Provision of residential accommodation		430,153	184,636	19,888	634,677
. Ola's fundraising		—	—	—	—
Total expenditure	4	746,419	184,636	69,491	1,000,546
Net income (expenditure) before investment gains and losses		47,772	(184,636)	(25,694)	(162,558)
Net investment losses		(44,334)	—	—	(44,334)
Net income (expenditure)		3,438	(184,636)	(25,694)	(206,892)
Transfer between funds		(107,539)	134,733	(27,194)	—
Net movement in funds		(104,101)	(49,903)	(52,888)	(206,892)
Reconciliation of funds:					
Fund balances brought forward at 1 January 2022		478,990	8,789,818	144,000	9,412,808
Fund balances carried forward at 31 December 2022		374,889	8,739,915	91,112	9,205,916

The Book Trade Charity (BTBS) Balance sheet as at 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	9		10,129,224		9,980,741
Investments	10		337,675		321,238
Total fixed assets			10,466,899		10,301,979
Current assets					
Debtors	11	30,406		27,924	
Cash at bank and in hand		317,363		260,856	
Total current assets		347,769		288,780	
Current liabilities					
Creditors: amounts falling due within one year	12	(163,923)		(162,370)	
Net current assets			183,846		126,410
Total assets less current liabilities			10,650,745		10,428,389
Non-current liabilities					
Creditors: amounts falling due outside of one year	13		(1,142,818)		(1,222,473)
Net assets			9,507,927		9,205,916
The funds of the charity					
Unrestricted funds					
Free reserves		238,323		374,889	
Designated funds	14	8,936,828		8,739,915	
Total unrestricted funds			9,175,151		9,114,804
Restricted funds	15		332,776		91,112
Total charity funds			9,507,927		9,205,916

The financial statements were approved and authorised for issue by the Board on


Honorary Treasurer

The notes on pages 34 to 43 form part of these financial statements.

Company number: 06725178 (England and Wales)

The Book Trade Charity (BTBS) Statement of cash flows as at 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities:			
Net cash provided by (used in) operating activities	A	456,788	26,306
Cash flows from investing activities:			
Dividends and interest from investments		9,119	7,605
Purchase of tangible fixed assets		(352,496)	(82,088)
Purchase of investments		(8,472)	(7,022)
Net cash used in investing activities		(351,849)	(81,505)
Cash flows from financing activities			
Movement in borrowing		(48,432)	(52,645)
Change in cash and cash equivalents in the year		56,507	(107,844)
Cash and cash equivalents at 1 January	B	261,092	368,936
Cash and cash equivalents at 31 December	B	317,599	261,092

Notes to the statement of cash flows for the year to 31 December 2023

A Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds (as per the statement of financial activities)	302,011	(206,892)
Adjustments for:		
Depreciation charge	204,013	184,636
(Gains) losses on investments	(7,965)	44,334
Dividends and interest from investments	(9,119)	(7,605)
(Increase) decrease in debtors	(2,482)	2,126
(Decrease) increase in creditors	(29,670)	9,707
Net cash provided by operating activities	456,788	26,306

B Analysis of changes in net debt

	At 1 Jan 2023 £	Cash flows £	Non-cash movements £	At 31 Dec 2023 £
Cash at bank and in hand	260,856	56,507	—	317,363
Cash held by investment managers	236	—	—	236
Total cash and cash equivalents	261,092	56,507	—	317,599
Loans falling due within one year	(18,354)	—	(31,223)	(49,577)
Loans falling due outside of one year	(1,222,473)	—	79,655	(1,142,818)
Total	(979,735)	56,507	48,432	(874,796)

The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2023

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are laid out below.

Basis of preparation

These financial statements have been prepared for the year to 31 December 2023.

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant accounting policies below or the notes to these accounts.

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Critical accounting estimates and areas of judgement

Preparation of the financial statements requires the trustees and management to make significant judgements and estimates.

The items in the financial statements where these judgements and estimates have been made include:

- ♦ estimating the useful economic life of tangible fixed assets;
- ♦ estimating the value of regular grants that had been committed to be disbursed at the year end; and
- ♦ estimating future cash flows for the purpose of assessing going concern (see below).

Assessment of going concern

The trustees have assessed the position of the charity as a going concern in preparing this report and financial statements and have made this assessment in respect to a period of over one and half years from the date of approval of these accounts, based on budgets and cashflow forecasts to December 2025, the forecast reserves position at 31 December 2025 and the expected level of activity during 2024/2025. The charity's net current assets at 31 December 2023 are covered by fixed asset investments which can be converted to cash if necessary.

