

**THE AUTHORS' CONTINGENCY FUND**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE**

**YEAR ENDED 31 DECEMBER 2020**

**CHARITY No. 212406**  
**THE AUTHORS' CONTINGENCY FUND**

**Charity Information**

Trustees	The Management Committee of The Society of Authors
Charity Number	212406
Charity Offices	c/o The Society of Authors 24 Bedford Row London WC1R 4EH
Independent Auditor	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	Aberdeen Standard Capital Bow Bells House 1 Bread Street London EC4M 9HH

## **THE AUTHORS' CONTINGENCY FUND**

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## **REPORT OF THE TRUSTEES OF THE AUTHORS' CONTINGENCY FUND**

### **YEAR ENDED 31 DECEMBER 2020**

The Trustees present their report and financial statements for the year ended 31<sup>st</sup> December 2020. 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 Society of Authors is the corporate Trustee of the charity and has 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**

This Charity was constituted under a Trust Deed dated 21<sup>st</sup> July 1960, amended on 28<sup>th</sup> March 1963, to pay grants to authors in financial need. The policy of the Authors' Contingency Fund continues to be to pay grants in accordance with the Trust Deed out of the income generated by the investments and donations and to seek additional donations wherever possible.

#### **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 toward 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.

#### **Achievements and Performance of the charity**

The Authors' Emergency Fund was set up in response to the significant and detrimental impact Covid19 was having on the earnings of all kinds of writers. It was set up as an industry-wide Emergency Fund to be administered through The Society of Authors' Contingency Fund as the Contingency Fund already had huge experience and robust, speedy and respected processes in dealing with applicants. The fund received donations from the Arts Council England (£400,000), Creative Scotland (£207,695), The Royal Literary Fund (£150,000), ALCS (£99,179) and Amazon (250,000) as well as donations from trusts and individuals (£236,750). The funding from Arts Council England and Creative Scotland was restricted to particular applicants. The other funds raised have been treated as unrestricted as they can be used in accordance with the general objects of the charity which are to pay grants to authors in financial need.

The criteria for these grants was to provide suitable financial provision for the relief of Authors who were suffering financial difficulties due to the Covid19 pandemic with the aim of agreeing small grants, typically in the region of £500-£2,000 quickly to provide emergency relief to these authors. All grants were assessed on the basis of an application form and covering statement supplied by the applicant, these were all sifted by staff for eligibility and where necessary additional information was requested. All eligible applications were then forwarded to assessors to read and review. The Assessors then did a final review at regular meetings (always two assessors and one member of staff) where the final decision and the amount to be awarded was recorded. Although the title Authors' Emergency Fund has reverted to the Authors' Contingency Fund (and associated funds) from December 2020 the aim is to continue fundraising and to support all writers while the Covid19 pandemic is ongoing.

## REPORT OF THE TRUSTEES OF THE AUTHORS' CONTINGENCY FUND

YEAR ENDED 31 DECEMBER 2020

### Financial Review

The results for the year ended 31<sup>st</sup> December 2020 are attached and show a Net increase in funds of £93,146 (2019: £22,099 decrease) after including grants and donations received of £1,343,326 (2019: £7,603) and paying Charitable Grants of £1,266,777 (2019: £45,987) helping 890 authors during the year (2019: 63) which included the Authors Emergency Fund. The realised surplus on the disposal of investments this year was £nil (2019: £1,208 surplus) and the unrealised increase in market value of investments this year amounted to £2,043 (2019: £69,821 increase). The investments appear in the Balance Sheet at their market value at of £572,133 (2019: £570,090). As a result, the Total Funds carried forward at the year-end amount to £700,119 (2019: £604,930) comprising restricted funds of £1,880 and unrestricted funds of £698,239 and the Trustees consider that the charity has sufficient income and capital to meet its obligations in the foreseeable future.

The Covid-19 pandemic has affected the way the charity and the Society of Authors works. The charity was a key part of the Authors Emergency Fund launched in March 2020 to support authors and other writers affected by the pandemic. The Fund was very successful and in all 923 grants have been awarded.

The Authors' Emergency Fund resulted in increased administration for the Contingency Fund as the number of successful grants increased from 63 to 890, an increase of over 1300%. The Society of Authors did not increase the Management Fee charged to The Contingency Fund as The Society of Authors aim in running the Authors' Emergency Fund was to distribute all the extra funds raised by the charity as grants to writers and not to increase administration costs to the charity.

