

THE TOM-GALLON AWARD
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE
YEAR ENDED 31 DECEMBER 2022

CHARITY No. 212405

THE TOM-GALLON AWARD

Charity Information

Trustees	The Management Committee of The Society of Authors
Charity Number	212405
Charity Offices	c/o The Society of Authors 24 Bedford Row London WC1R 4EH
Independent Examiner	Simon Goodridge FCA Knox Cropper LLP Chartered Accountants 65 Leadenhall Street London EC3A 2AD
Bankers	HSBC The Peak 333 Vauxhall Bridge Road Victoria London SW1V 1EJ
Investment Managers	abrdn 280 Bishopsgate London EC2M 4AG

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REPORT OF THE TRUSTEES OF THE TOM-GALLON AWARD YEAR ENDED 31 DECEMBER 2022

The Trustees present their report and financial statements for the year ended 31st December 2022. The Trustees have adopted the provisions of the 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) (second edition effective 1 January 2019).

Trustees

The Management Committee of the Society of Authors is the permanent Trustee of the charity (the "Trustees") and have acted throughout the year.

Investment powers and Risk Management

The Trust Deed authorises the Trustees to make and hold investments using the Capital Funds of the charity. These are shown in detail in the notes to the financial statements. The principal area of risk concerns the management of the investments, the income from which provides the principal source of funds from which the awards are paid. The investments are therefore kept under constant review by the investment managers.

Constitution, objects and policies

The Tom-Gallon Award was constituted under the will of the late Helen Kate Gallon in 1943 in memory of her brother. The policy is to provide an annual short story award.

Public Benefit

In reviewing the charity's aims and objectives and in planning future activities, the Trustees refer to the Charity Commission's general guidance on public benefit.

Reserves Policy

The Trustees policy is to operate on the basis of being able to continue to generate sufficient incoming resources to use towards meeting their charitable objectives and to accord with their principal terms. The Trustees are of the opinion that the funds remain sufficient to enable them to continue this ongoing objective. The charity has sufficient but not excessive funds to service its objective of making future charitable distributions.

Financial Review

The results for the year ended 31st December 2022 are attached and show a Net Movement in funds of £17,527 surplus (2021: £2,060 deficit) before investment losses of £3,092 (2021: £1,973 gains). The charitable awards made this year, amounted to £1,575 (2021: £1,575). The investments appear in the Balance Sheet at their market value of £17,284 (2021: £24,876). The Funds carried forward at 31st December 2022 stand at £41,242 (2021: £26,807) including Restricted Funds totalling £21,417 (2021: £nil) and the Trustees consider that the charity has sufficient income and capital to meet its obligations in the foreseeable future.

REPORT OF THE TRUSTEES OF THE TOM-GALLON AWARD YEAR ENDED 31 DECEMBER 2022

Statement of Trustees' Responsibilities

The Trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

The law applicable to charities in England and Wales, the Charities Act 2011, requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its incoming resources and application of resources for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and the principles of the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue to operate.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the board of Trustees on 18 May 2023 and signed on their behalf by:

A handwritten signature in dark ink, appearing to be 'Joanne Harris', written over a light blue horizontal line.

Joanne Harris – Chair of the Management Committee, The Society of Authors

THE TOM-GALLON AWARD

YEAR ENDED 31st DECEMBER 2022

Independent Examiner's Report to the Trustees of The Tom-Gallon Award

I report to the Trustees on my examination of the accounts of The Tom-Gallon Award for the year ended 31st December 2022.

Responsibilities and basis of report

As the charity trustees 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 as required under section 145 of the 2011 Act and in carrying out my examination I have followed all the 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 which give me cause to believe that in any material aspect:

- a) accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- b) the accounts do not accord with those records; or
- c) 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 the 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.



Simon Goodridge FCA
Knox Cropper LLP
Chartered Accountants
65 Leadenhall Street
London
EC3A 2AD

Date: 14 July 2023

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STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31st DECEMBER 2022

		2022 Unrestricted	2022 Restricted	2022 Total	2021 Total – all unrestricted
Incoming Resources					
Investment Income	2	636	-	636	607
Donations - ALCS		6,074	-	6,074	7,075
Grant - Hawthornden Literary Retreat		-	21,417	21,417	-
Total Income		<u>6,710</u>	<u>21,417</u>	<u>28,127</u>	<u>7,682</u>
Expenditure					
Raising Funds:					
Investment Management Fees		92	-	92	124
Charitable Activities	3	10,508	-	10,508	9,618
Total Expenditure		<u>10,600</u>	<u>-</u>	<u>10,600</u>	<u>9,742</u>
Net Income/ (expenditure) before Investment gains/(losses)		<u>(3,890)</u>	<u>21,417</u>	<u>17,527</u>	<u>(2,060)</u>
Net gains/(losses) on investments	5	(3,092)	-	(3,092)	1,973
Net income/(expenditure)		<u>(6,982)</u>	<u>21,417</u>	<u>14,435</u>	<u>(87)</u>
Reconciliation of funds:					
Total funds brought forward		<u>26,807</u>	<u>-</u>	<u>26,807</u>	<u>26,894</u>
Total funds carried forward		<u>£19,825</u>	<u>£21,417</u>	<u>£41,242</u>	<u>£26,807</u>

