



Folio Prize Trustees' Annual Report 2021

The annual cycle of the Prize was from June to March, when the award is made. This report covers the calendar year 2021, to coincide with our accounting period; as well as addressing the principles and organisation of the Prize, it describes the following specific activity that took place during the year:

2021 Operations

2021 Prize

- Deciding the shortlist
- Shortlist announcement
- 2021 Rathbones Folio Sessions
- Deciding the winner
- Award ceremony (online)

2021 Mentorships

- Selecting mentors
- Launching mentorships for 2021/22

1. Aim

i. Overall objectives

The Rathbones Folio Prize was the first major English language book prize open to writers from around the world. By the end of 2016 it had decided to expand its aim: to celebrate the best work of literature (now including non-fiction), regardless of form or genre, and to bring it to the attention of as many readers as possible. The 2021 prize was the fifth to operate under these new parameters.

Two distinctive qualities define the Prize. First, it is a global prize for literature written in English; any work of fiction, non-fiction or poetry published in the UK in a given year is eligible, regardless of the author's country of origin. Second, the process by which books are selected, considered and finally rewarded is governed by an Academy of writers and critics, who are independent from the founders, sponsors and administrators of the Prize.

The Prize has been designed in this way to allow a breadth of writing and opinion to be represented, while encouraging a consistent focus on excellence.

The Prize aims to promote reading and an appreciation of literature for the public benefit by selecting and raising the profile of the very best works of fiction and non-fiction published each year. Through its events ('sessions'), website and other media, it seeks to engage readers and writers throughout the English-speaking world in cultural debate, and in the celebration, sustainment and furtherance of the art of literature.

2. Governance

i. The Literature Prize Foundation

The Folio Prize is managed by the Literature Prize Foundation which is a charity registered in the jurisdiction of England and Wales (charity number 1151069). The charity is also informally known as the Folio Academy Foundation.

The Foundation is a body that incorporates the original vision and founding principles of the Prize, whose co-founders are Andrew Kidd and Kate Harvey. In 2021, day-to-day operations were overseen by Minna Fry, consultant Executive Director, and Asima Qayyum, consultant Administrator, with the mentorships overseen by Ralf Webb.

The Foundation is governed by a board of trustees who meet at least twice a year to review the operational, financial and commercial performance of the Prize and to ensure it is fulfilling its duty of public benefit.

The Foundation alone has the right to engage staff, either permanent or temporary, to engage contractors for the provision of services, and to enter into any legal contracts on behalf of the Prize. All payments for goods or services are made through the Foundation.

All decisions relating to the activities and conduct of the Foundation are made by its trustees.

The Foundation works closely with the Sponsor to ensure the harmonious and productive operation of the Prize. It is in the Foundation's gift to determine the Sponsor, except where an existing Sponsor is exercising its option to renew.

ii. The Board

The trustees re:

Cecily Engle (legal advisor)

Natasha Fairweather (joined 2017)

Kate Harvey (prize co-founder)

Andrew Kidd (prize co-founder and Chair)

Amy Lashinsky

Jonathan Levy (Treasurer)

Suzy Lucas

Tanya Seghatchian

Sandra Taylor

iii. The Administration

The Administration manages the day-to-day running of the Prize. It included two freelance consultants: Minna Fry, the Executive Director, and Asima Qayyum, Prize Administrator. Together, their job it is to facilitate communication between all the parties above, to engage with contractors and to otherwise ensure that tasks are correctly assigned and accomplished. The Development Director and Prize Administrator report to the Board of the Foundation.

3. Finances

See separate reporting

4. Sponsorship

i. Principal sponsor

In December 2019 a renewed sponsorship agreement was signed with Rathbone Investment Management PLC, with a three year commitment, running through 2022.

ii. Additional sponsors

Further contributions in 2021 were secured from a generous grant from the Esmée Fairbairn Foundation and Amazon Literary Partnership.

5. Academy

The Folio Academy is a group of individuals drawn from the world of books who have demonstrated a commitment to excellence in fiction. The great majority are writers themselves, and the remainder are literary critics. Many have strong connections to the UK, as the home of the Prize, but a large component is international.

The Academy plays a critical role in selecting titles to be considered by the Prize judges, who are drawn from its number. They are also invited to take part in events and campaigns to promote the prize and help fulfill its aims.