The ordinary work of the charity funded from investment income was also affected. The value of the charity's investment portfolio has recovered the losses suffered in March/April 2020 and has increased in value over the course of the whole year before disposals as set out in the notes to the financial statements. The charity anticipates being able to maintain its existing support for writers on an annual basis similar to 2019.

### 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 27 May 2021 and signed on their behalf by:



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

# **Independent Auditor's Report to the Trustees of The Authors' Contingency Fund**

## **Opinion**

We have audited the financial statements of The Authors' Contingency Fund (the 'charity') for the year ended 31 December 2020 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2020 and of its incoming resources and application of resources 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 Charities Act 2011.

## **Basis of 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 charity 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.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

## **Independent Auditor's Report to the Trustees of The Authors' Contingency Fund**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' Responsibilities Statement set out on page 2, the Trustees 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 charity'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 company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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:

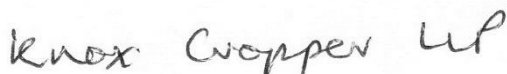
- The Charity is required to comply with charity law and, based on our knowledge of its activities, we identified that the legal requirement to accurately account for restricted funds was of key significance.
- We gained an understanding of how the charity complied with its legal and regulatory framework, including the requirement to properly account for restricted funds, through discussions with management and a review of the documented policies, procedures and controls.
- The audit team, which is experienced in the audit of charities, considered the charity's susceptibility to material misstatement and how fraud may occur. Our considerations included the risk of management override.
- Our approach was to check that all restricted income was properly identified and separately accounted for and to ensure that only valid and appropriate expenditure was charged to restricted funds. This included reviewing journal adjustments and unusual transactions.

## **Independent Auditor's Report to the Trustees of The Authors' Contingency Fund**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Use of the audit report**

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken, so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report or for the opinions we have formed.

A handwritten signature in dark ink that reads "Knox Cropper LLP". The signature is written in a cursive, slightly slanted style.

1 June 2021

Knox Cropper LLP  
Statutory Auditor  
65 Leadenhall Street  
London, EC3A 2AD

Knox Cropper LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.



**THE AUTHORS' CONTINGENCY FUND**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**YEAR ENDED 31 DECEMBER 2020**

	<b>Notes</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2020 Total £</b>	<b>2019 Total £</b>
<b>Income</b>					
Grants and Donations	2	735,631	607,695	1,343,326	7,603
Investment Income - Dividends	3	12,854	-	12,854	16,707
- Bank Interest		30	-	30	15
Other income	5	26,415	-	26,415	13,534
<b>Total</b>		<u>774,930</u>	<u>607,695</u>	<u>1,382,625</u>	<u>37,859</u>
<b>Expenditure</b>					
Raising funds:					
Investment Management Fees		3,674	-	3,674	4,462
Charitable activities	4	678,110	607,695	1,285,805	55,496
<b>Total</b>		<u>681,784</u>	<u>607,695</u>	<u>1,289,479</u>	<u>59,958</u>
<b>Net income/(expenditure) before investment gains/(losses)</b>		<u>93,146</u>	<u>-</u>	<u>93,146</u>	<u>(22,099)</u>
Net gains/(losses) on investments	8	2,043	-	2,043	71,209
<b>Net income/(expenditure)</b>		<u>95,189</u>	<u>-</u>	<u>95,189</u>	<u>48,930</u>
<b>Reconciliation of funds:</b>					
Total funds brought forward		603,050	1,880	604,930	556,000
<b>Total funds carried forward</b>		<u>£698,239</u>	<u>£1,880</u>	<u>£700,119</u>	<u>£604,930</u>