The trustees assessed key risks in the assumptions to these budgets and cashflow forecasts, including reductions in key revenue streams, increases in costs and fluctuations in interest rates and reviewed the impact that a significant change could have on the forecast to ensure the charity position. Mitigations against these risks were considered and would entail reducing the level of grants offered or the number of beneficiaries supported, re-assessing the criteria for providing housing and increasing the fundraising activity of the charity.

The trustees are aware that the current loan with Natwest is due for refinancing during this period. Options for refinancing are being considered as well as reducing the loan value through the sale of one of our fixed assets. The impact of increased interest rates on the loan have been considered as part of the going concern.

The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2023

Despite the continued interest rate risks, the trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern, and the charity will have sufficient resources to meet its liabilities as they fall due.

Income recognition

All income is included in the statement of financial activities when the charitable company is legally entitled to the income and the amount can be quantified with reasonable certainty. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period. The following specific policies apply to categories of income:

Income is recognised in the period in which the charity has entitlement to the income, the amount of income can be measured reliably and it is probable that the income will be received.

Income comprises donations, investment income and other income including the surplus on the disposal of tangible fixed assets.

Donations are recognised when the charity has confirmation of both the amount and settlement date. In the event of donations pledged but not received, the amount is accrued for where the receipt is considered probable. In the event that a donation is subject to conditions that require a level of performance before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity, and it is probable that those conditions will be fulfilled in the reporting period.

In accordance with the Charities SORP FRS 102 volunteer time is not recognised with a financial value.

Estimating the fair value of donated books and similar items for resale is impractical because of the volume of low-value items received and the absence of detailed stock records. Donated goods for resale are therefore not recognised on receipt and instead the value to the charity of the donated goods sold is recognised as income when sold.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity. 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 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. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash, or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

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

The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2023

Expenditure recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- ◆ Expenditure on raising funds includes all expenditure associated with raising funds for the charity. This includes investment management fees, staff costs associated with fundraising, and an allocation of support costs.
- ◆ Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs in respect on the charity's primary charitable purposes as described in the trustees' report and includes governance costs.

Grants payable are included in the statement of financial activities when approved and when the intended recipient has either received the funds or been informed of the decision to make the grant and has satisfied all performance conditions. Grants approved but not paid at the end of the financial year are accrued. Grants where the beneficiary has not been informed or must fulfil performance conditions before the grant is released are not accrued for but are disclosed as financial commitments in the notes to the accounts.

All expenditure is stated inclusive of irrecoverable VAT.

Allocation of support and governance costs

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect to its compliance with regulation and good practice.

Support costs and governance costs are apportioned as detailed in notes 6 and 7.

Pension costs

The charitable company offers staff contributions towards a pension scheme, established with the Pensions Trust. Contributions to this scheme, and previously existing personal pension schemes are charged to the statement of financial activities in the year in which they become payable. The charity's contributions are restricted to the contributions disclosed in note 8. There were no outstanding contributions at the year end. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions.

Tangible fixed assets and depreciation

Freehold land and buildings are stated at a trustees' valuation made, with professional assistance, in 2010 based on market value for existing use – under the transition provisions of FRS 102 this valuation has been treated as deemed cost. Freehold land and building acquired since then are stated at cost, or where they have been acquired for £nil consideration the fair value at the date of acquisition has been used as deemed cost. All other fixed assets are stated at cost.

The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2023

Tangible fixed assets and depreciation (continued)

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:

Fixtures and fittings	-	between 10% and 20% straight line
Motor vehicles	-	20% straight line
Freehold buildings	-	between 2% and 5% straight line

The charitable company has a policy of capitalising assets which cost more than £1,000.

Freehold land is not depreciated.

Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a tangible fixed asset are capitalised as part of the cost of that asset and depreciated in line with estimated useful life of the associated asset.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The charity does not acquire put options, derivatives or other complex financial instruments.

Realised gains (or losses) on investment assets are calculated as the difference between disposal proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value of investments at the year end and their carrying value at that date. Realised and unrealised investment gains (or losses) are combined in the statement of financial activities and are credited (or debited) in the year in which they arise.

Debtors

Debtors are recognised at the settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt.

Fund accounting

Funds held by the charity are:

Unrestricted funds	-	these are funds which can be used in accordance with the charitable company's objects, at the discretion of the Board.
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The Book Trade Charity (BTBS) Principal Accounting Policies

Year ended 31 December 2023

Fund accounting (continued)

Designated funds – these are unrestricted funds set aside by the Board for specific purposes.