Academy members are nominated by the Foundation. Invitations are issued by the Foundation and the Executive Director. Existing Academy members are also able to suggest names to the Foundation.

There is no fixed size for the Academy. At the launch of the Prize, its membership was in excess of one hundred and has since more than tripled in size – at the time of

writing there are 315 members. As the prize evolves, its membership will grow organically, just as members may resign at any time.

Members for whom there is a perceived conflict of interest in any given year can recuse themselves from taking part in the nomination or judging process

6. Award of the 2021 Prize

The award process consists of three distinct parts.

- i. Judges are selected from the Academy.
- ii. 60 books are nominated by the Academy for consideration by the judges. An additional 20 books are called in by the judges once they have considered recommendations made by publishers, who are invited to write in on behalf of five titles per imprint.
- iii. The judges read the 80 books and produce a shortlist of eight, from which they choose a winner, who receives a cheque for £30,000

Details of parts one and two are recorded in our 2014 Trustees' Report. The rest of this section will address the process by which the shortlist and winner were decided.

i. Shortlist and winner

The judges Roger Robinson (chair), Sinéad Gleeson and Jon McGregor had 80 titles to consider. The prize administration was deliberately non-prescriptive, stating simply that each judge was expected to read all 80 books and to consider the texts before them purely on their own merit.

In early January 2021, the judges met to decide on a longlist of 20 books.

In February 2021, the judges met to decide on a shortlist of 8 books, which was announced online on 10 February 2021.

On 15 March, the judges met via Zoom to decide on a winner.

Throughout the process the three judges stuck with great commitment and alacrity to their brief: namely to disregard an author's nationality, ethnicity, gender or life story and to concentrate solely on the quality of the books in question. The freedom afforded them by the prize allowed them to shape the judging process as they saw fit, leading to a rigorous and fair debate.

7. 2021 Events

i. Shortlist announcement

As Covid-19 restrictions continued to prevent public gatherings, the shortlist was announced online on 10 February 2021.

The shortlist was:

- Sara Baume: *handiwork*
- Amina Cain: *Indelicacy*
- Elaine Feeney: *As You Were*
- Caleb Femi: *Poor*
- Rachel Long: *My Darling from the Lions*
- Carmen Maria Machado: *In the Dream House*
- Doireann Ní Ghríofa: *A Ghost in the Throat*
- Monique Roffey: *The Mermaid of Black Conch*

News of the shortlist was picked up across media in the English-speaking world.

ii. *The Award Ceremony*

On Wednesday 24 March, in lieu of a live Award Ceremony, the winner of the Prize was announced in a live, ‘virtual ceremony’, hosted by the British Library and produced in partnership with Fane Productions, with Razia Iqbal presenting.

Carmen Maria Machado was the recipient of the 2021 Rathbones Folio Prize of £30,000 for her book *In the Dream House*.

The prize win was widely covered in media, in the UK and abroad.

iii. *Festivals*

Due to the pandemic, all in person festivals scheduled for the first half of the year remained cancelled. In August 2021 Folio Sessions were revived with an event at the Edinburgh Book Festival, featuring Carmen Maria Machado, and in October 2021 at the Cheltenham Literature Festival, featuring Sebastian Faulks.

8. Partnerships

i. *The British Library*

Since the launch of the prize in its original incarnation, in March 2013, the prize's partnership with one of the world's most renowned literary institutions has been key part of its identity. That relationship continues to deepen and grow year on year.

ii. *First Story*

In March 2017 a new partnership with the literary charity, First Story, was announced. First Story, founded by former teacher Katie Waldegrave and the writer William Fiennes, brings talented professional writers into over 80 secondary schools serving low-income communities to work with teachers and students to foster creativity and communication skills. The new initiative was to be known as the Rathbones Folio Mentorships, and 2020-1 marked the fourth year of the scheme.

iii. UEA

2021 marked the second year of a partnership with the University of East Anglia, in which the winner or a shortlisted author from the previous year is offered a Rathbones Folio/UEA Fellowship to present a series of workshops and lectures to UEA creative writing students. The fellowship was suspended in 2021 due to the pandemic, with plans to revive it (which proved successful) in 2022.