The notes form part of these Financial Statements

# THE AUTHORS' CONTINGENCY FUND

## BALANCE SHEET

31<sup>st</sup> DECEMBER 2020

	Notes	£	2020	£	£	2019	£
<b>FIXED ASSETS</b>							
Quoted Investments – at Market Value	6			572,133			570,090
<b>CURRENT ASSETS</b>							
Debtors and Prepayments	9	13,029				880	
Cash held by Investment Managers		8,395				15,474	
Cash at bank		<u>119,754</u>				<u>21,044</u>	
		141,178				37,398	
<b>CURRENT LIABILITIES</b>							
Amounts due within one year	10	<u>(13,192)</u>				<u>(2,558)</u>	
<b>Net Current Assets</b>				127,986			34,840
<b>TOTAL NET ASSETS</b>	13			<u>£700,119</u>			<u>£604,930</u>
Represented by:							
<b>ACCUMULATED FUNDS</b>							
Restricted Funds	11			1,880			1,880
Unrestricted Funds	12			698,239			603,050
<b>TOTAL FUNDS</b>				<u>£700,119</u>			<u>£604,930</u>

Approved by the Trustees on 27 May 2021 and signed on their behalf



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

The notes form part of these Financial Statements

**THE AUTHORS' CONTINGENCY FUND**

**STATEMENT OF CASH FLOWS**

**31<sup>st</sup> DECEMBER 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>OPERATING ACTIVITIES</b>		
Net income/(expenditure) for the reporting period	93,146	(22,099)
Investment income	(12,884)	(16,722)
(Increase)/decrease in debtors	(12,149)	(880)
Increase/(decrease) in creditors	10,634	216
Net cash provided by/(used in) operating activities	<u>78,747</u>	<u>(39,485)</u>
<b>INVESTING ACTIVITIES</b>		
Investment income	12,884	16,722
Disposal of investments	-	13,000
Net cash provided by/(used in) investing activities	<u>12,884</u>	<u>29,722</u>
<b>Change in cash and cash equivalents in the reporting period</b>	91,631	(9,763)
<b>Cash and cash equivalents at the beginning of the reporting period</b>	<u>36,518</u>	<u>46,281</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	<u><u>£128,149</u></u>	<u><u>£36,518</u></u>

**THE AUTHORS' CONTINGENCY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**1 ACCOUNTING POLICIES**

- a) These financial statements of the charity, which is a public benefit entity under FRS102, have been prepared under the historical cost convention. They have been prepared in accordance with applicable United Kingdom accounting standards, the requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities', in accordance with the Financial Reporting Standard applicable in the UK (FRS 102 ) and the Charities Act 2011. The presentational currency of the financial statements is Pound Sterling (£).

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

- c) Grants and donations are credited to incoming resources on the earlier date of when they are received or when they are receivable, unless they relate to a specific future period, in which case they are deferred. All other incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Investment income is recognised on an accruals basis.
- d) All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Support costs, including governance costs, which cannot be directly attributed to particular activities, have been apportioned proportionately to the direct costs allocated to the activities.
- e) Awards paid include all amounts payable in the year in accordance with the terms of the Trust Deed.
- f) Investments are a form of basis financial investment and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.
- g) The Trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The Trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The UK economy has been seriously affected by the Covid-19 pandemic. The charity's income is derived from its investment portfolio whose value has recovered the losses suffered in March/April 2020. The trustees believe that its investments will continue to provide sufficient resources in the foreseeable future to enable the charity to maintain its ordinary activities and have concluded that there are no material uncertainties about the Trust's ability to continue as a going concern.

**THE AUTHORS' CONTINGENCY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**2. GRANTS AND DONATIONS**

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
<b>Grants and donations</b>				
Authors Emergency Fund				
Arts Council England	-	400,000	400,000	-
Creative Scotland	-	207,695	207,695	-
Other donations	735,631	-	735,631	-
	<u>735,631</u>	<u>607,695</u>	<u>1,343,326</u>	<u>-</u>
Other	-	-	-	7,603
	<u>£735,631</u>	<u>£607,695</u>	<u>£1,343,326</u>	<u>£7,603</u>

**3. INVESTMENT INCOME**

	Gross Income 2020 £	Gross Income 2019 £
<b>NON GOVERNMENT BOND FUNDS</b>		
ASC (Offshore) Global Fixed Interest Fund Z Income	2,196	2,444
ASC (Offshore) Sterling Fixed Interest Fund Z Income	1,692	1,738
	<u>3,888</u>	<u>4,182</u>
<b>MULTI ASSET CHARITY INVESTMENTS</b>		
BNY Mellon Funds	8,966	12,525
<b>TOTAL</b>	<u>£12,854</u>	<u>£16,707</u>