Restricted funds – these are funds that can only be used for particular restricted purposes, within the objects of the charitable company. Restrictions arise when specified by the donor or implied by the terms of an appeal.

Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the term of the lease.

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2023

1. Donations and legacies

	Unrestricted £	Designated £	Restricted £	2023 £	2022 £
Legacies	500	—	—	500	25,000
Donations and appeals					
• Donations	144,626	—	716,040	860,666	129,916
• Cost of Living Appeal	—	—	20,398	20,398	43,603
Total 2023 funds	145,126	—	736,438	881,564	198,519

	Unrestricted £	Designated £	Restricted £	2022 £
Legacies	25,000	—	—	25,000
Donations and appeals				
• Donations	129,722	—	194	129,916
• Cost of Living Appeal	—	—	43,603	43,603
Total 2022 funds	154,722	—	43,797	198,519

2. Other trading activities

	Unrestricted £	Restricted £	2023 £	2022 £
Marathon donations	5,896	—	5,896	11,569
Events/collections	7,370	—	7,370	11,391
Sales of donated goods	48,620	—	48,620	55,850
Total 2023 funds	61,886	—	61,886	78,810

	Unrestricted £	Restricted £	2022 £
Marathon donations	11,569	—	11,569
Events/collections	11,391	—	11,391
Sales of donated goods	55,850	—	55,850
Total 2022 funds	78,810	—	78,810

The Book Trade Charity (BTBS) Notes to the financial statements
Year ended 31 December 2023

3. Investment income

	Unrestricted £	Restricted £	2023 £	2022 £
Listed investments	9,119	—	9,119	7,605
Total 2023 funds	9,119	—	9,119	7,605

	Unrestricted £	Restricted £	2022 £
Listed investments	7,605	—	7,605
Total 2022 funds	7,605	—	7,605

4. Expenditure

	Direct costs £	Support costs (note 6) £	Total funds 2023 £	Total funds 2022 £
Raising funds				
· Publicity and fundraising	12,213	47,463	59,676	52,420
· Fundraising				
.. Costs of selling donated goods	10,318	—	10,318	11,905
Charitable activities				
· Grants programmes (note 5)	318,461	63,805	382,266	301,544
· Provision of residential accommodation	674,048	72,949	746,997	634,677
	1,015,040	184,217	1,199,257	1,000,546

	Direct costs £	Support costs (note 6) £	Total funds 2022 £
Raising funds			
· Publicity and fundraising	8,884	43,536	52,420
· Fundraising			
.. Costs of selling donated goods	11,905	—	11,905
Charitable activities			
· Grants programmes (note 5)	249,955	51,589	301,544
· Provision of residential accommodation	573,689	60,988	634,677
	844,433	156,113	1,000,546

The Book Trade Charity (BTBS) Notes to the financial statements
Year ended 31 December 2023

4. Expenditure (continued)

Included in expenditure are:

- Staff costs amounting to £204,804 (2022: £194,834)
- Payments under operating leases for equipment amounting to £15,835 (2022: £2,215)
- A charge for depreciation amounting to £204,013 (2022: £184,636)
- Fee paid to the auditor in respect of the statutory audit amounting to £11,500 (2022: £9,240) excl. of VAT

Trustees' indemnity insurance is provided by the charitable company's insurers at no additional cost to the charitable company.

5. Grants payable

Included within grants programmes expenditure are the following grants:

	2023 £	2022 £
Individuals		
· The welfare of people in financial need	264,064	177,243
· Medical costs of beneficiaries	2,690	2,810
· Support to people in training, retraining and education	15,119	20,176
Institutions		
· MHCT	34,588	17,726
Restricted grants		
· COVID-19 Hardship fund	2,000	32,000
	318,461	249,955

Grants were awarded to 158 beneficiaries (2022: 151) individuals. Grants were awarded to the following institutions: Bound by Veterans, New Writing North and Southam Book Festival. Included within the welfare of people in financial need is a £25,000 increase to year end accruals in respect of regular grants (2022: £nil).