9. The Rathbones Folio Mentorships

In July 2021, the mentees for fourth year of the scheme read the work in an online Showcase, held in partnership with First Story and hosted by Arvon. The mentors were Folio Academy members Raymond Antrobus, Paul Farley, Rachel Long and Kathryn Maris.

In September 2021, the fifth incarnation of the Rathbones Folio Mentorships was launched. With additional funding, the scheme was for the first time expanded from four to six, as six of the "most outstanding" First Story students were selected via an application process to be paired with a member of the Folio Academy for one-on-one guidance on a writing project over the course of a school year. The mentors were Folio Academy members Caleb Azumah Nelson, Chloe Aridjis, Fiona Benson, Stephanie Cross, Will Eaves, and Will Harris.

The scheme, which has been widely praised, was further supported by a grant from the Esmée Fairbairn Foundation and Amazon Literary Partnership.

10. Outcomes

A fifth successful year for the Prize in partnership with its sponsor Rathbones, the expansion of the Rathbones Folio Mentorships and the critically acclaimed airing of a 'virtual prize ceremony' hosted by Razia Iqbal.

The Foundation's aim – to promote reading and an appreciation of literature for the public benefit by selecting and raising the profile of the very best works of fiction and non-fiction published each year, as well as to generate conversation about and around the ideas that writing, and writers, create – was further enhanced throughout the year.

11. Future aims

Despite the challenges presented by the pandemic, the Foundation resolved that 2021 should continue to be a year of further growth, as it explored ways to expand the remit of existing initiatives while constantly enhancing the profile of the Prize. This included the expansion of the mentorships and the ongoing engagement of the PR agency, FMcM (who were deeply involved with the Prize in its first incarnation).

12. Summary

From its inception, the Folio Prize built a strong reputation for independence, integrity and a truly collegiate approach, becoming a unique and energetic forum for great writers of fiction to talk about and celebrate their art.

That new path was further realised over the course of 2021, and solidified, as the Prize and Foundation further established itself as a dynamic and innovative literary charity, underpinned by a belief that great books, and the ideas that underpin them, have the capacity to change lives.

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021
FOR
THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

Sheppards
Chartered Accountants
Suite A, 2nd Floor
Kennedy House
31 Stamford Street
Altrincham
Cheshire
WA14 1ES

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 8
Detailed Statement of Financial Activities	9

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021**

The trustees present their report with the financial statements of the charity for the year ended 31st December 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The aim of the charity is to bring great writing and an enthusiasm for reading to the public. In addition to administering the Folio Prize, it will work to connect readers with fiction from around the world, through schools, libraries, book retailers, universities, the media, public events, and its own website.

The Folio Prize is the first major English language book prize open to writers from around the world. Its aim is simple: to celebrate the best fiction of our time, regardless of form or genre, and to bring it to the attention of as many readers as possible.

Through The Folio Prize Academy, an international group of people who write, review and delight in books, it will discover and promote excellence in writing, encouraging people to put great literature at the centre of their lives.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a constitution, and is a Charitable Incorporated Organisation.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1151069

Principal address

45 Linden Avenue
London
NW10 5RA

Trustees

A Kidd
Ms L Calder
Ms C Engle
Ms K Harvey
J Levy
S Page
Ms T Seghatchian
Ms A Lashinsky
Ms S Lucas

Independent Examiner

Charles Levine BA FCA
Sheppards
Chartered Accountants
Suite A, 2nd Floor
Kennedy House
31 Stamford Street
Altrincham
Cheshire
WA14 1ES

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31ST DECEMBER 2021**

Approved by order of the board of trustees on 4th January 2023 and signed on its behalf by:

A handwritten signature in blue ink, appearing to be 'A Kidd', written over a horizontal line.