**THE AUTHORS' CONTINGENCY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**4. CHARITABLE ACTIVITIES**

	Unrestricted £	Restricted £	<b>2020</b> Total £
<b>DIRECT</b>			
Awards paid			
Authors Emergency Fund	648,500	605,695	1,254,195
Other	12,582	-	12,582
<b>INDIRECT</b>			
Assessors fees - Authors Emergency Fund	4,060	2,000	6,060
Administration costs	8,335	-	8,335
Other expenses	85	-	85
<b>GOVERNANCE</b>			
Audit fee	4,548	-	4,548
	<u>£678,110</u>	<u>£607,695</u>	<u>£1,285,805</u>

***Comparative year***

	Unrestricted £	Restricted £	<b>2019</b> Total £
<b>DIRECT</b>			
Awards paid	44,316	1,671	45,987
<b>INDIRECT</b>			
Assessors fees	-	-	-
Administration costs	7,938	-	7,938
Other expenses	83	-	83
<b>GOVERNANCE</b>			
Independent Examiner's fee	1,488	-	1,488
	<u>£53,825</u>	<u>£1,671</u>	<u>£55,496</u>

**5. OTHER INCOME**

	<b>2020</b> £	<b>2019</b> £
Other income	16,179	-
Royalties	10,236	13,534
	<u>£26,415</u>	<u>£13,534</u>

**THE AUTHORS' CONTINGENCY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**6. INVESTMENTS**

	<b>Cost</b>	<b>Market Value</b>
	£	£
<b>NON GOVERNMENT BOND FUNDS</b>		
ASC (Offshore) Global Fixed Interest Fund Z Income	53,452	56,317
ASC (Offshore) Sterling Fixed Interest Fund Z Income	51,143	59,454
	<u>104,595</u>	<u>115,771</u>
<b>CHARITY INVESTMENT</b>		
BNY Mellon Funds	<u>215,424</u>	<u>456,362</u>
Totals at – 31 <sup>st</sup> December 2020	<u>£320,019</u>	<u>£572,133</u>
31 <sup>st</sup> December 2019	<u>£320,019</u>	<u>£570,090</u>

**7. MOVEMENT IN COST ON INVESTMENTS**

	<b>2020</b>	<b>2019</b>
	£	£
Cost at 1 January 2020	320,019	326,419
Disposals		
BNY Mellon Funds	<u>-</u>	<u>(6,400)</u>
	<u>-</u>	<u>(6,400)</u>
Cost at 31 December 2020	<u>£320,019</u>	<u>£320,019</u>

**8. MOVEMENT IN MARKET VALUES OF INVESTMENTS**

	<b>2020</b>	<b>2019</b>
	£	£
Market Value at the beginning of the year	570,090	512,061
Disposal Proceeds	-	(13,000)
Investment Gains/(losses)	<u>2,043</u>	<u>71,029</u>
	<u>2,043</u>	<u>58,029</u>
<b>Market value at year end</b>	<u>£572,133</u>	<u>£570,090</u>
Realised gains/(losses)	-	1,208
Unrealised gains/(losses)	<u>2,043</u>	<u>69,821</u>
	<u>£2,043</u>	<u>£71,029</u>

**9. DEBTORS AND PREPAYMENTS**

	<b>2020</b>	<b>2019</b>
	£	£
Debtors	11,029	880
Other debtors	<u>2,000</u>	<u>-</u>
	<u>£13,029</u>	<u>£880</u>

**THE AUTHORS' CONTINGENCY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**10. CREDITORS AND ACCRUALS**

	<b>2020</b>	<b>2019</b>
	£	£
Investment Managers' Fees	842	1,106
Professional Fees	4,500	1,452
Accruals	7,850	-
	<u>£13,192</u>	<u>£2,558</u>

**11. RESTRICTED FUNDS**

	<b>Balance at 1 January 2020</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at 31 December 2020</b>
	£	£	£	£	£
The Francis W Reckitt Arts Trust	1,880	-	-	-	1,880
Authors Emergency Fund					
Arts Council England	-	400,000	(400,000)	-	-
Creative Scotland	-	207,695	(207,695)	-	-
<b>Total</b>	<u>£1,880</u>	<u>£607,695</u>	<u>£(607,695)</u>	<u>-</u>	<u>£1,880</u>