6. Support costs allocation

	Office staff £	Chief executive £	Travel, training, etc £	Office expenses £	Govern- ance (note 7) £	Bank charges £	Total 2023 £	Total 2022 £
Raising funds								
.. Publicity and fundraising	7,270	31,103	1,657	6,868	—	565	47,463	43,535
Charitable expenditure								
· Grants programmes	8,720	36,287	320	4,444	13,469	565	63,805	51,590
· Provision of residential accommodation	13,081	36,287	5,110	4,437	13,469	565	72,949	60,988
	29,071	103,677	7,087	15,749	26,938	1,695	184,217	156,113

	Office staff £	Chief executive £	Travel, training, etc £	Office expenses £	Govern- ance (note 7) £	Bank charges £	Total 2022 £
Raising funds							
.. Publicity and fundraising	6,428	29,243	1,542	5,736	—	586	43,535
Charitable expenditure							
· Grants programmes	7,713	34,118	108	3,566	5,500	585	51,590
· Provision of residential accommodation	11,570	34,117	5,655	3,560	5,500	586	60,988
	25,711	97,478	7,305	12,862	11,000	1,757	156,113

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2023

6. Support costs allocation (continued)

Cost allocation includes an element of judgement and the charitable company has had to consider the cost/benefit of detailed calculations and record keeping.

Basis for support costs allocation:

- Office staff, estimated time spent on activities.
- Travel, allocated according to usage.
- Office expenses, allocated according to usage of resources.
- Governance costs, specifically incurred professional fees are allocated directly to the relevant activity and other fees are allocated equally between the charitable activities.
- Bank charges, allocated according to usage of resources.

7. Governance

	2023 £	2022 £
Legal and professional	11,717	1,500
Audit and accountancy fees	15,220	9,500
Bank charges	1,699	1,757
	28,636	12,757

8. Staff costs and remuneration of key management personnel

	2023 £	2022 £
Wages and salaries	178,102	169,209
Social security costs	14,486	13,605
Pension costs	12,216	12,020
	204,804	194,834

The average number of employees during the year, analysed by function, was as follows:

	2023 £	2022 £
Estate management	2.0	2.0
Support	2.0	2.0
	4.0	4.0

One employee received remuneration of between £80,001 and £90,000 in 2023 (2022: One employee received remuneration of between £80,001 and £90,000). Contributions amounting to £5,141 (2022: £4,920) were paid to a personal pension scheme for that employee.

The key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day-to-day basis comprise the trustees and the senior management team. The total remuneration (including taxable benefits and employer's pension contributions) of the key management personnel for the year was £103,677 (2022: £97,521). Trustees are not remunerated. During 2023 no amounts were paid on behalf of/reimbursed to trustees for travel costs (2022: £nil).

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2023

9. Fixed assets

	Freehold property £	Fixtures and fittings £	Motor vehicles £	IT Equipment £	Bookbinders Development £	Total £
Cost						
At 1 January 2023	7,939,921	61,060	16,800	6,505	3,112,901	11,137,187
Additions	250,112	102,384	—	—	—	352,496
At 31 December 2023	8,190,033	163,444	16,800	6,505	3,112,901	11,489,683
Depreciation						
At 1 January 2023	962,391	11,800	10,080	2,602	169,573	1,156,446
Charge for the year	98,221	16,344	3,360	1,301	84,787	204,013
At 31 December 2023	1,060,612	28,144	13,440	3,903	254,360	1,360,459
Net book value						
At 31 December 2023	7,129,421	135,300	3,360	2,602	2,858,541	10,129,224
At 31 December 2022	6,977,530	49,260	6,720	3,903	2,943,328	9,980,741

Included in freehold property is land £4,025,967 (2022: £4,025,967) which is not depreciated.

The freehold property is entirely occupied by the charitable company for its own activities.

10. Investments

	2023 £	2022 £
Listed investments		
Market value at 1 January 2023	321,002	358,314
Additions at cost	8,472	7,022
Unrealised investment gains (losses)	7,965	(44,334)
Market value at 31 December 2023	337,439	321,002
Cash held by investment managers for reinvestment	236	236
	337,675	321,238
Historical cost of listed investments at 31 December 2023	295,546	287,072

At 31 December 2023, the following investment holding was material.

	2023 £
Rathbone Core Investment Fund For Charities	337,441

At 31 December 2022, the following investment holding was material.

	2022 £
Rathbone Core Investment Fund For Charities	321,002

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2023

10. Investments (continued)

Listed investments held at 31 December 2023 comprise the following:

	2023 £	2022 £
Alternative	337,441	321,002
	<u>337,441</u>	<u>321,002</u>

11. Debtors

	2023 £	2022 £
Trade debtors	12,521	12,426
Prepayments and accrued income	17,885	15,498
	<u>30,406</u>	<u>27,924</u>

12. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	10,647	70,844
VAT and payroll taxes	7,477	4,668
Accruals and deferred income	96,222	68,504
Bank loans	49,577	18,354
	<u>163,923</u>	<u>162,370</u>

Accruals include £75,000 (2022: £50,000) in respect of grant commitments, in accordance with the accounting policy.