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BALANCE SHEET

31st DECEMBER 2022

	Notes	£	2022	£	£	2021	£
FIXED ASSETS							
Quoted Investments – at Market Value	4			17,284			24,876
CURRENT ASSETS							
Cash held by Investment Managers		411				877	
Cash at bank		24,199				1,685	
		<u>24,610</u>				<u>2,562</u>	
CURRENT LIABILITIES							
Amounts due within one year	6	<u>(652)</u>				<u>(631)</u>	
Net Current Assets				23,958			1,931
TOTAL NET ASSETS				<u>£41,242</u>			<u>£26,807</u>
Represented by:							
ACCUMULATED FUND							
Restricted Funds				21,417			-
Unrestricted Funds				19,825			26,807
TOTAL FUNDS				<u>£41,242</u>			<u>£26,807</u>

Approved by the Trustees on 18 May 2023 and signed on their behalf



Joanne Harris – Chair of the Management Committee, The Society of Authors

The notes form part of these Financial Statements

THE TOM-GALLON AWARD
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2022

1. ACCOUNTING POLICIES

- a) The Financial Statements have been prepared in accordance with the Financial Reporting Standard 102 and the Charities SORP (FRS102 second edition) and in compliance with the Charities Act 2011.

The charity is a public benefit entity under FRS102.

- b) The income from investments and bank interest received represent the actual income receivable in the year.
- c) Awards paid include all amounts payable in the year in accordance with the terms of the Trust Deed. Other expenditure is included on the basis of amounts payable for the year.
- d) Unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objects of the charity.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the charity for particular purpose.

- e) The quoted investments are included in the Financial Statements at market value to comply with the Statement of Recommended Practice.
- f) The Trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern for a period of at least twelve months from the date of approval of these financial statements.

The Trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

2. INVESTMENT INCOME

	Gross Income 2022	Gross Income 2021
	£	£
NON GOVERNMENT BOND FUNDS		
ASC (Offshore) Global Fixed Interest Fund Z Income	101	100
ASC (Offshore) Sterling Fixed Interest Fund Z Income	60	65
MULTI ASSET CHARITY INVESTMENT FUNDS		
BNY Mellon Funds	-	87
ASC Income Fund Z	475	355
TOTAL	<u>£636</u>	<u>£607</u>

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2022

3. CHARITABLE ACTIVITIES

	2022	2021
	£	£
DIRECT		
Awards paid	1,575	1,575
INDIRECT		
Judges' fees	4,400	4,320
Administration costs	3,120	3,017
Other expenses	783	106
GOVERNANCE		
Independent Examination Fee	630	600
	<u>£10,508</u>	<u>£9,618</u>

4. INVESTMENTS

	Cost	Market Value
	£	£
NON GOVERNMENT BOND FUNDS		
ASC (Offshore) Global Fixed Interest Fund Z Income	2,053	1,630
ASC (Offshore) Sterling Fixed Interest Fund Z Income	1,856	1,596
	<u>3,909</u>	<u>3,226</u>
MULTI ASSET CHARITY INVESTMENT FUNDS		
ASC Income Fund Z	<u>14,320</u>	<u>14,058</u>
Totals at – 31 st December 2022	<u>£18,229</u>	<u>£17,284</u>
31 st December 2021	<u>£22,564</u>	<u>£24,876</u>

5. MOVEMENT IN MARKET VALUE OF INVESTMENTS

	2022	2021
Market Value at the beginning of the year	24,876	24,481
Additions	-	18,640
Disposal proceeds	(4,500)	(20,218)
Investment gains/(losses)	<u>(3,092)</u>	<u>1,973</u>
	<u>(7,592)</u>	<u>395</u>
Market value at year end	<u>£17,284</u>	<u>£24,876</u>
Historic cost of investments	<u>£18,229</u>	<u>£22,564</u>
Analysis on investment gains		
Realised gains/(losses)	(311)	102
Unrealised gains/(losses)	<u>(2,781)</u>	<u>1,871</u>
	<u>£(3,092)</u>	<u>£1,973</u>

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2022

6. CREDITORS AND ACCRUALS

Professional Fees	630	600
Investment Managers' Fees	22	31
	<u>£652</u>	<u>£631</u>

7. RESTRICTED FUNDS

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held to be applied for specific purposes.

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Hawthornden Literary Retreat	-	21,417	-	21,417
		<u>21,417</u>	<u>-</u>	<u>21,417</u>

The Hawthornden Literary Retreat restricted funds are to enable the Tom Gallon prize to continue for the next three years and to enable the prize monies to be increased for the winner and runner up and to also offer four shortlisted authors prize monies.

8. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total £
Fund balances at 31st December 2022 are represented by			
Tangible Fixed Assets	17,284	-	17,284
Current Assets	3,193	21,417	24,610
Current Liabilities	(652)	-	(652)
Net Total Net Assets	<u>19,825</u>	<u>21,417</u>	<u>41,242</u>

9. RELATED PARTY DISCLOSURES

The Society of Authors, which is the corporate Trustee of the charity, carried out management services for the charity and charged a management fee for the year amounting to £3,120 (2021: £3,017). There were no other related party transactions in the year.

The Hawthornden Literary Retreat grant of £21,417 was received by The Society of Authors from CAF America and regranted to the charity.

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NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31st DECEMBER 2022

10. REVIEW OF FUNDS

During the year the Trustees reviewed the charity's investment policy. The review identified that the charity has a permanent endowment, however for at least the last 10 years the Trustees have informally followed a total return basis to allow capital returns to fund some of the charity's annual expenditure. Following legal advice, the Trustees passed a resolution on 26 May 2022 in accordance with s282 Charities Act 2011 that the objects of the Trust to which the fund is subject could be carried out more effectively if the capital of the Fund could be expended as well as income accruing to it, rather than just income. This resolution has been sent to the Charity Commission.

The Trustees have also reported to the Charity Commission on the historical position and are waiting to hear back with their response.