A Kidd - Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE LITERATURE PRIZE FOUNDATION**

Independent examiner's report to the trustees of The Literature Prize Foundation

I report to the charity trustees on my examination of the accounts of The Literature Prize Foundation (the Trust) for the year ended 31st December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Charles Levine BA FCA
Sheppards
Chartered Accountants
Suite A, 2nd Floor
Kennedy House
31 Stamford Street
Altrincham
Cheshire
WA14 1ES

4th January 2023

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2021**

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies		<u>220,000</u>	<u>8,500</u>	<u>228,500</u>	<u>207,775</u>
EXPENDITURE ON					
Raising funds		-	-	-	7,800
Charitable activities					
Events and activities		148,711	18,578	167,289	179,886
Governance costs		<u>1,416</u>	<u>-</u>	<u>1,416</u>	<u>1,500</u>
Total		<u>150,127</u>	<u>18,578</u>	<u>168,705</u>	<u>189,186</u>
NET INCOME/(EXPENDITURE)		69,873	(10,078)	59,795	18,589
Transfers between funds	6	<u>(10,078)</u>	<u>10,078</u>	<u>-</u>	<u>-</u>
Net movement in funds		59,795	-	59,795	18,589
RECONCILIATION OF FUNDS					
Total funds brought forward		47,281	-	47,281	28,692
TOTAL FUNDS CARRIED FORWARD		<u><u>107,076</u></u>	<u><u>-</u></u>	<u><u>107,076</u></u>	<u><u>47,281</u></u>

The notes form part of these financial statements

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**BALANCE SHEET
31ST DECEMBER 2021**

	Notes	2021 £	2020 £
CURRENT ASSETS			
Debtors	3	170	170
Cash at bank		112,506	57,911
		<u>112,676</u>	<u>58,081</u>
 CREDITORS			
Amounts falling due within one year	4	(5,600)	(10,800)
		<u>107,076</u>	<u>47,281</u>
 NET CURRENT ASSETS			
		<u>107,076</u>	<u>47,281</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>107,076</u>	<u>47,281</u>
 NET ASSETS			
		<u>107,076</u>	<u>47,281</u>
 FUNDS	6		
Unrestricted funds		107,076	47,281
		<u>107,076</u>	<u>47,281</u>
 TOTAL FUNDS			
		<u>107,076</u>	<u>47,281</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 4th January 2023 and were signed on its behalf by:



A Kidd - Trustee

The notes form part of these financial statements

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

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

2. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st December 2021 nor for the year ended 31st December 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st December 2021 nor for the year ended 31st December 2020.

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

3. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	170	170
	<u>170</u>	<u>170</u>

4. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other creditors	5,600	10,800
	<u>5,600</u>	<u>10,800</u>

5. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
Current assets	112,676	-	112,676	58,081
Current liabilities	(5,600)	-	(5,600)	(10,800)
	<u>107,076</u>	<u>-</u>	<u>107,076</u>	<u>47,281</u>

6. MOVEMENT IN FUNDS

	At 1/1/21 £	Net movement in funds £	Transfers between funds £	At 31/12/21 £
Unrestricted funds				
General fund	47,281	69,873	(10,078)	107,076
Restricted funds				
Restricted fund	-	(10,078)	10,078	-
TOTAL FUNDS	<u>47,281</u>	<u>59,795</u>	<u>-</u>	<u>107,076</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	220,000	(150,127)	69,873
Restricted funds			
Restricted fund	8,500	(18,578)	(10,078)
TOTAL FUNDS	<u>228,500</u>	<u>(168,705)</u>	<u>59,795</u>

**THE LITERATURE PRIZE FOUNDATION
KNOWN AS THE RATHBONES FOLIO PRIZE**

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2021**

6. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1/1/20 £	Net movement in funds £	Transfers between funds £	At 31/12/20 £
Unrestricted funds				
General fund	24,139	26,669	(3,527)	47,281
Restricted funds				
Restricted fund	4,553	(8,080)	3,527	-
TOTAL FUNDS	<u>28,692</u>	<u>18,589</u>	<u>-</u>	<u>47,281</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	193,099	(166,430)	26,669
Restricted funds			
Restricted fund	14,676	(22,756)	(8,080)
TOTAL FUNDS	<u>207,775</u>	<u>(189,186)</u>	<u>18,589</u>

7. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31st December 2021.

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
THE LITERATURE PRIZE FOUNDATION**

Independent examiner's report to the trustees of The Literature Prize Foundation

I report to the charity trustees on my examination of the accounts of The Literature Prize Foundation (the Trust) for the year ended 31st December 2021.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.

Charles Levine BA FCA
Sheppards
Chartered Accountants
Suite A, 2nd Floor
Kennedy House
31 Stamford Street
Altrincham
Cheshire
WA14 1ES

4th January 2023