13. Creditors: amounts falling due outside of one year

	2023 £	2022 £
Bank loan	1,142,818	1,222,473

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2023

13. Creditors: amounts falling due outside of one year (continued)

The bank loan may be analysed:

	2023 £	2022 £
Due within one year	49,577	18,354
Due between one and two years	1,142,818	19,583
Due between three and five years	—	1,202,890
	<u>1,192,395</u>	<u>1,240,827</u>

The bank loan is repayable in monthly instalments of £10,523 (inclusive of interest) and bears interest at 3% over base rate. Capital repayments commenced in November 2021. The facility is for a period of 60 months, dated from October 2020 when the first drawdown took place, the current facility therefore expires in October 2025. The total agreed facility is £1,400,000 of which £1,192,395 has been drawn down at the balance sheet date.

The loan has been secured by way of a fixed charge over the charitable company's freehold property.

14. Designated funds

	At 1 January 2023 £	New designations £	Utilised/ released £	Transfers £	At 31 December 2023 £
Tangible Fixed Assets Fund	8,739,915	—	(204,013)	400,926	8,936,828
	<u>8,739,915</u>	<u>—</u>	<u>(204,013)</u>	<u>400,926</u>	<u>8,936,828</u>

The tangible fixed assets fund represents the amount of funds locked up in fixed assets which are needed for operational purposes, less the outstanding value of bank loans secured against the properties of the charity. Depreciation of fixed assets released from the designated fund annually.

Transfers from the fund in the year represent the movement in the drawn down loan facility (transfer in from general funds of £48,430) and capital additions in the year (transfer in restricted funds of £352,496).

	At 1 January 2022 £	New designations £	Utilised/ released £	Transfers £	At 31 December 2022 £
Tangible Fixed Assets Fund	8,789,818	—	(184,636)	134,733	8,739,915
	<u>8,789,818</u>	<u>—</u>	<u>(184,636)</u>	<u>134,733</u>	<u>8,739,915</u>

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2023

15. Restricted funds

	At 1 January 2023 £	Income £	Expenditure £	Transfers £	At 31 December 2023 £
Ernest Hecht Fund	138,000	—	(24,563)	—	113,437
Cost of Living appeal	—	20,398	(20,398)	—	—
Unwin Charitable Trust Fund	(46,888)	716,040	(97,317)	(352,496)	219,339
	91,112	736,438	(142,278)	(352,496)	332,776

The Ernest Hecht Fund was set up in 2020, this fund provides a bursary scheme for young people entering the trade from diverse and/or financially disadvantaged backgrounds

The Cost-of-Living appeal was launched in 2022 with the intention of raising and disbursing funds in support of the core grant programme of the Charity during a period of particular financial hardship for beneficiaries

The Unwin Charitable Trust Fund is to be utilised with respect to improvement works to the property of the Charity with a particular focus on energy efficiency. Costs on the project work began to be incurred in 2022. Attributable repairs costs are shown as expenditure against the Unwin Charitable Trust Fund and amounts capitalised shown as transfers from the Unwin Charitable Trust Fund to the designated capital fund. The Charity had received confirmation of entitlement to grant funding of £123,000 in January 2023 for the first phase of works. Associated eligible costs began to be incurred in the year ended 31 December 2022, hence a deficit fund balance at that date.

The capital appeal fund relates to funds received for capital projects, the transfer to designated funds arising from capital additions during the year.

	At 1 January 2022 £	Income £	Expenditure £	Transfers £	At 31 December 2022 £
Ernest Hecht Fund	144,000	—	(6,000)	—	138,000
Cost of Living appeal	—	43,603	(43,603)	—	—
Capital appeal	—	194	—	(194)	—
Unwin Charitable Trust Fund	—	—	(19,888)	(27,000)	(46,888)
	144,000	43,797	(69,491)	(27,194)	91,112

The Book Trade Charity (BTBS) Notes to the financial statements

Year ended 31 December 2023

16. Analysis of net assets between funds

	Unrestricted fund	Designated funds £	Restricted funds £	Total funds 2023 £
Fixed assets	337,675	10,129,224	—	10,466,899
Current assets	14,993	—	332,776	347,769
Current liabilities	(114,345)	(49,578)	—	(163,923)
Non-current liabilities	—	(1,142,818)	—	(1,142,818)
	238,323	8,936,828	332,776	9,507,927