The Authors' Emergency Fund was set up in response to the significant and detrimental impact Covid19 has had on the earnings of all kinds of writers with the aim of providing an industry wide Emergency Fund to be administered through the Society of Authors' Contingency Fund as the Contingency Fund already had huge experience and robust, speedy processes to process applicants. The Authors Emergency Fund was set up to funnel and distribute donations from various organisations and individuals. The funding from Arts Council England and Creative Scotland was restricted to particular applicants. The other funds raised have been treated as unrestricted (see note 12) as they can be used in accordance with the general objects of the charity which are to pay grants to authors in financial need.

Grants from The Francis W Reckitt Arts Trust were provided to fund residential stays for professional writers.

<i><b>Prior year</b></i>	<b>Balance at 1 January 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at 31 December 2019</b>
	£	£	£	£	£
The Francis W Reckitt Arts Trust	1,128	2,423	(1,671)	-	1,880
<b>Total</b>	<u>£1,128</u>	<u>£2,423</u>	<u>£(1,671)</u>	<u>-</u>	<u>£1,880</u>



**THE AUTHORS' CONTINGENCY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**12. UNRESTRICTED FUNDS**

	<b>Balance at 1 January 2020 £</b>	<b>Income £</b>	<b>Expenditure £</b>	<b>Transfers £</b>	<b>Balance at 31 December 2020 £</b>
Unrestricted Fund	603,050	776,973	(681,784)	-	698,239
	<u>£603,050</u>	<u>£776,973</u>	<u>£(681,784)</u>	<u>-</u>	<u>£698,239</u>
<b>Prior year</b>	<b>Balance at 1 January 2019</b>	<b>Income</b>	<b>Expenditure</b>	<b>Transfers</b>	<b>Balance at 31 December 2019</b>
Unrestricted Fund	554,872	106,465	(58,287)	-	603,050
	<u>£554,872</u>	<u>£106,465</u>	<u>£(58,287)</u>	<u>-</u>	<u>£603,050</u>

**13. NET ASSETS**

	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2020 Total £</b>
Fixed asset investments	572,133	-	572,133
Net current assets	126,106	1,880	127,986
	<u>£698,239</u>	<u>£1,880</u>	<u>£700,119</u>
<b>Prior year</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>2019 Total £</b>
Fixed asset investments	570,090	-	570,090
Net current assets	32,960	1,880	34,840
	<u>£603,050</u>	<u>£1,880</u>	<u>£604,930</u>

**14. TRUSTEES REMUNERATION**

No Trustee received any remuneration in respect of their services as trustees during the year (2019: £0). No trustees were reimbursed for our of pocket travelling expenses in the year (2019: none).

**15. 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 £8,335 (2019: £7,938). Margaret Skea, a member of the Management committee of the Society of Authors, was a recipient of a grant of £1,500 (2019: £nil) in the year. The grant application was made as part of the Authors Emergency Fund and was considered at arms length as part of the usual grant assessment process.

**THE AUTHORS' CONTINGENCY FUND**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2020**

**16. COMPARATIVE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted £	Restricted £	<b>2019</b> Total £
<b>Income</b>			
Donations and Legacies	5,180	2,423	7,603
Investment Income - Dividends	16,707	-	16,707
- Bank Interest	15	-	15
Other income	13,534	-	13,534
<b>Total</b>	<b>35,436</b>	<b>2,423</b>	<b>37,859</b>
<b>Expenditure</b>			
Raising funds:			
Investment Management Fees	4,462	-	4,462
Charitable activities	53,825	1,671	55,496
<b>Total</b>	<b>58,287</b>	<b>1,671</b>	<b>59,958</b>
<b>Net income/(expenditure) before Investment gains/(losses)</b>	<b>(22,851)</b>	<b>752</b>	<b>(22,099)</b>
Net gains/(losses) on investments	71,029	-	71,209
<b>Net income/(expenditure)</b>	<b>48,178</b>	<b>752</b>	<b>48,930</b>
<b>Reconciliation of funds:</b>			
Total funds brought forward	554,872	1,128	556,000
<b>Total funds carried forward</b>	<b>£603,050</b>	<b>£1,880</b>	<b>£604,930</b>