	Unrestricted fund	Designated funds £	Restricted funds £	Total funds 2022 £
Fixed assets	321,238	9,980,741	—	10,301,979
Current assets	197,668	—	91,112	288,780
Current liabilities	(144,017)	(18,353)	—	(162,370)
Non-current liabilities	—	(1,222,473)	—	(1,222,473)
	374,889	8,739,915	91,112	9,205,916

17. Volunteers

- Volunteers constitute the Board of trustees, with co-options to the committees and, recognition given to their contribution to the charity's achievements and developments during the year, without which the charity would not be able to achieve all that it does to relieve need. The support of the President and the honorary Treasurer is particularly significant
- Book trade colleagues who help to collect books for book sales at The Retreat and at London Book Fair and who support our book sales throughout the year.
- The Retreat residents and friends who organise social occasions and outings, and volunteer Graham Hogben drives the minibus for the weekly supermarket trips, and other occasional outings.

18. Contingent asset

The Trustees of Old Possum's Practical Trust have agreed to donate £10,000 to the charitable company annually, as long as the Trust's funds permit. No debtors have been recognised in the financial statements in respect of future donations as it is not possible to determine how long the Trust will continue to donate to the charitable company.

The Book Trade Charity (BTBS) Notes to the financial statements
Year ended 31 December 2023

19. Lease commitments

At 31 December 2023, the charity had the following future minimum commitments in respect to non-cancellable operating:

	Equipment	
	2023 £	2022 £
Within one year	3,098	2,215
Within two and five years	11,669	—
More than five years	1,068	—
	15,835	2,215

20. Capital commitments

As at 31 December 2023, the charitable company had contracted for capital commitments amounting to £nil (2022: £nil).

21. Control

The charitable company is controlled by the members who are the trustees of the charitable company.

22. Related party transactions

During the year, the following transactions took place at arm's length between the charity and its related parties: £72,533 (2022: £93,650) was received as donations from various organisations in which some trustees are involved and in donations from trustees as individuals.

The charity also entered in to purchases of goods and services on standard commercial terms totalling £342 from the Booksellers Association of United Kingdom & Ireland Ltd. A trustee of the charity, Meryl Halls, is also a director of the Booksellers Association of United Kingdom & Ireland Ltd.



WATCH OUR NEW VIDEO AT WWW.BTBS.ORG

To apply for a grant or to find out more about our housing please call Glenda on 01923 263128
or visit our website for further details.

original artwork by Hannah Leach



Photo credit: Winter at The Retreat - Eric Goldsworthy (resident)

OUR PEOPLE

PRESIDENT

Isobel Dixon

PATRONS

Nigel Batt
Kip Bertram
Edwin Buckhalter
John Elsley
Trevor Hing
Bill Samuel
Timothy Wright

AMBASSADORS

Andrew Franklin
Ian Hudson
Ursula Mackenzie
John Seaton
David Shelley
David Young

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EC2V 6DL

BANKERS

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SOLICITORS

Sherrards LLP, 4 Beaconsfield Road, St Albans,
Hertfordshire, AL1 3RD

INVESTMENT
ADVISERS

Rathbone Investment Management, 8 Finsbury
Circus, London, EC2M 7A2

STAFF

Chief Executive: Victoria Perry
Operations Manager: Glenda Barnard
Finance & Admin Manager (p/t): Nicki Cattle
Special Projects (p/t): Keith Foster

BOARD OF TRUSTEES

Chair: Jonathan Nowell (until 13.11.2023)
Chair: Ian Chapman (from 13.11.2023)
Vice Chair: Ann Woodhall
Honorary Treasurer: Emily-jane Taylor

TRUSTEES AND
BOARD MEMBERS

Jeremy Brinton
Elise Burns
Meryl Halls
Kate McFarlan
David Neale
Jasmine Richards
Samantha Smith
Gemma Woodward

COMPANY
SECRETARY

Victoria Perry

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HOW YOU CAN HELP

To boost our cost-of-living appeal to fund our vital, core grants programme please scan the QR code above with your phone - thank you for your help!

We welcome support of all kinds - please contact Vic at victoria@btbs.org to discuss how you can make a difference or visit www.btbs.org to learn more.





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Registered company number: 06725178 | Registered charity number: 1128129